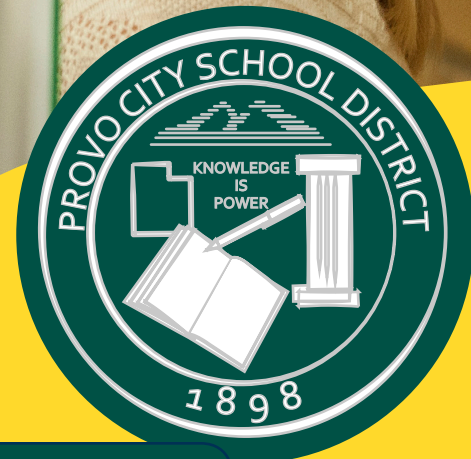


ProvoCitySchoolDistrict



280 West 940 North Provo, UT 84604
(801) 374-4800 | www.provo.edu |



Annual Budget 2017-18

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reader.



Provo City School District

280 West 940 North

Provo, UT 84604



2017-18

Annual Budget

For Fiscal Year Ending June 30, 2018

Keith Rittel
Superintendent of Schools

Stefanie Bryant, CPA
Business Administrator

Budget *Recognition*

Association of School Business Officials International (ASBO)

The Association of School Business Officials International (ASBO) awarded the *Meritorious Budget Award* for excellence in the preparation and issuance of a 2016-17 school system annual budget to Provo City School District.



The Meritorious Budget Awards Program was designed by ASBO International and school business management professionals to enable school business administration to achieve excellence in budget presentation. The Meritorious Budget Award, sponsored by ING, is only conferred on school systems that have met or exceeded the Meritorious Budget Award Program Criteria. We believe our current FY 2017-18 budget also complies with ASBO's Meritorious Budget Award standards, and we will be submitting the budget in an effort to win the award again.

Government Finance Officers Association (GFOA)

The Government Finance Officers Association of the United States and Canada (GFOA) presented a *Distinguished Budget Presentation Award* to Provo City School District, Utah for its annual budget for the fiscal year beginning July 1, 2016, and ending June 30, 2017. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.



Note Regarding this Book

This book has been designed to act as a resource for the public, students, parents, and employees. It is divided into four sections: Introductory, Organizational, Financial, and Informational. The budget year represented is Fiscal Year 2017-18, although the year might be represented as FY 2018, FY18, or 2017-18, depending on the context of the information being presented and space constraints. These variations of the fiscal year or school year are used interchangeably.

The District name may be listed throughout the book as Provo City School District, Provo School District, or in some cases Provo (when compared to other districts), depending on context and space requirements. These names are also used interchangeably.

For best results, choose “two-page display” in your pdf viewer.



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

PROVO CITY SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2016-2017.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
Acting President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Provo City School District
Utah**

For the Fiscal Year Beginning

July 1, 2016

Jeffrey R. Emswiler

Executive Director



“When teaching and learning are visible, there is a greater likelihood of students reaching higher levels of achievement.”

-John Hattie





“An investment in knowledge pays the best interest.”

-Benjamin Franklin

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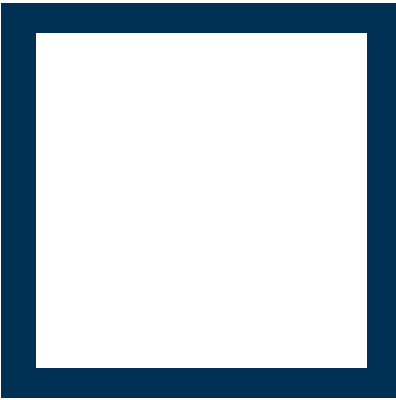
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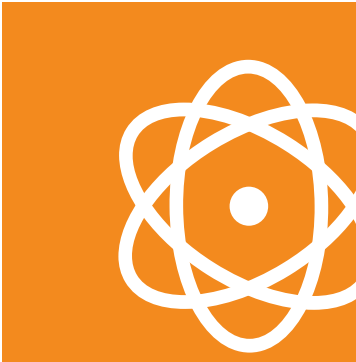


IntroductorySection



Provo City School District

Executive Summary



FY
2017-18



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Board of Education



Top (left to right): Julie Rash, Taz Murray, Michelle Kaufusi, McKay Jensen
Bottom (left to right): Shannon Poulsen, Jim Pettersson, Rebecca Nielsen

Provo City School District: *Elected and Appointed Officials*

2017-18

Board of Education

McKay Jensen – President

District 3
Email: mckayj@provo.edu

Jim Pettersson - Vice President

District 7
Email: petterji@uvu.edu

Taz Murray

District 1
Email: tazm@provo.edu

Michelle Kaufusi

District 2
Email: michellek@provo.edu

Shannon Poulsen

District 4
Email: shannonp@provo.edu

Julie Rash

District 5
Email: julier@provo.edu

Rebecca Nielsen

District 6
Email: rnielsen@provo.edu

District Administration

Keith Rittel
Superintendent
Initial Appointment: 2012

Stefanie Bryant, C.P.A.
Business Administrator
Initial Appointment: 2014

Gary Wilson
Asst. Superintendent
Executive Director of Student Services

Doug Finch
Designated Director of Student Services

Jason Cox
Executive Director of Human Resources

Morgan Anderson
Director of Special Programs

Alex Judd
Executive Director of Elementary Education

Dr. Todd McKee
Executive Director of Secondary Education

Anne-marie Harrison
Executive Director of Teaching & Learning

Jared Ferguson
Director of Career Technology Education

Devyn Dayley
Director of Accounting

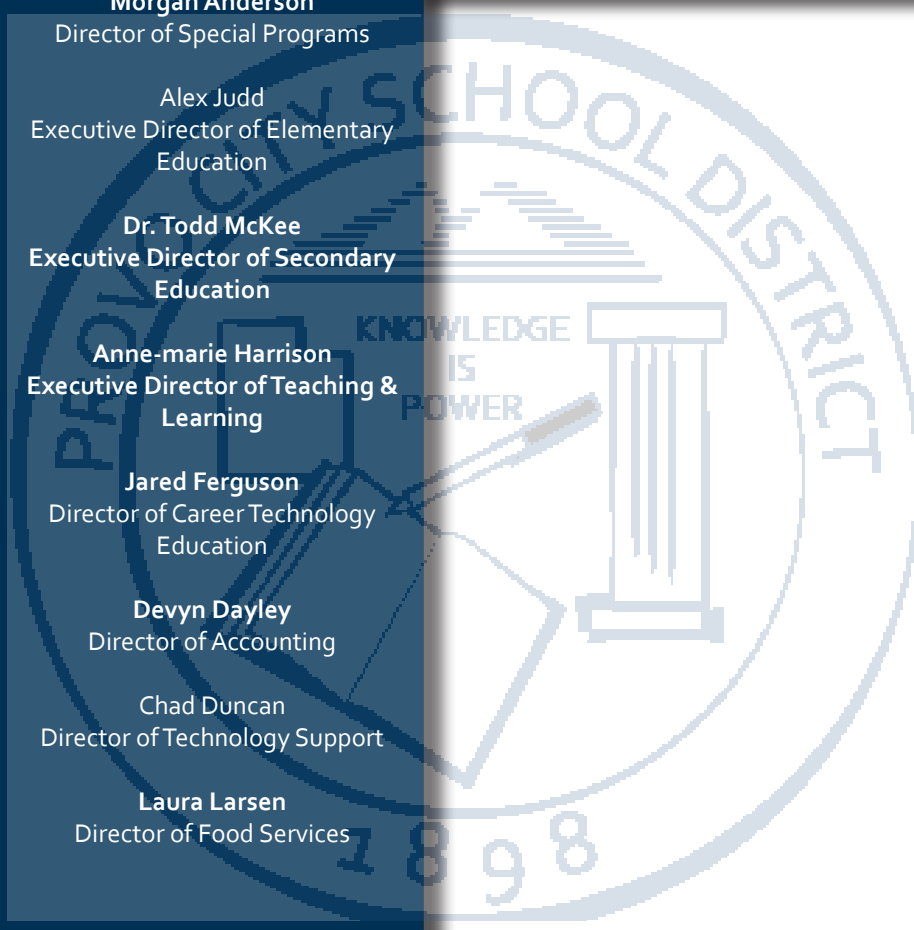
Chad Duncan
Director of Technology Support

Laura Larsen
Director of Food Services

School Administration

Amelia Earhart	Ryan McCarty
Canyon Crest	Darren Johnson
Edgemont	Gaye Gibbs
Franklin	Kim Hawkins
Lakeview	Drew Daniels
Provo Peaks	Geo Guzman
Provost	Dr. Steve Oliverson
Rock Canyon	Dean Nielsen
Spring Creek	Jill Franklin
Sunset View	Chris Chilcoat
Timpanogos	Carrie Rawlins
Wasatch	Rene Cunningham
Westridge	Becky Thomas
Centennial	Kyle Bates
Dixon	John Anderson
Independence	Chris Sorensen
Provo	Boyd McCaffee
Timpview	Dr. Fidel Montero

The term of office for Board members is four years, beginning on the first Monday in January following the November election. The term of office of the Superintendent and Business Administrator is two years.



Budget *Message*



Dear Patrons:

As we once again look forward to a successful new school year, the District continues to make efforts to align our energies with both board-developed goals, the vision and strategy provided by the 20/20 Initiative, as well as our District Improvement Plan. We continue to strive to involve a wide range of stakeholders in all major planning endeavors and to ensure that the District continues to be progressive, innovative, and responsive to our students' needs. As always, we appreciate the continued community input and leadership that assists in molding Provo City School District into an effective and exciting learning institution.

For FY 2018, total District revenue is projected to be \$155,025,022 which is a decrease of roughly \$600K compared to FY 2017, primarily due to eSchool program and enrollment changes.

By showing a willingness to enact austerity measures in the past, the District is once again well placed to take full advantage of the opportunities presented by today's economic landscape. The District budget includes conservative estimates in regards to expected cash flows, while maintaining an aggressive pursuit of strategic initiatives. By maintaining a focus on providing resources for the classroom, the District is assuring that the most competent teachers and administrators are employed and retained within the District. Our primary goal is to provide the highest quality learning experience for the students of Provo City, and we continue to take the steps necessary to reach that target.

To this end, teacher compensation is paramount in the budgeting process. Utah's teacher compensation landscape is changing dramatically, and the District feels well-positioned to offer our teachers generous compensation this coming fiscal year, as well as exploring how we can continue to be on the forefront of Utah's compensation trends. In

FY 2018, this includes both an annual negotiated increase as well as a one-time addition for all employees. We are proud of our commitment to attracting and retaining highly qualified employees. As we explore future compensation options, the District continues to commit to maintaining a balanced budget and funding for any increase must be well-managed and sustainable. We are excited for the direction we are headed as a District in regards to teacher compensation and look forward to working with our teachers to ensure their financial concerns are met.

Total expenditures for FY 2018 are budgeted at \$203,576,613 a decrease of \$10 million when compared to FY 2017.

The District has an established record of being financially transparent and well run, consistently earning national awards in both budgeting as well as financial reporting. We are proud to continue this tradition as we move into the new fiscal year.

The District maintains its emphasis on teacher development and providing excellent classroom learning environments for the children of Provo City. District leadership has implemented key district strategies to ensure student achievement goals are reached in the coming year. Provo City School District continues to evaluate both the method and effectiveness of our teacher evaluations with the goal of providing functional evaluations which continue to improve our teacher effectiveness and push the District forward. The District recently implemented an exciting District Improvement Plan which functions to more closely align the Board and long-term District goals with the visible learning teaching philosophy. Administration at both the schools and District, along with experts in the field, have worked hard to create a plan that will build on the continuing efforts to use Learning Targets to make learning visible in our classrooms, as well as to guide continuous improvement of the contribution of instructional leaders, teachers, students, and parents to aide in the successful learning of every District student.

The Provo City School District Board of Education first developed the five board goals in Spring 2013, and updated/ revised them in Spring 2017. The goals have served as a foundation for prioritization of spending in the district, which (among others) have emphasized professional development, employee compensation, curriculum materials, and technology to support teaching and learning. Out of the board goals also has been create “A District Improvement Plan: the Provo Way to Success for ALL Students.” The board goals are the foundation for our researched-based District Improvement Plan, along with the district AIM Statement: “Every student will end each school year having met or exceeded the essential learning standards, fully prepared for the next grade/course.” The board goals, district improvement plan, and district AIM statement are tightly aligned, and serve as the foundation for focusing both the work and the majority of expenditures in the district. This network of aligned and increasingly-specific stated purposes have resulted in unified guidance to our employees, students, and parents so we can continue to create an exciting and effective educational environment for students of all backgrounds and ability levels.

We as a District would once again like to offer our thanks to the community in helping to pass the Bond and provide us with the funding needed to replace 5 aging schools. We cannot underestimate the value that this bond continues to have regarding the quality of our District facilities, as well as the ability to provide state of the art learning environments for the children we serve. As school started at the end of this summer, the doors of the new Edgemont building was opened which would not have been possible without these bond funds. Construction is already underway at both Provost Elementary and the new Provo High School sites. When those schools’ doors open for the 2018-19 school year it will mark the completion of construction using the 2014 bond funds. Much more information regarding the selection of school rebuild candidates and the impacts of these bond-funded projects on both the District and community are found within this budget document. While such large projects are not without their challenges, and have consumed innumerable additional hours of staff time and effort, we are excited to see the continued impact these buildings have on our student population’s education!

“Construction is already underway at both Provost Elementary and the new Provo High School sites...”

Provo eSchool continues to be an exciting education option for students. By harnessing the power of changing technology and education expectations, the District has been able to capitalize on educational trends and offer a competitive and attractive alternative to traditional education. Provo City School District’s eSchool continues to be the most comprehensive online school in the state, with over four hundred courses including premier offerings in the languages and information technology. In addition to eSchool, Provo School District continues its commitment to providing educational options that fit each student’s needs by offering elementary and now secondary immersion programs as well as additional rigorous education opportunities. The District continues to operate its Elementary School Gifted & Talented Program (CAS) at two locations, Provo Peaks and Sunset View Elementary. The expansion of this program last year allows has allowed us to meet the unique needs of even more of our academically advanced students. Additionally, our high school students continue to compete and excel in various state and national extra-curricular activities proving that Provo City School District provides a well-rounded educational environment for all students, regardless of where their passion lies.

“By harnessing the power of changing technology and education expectations, the District has been able to capitalize on educational trends and offer a competitive and attractive alternative to traditional education.”

All of these options cost money, however, and for FY 2018 total expenditures are budgeted at \$203,576,613 with revenues of \$155,657,592. The excess of expenses to revenues is due largely to the continued bond reconstruction projects at Provost Elementary

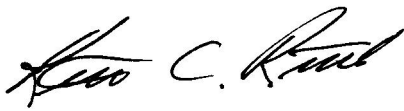
and Provo High School. The Bond proceeds which are used to fund these projects were received in prior years and held within our Capital Fund balances for this purpose. Additional large projects in the coming year include the relocation of the District’s transportation fleet, the Timpview High School softball field project, various HVAC upgrades, as well as various school technology upgrades. Also, the District continues to meet our obligations regarding the payout of District retirement benefits (OPEB). These expenses are coming out of reserves designated or restricted for those purposes. None of these large expenditures are considered to be ongoing.

It is important to note that the District plans to use one-time revenues on one-time or non-recurring projects, and ongoing revenues on ongoing expenses, such as compensation, supplies, and routine facility and grounds maintenance. This element of fiscal discipline is one reason the District continues to be in a position to thrive in 2018 and beyond.

We are both excited and optimistic about the challenges and opportunities ahead. We believe we have a strong leadership team with vision, taking a long term approach towards positioning the District to offer the best educational opportunities in the state. We are also fortunate to have a Board of Education that expects high quality work throughout the district, and is supportive of improvement efforts toward this end.

Thank you for your ongoing interest in and support of Provo City School District.

Respectfully Submitted,



Keith C. Rittel
Superintendent



Stefanie Bryant
Business Administrator



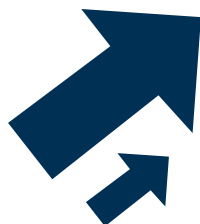
Districtwide Goals: *Long-term*



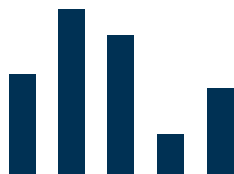
Goal 1: Continuous Academic Improvement



Goal 2: Support for Teachers and Teaching Aligned with Research, Best Practices, and Teacher-Identified Needs



Goal 3: Certainty and Stability in the Direction of the District



Goal 4: Financial Prioritization, Long-Term Planning and Transparency



Goal 5: Teamwork, Professional Conduct, and Civility

Districtwide Goals: *Detailed Expectations*

The Provo City School District Board of Education and senior district leadership have jointly developed this set of goals as a means of establishing priorities, values, and non-negotiables to guide the work of the district. The priorities, values, and non-negotiables are representative of known research on quality schools and districts, input from constituents via board members, input from staff throughout the district (through surveys and committees), and defensible observations by school and district leaders.

Goal 1: Continuous Academic Improvement and Transparency

All students are expected to make at least one year's growth in one year's time. In so doing, all students are expected to end each school year fully prepared to move to the next grade level.

For students who are below grade level, more aggressive approaches must be taken to get them to catch up and keep up with grade level performance standards. It is the responsibility of all educators in the district to ensure that students in their classes/programs who are performing below grade level receive additional interventions and support to accomplish even more than one year's growth in one year's time.

All schools will have a School Improvement Plans (SIP) developed on a 2-year cycle that addresses Math and Literacy growth. The district SIP template will be used. Additional goals may be added based on a given school's needs, but those additional goals must not detract from the accomplishment of Math and Literacy goals.

Each school is expected to perform according to the following criteria:

Minimum standard is to reach state averages for test scores in every tested subject and grade level.

Once the state averages are met, each tested grade level and subject area is expected to improve its scores by a minimum of 5% each year.

All schools will administer district and state formative assessments to guide student learning and progress, and to accomplish relevant adjustments in instruction.

All schools will actively track and report their progress, developing longitudinal reports that show the direction of student achievement in each school.

The district, schools, and teachers are required to utilize student achievement data that is both based on local standards and normed against external standards (when available) to ensure continuous and calibrated improvement in student learning.

Transparency: School Improvement Plans will be posted on school websites. Student achievement results, as school-wide data, will also be posted on the school website. District-wide student achievement data will be posted on the district website. School data elements that specifically align with the "District Progress Report" will also be posted on the school website.

We will continue to support immersion, specialty, and college-level programs in schools to the extent that they are contributing to significant student achievement. These programs are expected not to operate in isolation. Their continuation may be subject to possible reduction (or elimination) if funding sources decline or evaporate.

Co-curricular and extracurricular programs will continue to be supported as part of the overall district educational program so long as they contribute to (and do not detract from) the academic standards noted above.

High School schedules, graduation requirements, and grading practices will be reviewed – and adjusted, if needed – to ensure maximum student readiness for post-high school life.

Goal 2: Support for Teachers and Teaching Aligned with Research, Best Practices, and Teacher-Identified Needs

To best support teaching efforts in the school district, an overall system to provide support and direction is needed.

Annual surveys of all certificated staff will be conducted to make plans for the professional development program in the district. To some extent, district administration must also set the direction for professional development, regardless of teacher interest, for important new external initiatives that will impact all districts. Two current examples are 1) the upcoming impact of Utah Core Standards on students, teachers, curriculum, and instructional methodologies, and 2) the new state assessment system.

The new state evaluation system is a difficult path to navigate and will require attention and work to fully and meaningfully implement. Teacher and Principal professional development will be aligned with the state teaching and leadership standards in an effort to assist in improved performance and career longevity.

Professional development efforts will be additive over the years instead of random. A compelling topic (or two) that was important enough to address in the district will still remain in future years, with subsequent topics adding to (not distracting from) each year's professional development focus. This, collectively, will become a foundation of the proposed "Provo Way."

District support for Level 1 teachers in attaining Level 2 licenses through Entry Years Enhancement (EYE) and support of programs for professional endorsements will continue

Teacher instructional coaching will continue for the time being, until the need subsides. Teacher instructional coaching may be the result of a teacher or principal-based request, or may come at the direction of the Human Resources department and/or supervisor to address observed deficiencies in teaching practice. The intent is to support teacher efforts to improve.

A variety of teacher-dominated, subject-specific district committees will be formed. The committees are each led by a small number of administrators, whose role it is to facilitate. The teachers will identify the areas to be addressed and will generate solutions.

An active and functioning Human Resources Department will assist with teacher needs and ensure total compliance with local, state, and federal employment regulations.

Goal 3: Improved Certainty and Stability in the Direction of the District

Certainty and stability in the direction of the district will be established through the creation of non-negotiables.

Appropriate long-term planning, accompanied by a strong commitment to such plans, provides direction and confidence throughout the system.

The following points serve as subsets of this goal of Improved Certainty and Stability in the Direction of the District:

Continuation of the Policy Project to define and clarify appropriate regulations and practices in all aspects of district operations.

A commitment to focus on the most important priorities and accomplish excellence.

The commitment to run a district office that is only as large as is required to provide support to schools, leadership to the district, and compliance in all areas of local, state, and federal reporting.

The willingness/commitment to report regularly to the community via a "District Progress Report" posted on the Provo School District Website and updated regularly when new data is available.

Establish a comprehensive set of communication practices with students, parents, and community.

Developing “The Provo Way” as a means of operationalizing components of the 20/20 Initiative, high quality professional development, important instructional strategies, highest-quality hiring practices, and other direction-setting components represented in the goals within this document.

Instructional support planning will be calendared and well established at the beginning of each school year. Mid-year course corrections may be needed, but significant shifts in focus and/or direction will not occur unless the initial plan is simply failing beyond recovery.

Safety for students and staff will be an ongoing high priority. The anti-bullying campaign is part of this overall safety effort. All staff will engage in safety drills and training to ensure that our students, staff, and public can have confidence in our efforts to retain a safe environment in all buildings and at all school activities.

Goal 4: Financial Prioritization, Long-Term Planning and Transparency

This goal is intended to ensure stability in the financial and operations management in the district, and to garner even greater support and understanding for district financial decisions. To facilitate increased confidence in the finances and operations of the district, a balanced budget plan will be developed each year, regardless of external changes in funding.

The central mission of the district is to educate students effectively. Therefore all planning that takes place must support the teaching-learning process. As many resources as possible will be allocated to schools for the direct implementation of the delivery of education to students.

The district will implement the practice of establishing long-term planning in the following areas:

- Multi-year Budget Planning
- Multi-year Facilities Planning
- Curriculum purchases and replacement cycles
- Technology purchases and replacement cycles
- Multi-year Salary/Compensation Planning

The Board also has set as a goal for the 2013-14 school year for the permanent reduction of 1% of current expenditures within the district operating budget. District administration is responsible to find these reductions, which will likely come from a combination of budget cuts and non-replacement of personnel who are retiring or resigning.

The finance department will continue to strive to accomplish additional methods of demonstrated transparency, including outreach to the general public in Provo City. This may be done through the establishment of a budget committee, community budget forums, and the Facilities Advisory Committee (FAC). Other such efforts may also be made under the direction of the Board.

The Human Resources department will work to review and refine staff Full Time Equivalent (FTE) allocations based on affordable and defensible rationale to reflect state funding compliance and district priorities.

A request/approval process for new initiatives has been implemented. This method will manage (and sift) new ideas that, although potentially worthy, must only be approved if they align with the established goals of the district.

Long-term planning regarding existing immersion programs must be addressed, with clear plans developed regarding how secondary schools will educate advanced foreign language students

Significant aspects of the operations within this goal will be reported and updated periodically on the (new – June 2013) District Progress Report.

Goal 5: Teamwork, Professional Conduct, and Civility

The most productive and successful school districts function with a sense of unity and common purpose among all constituents. This goal is to ensure a culture of productivity and effectiveness that is not driven by coercion, but instead by professional language and intent, and behaviors connected with clearly-stated, district-wide goals.

Parents are valued partners with the district, schools, and teachers in the education of children. We commit to establishing a climate in each school where parents feel welcome and can make meaningful contributions to the school in coordination with school and district leaders. We further commit to communicating effectively with parents, recognizing that some items and topics have elements of confidentiality.

In December 2012, the Board passed a policy entitled “Civility.” Procedures have also been developed. The Board believes that all parties in the district (staff, parents, community, students) must treat one another civilly, and that doing so will only foster the potential for better communication and problem solving. We also expect parents to conduct themselves respectfully toward all employees, refraining from errant threats and aggressive behavior and language.

District administrators in the summer of 2012 developed a set of Professional Behavior Norms. This important document will be used to set the tone for and guide interactions throughout the district, both in formal and informal settings. People attending meetings are expected to conduct themselves professionally. They may disagree with something but are expected to do so respectfully. Meeting attendees are expected to make positive, meaningful contributions to the meeting. Employees are expected to demonstrate loyalty to the district. They should take their concerns and complaints to their immediate supervisor for resolution. If still unresolved at that point, the issue should be taken to the next supervisory level.

Employees are also expected to demonstrate loyalty by not publicly deriding the district or any school, program, or employee. The public wants to have confidence in the district. Employees, however, will have the right to exercise a “whistleblower” approach if they see violations of laws or regulations, or professional conduct. Again, such concerns must follow a formal reporting sequence and process.

As a general standard, the Board discourages anonymous communication. We intend to foster and maintain a culture where people can and will have respectful conversations with one another about all issues related to the district. The Board expects that those in authority will exercise that authority, and yet they will not be coercive nor will they employ retaliatory tactics against subordinates who voice concerns. All parties are expected to behave in a civil, problem-solving manner. Face-to-face conversations are much more valuable and useful than anonymous communications.

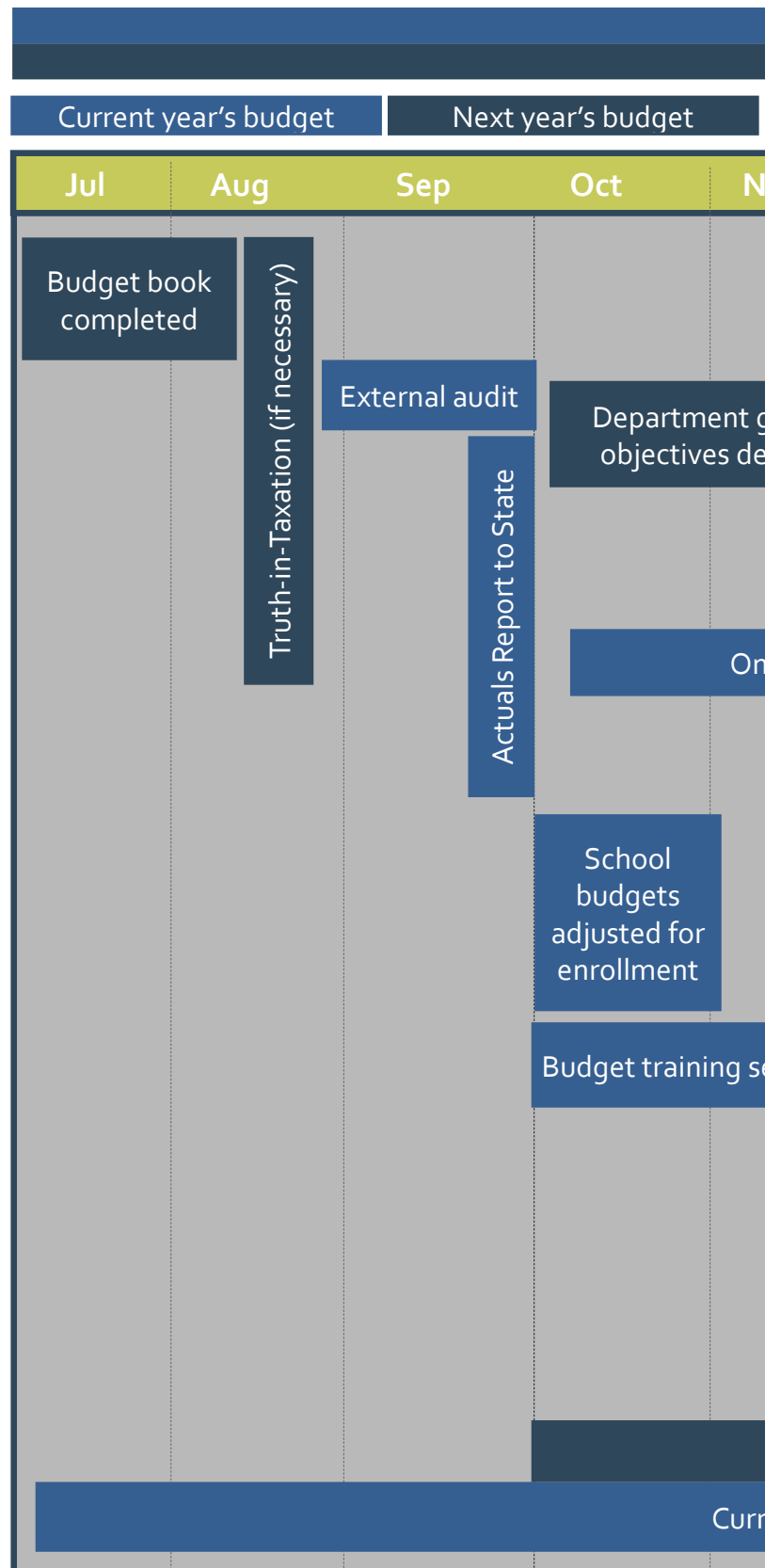
Budget Input: *The Process*

The District uses an annual budget, with fiscal years beginning July 1st and ending June 30th each year. Budget development is a year-round process, affecting the public, legislature, employees and the Board of Education.

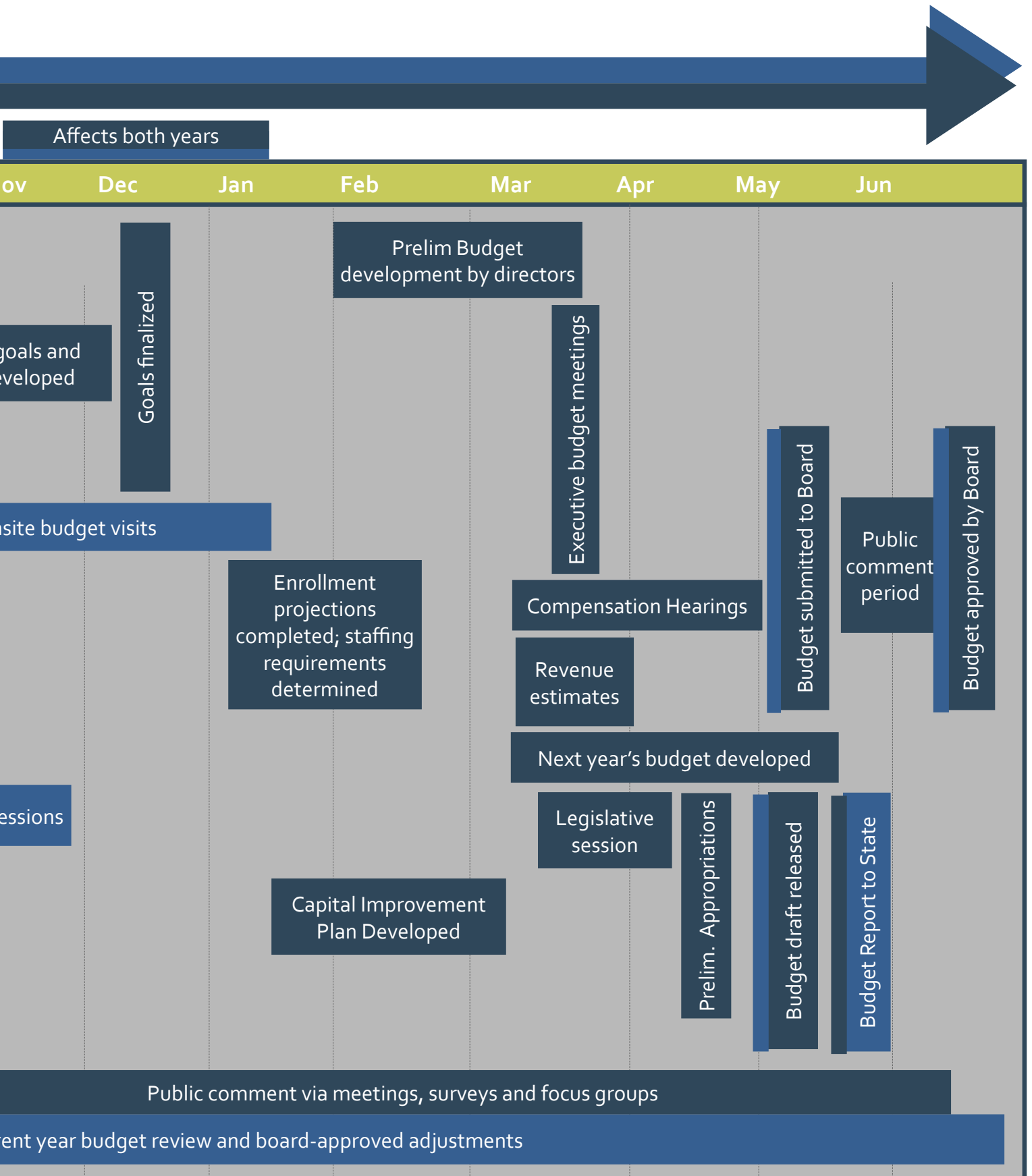
There were no significant changes to the budget process and/or budget policies relative to those used in the past. The following pages highlight that process, with more details shared later in this document.



Referencing the graphic above, in many cases the District is blazing a new trail and introducing a third option by making revenues go farther. **With programs like eSchool, dual immersion, and through aggressive grant writing, chasing new revenues and eliminating unnecessary costs is becoming the new normal.** Districts that are focused on clear goals and objectives - and unafraid of creativity and innovation - will ultimately be more successful.



Budget Development and Review Process: *Budget Timeline*



Allocation of Resources: *Human & Financial*

District Staffing and Resource Allocation

The District strives to ensure it has only the number of employees necessary to meet its goals and objectives. As a service organization, employee compensation is the biggest single expense incurred by the District. Human Resources works closely to ensure that all school FTE staffing is aligned by grade level with the Average Daily Membership (ADM) of each school. In the state of Utah the ADM determines much of the District's state funding, so it is critical that school staffing also uses this measure when assigning teachers to classrooms.

For 2017-18, the Board of Education and management have made the decision to maintain staffing levels for full-time equivalent employees. Some growth is budgeted in instruction functions to account for projected enrollment increases in our secondary schools. However, some departments at the District have found it difficult to maintain full staffing levels due to various factors, including changes in employee benefits resulting from federal ACA regulations. District administration has made a determined effort to provide the most competitive compensation possible in order to attract and retain our highly qualified employees. As a result of these factors and management decisions there is a projected slight increase in budgeted staffing levels in the FY 2017-18 budget when compared to the previous year and class sizes will remain at roughly 28 students per class.

In addition to staffing and compensation, the District also disperses additional discretionary funding to each school. These funds are dispersed based on school enrollment figures and certain other factors which include student special needs, at risk populations, language acquisition challenges, etc. These funds allow school administration the flexibility required to address their own individual school environment challenges in ways that they determine will be most effective. Generally, the discretionary funds provided to schools come from local tax dollars.

In addition to state FTE funding allocations and discretionary funds, the District also receives additional funding from the state for Special Education staffing and support, as well as various federal grants. Special Education funding is allocated to the schools based upon the individual needs of each school's student population. Specific federal grant dollars, such as those provided by No Child Left Behind (NCLB), and other state grant monies are allocated by enrollment and at-risk factors and are used by schools to provide supplementary services to their educational programs.

The Big Picture: *Revenue and Expenditures*

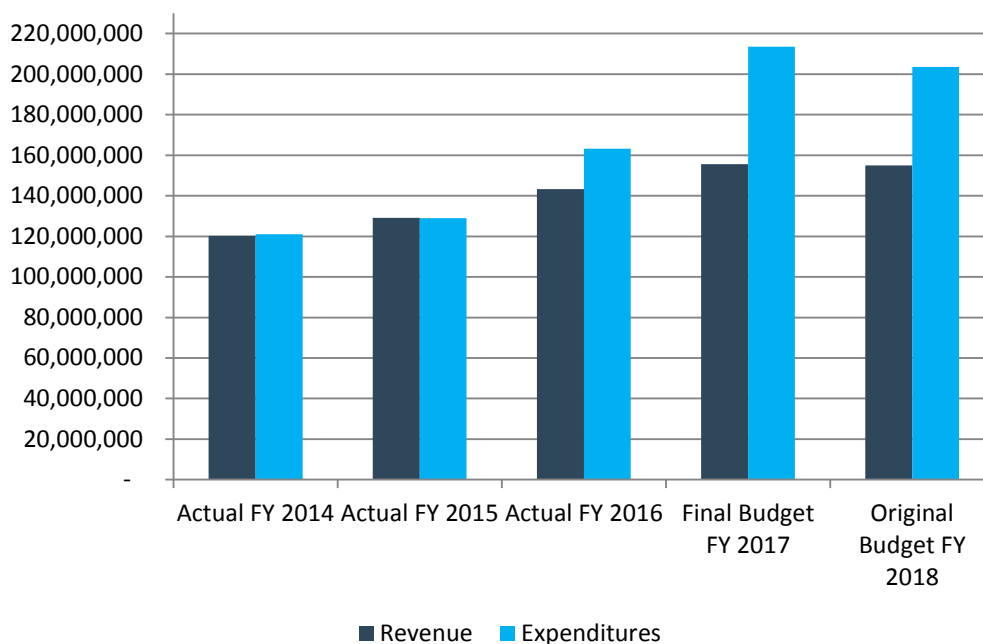
Revenue Summary by Fund FY 2013-FY 2017

Fund	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
General	\$96,771,179	\$105,072,363	\$113,473,053	\$124,771,128	\$124,173,713
Student Activities	3,631,034	3,920,332	4,042,552	4,005,247	4,070,234
Non K-12	2,639,979	-	-	-	-
Tax Increment Fund	-	1,110,000	1,245,711	1,250,000	1,250,000
Debt Service	6,200,120	6,728,677	10,679,802	9,875,000	9,737,000
Capital Projects	5,695,244	6,632,400	7,884,799	10,290,364	10,383,490
Food Services	5,350,662	5,718,850	5,921,258	5,465,853	5,410,585
TOTAL	120,288,218	129,182,622	143,247,175	155,657,592	155,025,022

Expense Summary by Fund FY 2013-FY 2017

Fund	Actual FY 2013	Actual FY 2014	Actual FY 2015	Final Budget FY 2016	Original Budget FY 2017
General	\$94,893,483	\$103,134,712	\$109,219,337	\$127,464,483	\$125,784,477
Student Activities	3,755,536	3,763,176	3,863,852	4,116,691	4,268,000
Non K-12	3,174,396	273,856	-	-	-
Tax Increment Fund	-	1,110,000	1,245,711	1,250,000	1,250,000
Debt Service	6,354,035	6,455,797	9,834,812	9,880,000	9,737,000
Capital Projects	7,114,100	8,916,210	33,639,629	64,498,790	56,517,627
Food Services	5,686,209	5,336,939	5,387,139	6,331,913	6,019,509
TOTAL	120,977,759	128,990,690	163,190,480	213,541,877	203,576,613

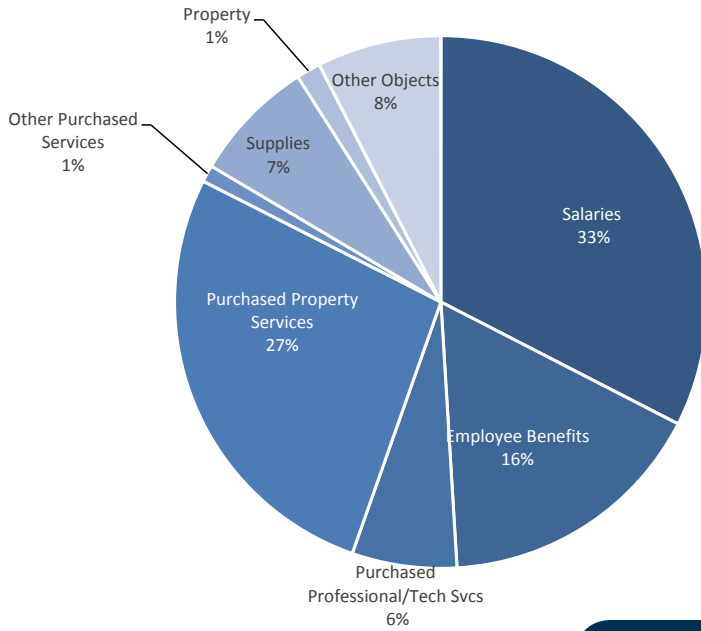
Total Revenues & Expenditures: *FY 2014 to FY 2018*



Summary: Revenue & Expenditures

The Big Picture: Budget Summary

Expenditures by Source: FY18

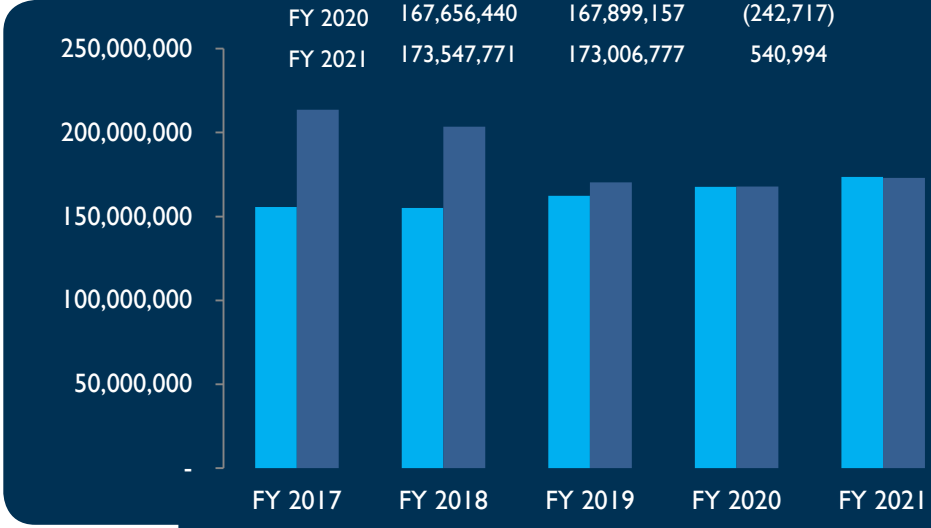


- WPU increase of 4.0%
- Enrollment decrease due to projected eSchool changes
- Property tax revenues increase slightly due to growth

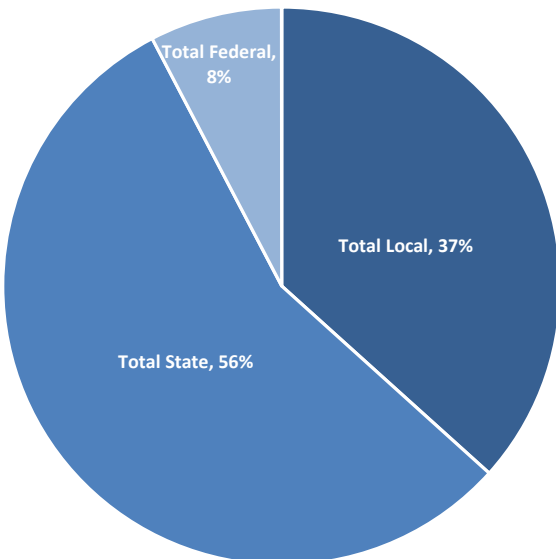
- Minimal change in indirect rates
- Overall decrease in federal revenue
- Other revenue up – Expected increases in various other state funding sources
- FTE's see slight increase
- 4.5% salary compensation increase
- FY18 capital expenditures includes \$45.1m in bond construction expenses
- Medical premium increases of 6%
- Retirement rate remains flat
- Professional services, travel and supplies decrease due to district austerity measures

Future Outlook

Fiscal Year	Revenues	Expenditures	Net
FY 2017	155,657,592	213,541,878	(57,884,286)
FY 2018	155,025,022	203,576,613	(48,551,591)
FY 2019	162,314,645	170,404,001	(8,089,355)
FY 2020	167,656,440	167,899,157	(242,717)
FY 2021	173,547,771	173,006,777	540,994



Revenue by Source: FY18

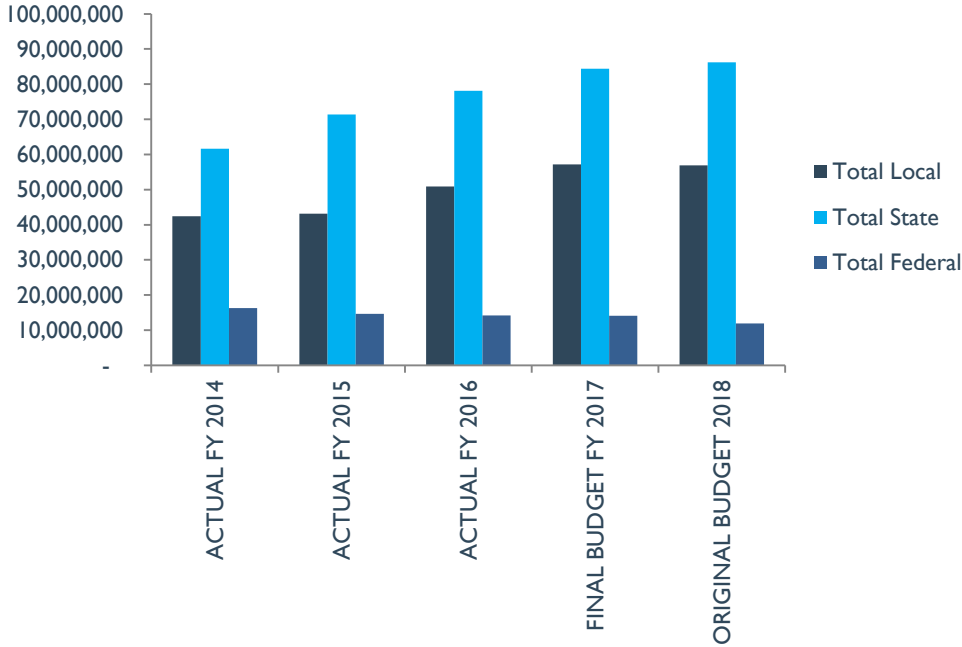


■ Revenues ■ Expenditures

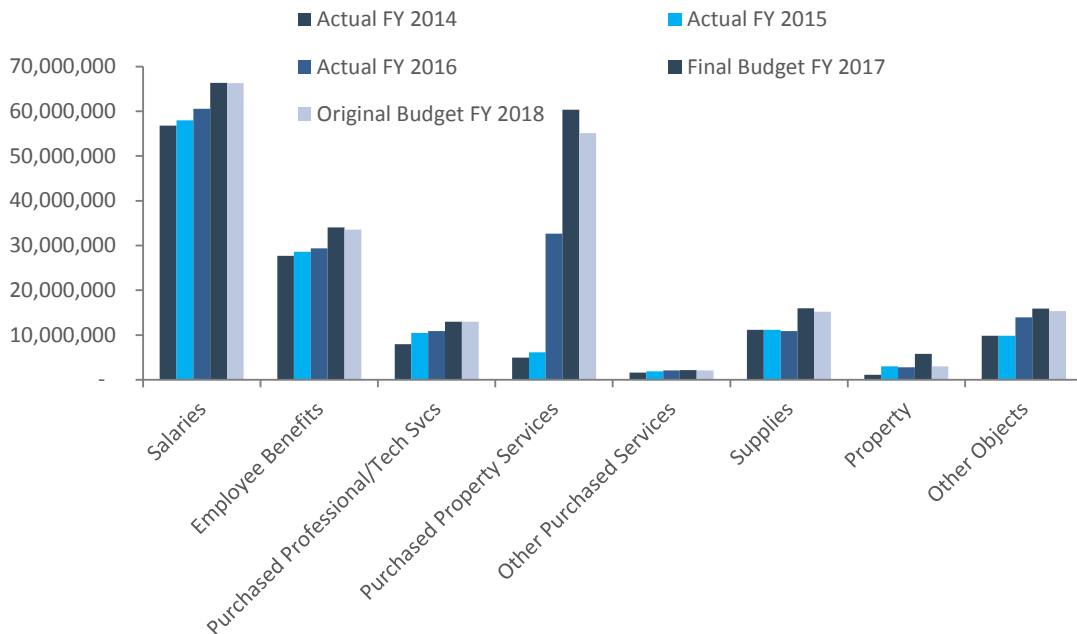
Over the next four years, the District's net budget (remaining funds after all expenditures) will remain negative. This is primarily a result of bond-related construction projects for the replacement of 5 aging school buildings. The difference will be made up by using bond proceeds specifically designated for this cause, supplemented when necessary with building reserve funds. These bond funds are recorded below the line in "Other Funding Sources" and are not included in the revenue totals above.

Summary: Revenue & Expenditures

Revenues by Source: FY14 to FY18



Expenditures by Object Grouping: FY14 to FY18



Revenue

State revenue as a percentage of total revenues continues to increase as the district continues to experience eSchool growth and additional state funding measures are passed by the government. Federal revenue continues to trend downward, and these funds are not replaced by the district. Local revenue, which comes primarily in the form of property taxes, is projected to gradually increase in the near future as property values in Provo City continue to rise.

Expenditures

As a service organization, most District expenditures come in the form of salaries and benefits. As a result, when budget cuts are required, employee compensation isn't spared. Health insurance costs continue to increase, and in FY18 the District will continue to offer alternative plans to help alleviate the expense exposure. As health expenses continue to outgain revenue increases, it is expected that eventually the District will need to adjust coverage plans to maintain fiscal responsibility. However, it is not expected that we will see any significant changes in FY18. The District will continue to see large expenses related to property services in FY18 due to ongoing construction of 2 school buildings.

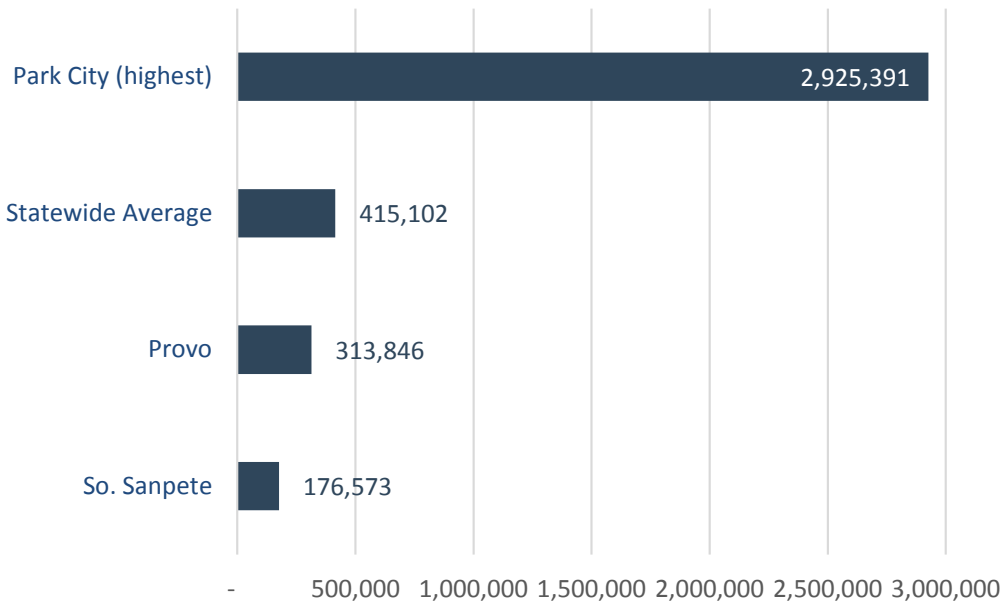


Quality choices for every child's future.

Budget Forecast, All Funds: FY 2014 - FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 42,423,021	\$ 43,153,390	\$ 50,929,001	\$ 57,142,114	\$ 56,881,068	\$ 60,058,000	\$ 61,473,000	\$ 63,287,000
Total State	61,612,173	71,360,702	78,150,999	84,422,155	86,236,585	89,721,645	93,348,440	97,111,771
Total Federal	16,253,024	14,668,529	14,167,175	14,093,323	11,907,369	12,535,000	12,835,000	13,149,000
TOTAL REVENUES	120,288,218	129,182,621	143,247,175	155,657,592	155,025,022	162,314,645	167,656,440	173,547,771
Salaries	56,806,234	57,989,807	60,539,697	66,350,808	66,273,766	70,193,000	72,309,000	74,489,000
Employee Benefits	27,667,066	28,601,716	29,397,236	34,027,532	33,557,291	34,265,000	36,989,000	39,210,000
Purchased Professional/Tech Svcs	7,926,589	10,444,964	10,853,624	12,985,816	12,958,147	13,276,675	13,664,742	14,063,830
Purchased Property Services	4,938,170	6,158,328	32,672,279	60,368,720	55,133,267	17,706,000	9,729,000	8,169,000
Other Purchased Services	1,616,384	1,871,878	2,094,497	2,158,981	2,090,043	2,113,501	2,137,696	2,162,897
Supplies	11,125,713	11,143,455	10,904,896	15,983,142	15,229,380	14,821,809	14,868,630	14,922,863
Property	1,084,273	2,962,404	2,794,731	5,768,140	2,975,842	3,040,000	3,106,000	3,173,000
Other Objects	9,813,331	9,818,137	13,933,520	15,898,740	15,358,878	14,988,016	15,095,089	16,816,188
TOTAL EXPENDITURES	120,977,759	128,990,690	163,190,480	213,541,879	203,576,613	170,404,001	167,899,157	173,006,777
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(689,541)	191,931	(19,943,305)	(57,884,287)	(48,551,591)	(8,089,355)	(242,717)	540,994
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	23,970	53,482,888	58,573,261	25,290,500	25,000	(1,975,000)	(1,475,000)	(975,000)
NET CHANGE IN NET ASSETS / FUND BALANCE	(665,571)	53,674,819	38,629,956	(32,593,787)	(48,526,591)	(10,064,355)	(1,717,717)	(434,006)
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	38,029,830	37,364,259	91,039,078	129,669,034	97,075,247	48,548,655	38,484,300	36,766,583
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 37,364,259	\$ 91,039,078	\$ 129,669,034	\$ 97,075,247	\$ 48,548,655	\$ 38,484,300	\$ 36,766,583	\$ 36,332,577

Property Taxes: Tax Base and Rate Trends



Property value per student is estimated to be approximately **\$313,846** in FY 2017-18 (total assessed value in Provo divided by estimated enrollment).

Property value per student (often referred to as “yield per student”) is a useful metric for taxpayers to track. **If a district has an average per student yield, it stands to reason that district should have an average tax rate.**

Property values continue to rise dramatically, and are now higher than pre-recession rates. As property values continue to rebound the District will continue to manage local revenues tightly, since substantially raising property tax rates would be difficult for Provo residents to endure.

Residential

Year	2016-17	2017-18
Home Value	\$250,000	\$250,000
Residential Exemption	45%	45%
Assessed Value	\$137,500	\$137,500
District Total Tax Rate	0.007883	0.007327
District Property Taxes	\$1,083.91	\$1,007.46
Taxes per \$1,000 of value:	\$4.34	\$4.03



Residential
Taxes per \$1,000
of Assessed
Value: **\$4.03**

Business

Year	2014-15	2015-16
Business Value	250,000	250,000
Assessed Value	250,000	250,000
District Total Tax Rate	0.007883	0.007327
District Property Taxes	\$1,970.75	\$1,831.75
Taxes per \$1,000 of value:	\$7.88	\$7.33



Business
Taxes per \$1,000
of Assessed
Value: **\$7.33**

Long-term Debt: as of June 30, 2017

GENERAL OBLIGATION BONDS					
Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
2007B Series G.O. Bonds	School Building	25,600,000	4.00% to 4.50%	June 15, 2017	-
2012 Series G.O. Refunding Bonds	Bond Refunding	9,045,000	.56% to 1.29%	June 15, 2017	-
2015A Series G.O. Bonds	Bond Refunding	22,790,000	2.13%	June 15, 2027	21,770,000
2015 Series G.O. Bonds	School Building	50,615,000	2.25% to 5%	June 15, 2035	47,565,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	50,650,000
Total General Obligation Bonds Payable as of June 30, 2017					<u>\$ 119,985,000</u>

(Principal only)

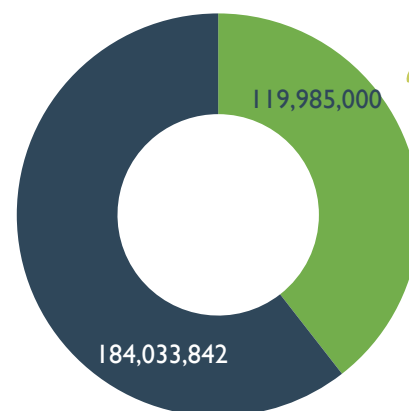
District Actual Debt & Debt Level

The approximate fair market value of taxable properties in Provo is \$7.6 billion, meaning the District's general obligation debt limit is approximately \$304 million ($\$7.6 \text{ billion} \times 4\%$). The District's general obligation debt is at 1.58% of the assessed fair market value of Provo - far less than what is allowed by law.

This figure is the combined general obligation bonds owed by the District (principal only).

G.O. Debt vs. Debt Limit

As of June 30, 2017

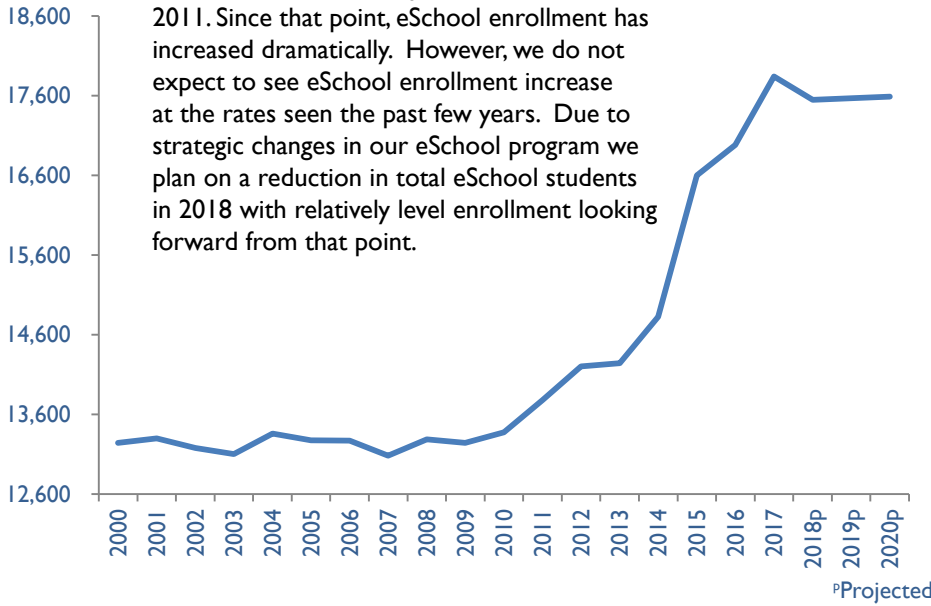


This figure represents the District's remaining possible debt burden.

District Enrollment

2000 - 2020

Although there have been fluctuations, District enrollment was relatively flat from 2000 - 2011. Since that point, eSchool enrollment has increased dramatically. However, we do not expect to see eSchool enrollment increase at the rates seen the past few years. Due to strategic changes in our eSchool program we plan on a reduction in total eSchool students in 2018 with relatively level enrollment looking forward from that point.

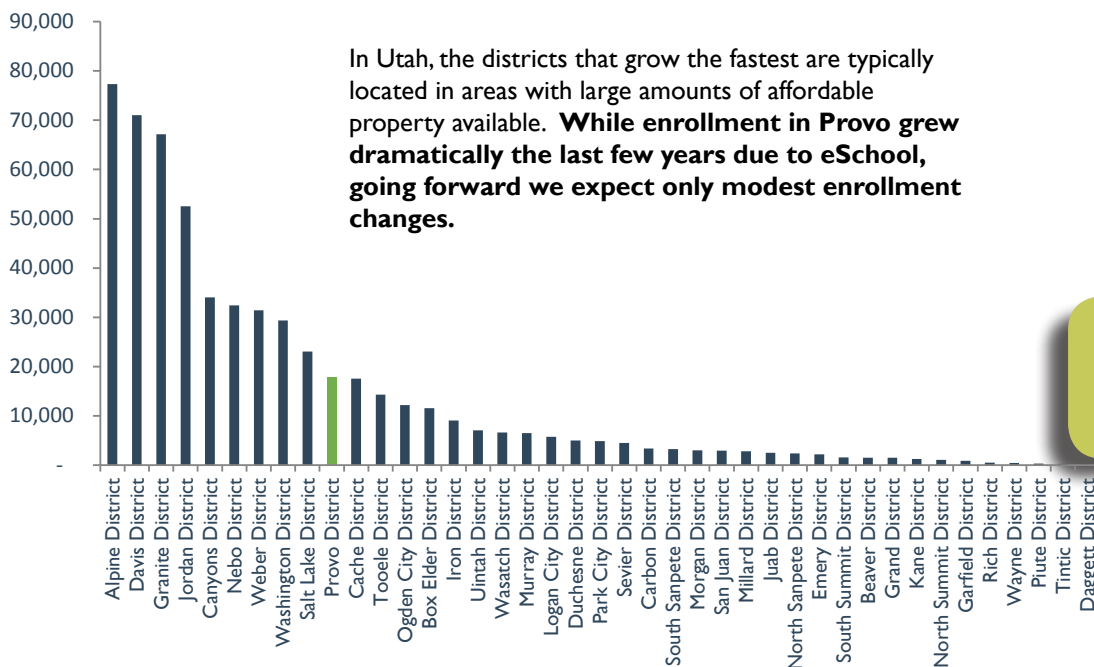


Over the next several years, the school-age population in Utah is expected to grow dramatically, while in Provo it's projected to remain relatively flat.

One reason for this is the fact that there is little available land in Provo, while neighboring school districts have much more available land to develop. This problem is compounded by the fact that Provo is a one-city, urban school district, and new growth in the state in recent years has typically been centered in suburban areas on the periphery of major cities. Due to these factors, we expect to see only modest enrollment changes in the coming years.

Year	Enrollment
2002	13,177
2003	13,103
2004	13,359
2005	13,273
2006	13,272
2007	13,083
2008	13,288
2009	13,241
2010	13,376
2011	13,779
2012	14,202
2013	14,241
2014	14,824
2015	16,600
2016	16,983
2017	17,840
2018p	17,549
2019p	17,568
2020p	17,588

Statewide Enrollment: Fall 2016



In Utah, the districts that grow the fastest are typically located in areas with large amounts of affordable property available. **While enrollment in Provo grew dramatically the last few years due to eSchool, going forward we expect only modest enrollment changes.**

Projected

Staffing Levels by Function: *FY 2010 to FY 2018 (proposed)*

Function	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 ^P
Instruction	984	977	984	998	1,005	1,002	1,022	1,020	1,025
Students	51	49	50	50	50	50	68	84	86
Instructional Staff	41	31	32	32	32	27	29	42	42
General Administration	15	16	17	17	17	17	24	26	26
School Administration	70	70	70	70	72	65	71	76	76
Business and Central	26	27	26	26	26	41	47	51	52
Operation and Maintenance	148	95	95	95	95	133	109	114	110
Transportation	46	44	46	46	46	66	51	39	45
Other Support	1	25	26	26	26	0	0	-	-
Food Services	82	92	92	80	84	77	82	87	87
Community Services	100	93	93	93	93	103	62	47	45
Total FTEs	1,564	1,519	1,531	1,533	1,546	1,583	1,566	1,587	1,594

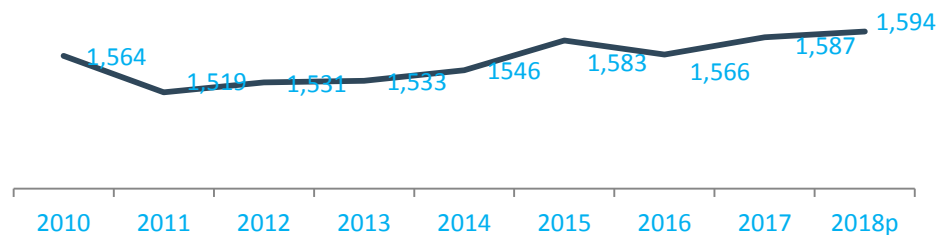
^PProposed

As a service organization, employee compensation is the biggest single expense incurred by the District. As a result, when cuts need to be made, it's difficult to spare all positions.

For 2017-18 the Board of Education and management have made the decision to try to keep average class-sizes at 27.5, roughly the same size as in the prior year. Some growth in instructional FTE is budgeted to account for projected enrollment changes, as seen in the table above. As our enrollment has grown the past few years we are seeing increases in instructional staff, as well as positions related to student transportation and nutrition. The District is always striving to reduce instructional class sizes while balancing that desire with the financial constraints we operate within.

Staffing Levels by FTE: *FY 2010 to FY 2018*

Budgeted staffing levels are projected to see a slight increase in the FY 2017-18 budget when compared to the previous year.



Student Achievement & Per Pupil Spending

True ROI

Student achievement plays a critical role in the development of the District's budget each year. The very first official step toward goals and objectives for the coming year is the development of short-term budget initiatives. These initiatives are designed to meet short-term, pressing needs, and are always heavily influenced by student achievement goals.

Some of the District's noteworthy accomplishments include:

- Higher ACT scores than Utah and national averages
- Year over year improvements in graduation rates
- Moderately or substantially higher scores in all subject areas of national ITBS standardized tests
- "Substantial" or "Sufficient" scoring in all subject areas of the Utah Basic Skills Test
- Highly competitive teacher pay
- The lowest tax rate of all districts in Utah County
- The most online classes in Utah

FY 2018 Spending Per Student: **\$8,443**

(excluding debt and long-term capital expenditures)

Support:
39%

Instruction:
61%



Note regarding per pupil spending: It can be misleading to compare Provo City School District's per pupil spending to other districts in Utah and in the U.S.. A lack of recent comparable data and varying methods of computing expenditures can distort figures and make comparisons confusing and inaccurate. In general, Provo City School District spends more per student than the average district in Utah, but less per pupil than the average district nationwide.

In this book, expenditures per student are calculated by taking General fund budgeted expenditures divided by enrollment.

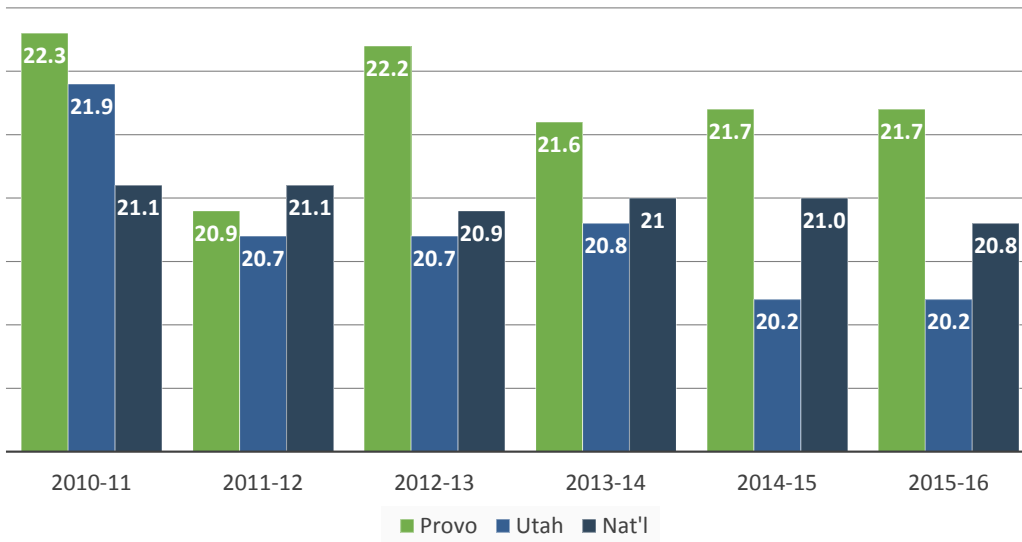
Student Achievement: Graduation Rates and ACT® Scores

Graduation Rates, 2014-15



Source: U.S. Department of Education and Utah State Office of Education

ACT Scores, 2015-16 (most recent year available)



Source: Utah State Office of Education

In 2015 the District's graduation rate dropped slightly compared to the prior year. However, this rate continues to be a bit deceiving. The District operates both an alternative High School as well as an eSchool to serve students where a traditional High School education does not fit their educational needs. As a result, even though our 2 traditional high schools have graduation rates that exceed the state average, lower rates at our alternative schools bring the overall District average down. Rather than eliminate these choices the District prefers to offer alternatives to our students at the expense of lower overall graduation rates. With that being said, the School Board has decided to make our graduation rates a priority over the coming years, with the goal to get to 95% by the year 2021.

ACT test scores are a key indicator of college readiness and play an important role in the acceptance process.

Average ACT scores in Provo School District have been higher than state and national averages in recent years.



Organizational Section

The District Entity

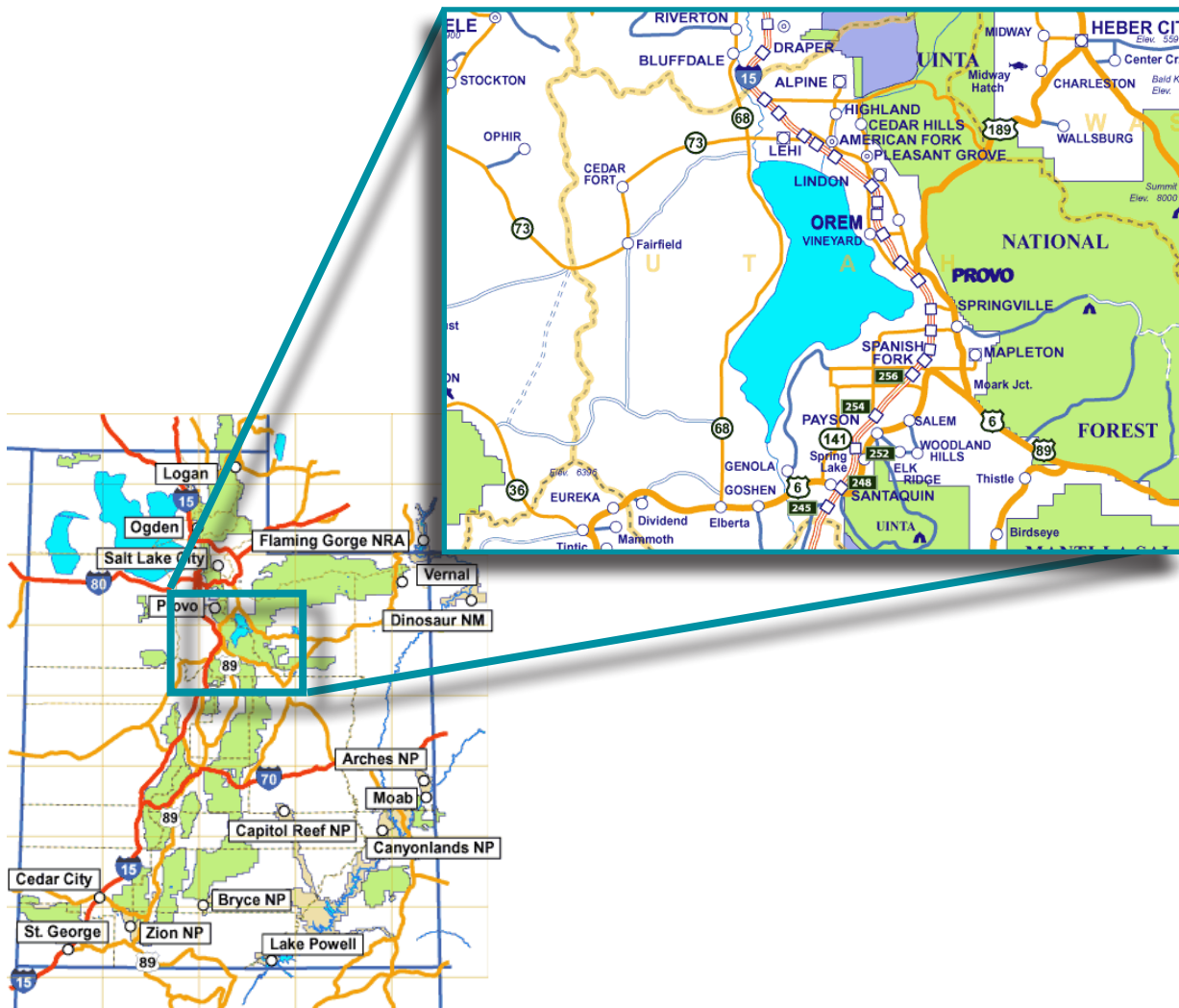
Legal and Fiscal Considerations

Provo City School District is a K-12 district residing within the boundaries of Provo City in Utah County, Utah. However, the District is an independent entity, with board members elected by Provo citizens in a general election. The District has the authority to levy taxes, issue debt, determine fees and approve and modify its budget. While the District places its greatest emphasis on answering to the citizens of Provo, it also is subject to oversight by the Utah State Office of Education (USOE). The USOE generally oversees the budget process, and the majority of the District's funding flows through this entity.

“The District places its greatest emphasis on answering to the citizens of Provo.”

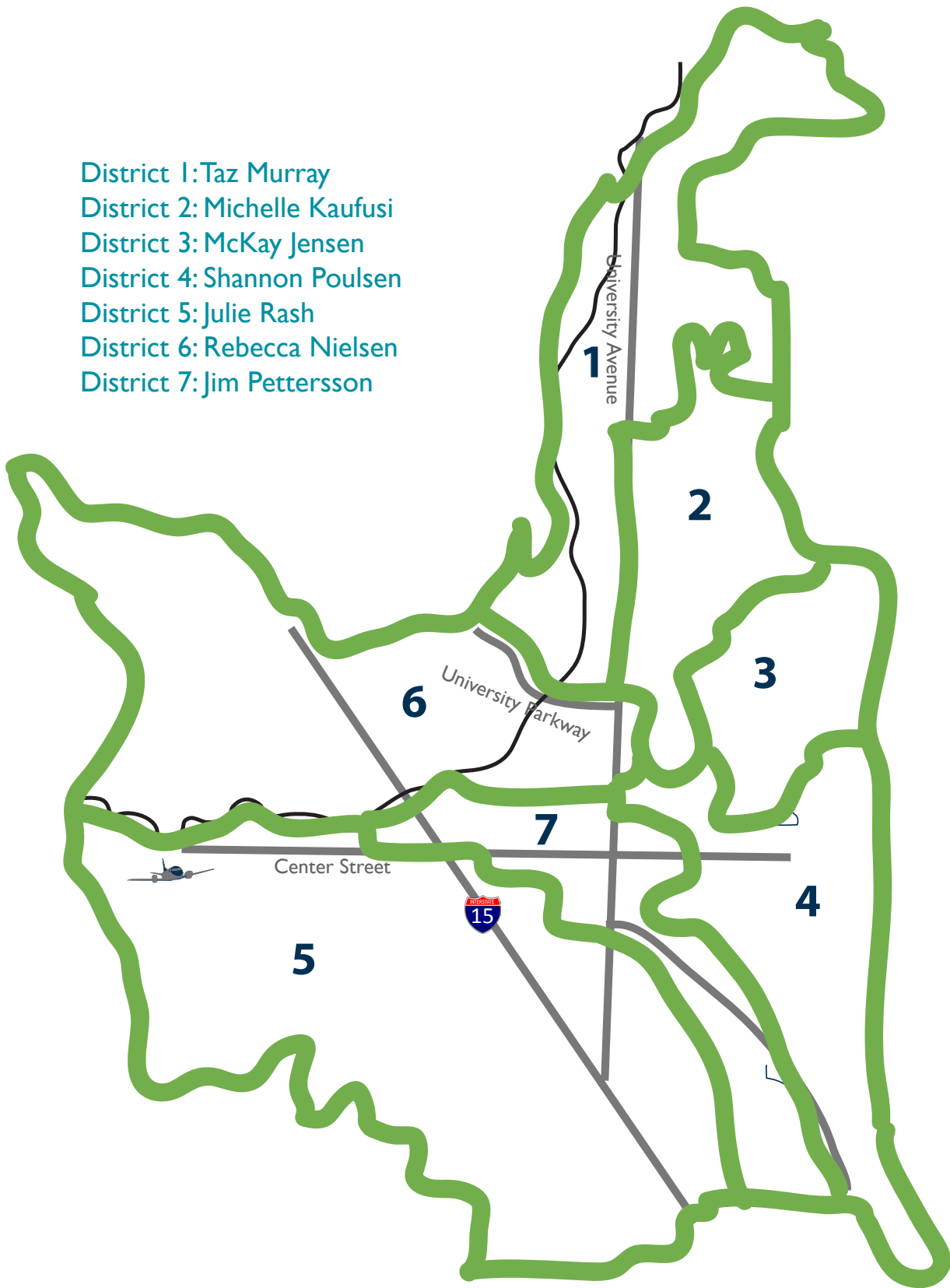
Service Area

It was mentioned previously that the District resides wholly within Provo City boundaries. Provo, with a population of approximately 115,600 residents, is the county seat and business center for Utah County. The District consists of 19 schools: two high schools, one alternative high school, one adult high school, two middle schools, and 13 elementary schools. **As of October 1, 2016, the District had 17,840 students enrolled, making it the 10th largest of Utah's 41 school districts.**



Voter Precincts: 2017-18

- District 1: Taz Murray
- District 2: Michelle Kaufusi
- District 3: McKay Jensen
- District 4: Shannon Poulsen
- District 5: Julie Rash
- District 6: Rebecca Nielsen
- District 7: Jim Petterson



<https://provo.edu/wp-content/uploads/2017/02/boardmap-districts-2013.pdf>

District Elementary School Boundaries: 2017-18



District Departments

The District is divided into several departments. While each department might have its own mission, goals and objectives, each supports the overall mission of the District. Each department is responsible for specific components of the District's overall goals and objectives. The following is a brief description of the departments that operate in the District:

Teaching & Learning

Previously designated as the Curriculum and Learning Office, the Department of Teaching & Learning of Provo City School District provides support to teachers, administrators, and parents in enabling students to gain academic skills and knowledge necessary for their successful futures. Local, state, and federal resources provide teaching materials for students and teachers, professional development targeted to instructional improvement for new and experienced teachers, analysis of student performance data, tutoring services for at-risk learners, and enriched learning opportunities for students of all abilities. Their key focus is literacy enhancement for all students with additional energy directed to mathematics, science, and other critical areas of learning.

Student Services

The mission of Student Services is to provide support to students and families. Student Services is responsible for support services throughout the district including police, nurses, social workers, attendance officers, safe schools, and other programs.

Student Services provides equal access to education and promotes educational excellence by providing support to schools, helping to meet the needs of families, assisting students with unresolved needs, and providing opportunities for students to stay in school.

Student safety, gang prevention, drug prevention, discipline, school choice, and the Foundation are also handled by Student Services.

Food Services

Food Services (Child Nutrition) falls under business administration. The Child Nutrition Department is committed to providing a safe, nutritious meal to every student, continually improving our programs, the children's meal time experience and our communication and involvement with parents.

Transportation

The Transportation Department also falls under business administration, and works to transport children to and from school in a safe, efficient and positive environment. Each driver and assistant is expected to become familiar with, and closely follow, District procedures and the rules of the road. Questions regarding bus routes or specific transportation events are handled by this department.

Maintenance

Maintenance helps facilitate learning by providing a safe and pleasant learning environment in the buildings and on the school grounds in the District. Safe, clean, well-lit and comfortable buildings is the department's main goal. It is believed that students learn better in a pleasant and environmentally-friendly building.

Personnel

The Personnel Department is given the responsibility to find, recruit and retain qualified teachers and support staff that are committed to District goals. This department also ensures that employees working in the District meet the academic and licensing standards set by the state and federal government. Personnel also works to maintain personnel records and pertinent information on all past and present employees, distribute the agreed upon wages and benefits to employees according to negotiated agreements and the law, and develop and enforce policy related to the successful personnel operation of the District.

District Departments: *Continued*

The Personnel Department is also in charge of allocating full-time equivalents (FTEs) to schools and handling payroll duties for the District.

Career and Technology Education

The mission of Career and Technology Education (CTE) is to provide all students a seamless education system, driven by a Student Education Occupation Plan (SEOP), through competency-based instructions culminating in essential life skills, certified occupational skills and meaningful employment and/or entrance into a higher education institution for advanced preparation.

CTE classes provide every student with the opportunity to explore a variety of career areas in their middle and high school years that will equip him/her with the academic knowledge, technical and employment skills vital for entry into the evolving workforce of the 21st century.

Special Programs

Special Programs consists of three programs: Title I-A, Special Education and Technology. The focus of these programs includes:

- Closing the achievement gap between high and low-performing children, especially the achievement gaps between minority and non-minority students, and between disadvantaged children and their more advantaged peers.
- Providing special education service providers and students with greater access to classroom-based materials and resources including adaptive devices, networks, hardware, software, and other classroom materials that support the achievement of individual student goals of students with disabilities.

- Developing long-term strategies for improving student academic achievement, including technology literacy, through the effective use of technology in the classroom, and building the capacity of teachers to integrate technology effectively into curricula, instruction, and assessment.

Business Administration

The Business Department is responsible for facilitating financial information and reporting it accurately. It coordinates the annual financial audit with the District's internal and external auditors, and completes financial reports for the state legislature, office of education, and other entities. Key components of the Business Department include accounting, finance/budgeting, accounts payable, accounts receivable, food services, transportation and warehouse management.



Staffing Levels by Function: *FY 2010 to FY 2018 (proposed)*

Function	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 ^P
Instruction	984	977	984	998	1,005	1,002	1,022	1,020	1,025
Students	51	49	50	50	50	50	68	84	86
Instructional Staff	41	31	32	32	32	27	29	42	42
General Administration	15	16	17	17	17	17	24	26	26
School Administration	70	70	70	70	72	65	71	76	76
Business and Central	26	27	26	26	26	41	47	51	52
Operation and Maintenance	148	95	95	95	95	133	109	114	110
Transportation	46	44	46	46	46	66	51	39	45
Other Support	1	25	26	26	26	0	0	-	-
Food Services	82	92	92	80	84	77	82	87	87
Community Services	100	93	93	93	93	103	62	47	45
Total FTEs	1,564	1,519	1,531	1,533	1,546	1,583	1,566	1,587	1,594

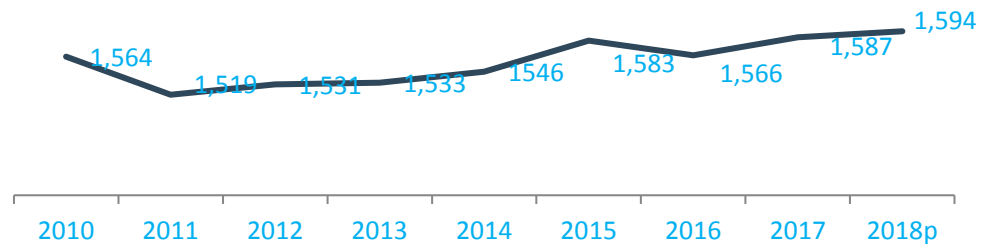
^PProposed

As a service organization, employee compensation is the biggest single expense incurred by the District. As a result, when cuts need to be made, it's difficult to spare all positions.

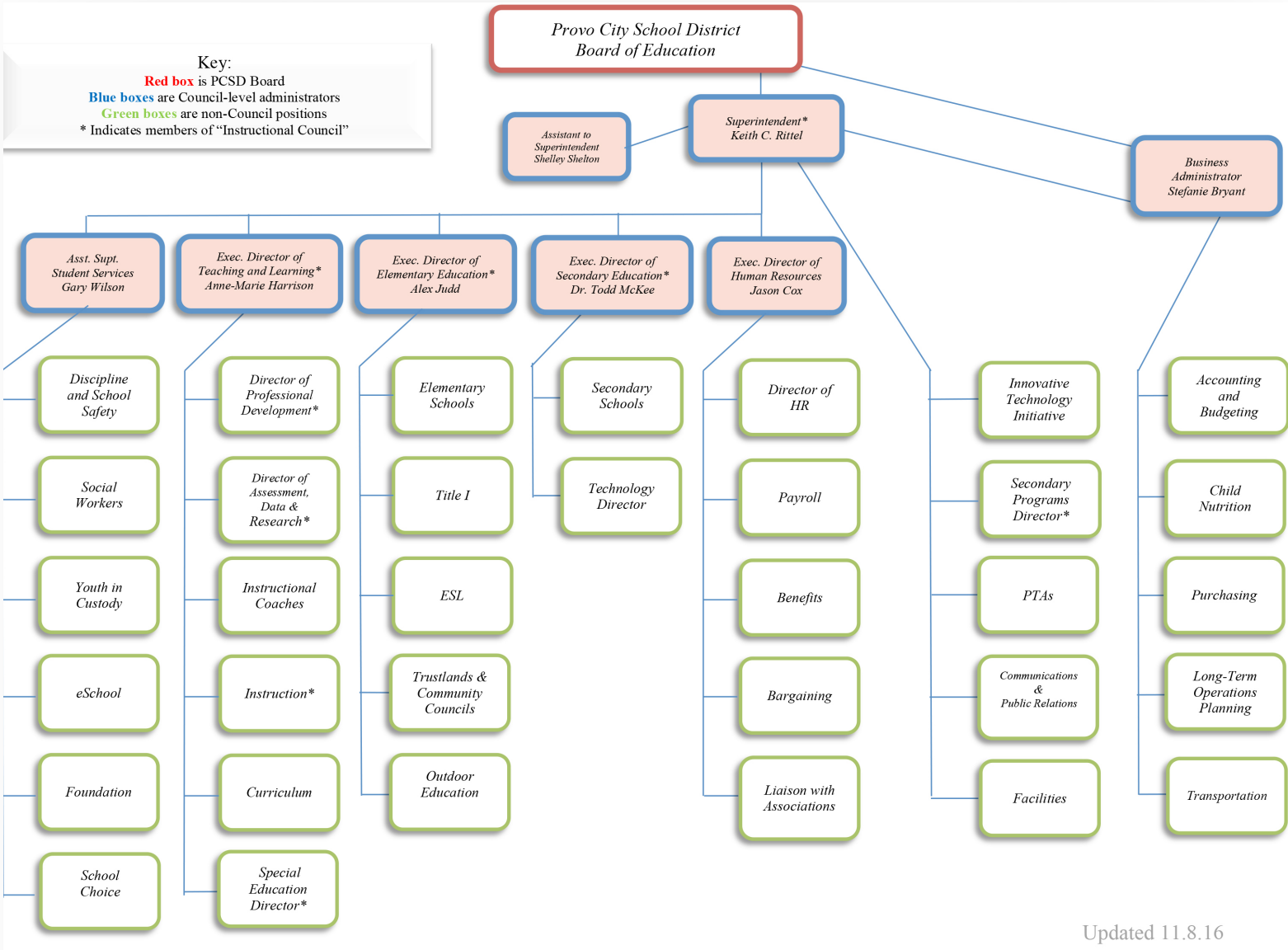
For 2017-18 the Board of Education and management have made the decision to try to keep average class-sizes at 27.5, roughly the same size as in the prior year. Some growth in instructional FTE is budgeted to account for projected enrollment changes, as seen in the table above. As our enrollment has grown the past few years we are seeing increases in instructional staff, as well as positions related to student transportation and nutrition. The District is always striving to reduce instructional class sizes while balancing that desire with the financial constraints we operate within.

Staffing Levels by FTE: *FY 2010 to FY 2018*

Budgeted staffing levels are projected to increase slightly when compared to the previous year.



Organizational Chart



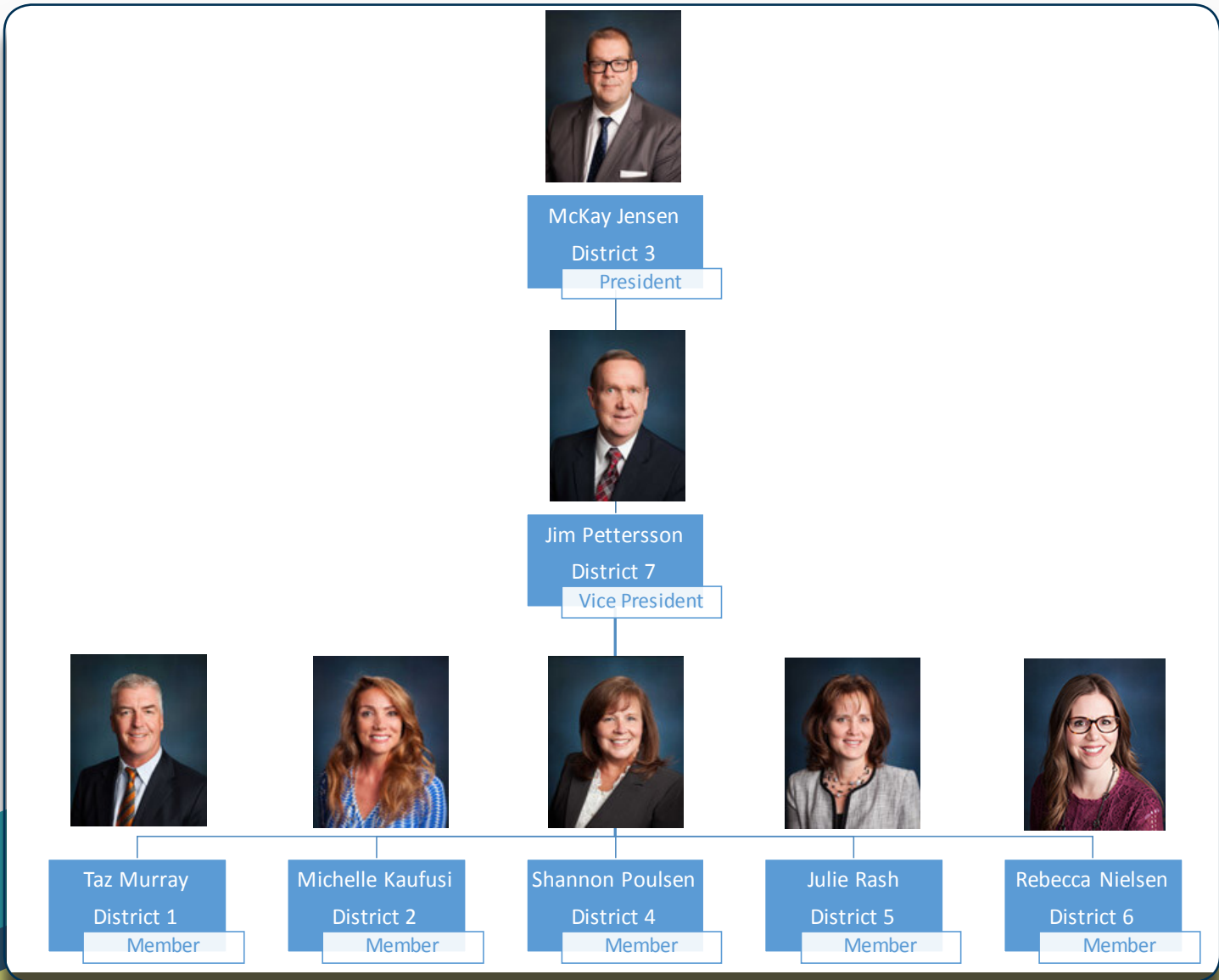
Updated 11.8.16

This organizational chart is a visual depiction of the way work is distributed within Provo City School District. It is also meant to be a tool to help enhance our working relationship with the citizens of Provo and students of the District.

Additionally, the chart is used to create clear channels of communication in order to better accomplish our goals and objectives.

It is important to note that many District projects are accomplished using cross-functional teams.

School Board of Education



The School Board of Education must elect a president and vice president whose terms of office are two years, and until successors are elected. These officers manage the board's process by convening meetings, developing the Board agenda with input from other members and the Superintendent, and executing documents as appropriate. Additional responsibilities include keeping members apprised of information exchanged with the Superintendent, facilitating the orientation of new Board members, and fostering unity, harmony, and open communications within the Board.

Goals, Planning, and Achievement
Provo City School District

Long-range 20/20 Plan: *Seven Guiding Principles*

In 2011 the District began implementation of a long range “20/20 Plan” which included revised and comprehensive performance measures to show progress within the District as well as identify areas in need of improvement. This plan replaced the District’s previous long-term goals, which were to:

- Provide a high-quality education to the children of Provo
- Build confidence in seeking input from stakeholders
- Increase the fidelity of long-term District management

The long range 20/20 Plan continues to have an impact on the culture, performance and budget of the District. The 20/20 Plan is guided by seven principles:

1. Pursuit of Excellence

We are absolutely and unequivocally dedicated to highly effective teaching with superior learning outcomes. We have high expectations for the adults who lead, support and teach our students, as well as for student learning. We strive for excellence at all levels of our organization.

2. Lifelong Learning

We believe our increasingly complex future requires us to expect and encourage the development of individuals as learners and thinkers. This is critical to being part of the human conversation. Because our primary mission is educating children and instilling in them a love for learning, we recognize that continued learning is essential for all members of our educational community.

3. Individual Potential

We believe potential is magnified when individuals are treated with dignity and respect and are given broad opportunities to develop their talents and gifts.

4. Inclusion of All

We value all individuals and believe that by removing barriers each can be included in the full spectrum of educational and developmental opportunities.

5. Family Partnerships

We recognize families as vital partners in the education of children. The educational needs of children can best be met through a strong partnership with families. We welcome families into their children’s schools, and encourage and expect their full participation in the education of their children.

6. Civic Engagement

We believe the primary purpose of public education is to prepare students to govern themselves and sustain our democratic way of life. We hold this public trust sacred. We will model and cultivate reasoned discourse and will expect trust, respect, civility, and humility in our interactions.

7. Literacy

We believe literacy is the gateway to all other learning and therefore deserves our special attention.

20/20

Long-range 20/20 Plan: *Imperatives*

1. *We commit* that every classroom has a highly effective teacher and that every school has a highly effective principal. We commit to employ individuals whose highest priority is being of service to children.

2. *We will* cultivate and reward excellence in all areas of our organization.

3. *We will* focus on high quality academics at each level and will graduate students with the skills, attitudes and dispositions necessary to be successful in college or a career.

4. *We commit* to personal responsibility, mutual respect, cooperation and civility.

5. *We will* ensure opportunities that inspire the full range of human potential, including critical reasoning, creativity, innovation and life-long learning.

6. *We will* ensure that each student can read, write and think critically.

7. *We will* be deliberate in the education of minorities, disadvantaged students, and students with special needs.

8. *We will* actively engage parents in the education of their children.

9. *We commit* to efficiency, transparency, accountability and sustainability in our finances and general District operations.



District Improvement Plan: *The Provo Way*

The District continues to operate under the guiding umbrella of the 20/20 Plan. However, District Administration and the School Board, with input from the community, have determined that a new District Improvement Plan is needed to continue improving the quality of education within our schools.

This plan builds on the continuing effort of the District to use Learning Targets to make learning visible in our classrooms, and will not replace the previous 20/20 Plan or the stated goals of the School Board. Implementation of this plan continues the District on the path towards creating a unique culture within the District: **The Provo Way.**

DISTRICT AIM

“Every student will end each school year having met or exceeded the essential learning standards, fully prepared for the next grade/course.”

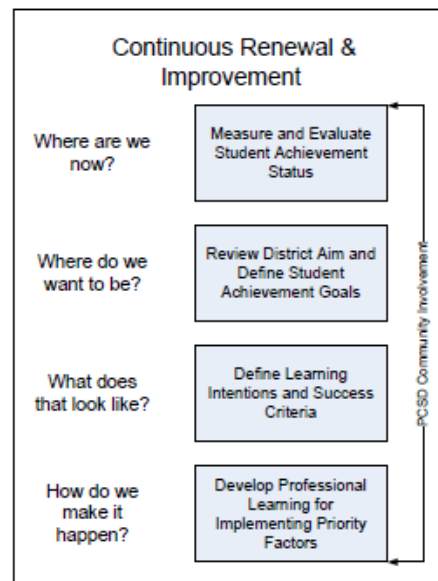


District Improvement Plan: *The Provo Way*

The new District Improvement Plan is a 5 year plan built to guide the actions of instructional leaders, teachers, students, and parents to improve their contributions to successful learning for every PCSD student. The plan relies heavily on the implementation and usage of Learning Targets, and input has been received from all internal departments as well as guiding knowledge from experts in the field.

As a District, we believe that the beliefs we currently hold are the likely predictors of our actions. We believe that every student will end each school year having met or exceeded the essential learning standards, fully prepared for the next grade/course. To achieve this belief:

- We have established and committed to our belief – the District Aim.
- We have examined research-based factors that affect teaching and learning through the lens of our belief.
- We have carefully selected our highest priority factors.
- We have planned implementation of our chosen actions in stages covering the next five years.
- We have committed to continuous improvement perpetuated through persistent review, evaluation, and implementation of the factors.



Where are we?

1. Our diverse city school district has provided achievement success for many but not all.
2. District achievement data points to an opportunity to do something very special.
3. Our teachers are having success, but there is more to do.
4. We are convinced that all of our students can achieve.

Where would we like to be?

We want to make the Board Goals, and the 20/20 Initiative Principles the foundation of our planning:

Board Goals

1. Continuous academic improvement and transparency.
2. Support for teachers and teaching aligned with research, best practices, and teacher-identified needs.
3. Improved certainty and stability in the direction of the district.
4. Financial prioritization, long-term planning, and transparency.

20-20 Initiative – Guiding Principles

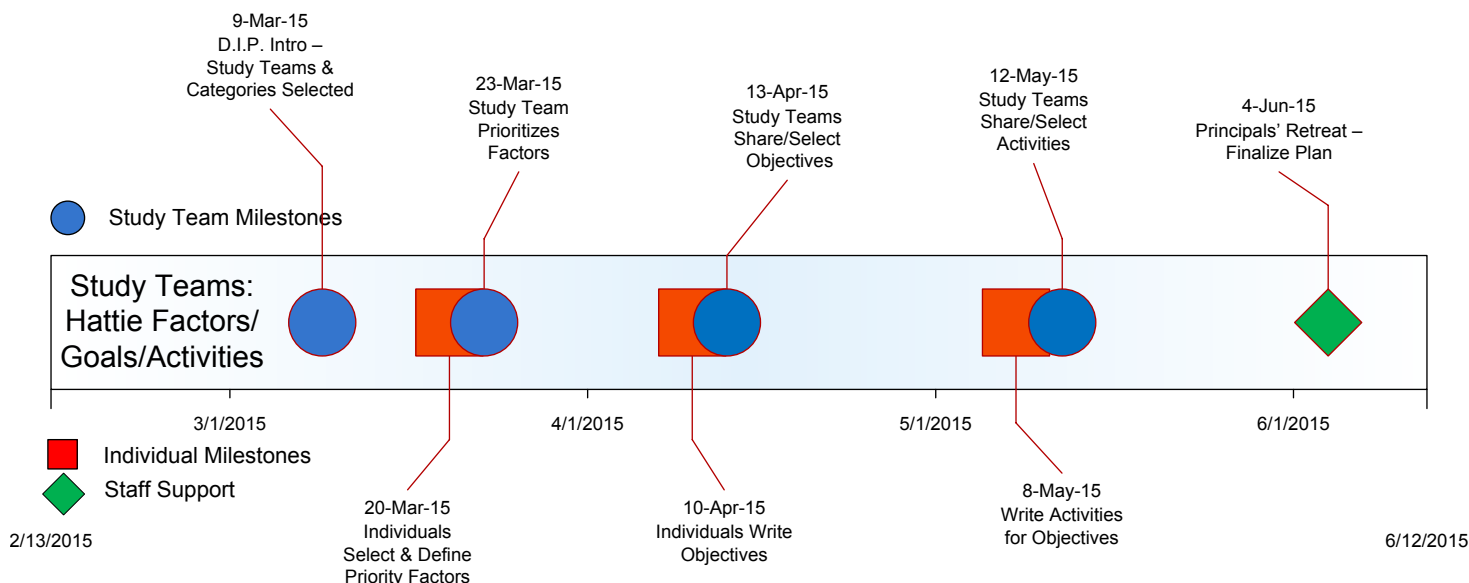
Excellence Partnerships Individual Potential Advocacy
Thinkers and Learners Literacy Civic Engagement Climate and Safety

These goals and principles are the foundation of our District Improvement Plan. The following pages detail the plan's incorporation of our on-going Learning Targets initiative and adds goals, strategies, and activities that employ our chosen high-impact factors for helping achieve learning success for all students.

District Improvement Plan: *The Planning Process*

Beginning in March, 2015, a District Improvement Planning Committee was formed and members volunteered to work on the Visible Learning Category most important to them.

Planning Events Overview:



Organized into Study Teams, committee members became advocates and planning experts in their category.

Study Teams developed their category into goals, strategies, and activities according to these phases:

Phase 1: Readiness-to-Plan survey, create study teams, study assigned chapter/category, complete do/do not list of factors

Phase 2: Continue study of Visible Learning category/chapter, prioritize do/do not list of factors

Phase 3: Using a synthesis of Hattie's categories and factors created by the Department of Instruction re-prioritize do/do not list of factors

Phase 4: Develop objectives for prioritized factors

Phase 5: Each study team provides feedback on all factors and objectives of other study teams

Phase 6: Study teams draft learning activities for objectives

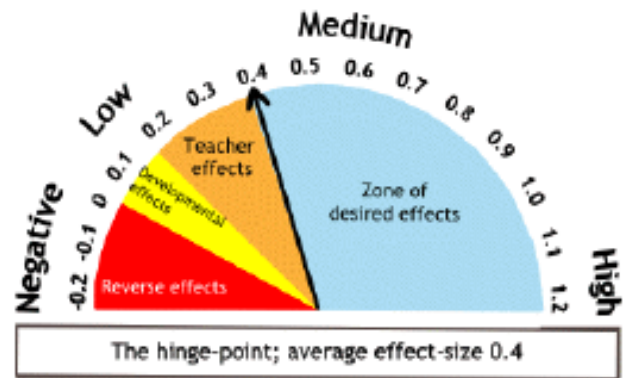
Phase 7: Final committee meetings

District Improvement Plan: *Plan Organization*

Focusing on what Works

We have adopted Hattie's "Zone of Desired Effects" as the definition of what works.

An effect size of 0.4 or higher is deemed a sufficient amount of growth in achievement to consider adopting specific factors and investing in professional learning for teachers, parents, administrators, etc.



The following pages contain information regarding highest priority goals, factors, objectives, and activities from the draft plan document. The information is presented in table form and is organized by the following categories:

- Category 1: Contributions from the Student
- Category 2: Contributions from the Home
- Category 3: Contributions from the School
- Category 4: Contributions from the Teacher
- Category 5: Contributions from the Curricula
- Category 6: Contributions from Teaching Approaches

Category 1: Contributions from the Student

Self-Reported Grades (Effect Size 1.44)	Primary, Secondary Responsibility	Start/End (Timeline)	Resources	Funding Source	Evaluating Results	Sources of Guiding Research
1. Develop common understanding of "self-reported grades" as a district (K-12).	Teaching and Learning	2015-16	Time: Department Meetings	TBD	Task Completion P.o.U./ Example of Rigor	Moss C. (2012) Du Four
2. Develop and implement professional learning in "self-reported grades" (K-12) to create understanding and competence	Teaching and Learning				Task Completion Schedule of Training Sessions and Participants	
3. Apply "self-reported grades" (K-12) consistently, in alignment with the research definition creating high effect-size outcomes. a. The focus of student self-reporting will be the knowledge and skills required by essentials and standards.	Principals Teachers	2016-17	Time to Monitor and Report	TBD	Principal Observations Student Grades Student assessment data	

Category
Factor
Objectives and Activities
Planning Details

District Improvement Plan: *Contributions from the Student*

<p align="center">Objective: The district will define, coordinate implementation of, and evaluate the application of high effect-size student-participation factors for achieving the district aim.</p>						
<p>★ Self-Reported Grades (Effect Size 1.44)</p>	<p>Primary, Secondary Responsibility</p>	<p>Start/End (Timeline)</p>	<p>Resources</p>	<p>Funding Source</p>	<p>Evaluating Results</p>	<p>Sources of Guiding Research</p>
<p>1. Develop common understanding of “self-reported grades” as a district (K-12).</p>	<p>Teaching and Learning</p>	<p>2015-16</p>	<p>Time: Department Meetings, Instructional Council</p>	<p>TBD</p>	<p>Task Completion P.o.U./ Example of Rigor</p>	<p>Moss C. (2012) Du Four</p>
<p>2. Develop and implement professional learning in “self-reported grades” (K-12) to create understanding and competence</p>	<p>Teaching and Learning <i>District Instructional Strategies Committee (DISC)</i></p>	<p>2015-16</p>	<p>PD days Principal Meetings</p>	<p>TBD</p>	<p>Task Completion Schedule of Training sessions and participants</p>	
<p>3. Apply “self-reported grades” (K-12) consistently, in alignment with the research definition creating high effect-size outcomes. a. The focus of student self-reporting will be the knowledge and skills required by essentials and standards.</p>	<p>Principals Teachers</p>	<p>2016-17</p>	<p>Time to Monitor and Report</p>	<p>TBD</p>	<p>Principal Observations Student Grades Student assessment data</p>	
<p>4. After two years of introductory use and training, Self-reported learning (K-12) as part of Learning targets (Hattie: “learning intentions”) and success criteria must become ubiquitous and part of the instructional culture in the district. a. Integrate existing professional learning resources on success criteria and self-reported performances of understanding. Include in Provo Way PD and Teacher Resource Guide. b. Evaluate teacher proficiency and student employment of LTs, success criteria, and self-reported performances of understanding. c. Include in the evaluation tool the concepts of self-reporting</p>	<p>Teaching and Learning All curriculum committees Principals PEA Instructional Coaches HR</p>	<p>2017-18</p>	<p>PD Pre/Post Observation Conferences Faculty Meetings Note: this may be becoming less about training and more about follow-up and follow-through.</p>	<p>TBD</p>	<p>Principal observations Teacher evaluations on the specific Utah Effective Teacher Standards supporting Learning Targets (Instructional Planning). Task Completions Student Classroom Grades</p>	<p>VL – Contributions from the Student p. 43, Self-Reported Grades and Predicting Level of Learning Achievement. Marzano and Waters, 2009, p. 68-69. O’Connor, 2011, p. 126-128, Hattie, VL for Teachers, pp. 53, 83.</p>
<p>5. Students (K-12) will be taught to develop a portfolio of evidence of their learning. a. An e-folio system will be in place to store work. b. A rubric/model of effective portfolio content and organization will be taught to teachers and then to students. (Learning Management System?) c. Teachers will receive training to assist students in portfolio.</p>	<p>Teaching and Learning to Principals and Teachers Tech Dept.</p>	<p>2017-18</p>	<p>Time for PD Network profile/access</p>	<p>TBD</p>	<p>Evaluate portfolio quality and survey student opinions on effect of portfolios on their own achievement. Help students share their portfolio in teacher-student-parent conferences.</p>	

District Improvement Plan: *Contributions from the Home*

<p>Objective: <i>The District, in coordination with parents and the community, will develop and implement support structures that will produce the most meaningful impact on student achievement and initiate the advantages of active parental involvement and positive communication in their child’s learning and achievement.</i></p>						
<p>★ Increase Active Parental Involvement in Learning (Effect Size 0.51 to 1.15)</p>	<p>Primary, Secondary Responsibility</p>	<p>Start/End (Timeline)</p>	<p>Resources (money, time people, space)</p>	<p>Funding Source</p>	<p>Evaluating Results</p>	<p>Sources of Guiding Research</p>
<p>1. Develop a common understanding (unique to elementary, middle and high school levels) including the description, definition, and goals of “Active Parental Involvement.”</p>	<p>Student Services PTA/PTO and committees Principals</p>	<p>First draft August 2015 Later vetting may be necessary</p>	<p>Committee work to establish and publish (print and Electronic) Publications of documents including the description, definition, and goals of “Active Parental Involvement”</p>	<p>TBD</p>	<p>Task Completion</p>	
<p>2. Develop a multi-tier plan to promote parent engagement. (examples may include: interpreters at meetings, parent outreach, parent centers, knowing how to include parents with jobs that prohibit day contact in school, parent nights, principal parent forums, social media contacts, parent expectations of child’s success at school)</p>	<p>Student Services PTA and committees Principals</p>	<p>Committee to meet in August to complete first draft</p>	<p>Print and Electronic Publications for parents and for teachers.</p>	<p>TBD</p>	<p>Task Completion</p>	<p>research parent centers research poverty</p>
<p>3. Apply the concepts and methods of active parental involvement consistently, in alignment with the definition used in the studies creating high effect-size outcomes.</p>	<p>Student Services PTA and SCCs Principals</p>	<p>Ongoing assessment</p>	<p>Training sessions (Time, locations, snacks) Presenters</p>	<p>TBD</p>	<p>Participation numbers Dates of relevant events Satisfaction surveys from participants</p>	
<p>4. Each school conducts parent forums for effective communication on mutually chosen topics of importance to the home and school. a. Suggested topics: 1 data presentation (Fall), other topics decided locally of importance to the school community. (Cyber safety, pornography, drugs, understanding school online access, etc.)</p>	<p>Principals School PTA/PTO and SCC</p>	<p>September 2015 and annually</p>	<p>Schedule dates, times, locations</p>	<p>Minimal if any, handled by the local school</p>	<p>Task Completion Reports from PTAs and Principals</p>	
<p>5. Work with elementary teachers to encourage parents to volunteer in the classroom to learn how to work with their children at home. Work with secondary teachers to expect parents to volunteer/observe in the classroom where their child is struggling.</p>	<p>Principals School Staffs PTAs</p>	<p>Ongoing</p>	<p>Snacks?</p>	<p>TBD</p>	<p>Track Parent sign-ins</p>	<p>Hattie, VL, p. 68-69 Hattie, VL for T, role of parental aspirations and expectations, pp. 22, 140.</p>
<p>6. Teach parents to be involved in their child’s learning including how to prepare them for an active role in Parent/Teacher conferences</p>	<p>Teaching and Learning PTAs Principals Student Services</p>	<p>December 2015 for first draft for initial use during 2nd semester 2016 conferences</p>	<p>Meetings with parents to outline program objectives and support</p>	<p>TBD</p>	<p>Track Parent Participation through PTAs</p>	
<p>7. Teach parents how to tutor their children in specific literacy/content-related skills, ask school oriented questions, listen to their child read, give positive support, and provide resources including materials and skills to do this... (Resource example: Use <i>Help Your Kids with Math</i> and <i>Help Your Kids with Science</i>)</p>	<p>Principals and school staff Student services Teaching and learning</p>	<p>Ongoing</p>	<p>Meetings with parents to outline program objectives and support Publish a summary of strategies</p>	<p>TBD</p>	<p>Track Parent Participation through PTAs</p>	<p>Stephanie Harvey, “Strategies That Work”</p>
<p>8. Provide multiple training opportunities for parents to develop greater awareness of how to interact with school.</p>	<p>Teaching and Learning</p>	<p>Ongoing</p>	<p>Meetings with parents to outline program objectives and support</p>	<p>TBD</p>	<p>Track Parent Participation through PTAs</p>	

District Improvement Plan: *Contributions from the School*

<p>Objective: <i>The district will develop and employ a comprehensive approach to promote and support the continuous improvement of instructional leadership and positive classroom behavior.</i></p>						
<p>★ Principals and leaders focus on instructional leadership (Effect Size 0.51 to 1.15)</p>	<p>Primary, Secondary Responsibility</p>	<p>Start/End (Timeline)</p>	<p>Resources (money, time people, space)</p>	<p>Funding Source</p>	<p>Evaluating Results</p>	<p>Sources of Guiding Research</p>
<p>1. Develop a common understanding of the definition and benefits of effective “instructional leadership” including use of data, monitoring teacher effectiveness, teacher supervision, and other concepts valued in the studies summarized by Hattie, Fullan, Marzano, and others.</p>	<p>Under Direction of Superintendent</p>	<p>August 2015</p>	<p>Admin Meeting Time</p>	<p>None</p>	<p>Task Accomplishment</p> <p>Ongoing discussions to determine needed adjustments</p>	<p>Hattie, VL, p. 83-84</p> <p>Hattie. VL for T. p. 153-154. (more)</p> <p>Marzano and Waters, District Leadership.</p> <ul style="list-style-type: none"> ● Goal setting, p. 6-7 ● Monitoring goals. p. 23-24. ● Second order change. p. 107-108. ● Pedagogical skills improvement. p. 56-70.
<p>2. Provide professional learning to develop competency in the benefits and practices of instructional leadership.</p>	<p>Under Direction of Superintendent</p>	<p>August 2015</p>	<p>Admin Meeting Time</p>	<p>None</p>	<p>Qualitative Feedback on Instructional Leadership</p>	<p>Marzano, Waters, McNulty, School Leadership that Works, “Principal Leader’s Involvement,” p. 52-55.</p>
<p>3. Promote school leader participation in professional learning and invite self-reflection on the growth in competence with applying evidence-based concepts and practices to increase teacher effectiveness and student achievement.</p>	<p>District Council</p> <p>Principals’ Advisory</p>	<p>August 2015</p>	<p>Admin Meeting Time</p> <p>Level Meeting Time</p>	<p>None</p>	<p>Track and review “self-reflections” based on attendance at trainings and conferences.</p>	
<p>4. Create and maintain safe environments for teachers to question, critique, create, try out means of achieving goals together.</p>	<p>All admins in the district</p> <p>Receive input from PEA?</p>	<p>?</p>	<p>Likely none?</p>	<p>?</p>		<p>On Excellence in Teaching (ed. Marzano), Chapter 2 – “Forty Years of Research,” Thomas L. Good, p. 35-41.</p>
<p>5. Evaluate teaching and measure learning.</p> <p>a. Continue training on state standards for principals and teachers.</p> <p>b. Continue calibrations training.</p> <p>c. Must give honest, accurate, but (as possible) kind feedback.</p>	<p>JEEC</p> <p>Teaching and Learning</p> <p>All Admins</p>	<p>?</p>	<p>Likely None?</p>	<p>?</p>	<p>Participation Lists</p> <p>Teacher Evaluations</p> <p>Observer Tab data</p> <p>Student Achievement Measures: SLOs, class grades, state assessments, formative assessments.</p>	<p>Moss and Brookhart, Formative Classroom Walkthroughs. Feedback for teachers, p. 38-41.</p> <p>Reeves, Accountability in Action. Frequent Assessment of Student Progress. P. 188.</p>

District Improvement Plan: *Contributions from the Teacher*

Objective: Teachers will employ strategies, aligned with quality research, that have the greatest impact on student learning.

★ Teacher Clarity (Effect Size 0.75)	Primary, Secondary Responsibility	Start/End (Timeline)	Resources (money, time people, space)	Funding Source	Evaluating Results	Sources of Guiding Research
1. Develop a common understanding of the definition of “teacher clarity” and how it links to learning targets.	Teaching and Learning DISC	?	Time for Meetings Print/Online Resources	TBD	Measure definitions against Hattie’s definitions and research; and Moss and Brookhart’s learning target definitions.	Hattie, VL, Teacher Clarity. p. 125-126 Hattie. VL for T. p. 153-154. (more) Moss & Brookhart, LT
2. Develop plans for teacher to understand and use “teacher clarity” and learning targets.	Director of PD	Sept. 2015	Early release times, faculty meeting time	TBD	Task completion	Moss and Brookhart, Learning Targets (2012). communicating learning targets, p. 41-60
3. Teachers apply learning targets and use clarity in each lesson instruction.	Principals	Jan. 2015	Coach-provided PD Edivate <i>Learning Targets</i> by Moss & Brookhart	TBD	Summarize any evidence that exists to indicate that this will improve student achievement specific to your population.	Moss and Brookhart, (2012). Data-driven decisions, p. 152. Hattie, VL for T. Data teams, p. 60-62.
4. Develop a rubric/success criteria for students to use to evaluate teacher clarity and learning target usage for the purpose of providing teachers feedback.	DISC	Fall 2015	DISC meeting time	TBD	1. Rubric/success criteria, compiled and addressed. 2. Comparison of student achievement against implementation of teacher clarity.	Hattie, VL for T. Feedback – asking students, p. 130-131.

District Improvement Plan: *Contributions from the Teacher cont...*

★ Professional Development (Effect Size 0.625)	Primary, Secondary Responsibility	Start/End (Timeline)	Resources (money, time people, space)	Funding Source	Evaluating Results	Sources of Guiding Research
1. Provide professional development focused on achievement data, formative assessment data, and student learning.			<ul style="list-style-type: none"> ● Draw on Teacher Resource Guide. ● Integrate existing professional learning resources. ● PD should in part be built off of this District Improvement Plan 	TBD	Assess teacher knowledge of the seven elements of effective professional development <ol style="list-style-type: none"> 1. Extended time. 2. External experts 3. Engagement 4. Changing perceptions. 5. Data on student learning. 6. Opportunities to learn. 7. (Embedded) 	Hattie, VL – Professional development, p. 119-121. Marzano, Art and Science of Teaching. Reeves, Accountability in Action. Frequent Assessment of Student Progress. P. 61-64.
2. Help teachers become students of their own teaching by reflecting on and measuring effectiveness.						
3. Change teacher perception where needed through collaboration and mentoring.						
4. Increase deliberate collaboration opportunities with feeder schools.						
5. Offer PD according to teacher needs and align with district mission, vision, and values.						
6. Differentiate PD for teachers new to the district vs. teachers that have been participating over time.						
Need to delineate practices precisely consistent with Hattie's multiple steps of most effective PD. Possibly at the top of this section with a specific action that will be accomplished.						
Include activities that <ul style="list-style-type: none"> ● Use the SIN “Edivation” resources? ● Require either a self-report or a principal observation that shows the teachers are using the PD in their professional duties? 						
7. Ensure administrators use data when discussing teacher effectiveness and individual needs.						

District Improvement Plan: *Contributions from the Curricula*

<p>Objective: <i>The district will select, develop, and implement curricula and programs aligned to district essentials to ensure that students at all levels will meet or exceed learning standards.</i></p>						
<p>★ Repeated Reading Programs (Effect Size 0.67) Repeated reading consists of re-reading a short and meaningful passage until a satisfactory level of fluency is reached.</p>	<p>Primary, Secondary Responsibility</p>	<p>Start/End (Timeline)</p>	<p>Resources (money, time people, space)</p>	<p>Funding Source</p>	<p>Evaluating Results</p>	<p>Sources of Guiding Research</p>
<p>1. Define the strategy of repeated reading, as described by Hattie's work, and describe its usefulness at grade levels and with what content.</p>	<p>Ex. Director of Teaching and Learning District Literacy Committee</p>		<p>Instructional Coaches DLC</p>	<p>TBD</p>	<p>Task completed--definition matches Hattie's research</p>	<p>Hattie, VL, Repeated Reading Programs. p. 135.</p>
<p>2. Develop a professional development plan to support teachers in strategically using repeated reading, including finding appropriate texts.</p>	<p>Dir. of PD Instructional Coaches, ELA</p>		<p>Instructional Coaches, ELA DLC Curricular programs/materials (for texts)</p>		<p>Task completed; plan includes Hattie's factors of effective PD</p>	
<p>3. Implement the PD plan.</p>	<p>Principals Teachers Instructional Coaches</p>		<p>Instructional Coaches Principals</p>		<p>1. Measure usage of strategy as appropriate to PD and implementation timeline 2. Compare usage against student achievement data over an extended period of time.</p>	

District Improvement Plan: *Contributions from Teaching Approaches*

<p>Objective: The district will help teachers employ multiple, effective teaching strategies with an emphasis on feedback that will help students acquire essential knowledge, skills, and dispositions.</p>						
<p> Feedback – Information about student performance and teaching. (Effect Size 0.73) Information provided to another about aspects of one's performance or understanding. Teacher to Student and Student to Teacher. On task level, process level, and self-regulation level, is far more effective than on the Self-level (e.g. praise which contains no learning information). Descriptive feedback is closely related to providing formative assessment. Feedback is information with which a learner can confirm add to, overwrite, tune, or restructure information related to learning goals. (VL p. 173-4) </p>	<p>Primary, Secondary Responsibility</p>	<p>Start/End (Timeline)</p>	<p>Resources (money, time people, space)</p>	<p>Funding Source</p>	<p>Evaluating Results</p>	<p>Sources of Guiding Research</p>
<p>1. Provide a district definition of feedback to include both evaluation from the teacher to the student on learning and evaluation from the student to the teacher on instruction.</p>	<p>Teaching & Learning Principals</p>	<p>Fall 2015</p>	<p>Principal meetings Faculty meetings District-controlled time. District wide and district led PD Sub Costs Print/online materials</p>	<p>TBD</p>	<p>Survey of understanding Summarize any evidence that exists to indicate that this will improve student achievement specific to your population. How will the implementation be measured? How will the effect on student achievement be measured during the school year? How does this factor achieve the district aim?</p>	<p>Hattie, VL, Feedback, p. 173-178. Hattie VL for T, Feedback, p. 115 – 137.</p>
<p>2. Develop and administer Professional Development that focuses on gathering and using various forms of feedback to, and from, students. The PD will help:</p> <p>a. Teachers learn to gather, interpret, and apply feedback to improve teaching and learning. b. Teachers learn to employ types of feedback according to its potential for affecting student learning. c. Teachers will provide training for students in how to communicate their learning needs.</p> <p>d. Teachers teach students how to give feedback to each other (peer feedback) and to self (self-monitoring).</p>	<p>Teaching and Learning Teachers</p>	<p>Fall 2015 - Spring 2017</p>	<p>Principal meetings Faculty meetings District-controlled time. District wide and district led PD Sub Costs Print/online materials</p>	<p>TBD</p>	<p>Training occurs: Task Completion Schedule of PD and participants DISC time spent Survey? We have a concern about sustainability. Once initial implementation has happened and turnover occurs, how will we make sure new teachers, administrators have the same quality of implementation as the rest of us?</p>	
<p>3. Determine the effectiveness of instruction and plan adaptations by analyzing student feedback.</p>	<p>Principal will supervise this PLC function</p>	<p>Fall 2015 - ?</p>	<p>PLC time Dept./grade level meetings</p>	<p>TBD</p>	<p>Teacher survey on use of feedback. Pass-Fail and student class grades.</p>	

District Goals: *Department Objectives*

Business Administration

Produce award winning financial documents (Budget Book, CAFR, Public Summary, all State Reports)

Continue to evaluate and update department policies and procedures

Accurately track/report on Bond construction and purchasing needs

Implement ALIO Campus Accounting module to replace TES software

Career & Technical Education

Continue Elementary STEM Endorsement Development

Implement Science Essentials to improve science proficiency levels of district students in grades 6-8

Assist with keeping programs running and planned for in PHS rebuild

Teaching & Learning

Connect teacher resources to Google & Agilix to support Utah Core Standards

Continue to promote STEM courses and align to district science & math initiatives

Refine annual teacher professional development program plan

Support quality teachers through mentors, coaches, education effectiveness projects

Continue to implement school curriculum replacement program on schedule

Technology

Implement House Bill 213 internet filtering requirement

Continue implementation of District technology replacement plan

Ensure new school construction projects are adequately prepared for future technology needs

District Goals: *Department Objectives*

Food Services

Improve teamwork, professional conduct, and civility through better District Office/School communications, celebrating successes, and conducting business in a highly professional manner

Provide support for nutrition employees, best practices, and staff-identified needs through administrative support, regular professional development opportunities, effective evaluations, and by attracting and retaining highly qualified employees

Provide continuous training and practice improvement through implementing SafeSchools training, monthly manager trainings, additional USOE and SNAU area trainings, as well as creating better marketing and merchandizing for the child nutrition program

Continue the 3 year technology rotation plan and improve school kitchen and lunchroom safety programs.

Refine use of ALIO software to track and maintain food-related expenses

Maintenance

Complete non-routine capital projects on-time and on or under budget

Work with Business Department to develop a more robust long-term capital replacement program

Improve properties and save costs by improving grounds maintenance processes

Improve response time of maintenance request tickets by 15%

Successfully complete Bond-related construction on-time and on budget

Personnel

Create a formal District-wide grievance policy

Continue to refine and standardize extra-curricular and additional duties stipends

Continue implementation of Safe Schools employee training

Streamline the hiring process & reference checks

Review and update department policies and training procedures

District Goals: *Department Objectives*

Special Programs

- Improve Special Education student graduation rates
- Improve and increase teacher to parent communication
- Increase academic progress of students with disabilities
- Legal and fully implemented IEPs
- Appropriately identify students with disabilities
- Complete Medicaid billing monthly

Student Services

- PBIS implementation
- Coordinate policy/key documentation translation
- Implement the Communities that Care model
- Institute and language line program for patrons who aren't native English speakers
- Increase eSchool enrollment to 3,200 students
- Oversee implementation of elementary school counselor/health clerk model

Student Transportation

- Decrease repair costs and prepare for new Provo HS bus routes by replacing 4 aging buses
- Full training for all bus drivers and aides monthly
- Retain highly qualified drivers through competitive pay/hours

District Goals: *Financial Impacts*

A note on the relationship between District goals and the annual budget. As discussed previously in this document, the process of creating department goals and objectives for the new year is generally begun during the winter time period. By January, the District has a relatively firm idea of what the goals for the new year look like, and this process is then finalized once enrollment projections and staffing requirements are completed during the early Spring. At this time, the financial ramifications of implementing the District goals are then analyzed, prior to presenting a preliminary budget to department directors, the Superintendent, and the School Board in mid-May. Below is a summary of the major financial impacts the department goals listed on the previous pages will have on the current year's budget.

Teaching & Learning – Curriculum Replacement Plan

Continuing with the District's Math and Language Arts implementation plan, the District has set aside \$750k to implement a new math curriculum in FY 2018. Mountain State Schoolbook Depository is providing this curriculum to the District.

Technology – District Learning Initiative

This initiative focuses on putting technology into the hands of elementary students to aid in classroom instruction and assessment. Now in its third year, the District has set aside \$681k for equipment, training, and payroll expenses related to managing the program. This will bring total participation in this program to over 120 classrooms.

Technology – School Technology Replacement Plan

Technology continues to play a major role in the education of Provo's children. In order to provide cutting edge equipment for both teachers and students the Technology department has prioritized the replacement of aging computers and other tech equipment at our schools. To this end, the District has set aside \$900k in this year's budget specifically for the purpose of updating student and teacher computers and equipment.

Personnel – Employee Vacation Buyback

The District understands that in some cases employees are unable to make full use of the vacation benefit offered to them as part of employment. As an option, the District is offering a buyback option of 1 or 2 vacation days in FY17 for qualifying employees. We expect this to cost the District roughly \$90k.

Personnel – Contracted Substitute Teachers

The District continues to place a focus on putting qualified teachers in front of students regardless of the circumstances. To help with this initiative, the decision has been made to hire 3 contracted substitute teachers to assist in those classrooms where the assigned teacher is on leave for an extended period. This will create a stabilizing influence in these classrooms at a cost of roughly \$130k.

District Goals: *Financial Impacts*

Maintenance - BOND Construction Management

By far the largest non-compensation expense incurred by the District this year will be in bond-related construction expenses. Construction is well underway at both Provost Elementary and Provo High School. When we began construction on the 5 school replacements it was necessary to bring in a part-time purchasing assistant as well as a planning principal to help coordinate and liaise with school staff, administration, construction company personnel, as well as the community. As we finish up these projects the District has budgeted a total of \$45.1 million in bond-related expenses.

Teaching & Learning - Professional Development

The District believes in placing the most qualified teachers in the classrooms. To help achieve this, we continue to prioritize professional development for our teachers that is aligned with John Hattie's Visible Learning structure. The District will provide an additional day of professional development for our teachers this year (a total of 4) at a cost of roughly \$150k.

Student Services - eSchool Re-focusing

Provo's eSchool program has grown rapidly in the last few years, with more than 3,200 students in FY 2017. As we work with our eSchool curriculum vendors and the students it has become clear that we need to refocus the program in FY 2018 so that we can better manage the education of Provo's children who participate in our eSchool option. As a result, we expect to see a decrease in enrollment for FY 2018 of roughly 400 children. This results in lower expenditures in this program, but because we are reducing our WPU's also, we will see a reduction in revenue also. As a result, we expect this change to our eSchool program to result in a net cost for the District of roughly \$200k.

Student Services - StarBright Program

The District continues to focus on providing our students with the resources they need to be successful, and part of that initiative is to implement a program to assist those students who are in need of a more disciplined educational structure. The StarBright program provides those resources and we have set aside \$88k for that purpose in this year's budget.

Transportation - School Bus Needs

The District has set aside \$375k this year for the purchase of 3 new buses. These buses are replacements for older buses and are part of the District's bus replacement plan.

District Goals: *Prior Year Accomplishments* (2015-16 most recent available)



Goal 1: Continuous Academic Improvement and Transparency

Number of AP Exams Taken: 1,308 (increase of 16%)
Students in Concurrent Enrollment: 885 (increase of 64%)
National Merit Scholars: 7



Goal 2: Support for Teachers and Teaching Aligned with Research, Best Practices, and Teacher-Identified Needs

Professional Development

- Math PD Events: 96 (500% increase)
- English PD Events: 56 (211% increase)
- District-wide PD Events: 155 (38% increase)
- Recertification Classes: 155 (38% increase)

Staff Retention

- Certified Staff Retained: 705 (9% increase)
- Classified Staff Retained: 894 (5% decrease)
- Administrative Staff Retained: 57 (6% increase)

Teacher Coaching

- Instructional Coaches: 10 (100% increase)
- Teachers Coached: 752 (12% increase)



District Goals: *Prior Year Accomplishments*



Goal 3: Improved Certainty and Stability in the Direction of the District

Safe Schools

- Administrators trained on compliance: 46
- Level 3 violations: 3 (63% decrease)
- Tracking of bullying incidents: 5 (38% decrease)

Revision of Policies: 27 Approved/13 Revised

Weekly Staff newsletters



Goal 4: Financial Prioritization, Long-Term Planning and Transparency

Utilities Conservation

- Electricity: \$1,813,349 (3% decrease despite rate increases)
- Natural Gas: \$339,118 (12% decrease)

Dual Immersion: 1,703 students (8% increase)

School Choice: 267 Students Incoming annually (43% increase)

Finance Accomplishments

- Purchase Orders Processed: 5,238 (2% increase)
- AP Checks Processed: 4,461 (3% decrease)
- AP Electronic Transfers: 2,124 (4% increase)
- Payroll Checks Processed: 24,385 (5% increase)



Goal 5: Teamwork, Professional Conduct, and Civility

School Board Recognitions: 109 (31% increase)

Instructional Strategies Committee Meetings: 9

Math Committee Meetings: 9

Literacy Committee Meetings: 9

HR/Employee Committee Meetings: 33

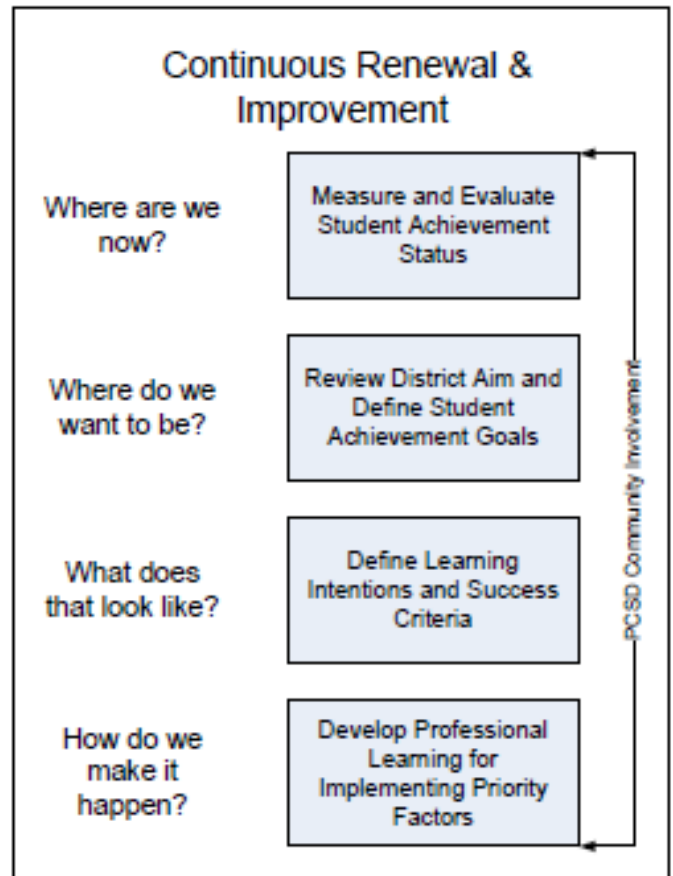


“In partnership with parents and community, we cultivate highly effective learning environments where all students engage, think, and learn in order to contribute, create and innovate for a lifetime.”

Connecting the Short and Long Terms

With a mission statement, School Board goals, 20/20 Plan, District Improvement Plan, etc., determining what the District actually hopes to accomplish can seem confusing. To the right is a simple graphic which ties all of it together simply. At its very heart, we as a District must consistently evaluate where we are, where we want to be, and the steps required to get us there.

As mentioned previously, the 20/20 Plan and School Board goals provide a framework within which the District Improvement Plan operates. The Plan itself identifies specific actions that will be taken by stakeholders during specific time periods in order to achieve our long term goals. In addition to these higher level initiatives, individual department goals and objectives define employee motivations and actions at a much lower level. By consistently evaluating where we are and keeping an eye to the future we can ensure that we are achieving the mission of the District and providing a high quality education to our students.



District Budgeting Process
Provo City School District

Significant Laws Affecting the Budget

The following is a summary of the significant provisions of the laws of the State of Utah applicable to Utah School District budgets. This budget is adopted in compliance with these legal requirements.

53A-19-101. Superintendent of school district as budget officer — School district budget.

1. The superintendent of each school district is the budget officer of the district.
2. Prior to June 1 of each year, the superintendent shall prepare and file with the local school board a tentative budget. The tentative budget and supporting documents shall include the following items:
 - A. the revenues and expenditures of the preceding fiscal year;
 - B. the estimated revenues and expenditures of the current fiscal year;
 - C. an estimate of the revenues for the succeeding fiscal year based upon the lowest tax levy that will raise the required revenue, using the current year's taxable value as the basis for this calculation;
 - D. a detailed estimate of the essential expenditures for all purposes for the next succeeding fiscal year; and
 - E. the estimated financial condition of the district by funds at the close of the current fiscal year.
3. The tentative budget shall be filed with the district business administrator for public inspection at least 15 days prior to the date of its proposed adoption by the local school board.

53A-19-102. Local school boards budget procedures.

1. Prior to June 22 of each year, each local school board shall adopt a budget and make appropriations for the next fiscal year. If the tax rate in the proposed budget exceeds the certified tax rate defined in Subsection 59-2-924(2), the board shall comply with the Tax Increase Disclosure Act in adopting the budget.
2. Prior to the adoption of a budget containing a tax rate which does not exceed the certified tax rate, the board shall hold a public hearing on the proposed budget. In addition to complying with Title 52, Chapter 4, Open and Public Meetings, in regards to the hearing, the board shall do the following:
 - A. publish the required newspaper notice at least one week prior to the hearing; and
 - B. file a copy of the proposed budget with the board's business administrator for public inspection at least ten days prior to the hearing.
3. The board shall file a copy of the adopted budget with the state auditor and the State Board of Education.

53A-19-103. Undistributed reserve in school board budget.

1. A local school board may adopt a budget with an undistributed reserve. The reserve may not exceed 5% of the maintenance and operation (general fund) budget adopted by the 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.

2. The board may appropriate all or a part of the undistributed reserve made to any expenditure classification in the maintenance and operation (general fund) budget by written resolution adopted by a majority vote of the board setting forth the reasons for the appropriation. The board shall file a copy of the resolution with the State Board of Education and the state auditor.

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

53A-19-104. Limits on appropriations — estimated expendable revenue.

1. A local school board may not make any appropriation in excess of its estimated expendable revenue, including undistributed reserves, for the following fiscal year.

2. 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 district for the previous year.

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

4. 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.

5. 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.

6. An increase in an appropriation may not be made by the board unless the following steps are taken:

A. the 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 the board meeting at which the request will be considered; and

C. the board holds a public hearing on the request prior to the board's acting on the request.

53A-19-106. Warrants drawn by business administrator.

The business administrator of a local school board may not draw warrants on school district funds except in accordance with and within the limits of the budget passed by the local school board.

53A-19-107. Emergency expenditures.

This chapter does not apply to appropriations required because of emergencies involving loss of life or great loss of property.

53A-19-108. Monthly budget reports.

1. The business administrator of each local school board shall provide each board member with a report, on a monthly basis, that includes the following information:

A. the amounts of all budget appropriations;

B. the disbursements from the appropriations as of the date of the report; and

C. the percentage of the disbursements as of the date of the report.

Financial & Budget Administration Policies

The following budget policies have been adopted by the Board of Education and are used to guide the preparation and administration of this budget.

I. Operating Budget Policies

A. The District will cover current expenditures with current revenues. The District will avoid budgetary procedures that cover current expenditures at the expense of meeting future years' expenditures, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt.

B. The budget will provide for adequate maintenance of capital, equipment, and for orderly replacement of capital facilities and equipment.

C. The District will maintain an online budgetary control system to assist in following the budget plan.

D. The District will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.

E. Where possible, the District will integrate performance measurement and productivity indicators with the budget.

F. The District will use a zero-based budgeting method, where all expenses must be justified each year.

2. Capital Improvement Budget Policies

A. The District will develop and administer a multi-year plan for capital improvements and update it annually.

B. The District will budget for major capital projects in accordance with the priorities of the Board of Education.

C. The District will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budgets.

D. The District will maintain all assets at a level adequate to protect the District's capital investment and to minimize future maintenance and replacement costs.

E. The District will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to the board for approval.

F. The District will restrict any new or replacement construction to be consistent with state guidelines for school building utilization.

“The District uses a zero-based budgeting method, where all expenses must be justified each year.”

3. Debt Management Policies

A. The District will confine long-term borrowing to capital projects and purchases of equipment, as required by law.

B. Total general obligation debt will not exceed 4% of the reasonable fair market value of taxable property within the District.

C. The District will not use long-term debt for current operations.

D. The District will meet all debt service obligations when due.

E. The District will maintain communication with bond rating agencies about its financial condition. The District will follow a policy of full disclosure in every financial report and official statement.

F. The District will provide to the capital markets ongoing disclosure of annual financial information and material events that may affect the District's financial strength.

Financial & Budget Administration Policies *Continued*

4. Revenue Estimation Policies

A. The District business administrator will estimate annual revenues by an objective, analytical process. The District will not include revenue in the budget that cannot be verified with documentation of its source and amount.

5. Fund Balance and Reserve Policy

A. In order to maintain and protect the long-term financial capacity of the District, total fund balance and reserves in the General Fund will be maintained at or near 5% of total General Fund unrestricted revenues.

B. The capital fund will maintain a minimum balance of two million dollars for emergency repair situations.

6. Accounting, Auditing, and Financial Reporting Policies

A. The accounting system will report financial information, on a basis consistent with Generally Accepted Accounting Principles (GAAP), as established by the Governmental Accounting Standards Board.

B. Regular monthly and annual financial reports will present a summary of financial activity by fund.

C. An independent certified public accounting firm will be selected by the Board of Education and will perform an annual audit, and will publicly issue its opinion on the District's financial statements.

D. The District will seek to obtain and maintain a Certificate of Achievement for Excellence in Financial Reporting from the Association of School Business Officials International and the Government Finance Officers Association. The District will also seek to obtain and maintain the Meritorious Budget Award from the Association of School Business Officials International and the Distinguished Budget Presentation Award from the Government Finance Officers Association.

Some Notes on Policy Compliance

The District makes a concerted effort to follow all financial and budget policies. Monthly reports detailing expenditures, purchase requests, and other critical data are sent out to all budget owners in an effort to ensure strict adherence to the annual budget plan and that any decisions are made as a result of accurate and reliable data.

The District's capital project plan is vetted annually and approved by the Board. Our facilities team is proactive in identifying District maintenance/replacement needs and creating comprehensive project plans prior to requesting Board approval. All projects require multiple bids, which minimizes unnecessary costs placed on the District as part of our improvement plan.

The District Accounting Department regularly monitors our debt obligations and fund balances, to ensure that all obligations are met and that sufficient reserves exist for any unplanned District needs. As seen on later pages, the District is in a strong position regarding its legal debt limits.

Each year an independent audit of District finances and policies is conducted to validate and verify that all District and State policies are followed. In addition, beginning in FY15 the State Auditor has also required all state school districts to have an internal audit function. The District has implemented this guidance by the state and going forward the finances of the District will be reviewed by both internal and external auditors which are independent of the District finance department. The District has consistently been recognized for its financial transparency through the production of award-winning annual financial and budget documents by both the Association of School Business Officials International (ASBO) and the Government Finance Officers Association (GFOA).

Budget Development & Review Process

The District uses an annual budget, with fiscal years beginning July 1st and ending June 30th each year.

Budget development is a year-round process, affecting the public, legislature, employees and the Board of Education. It begins in early fall after the annual report is prepared. At that time the Board reviews its long-term strategic plan and sets goals and objectives for the upcoming fiscal year. The Budget Department works closely with directors and principals to identify strategies and programs to achieve the Board-established goals and objectives for the upcoming fiscal year through the fall.

In January, the Board is presented a set of budget initiatives which the administration feels will accomplish the Board-established outcomes. The Board modifies, if necessary, the budget initiatives and forwards the budget initiatives for public comment. In addition to placing these short-term initiatives on the District website, the District has set up a dedicated email account to handle budget-related questions.

From January through May the Budget Department works with directors, principals, and department heads to develop a detailed budget for the upcoming fiscal year. During this time employee compensation is negotiated with several bargaining groups. The legislature determines the District's state funding level, and requirements are balanced against resources.

By late May, the proposed budget is presented to and discussed with the Board of Education. The Board votes to adopt the budget at a public hearing held in June. Once adopted, the budget document becomes the official operating plan of the District. If the Board should decide that a tax increase is required to accomplish its desired goals and objectives, it will conduct a public hearing in August.

Capital Budget Development

The development of the capital improvement budget occurs concurrently with creation of the rest of the District's budgets. Many of the short-term budget initiatives have an impact on the capital improvement list. Once the initiatives and goals are drafted, the impact on the capital projects budget is determined. A list of potential projects, in order of importance, is then given to the Board of Education and District management for review. This list is also presented to the public through regular board meetings. Upon approval by the Board, the capital projects are officially adopted into the approved budget.

How Policies and Processes Affect Budget Development

Following clear policies and having effective processes is a critical component of the District's budget planning. These policies are crafted with substantial public input. In fact, public input is the #1 determinant when building the budget each year. It is our belief that no district in Utah does more to involve the public than Provo School District, although there is always room for improvement.

“Budget development is a year-round process affecting the public, legislature, employees and Board of Education.”

Budget Administration & Management Process

The District has mechanisms in place to ensure compliance with the adopted budget, and has a strong focus on transparency and accountability with regard to budget management. Every dollar of expenditures included in the budget is assigned to some person as a “cost center controller” for that particular piece of the budget. This person may be a general administrator, department administrator or building level administrator. These cost center administrators are responsible to control “their” budget, and are subject to disciplinary action for failure to properly control or manage their budget. Expenditures will not be incurred unless they are properly classified and authorized by the cost center controller and within the limits of available appropriations.

Balanced Budget: Definition

The District considers the budget balanced when total expenditures are equal to total revenues. However, the budget is also balanced in situations where total expenditures are less than total revenues, which is technically a surplus. There are also instances when the District might plan to spend fund balances from previous years on one-time or non-routine expenditures. The District considers the budget to be balanced in this case also, provided the funding from previous years is available, and a plan is in

“The District’s budget is balanced under Scenario Three for FY 2018.”

Balanced Budget Scenarios

Scenario One: Revenues = Expenditures

Scenario Two: Revenues > Expenditures

Scenario Three: Revenues + Appropriated Fund Balances = Expenditures

An online budget control system provides cost center budget status information on demand and helps encourage budgetary compliance. Additionally, monthly reports containing key budget metrics, expense details, and remaining balances are used to ensure budget administrators have adequate visibility regarding their budgets. Requisitions, purchase orders, etc. are reported as encumbrances against available appropriations at the time they are originated.

Cost center controllers are, with few exceptions, authorized to make changes (reallocations) within their budget with approval of the Budget Department. New program budgets or expansion of program budgets require Council and Board approval.

place to not build ongoing expenditures into this type of funding. This type of balanced budget is especially prevalent when capital projects are budgeted using proceeds from the issuance of bonds. The State of Utah requires that District expenditures do not exceed the adopted budget by individual fund each year.

For FY 2018, the District’s budget is balanced under Scenario Three. With the voter-approved Bond construction now in full swing, the District will tap into that funding source during this fiscal year. The District is also in the process of purchasing new Math and Language Arts curriculum materials. These projects are planned spend-downs that are the result of one-time projects.

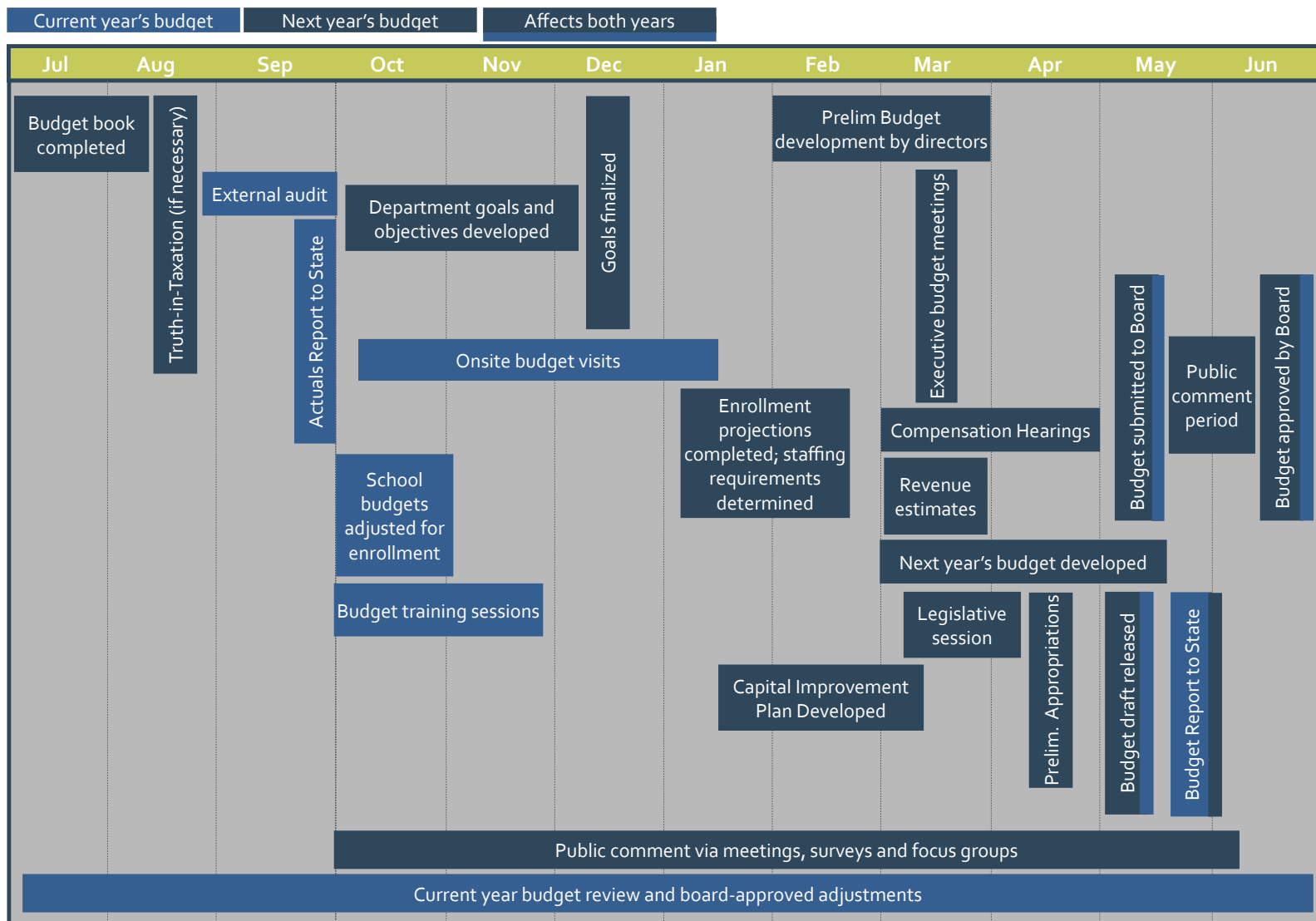
Have feedback? Please send an email to budget@provo.edu. This email account is checked regularly by District administrators.

Budget Approval & Adjustment Process

1. For the fiscal year beginning July 1, the Business Administrator prepares a tentative budget which is presented to the Board of Education by the superintendent on or before the preceding June.
2. After study, deliberation, possible amendments, and a public hearing, the Board of Education legally adopts the final budget prior to June 22.
3. *Once adopted, the budget can be amended by subsequent Board action. Reductions in or reallocations of appropriations may be approved by the Board after recommendation of the Superintendent, but increased appropriations by fund require a public hearing prior to amending the budget.*
4. Adjustments in estimated revenue and appropriations for the prior fiscal year are included in the budget document and are approved by the Board as the revised budget.
5. As determined by the State Superintendent of Public Instruction, the level at which expenditures may not legally exceed appropriations is the total budget of a given fund.
6. At the end of a year, unencumbered appropriations lapse unless restricted by state or federal guidelines.
7. The District has a long-term building replacement and retrofit program which has been developed through a process that included a study and recommendations by a broad-based committee representing many experts in our community. This process included a structural engineering study of each building and a geotechnical analysis of each site. Also, each year every building is reviewed by representatives of the District's facilities staff, and the school principal and/or other representatives of the school.



Budget Development and Review Process: *Budget Timeline*



The District uses an annual budget, with fiscal years beginning July 1st and ending June 30th each year. Budget development is a year-round process, affecting the public, legislature, employees and the Board of Education.

Key Budget Dates:

- July 15 Previous year Final budget and current year Original budget submitted to State Office of Education
- Sep 30 External audit completed
- Oct 1 Annual Enrollment report is released
- Feb 28 Future year enrollment projections/staffing needs calculated
- Late March State Legislative revenue estimates released
- Late May Preliminary budget presented to Board of Education
- May - June Public input
- June 13 Official budget approved by the Board of Education

Public input is critical for the District to be successful, and the District makes every effort possible to involve the public in every step of the budget process.

Budget Process: Stakeholder Involvement

Stakeholder feedback is essential to a transparent, forward-thinking budget. The District believes that, while it's easy to claim transparency, consistent actions that back up claims leads to transparency. Perhaps most important, effective communication goes both ways.

There are several tools the Board and staff use to communicate with the public. Below are some of the most important steps taken to ensure that each year's budget is built with the students, parents and the general public at the forefront of the process.

"It's our belief that no public entity in Utah is more transparent than Provo City School District."

Public Meetings

The oldest form of public involvement is the public meeting. The District holds monthly board meetings that allow a specific time for citizens to voice their concerns and support. The District makes every reasonable effort to ensure no citizen is denied the right to provide feedback.

Social Media

In 2012, the District launched a Facebook page to provide a two-way dialog channel with Provo citizens. Several individual programs in the District, including eSchool and Food Services, maintain active and vibrant social media presences.

Public Committees

There are several committees in the District that help guide the direction of schools, departments and the budget. These steering committees meet as often as each week, and they are critical to the District.



Significant Revenue Sources

State Revenue: WPU

Funding resulting through the Weighted Pupil Unit (WPU) is comprised of several individual state programs of varying size. All combined, the District anticipates receiving \$78.6 million, or roughly 93% of total state revenues from WPU-related state programs in FY 2018. This is an increase over FY 2017 and is due primarily to an increase to the WPU from the State and because some state programs have been consolidated into WPU sources.

The largest individual state funding source, referred to as “**Regular School Programs,**” is projected to be \$46.4 million for the District in FY 2018. This source is based on the WPU amount and the District’s levied property taxes. The District uses this funding source to pay part of the overall cost of teachers.

Special Education is the second-largest state funded program the District operates, with \$9.0 million in WPU revenues projected for FY 2018. This program is restricted to be used on students considered disabled.

Career and Technical Education is a WPU-related state program designed to provide vocational training and opportunities for secondary students in the District. The District must substantially match funding received through the state with local revenue in order to qualify, and expects to receive approximately \$2.25 million in FY 2018.

The District also anticipates receiving \$4.3 million to pay for “**Professional Staff.**” This is tied to the other WPU-related funding sources and is designed to cover administrative overhead costs.

The District also receives money through the WPU to facilitate **Class-size Reduction.** Along with state money, the District must also levy local property taxes to help pay for this program. The District anticipates receiving just over \$3.8 million from state sources for this program in FY 2018.

Local Revenue: Property Taxes

The District levies property taxes to provide operating funds for the District. Each year, the District receives a certified tax rate from Utah County, and from that is able to set tax rates. The Basic Program tax rate is set by the State of Utah, and individual school districts set other rates with maximum levies set by law.

Property taxes are the District’s second largest funding source, and the largest component of local revenues at approximately 86%. For Tax Year 2018, the overall tax rate is .007327, a decrease of .000556 over the prior year.

Property Taxes by Levy Fiscal Year 2017 to 2018

	FY 2017	FY 2016	Change
Basic Program (53A-17a-135)	0.001675	0.001568	-0.000061
Voted Leeway (53A-17a-133)	0.001093	0.001024	-0.000058
Board Leeway (53A-17a-164)	0.001600	0.001416	0.000307
Charter School Levy (53A-1a-513.1)	0.000000	0.000083	0.000083
Gen Oblig Debt (11-14-19/53A-17a-145/53A-21-103)	0.001995	0.001812	-0.000144
Voted Capital (53A-16-110)	0.001520	0.001424	0.000271
Total - All Funds	0.007883	0.007327	-0.000556

Local Revenue: Other Local Revenue

In the summary budgets, other local revenues are often combined with property taxes. These other local revenues include earnings from investments (interest earned), and income from students, such as school lunches. While interest rates do continue to slowly recover, we do not expect large changes in rates over the coming years and, as a result, interest earned is projected to see only slight growth in FY 2018.

The District’s investment activities are governed by the Utah State Money Management Act, which limits the types of investments the District can participate in. The District invests mainly in what’s referred to as the Utah Public Treasurer’s Investment Fund (PTIF – often referred to as “the Pool”), which provides security, stability and competitive returns. The “Pool” is diversified, with no more than 5% of assets invested with a single issuer.

Federal Revenue: Other Programs

The federal government provides direct and flow-through support to specific programs in the District. For FY 2018 it’s anticipated that the District will receive about \$11.9 million in federal revenue.

The largest programs the District operates with federal funding are IDEA, Title I, Improving Teacher Quality, 21st Century Community Learning Centers and the school lunch program. These five programs make up roughly 90% of all the federal grants the District receives.

Much of the federal funding available to the District falls under the No Child Left Behind Act of 2001. According to the Department of Education, “No Child Left Behind is based on stronger accountability for results, more freedom for states and communities, proven education methods, and more choices for parents.” The District’s mission, goals and objectives are all geared toward the aim of no child being left behind in Provo.



Key Revenue Assumption Indicators for FY 2018

- Student enrollment (traditional) ◀▶
- Student enrollment (online) ▼
- At-risk student population ▲
- State revenue ▲
- Federal revenue ▼
- Property values ▲
- Interest rates ◀▶

Significant Expense Sources

Compensation

Expenditures are based upon available funding. Although signs point to slight funding increases, these increases aren't enough to cover skyrocketing medical and retirement benefit costs incurred by the District, meaning that while overall compensation is projected to increase, employee raises will continue to lag behind.

Going forward, expenditures will likely increase as revenues do. As a service organization, the District spends the majority of its available resources on salaries and benefits. So, as funding fluctuates so will compensation costs.

The District forecasts that benefits costs will outpace salary costs, mainly for two reasons: first, the State of Utah's retirement system took a big hit during the recession, and districts must continue to contribute large portions of funds to the retirement system. However, the retirement contribution rate is expected to not increase in 2018. The second reason benefit costs are projected to rise faster than salaries is because healthcare inflation has far outpaced salary growth in recent years on a national and District level. Just as with many other organizations, the District continues to examine alternative methods of providing health benefits to its employees.

Bond-Related Expenses

As discussed previously, in November 2014 the city voted on and passed a Bond with an overwhelming 71% majority voting in favor of the measure. As a result, we expect to see significant Capital Projects Fund expenses this coming fiscal year. Three of the five school rebuild projects are now complete with construction on Provo High School and Provo Elementary now underway. We expect to see roughly \$45 million in expense related to those schools in this fiscal year.

These expenses are primarily coded to the Property Services object code in our financials. Also, payments on the bond issuance requires us to spend more in our Debt Service Fund. These expenses are included in the Other Objects code.

It is important to note that while significant bond expenses will hit our books in FY 2018, the revenue associated with these expenses was received in FY 2015 and FY 2016. As a result, although it appears as though we are drastically overspending our budget in the current year, we really are just spending down funds that are set aside for the purpose of rebuilding schools.

Other Expenditures

As benefits increase, the ability to pay for other budget items, such as supplies and equipment, will decrease. As a result, we will see only slight additions to other expenditure categories, if any at all. It's safe to assume that in the next 3-4 years the percentage of the District's budget that goes toward benefits will increase each year, while the percentage of the budget that goes to other expenditures will decrease commensurately.

Summary

Years of heavy funding increases are likely over, at least for the periods forecasted, but moderate levels of funding increases are occurring. However, ongoing purchases for everything from office supplies to school buses will be scrutinized and efficiency improvements, both in staffing and equipment, continue to be focuses of administration.

In short, the District's ability to adjust to a new level of funding will define its success over the coming years. Seeking out innovative programs that are cost-effective - or even slightly profitable - will be an important way to mitigate inflationary pressures that push expenditures up ahead of available revenues.

Budget Development: Key Factors

Below are some of the key factors that were considered when creating the budget for the new year. Some of these items remain constant factors, while others will only apply to the current school year budget.

Wage Increases

District management believes strongly in providing our employees with quality pay that is competitive with our neighbors. With this in mind, and because compensation is the primary expense we have as a District, the first item negotiated and discussed when putting together the new budget is employee compensation.

Health Benefits

Provo City School District is not alone in facing increasing health benefits expenses. To combat rising premiums and to provide additional flexibility to our employees the District now offers a high-deductible health savings plan to our employees. This provides an additional option for health coverage, and its effectiveness at addressing some of the District's health coverage concerns will continue to be assessed throughout the year.

Bond-Related Expenses

As discussed previously, in November 2014 the city voted on and passed a Bond with an overwhelming 71% majority voting in favor of the measure. As a result, we expect to see significant increases in our Capital Projects and Debt Service Funds. Construction is well underway with 3 completed schools and 2 projects in progress. We expect to see expenditures of roughly \$45 million this year as we finish up the remaining school rebuilds.

The budget was built to best reflect our expectations regarding expense and project completion. However, like any large construction project, any adjustments made to scope or completion timeframe will require relevant budget adjustments.

Utilities

The District expects to see continued savings in our utilities expenses due to our ongoing relationship with Cenergistic Inc. Significant savings were seen during the previous year, and as we continue tweaking our energy conservation program, our savings expectations are high.

eSchool

eSchool continues to be a wild card for the District. As we refocus our eSchool program we expect to see reduced enrollment this year. Because WPU's make up a significant portion of our state revenue, we have also budgeted for reduced state WPU revenue. While not a significant revenue creator for the District, eSchool continues to offer a unique option for Provo students' education.

Revenue

Much of the increase in revenue that we have budgeted for in the coming year will come from WPU value increases and increased tax collections due to a higher debt levy. In other words, although our revenue is expected to increase, much of that increase is merely to cover added expenses as part of our Bond construction projects and our increased eSchool enrollment.

We do expect to see moderate increases in other state funding, but much of that increase is offset by reduced federal grant funding and other program decreases. Generally, we do not expect to see a large influx of revenue that can be used for additional projects or initiatives by the District compared to prior years.

Method of Classifying Revenue & Expenditures

District revenues and expenditures are tracked by fund, program, location (also known as a “cost center”), function, and object. Due to various reporting requirements, all of these classifications are included in this budget, with the exception of cost centers.

Funds are the most general way to classify expenditures. *Programs* might also be called projects, as each is funded and implemented to achieve a specific goal or set of objectives. For the most part, the District segregates its programs based on guidelines given by the Utah State Office of Education, although the District does have some discretion in determining programs and their corresponding codes.

Functions are a more general way to classify expenditures than programs. A function describes the activity for which a service is acquired or an expenditure is made. Functions refer to such classifications as instruction, support, maintenance, etc. The majority of the District’s expenditures go toward the instruction function.

Objects are the most detailed of the classifications. Examples of objects include salaries, benefits, supplies, equipment, etc. However, the District accounts for objects at a much more detailed level than this general example. With a few exceptions, objects are the most detailed way revenues and expenditures are tracked.

Basis of Budgeting

The District operates within budget requirements for school districts as prescribed by state law and interpreted by the State Superintendent of Public Instruction. **Budgets are presented on a modified accrual basis** for all governmental funds. The Modified Accrual Basis is a government accounting method where revenue is recognized when it becomes available and measurable. Expenditures are typically recognized in the period in which the liability is incurred.

This is the same basis of accounting used in the District’s audited financial statements.

All annual appropriations lapse at fiscal year-end, with the exception of those indicated as a fund balance reserve.

Revenue Projection Methodology

When projecting revenue for future years, the District relies heavily on its own internal data to estimate enrollment, which is the biggest driver of state revenue. Typically *regression analysis* is used to forecast general expected student enrollment for future years. A more detailed approach, using migration patterns, birth rates, and what is referred to as *survival rates*, is used to get a more detailed analysis for the next year. Detailed analysis for the coming year is normally done in the fall, and the Board of Education and management are given the results after that time. As a general rule, the District operates under the assumption that enrollment (and as a result revenue) will be relatively flat from year to year. However, given the explosive growth of Provo’s eSchool enrollment the FY 2017 budget does account for a modest enrollment increase.

The District also consults state and federal agencies, such as the Utah State Office of Education, the Utah State Governor’s Office of Budget and Management, the Utah State Tax Commission, and the United States Census Bureau. Information from several other smaller agencies is used to project future revenues when necessary.

The District’s policy is to estimate annual revenues by an objective, analytical process. **The District does not include revenue in the budget that cannot be verified with documentation of its source and amount.** Information and documentation regarding revenue projection methods are made available to the public through a variety of means, including monthly board meetings, newsletters, and records kept on file at the District administration building.

Impact of Planning Processes on the Budget

Planning processes play a critical role in the District's budget development. Planning for the District's current master plan began in late 2003. At the time, it was obvious that buildings were in desperate need of renovations, and, in some cases, replacement. At the same time, District salaries were becoming less competitive than in competing districts, making it difficult to hire and retain good employees. A committee comprising District employees and local citizens began studying demographic information and building condition data. In September 2004, the committee presented five different scenarios for the master plan at a series of public open houses throughout the city.

“Long-term planning plays a critical role in the District's budget development process each year.”

As the District grappled with the difficult realities it faced, it became evident that a bond election would be necessary to pay for the most critical needs in the District. In 2006, voters approved a \$35 million bond and leeway, which would help pay for critical upgrades and replacements to schools, in addition to helping boost sagging compensation for employees.

The bond projects, finalized as of June 30, 2009, were critical pieces of the District's master plan, as was the rebuilding of Farrer Elementary using federal stimulus funds, allowing the District to move ahead on its long-term capital improvement plan.

Other key areas of the plan involve capital improvements funded through local property taxes and improved employee compensation. **The District's short-term capital improvement plan for FY 2018 is covered in greater detail in the capital projects section of this book.** The master plan has been the driving force behind many of the improvements to the District over the past several years, and it continues to play a key role in future planning. These improvements include larger initiatives such as the relocation of the District's Transportation Bus Depot to less significant projects such as school roof unit replacements and asphalt repairs.

Recently, the Board of Education, armed with information and preferences from the public and local experts, decided to once again put a bond election to vote in order to implement the next phase of the District's 20 year improvement plan. This bond was approved by voters in November 2014. Although the District is utilizing proceeds from the tax credit bonds available through the federal stimulus bill (discussed in more detail in the financial section of this book), these additional funds now allow the District to renovate or replace several more of the older school buildings in the district. Through the bond election, public survey on budget initiatives, community meetings, Board of Education meetings and other correspondence, Provo citizens have stressed their support for safe and modern buildings in the District.

As we begin FY 2018, construction on Provost Elementary and Provo High School (identified as 2 of the 5 schools most in need of renovation) is fully underway. Construction on Rock Canyon, Sunset View, and Edgemont Elementaries is already complete. In total, as of the beginning of the 2018-19 school year, five of the District's oldest and structurally needy schools will have been completely rebuilt using Bond proceeds.

The District's planning processes affect not only the coming year, but several years into the future. Beginning in FY 2016, the Board of Education and Superintendent have worked with department leaders and experts in the field to create a new District Improvement Plan. This plan aligns closely with the stated goals of the Board of Education as well as the 20/20 initiative that previously guided the direction of the District. This District Improvement Plan is discussed in more detail within this budget document.

Have feedback? Please send an email to budget@provo.edu. This email account is checked daily by District administrators, and a prompt response is guaranteed.

District Funds: Description

The District’s budget is divided into seven funds. A fund is a set of accounts set aside for a specific purpose in accordance with laws and regulations. Essentially, it is a segregation of accounting and financial resources, each with cash and other assets, liabilities, and equity/residual balance. The District follows the fund guidelines as established by Generally Accepted Accounting Standards.

Each fund is used to account for a specific type of activity. The General Operating (or just “General”) fund is the largest. Following is a brief description of each fund:

General Fund (Major Fund)

This fund is the chief operating fund of the District. It is used to account for all financial resources of the school district except those required to be accounted for in another fund. By law, the District may have only one general fund.

Capital Projects Fund (Major Fund)

This fund is used to account for resources and payments for the acquisition of capital facilities and equipment.

Debt Service Fund (Major Fund)

This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Student Activities Fund

This special revenue fund accounts for activities at the school-level, including sports, clubs, and instruction-related programs.

Non K-12 Fund

No budget is allocated to this fund for FY18, but historically this special revenue fund was used to account for activities not related to regular, K-12 operations. Adult education, pre-school and recreation are examples of programs that operated in this fund.

Food Service Fund

This is a governmental fund used to account for revenues and expenses related to school food services.

Building Reserve Fund

This special reserve fund is authorized by Utah state law to be used to accumulate funds to meet capital outlay costs.

Tax Increment Fund

This special fund is authorized by Utah state law to be used to track the revenue and expense of tax incentives provided to businesses by the city within the bounds of the District.

Major Funds
General Fund Capital Projects Fund Debt Service Fund
Non-major Funds
Student Activities Fund Non K-12 Fund* Food Services Fund Building Reserve Fund Tax Increment Fund

*Not appropriated for use in 2017-18.

Note: all funds are appropriated for use in FY 2017-18 except Non K-12.

Relationship Between Funds & District Departments

The decision to account for specific expenditures by various funds used by the District depends upon accounting guidelines and state mandates. Below is a table illustrating the relationship between District departments and District funds in terms of budgeted expenditures.

Per Utah state law, a school district must ensure that the undistributed reserve does not exceed 5% of the maintenance and operation budget (the higher of the budget year under audit or the subsequent budget year). An undistributed reserve consists of funds set aside for unexepected and unspecified contingencies and is part of the committed fund balances. For the amount to be classified as committed, the school board must commit the funds by resolution.

Department	Funds			
	General	Capital Projects	Debt Service	Non-major ¹
Superintendent/Board				
Learning Curriculum and Assessment				
Career and Technical Education				
Special Education Services				
Food Service				
Transportation				
Student Services				
Human Resources				
Business/Finance				
Facilities				
Technology				

¹Non-major funds appropriated for use by the District: Student Activity, Food Service, Building Reserve, and Tax Increment Funds

Expenditure Functions: *Explained*

One of the most useful ways to understand how the District spends the public's money is to identify expenditures by functions. A function describes the activity for which a service is acquired or an expenditure is made. Below is a description of the expenditure functions used by the District.

Instruction

This function includes those activities dealing directly with the instruction of students. If expenditures can be clearly and directly traced to instruction of students they are labeled as instructional. Teachers salaries and benefits, substitute teacher costs and supplies intended for the classroom are examples of instructional costs.

Student Support Services

This function covers those activities related to promoting and improving school attendance and counseling. The costs necessary to manage and provide health and nursing services are included in this function. Salaries and benefits of certified and education support personnel are covered by this function, as are supplies, services, and equipment required to cover these activities.

Instructional Support Services

This function encompasses activities related to directing, managing, and supervising instructional programs in the District. It includes areas such as media and curriculum. Costs associated with this function include school media center and curriculum staff salaries and benefits, supplies and materials, equipment, and purchased services.

General Administration Support Services

This function covers the costs associated with the overall administration of the District. It includes the Board of Education, the Superintendent, and other District-level directorships. Costs include salaries and benefits, and supplies, services and equipment necessary to support District-wide management.

School Admin Support Services

This function covers those expenditures that go toward directing, managing, and supervising a school. Examples include the principal and clerical positions. Supplies, equipment and professional services that assist these positions are also included in this function.

Central Support Services

This function supports those activities that support other administrative and instructional functions, including fiscal services, human resources, planning, and administrative information technology.

School Food Services

This function encompasses the activities associated with providing meals and snacks to children. It includes directing and managing food services, preparing and serving food, operating and maintaining kitchen equipment, the purchase of food and supplies, and warehousing and transporting food to schools.

Expenditure Functions: *Continued*

Maintenance & Operation

This function covers costs and activities associated with the maintenance and operation of physical buildings and grounds. Custodial and maintenance position salaries and benefits, along with supplies and equipment are typical costs associated with this function.

Student Transportation

This function covers the costs of providing management and operation services for regular bus routes used to transport children to and from school and on field trips, and associated salaries, benefits, supplies, and equipment.

Other Support

This function covers essential support positions at the District-wide level, including salaries and benefits of technology and information technology personnel. Supplies, equipment and services associated with these positions are also included in this function.

Community Services

This function covers community services typically outside of regular, K-12 education. Examples include adult education, pre-school, and community agency partners. Costs include salaries and benefits of staff members, and the associated supplies and materials required by those positions.

Recreation

This function covers those activities associated with the management and coordination of community recreation services and the rental of school buildings.

Facilities & Construction

This function includes costs associated with the acquisition, remodel, and construction of buildings. Capital improvement costs, including materials, salaries and benefits, are included in this function. Also included are material and contract costs associated with bond construction.

Debt Service

This function covers bond, principal, interest, and paying agent costs and fees.



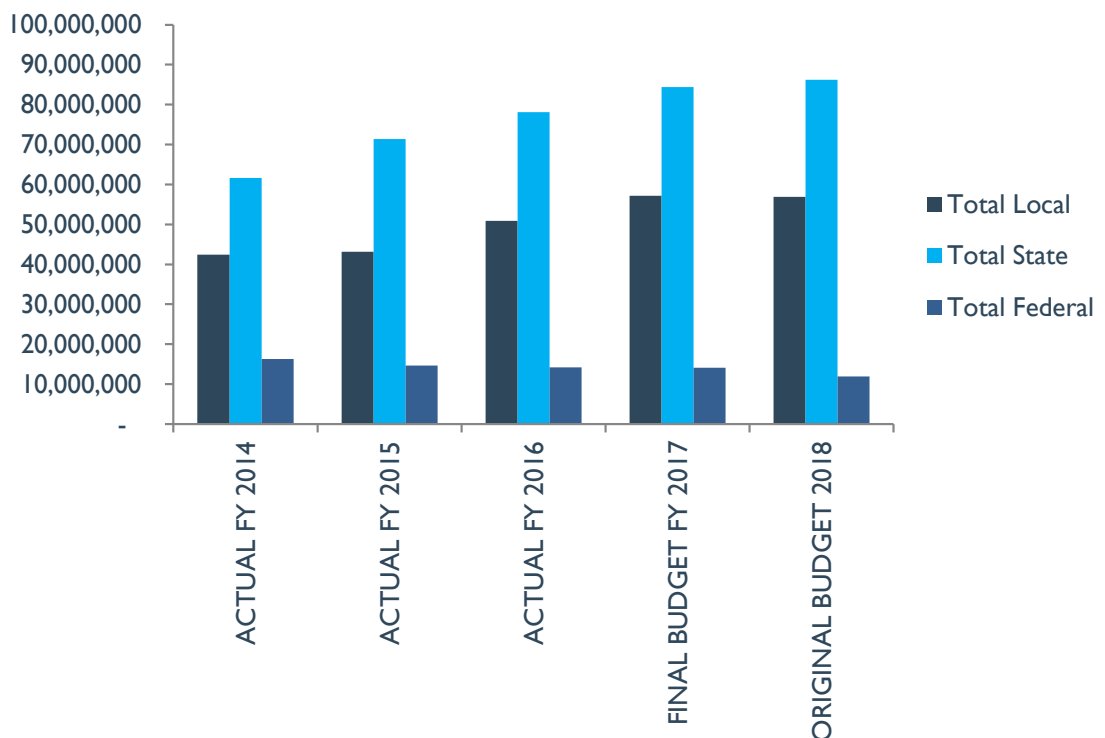
Financial Section

Major Revenue Sources

The District's revenues can be broadly classified as coming from three sources: local, state, and federal. The largest revenue source is the State of Utah, followed by local revenue, which includes property taxes, and federal revenue, made up of several grants of various sizes.

Revenue by Source: *FY 2014 - FY 2018*

SUMMARY:	ACTUAL FY	ACTUAL FY	ACTUAL FY	FINAL BUDGET FY	ORIGINAL BUDGET
ALL FUNDS	2014	2015	2016	2017	2018
Total Local	42,423,021	43,153,390	50,929,002	57,142,114	56,881,068
Total State	61,612,173	71,360,702	78,150,999	84,422,155	86,236,585
Total Federal	16,253,024	14,668,529	14,167,175	14,093,323	11,907,369
	<u>120,288,218</u>	<u>129,182,621</u>	<u>143,247,176</u>	<u>155,657,592</u>	<u>155,025,022</u>



Revenue Projection Assumptions: *FY 2018*

The District is always as conservative as possible when estimating revenues. Accordingly, several assumptions were made when projecting revenue for FY 2018. For example, for the past several years federal revenue received by the District has been on a downward trend.

As a result, federal revenue budgets for this year take that trend into account, as well as any additional considerations the District is aware of.

“The District always sets its goals and objectives before property values or rates are known.”

Local revenues are projected to remain relatively flat in FY 2018, primarily due to projected growth increases being offset by reductions in our overall tax rate.

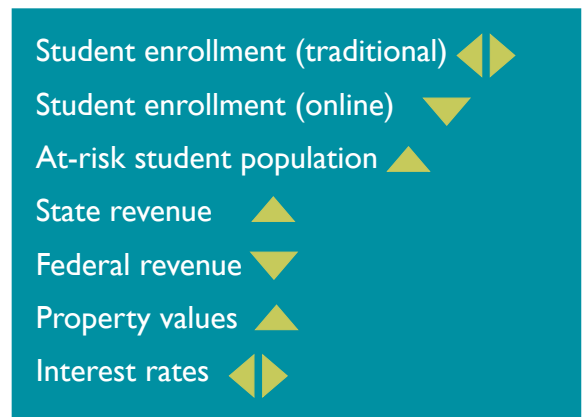
State revenue has shown strong growth in recent years, as a robust state economy along with a supportive legislature, fueled heavy education funding increases. The recession that hit much of the world economy in the early 2010's also hit Utah. However, as the economy continues to recover, so does the rate of state funding from the legislature.

In FY 2018 revenues from state sources are projected to increase slightly. The State increased the Weighted Pupil Unit (WPU), the largest funding source the State awards, by 4.0%. In recent years, breakneck enrollment additions in our eSchool program have fueled massive increases in overall state revenue for the District. However, this quick growth has also caused strain on our ability to oversee such a large program. Administration has chosen to refocus our eSchool efforts, resulting in an overall reduction in enrollment for this school year, offsetting much of the 4.0% increase to the WPU the District would otherwise see.

As a general rule, the District relied on the following assumptions when projecting FY 2018 revenues:

- Flat “brick and mortar” student enrollment growth (student enrollment is by far the largest determinant of funding)
 - Moderate decreases in online eSchool enrollment (online school enrollment is funded differently by the State than traditional programs in many cases)
 - Decreases in federal revenue due to reduced funding trends
 - Increasing “at-risk” student population, which helps drive federal revenue and could offset some federal funding cuts
- Interest rates climbing slowly
- Slightly increasing property values
- Participation fees, such as school lunch prices, will bring in some additional revenues, although price increases will affect some demand
- Flat or slight increases in donations to the District foundation

Key Revenue Assumption Indicators for FY 2018

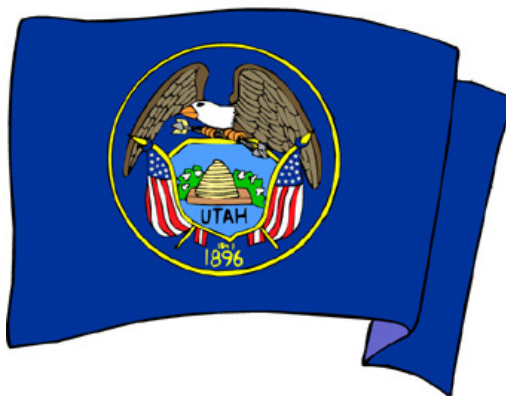


Major Revenue Sources: State of Utah

The State of Utah is the largest revenue source of the school district, with revenues of \$86.2 million budgeted for FY 2018.

State revenue is divided among approximately 50 programs. The largest component of state funding is the Minimum School Program (MSP), which acts as a series of large block grants (or programs) provided by the State to support local level educational services.

The Weighted Pupil Unit (WPU), part of the Minimum School Program, is a measure of student enrollment based on a pro-rated amount of days in attendance per student. The WPU is \$3,311 in FY 2018, which is up from \$3,184 in FY 2017 (4.0% increase). Utah's economy is rated among the best in the nation as of July 2017, and that improves the District's financial position.

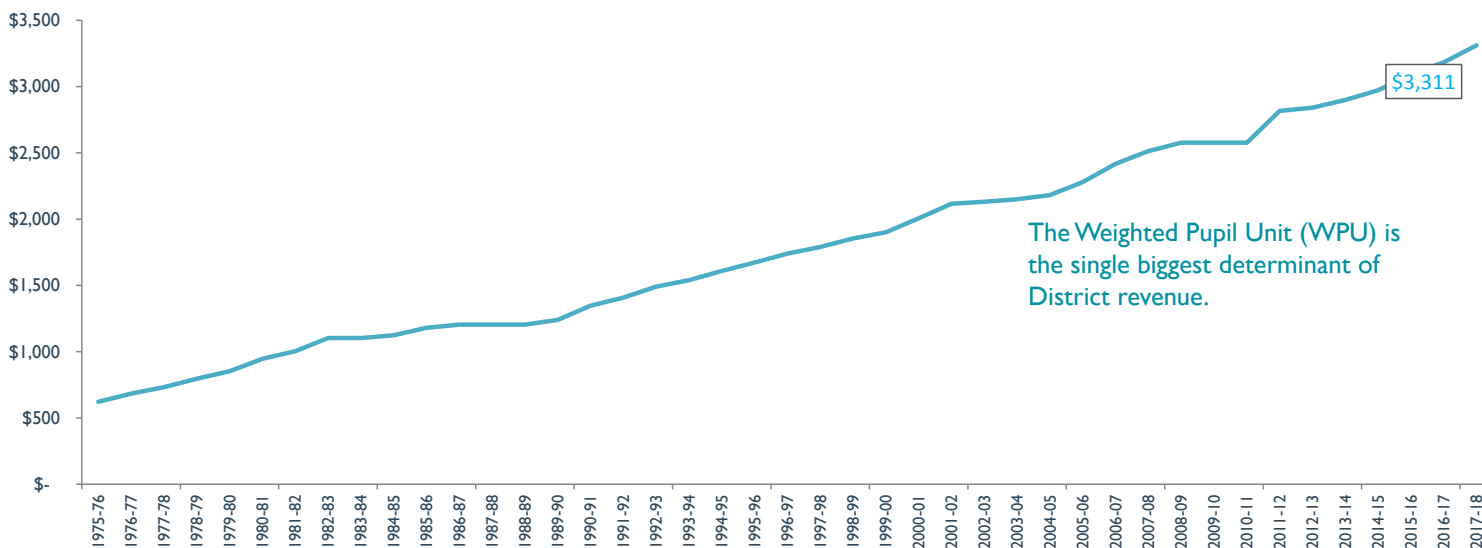


Approximately 93% of revenue from the State, or \$78.6 million, comes directly from WPU figures.

The WPU was developed as a mechanism to equally distribute state revenue among school districts and charter schools. The WPU is not a plan of expenditure, or budget, for the school district or charter school to follow but a mechanism to derive total program

cost and distribute revenues. Through this mechanism, the State provides 'reasonably equal educational opportunities' for all public school children in Utah (Source: Utah State Office of Education).

Because so much of the District's funding comes as a result of enrollment-driven WPU figures, most of the analysis for future revenues involves predicting future enrollment levels.



Major Revenue Sources: *State of Utah*

Weighted Pupil Unit (WPU)

Year	WPU Amount	Change	% Change
1975-76	\$621		----
1976-77	\$683	62	10.0%
1977-78	\$732	49	7.2%
1978-79	\$795	63	8.6%
1979-80	\$852	57	7.2%
1980-81	\$946	94	11.0%
1981-82	\$1,003	57	6.0%
1982-83	\$1,103	100	10.0%
1983-84	\$1,103	0	0.0%
1984-85	\$1,124	21	1.9%
1985-86	\$1,180	56	5.0%
1986-87	\$1,204	24	2.0%
1987-88	\$1,204	0	0.0%
1988-89	\$1,204	0	0.0%
1989-90	\$1,240	36	3.0%
1990-91	\$1,346	106	8.6%
1991-92	\$1,408	62	4.6%
1992-93	\$1,490	82	5.8%
1993-94	\$1,539	49	3.3%
1994-95	\$1,608	69	4.5%
1995-96	\$1,672	64	4.0%
1996-97	\$1,739	67	4.0%
1997-98	\$1,791	52	3.0%
1998-99	\$1,854	63	3.5%
1999-00	\$1,901	47	2.5%
2000-01	\$2,006	105	5.5%
2001-02	\$2,116	110	5.5%
2002-03	\$2,132	16	0.8%
2003-04	\$2,150	18	0.8%
2004-05	\$2,182	32	1.5%
2005-06	\$2,280	98	4.5%
2006-07	\$2,417	137	6.0%
2007-08	\$2,514	97	4.0%
2008-09	\$2,577	63	2.5%
2009-10	\$2,577	0	0.0%
2010-11	\$2,577	0	0.0%
2011-12	\$2,816	239	9.3%
2012-13	\$2,842	26	0.9%
2013-14	\$2,899	57	2.0%
2014-15	\$2,971	72	2.5%
2015-16	\$3,092	121	4.0%
2016-17	\$3,184	92	3.0%
2017-18	\$3,311	127	4.0%

The Weighted Pupil Unit (WPU) will increase \$127 in FY 2017-18 from \$3,184 to \$3,311.

Major Revenue Sources: State of Utah

Weighted Pupil Unit (WPU)

Description of Large State Programs: WPU Sources

Funding resulting through the Weighted Pupil Unit (WPU) is comprised of several individual state programs of varying size. All combined, the District anticipates receiving \$78.6 million, or roughly 93% of total state revenues from WPU-related state programs in FY 2018. This is an increase over FY 2017 and is due primarily to an increase to the WPU from the State and because some state programs have been consolidated into WPU sources.

The largest individual state funding source, referred to as “**Regular School Programs,**” is projected to be \$46.4 million for the District in FY 2018. This source is based on the WPU amount and the District’s levied property taxes. The District uses this funding source to pay part of the overall cost of teachers.

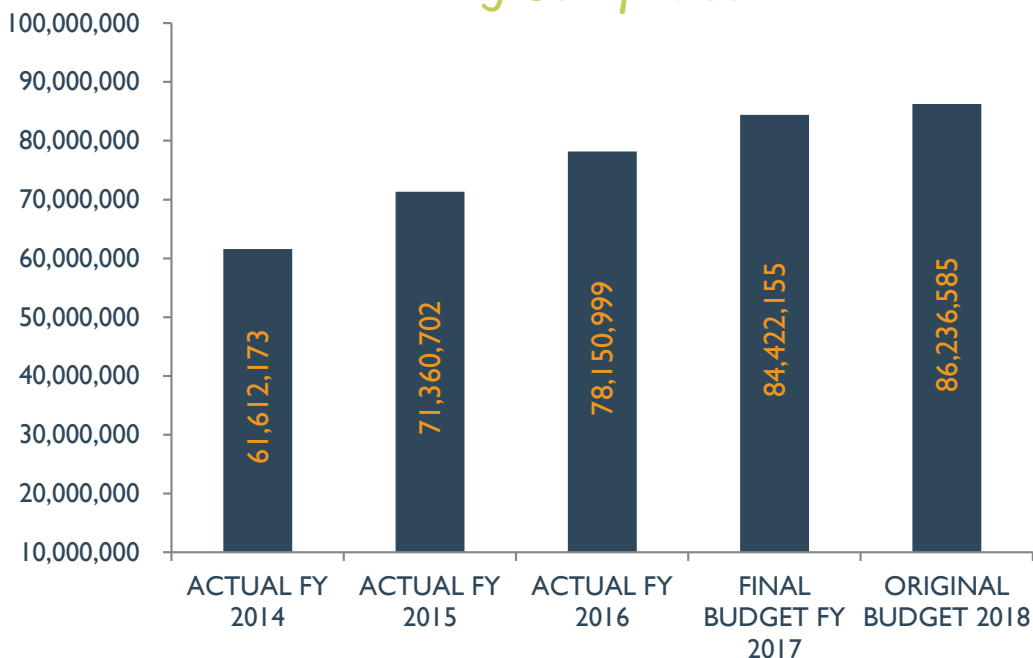
Special Education is the second-largest state funded program the District operates, with \$9.0 million in WPU revenues projected for FY 2018. This program is restricted to be used on students considered disabled.

Career and Technical Education is a WPU-related state program designed to provide vocational training and opportunities for secondary students in the District. The District must substantially match funding received through the state with local revenue in order to qualify, and expects to receive approximately \$2.25 million in FY 2018.

The District also anticipates receiving \$4.3 million to pay for “**Professional Staff.**” This is tied to the other WPU-related funding sources and is designed to cover administrative overhead costs.

The District also receives money through the WPU to facilitate **Class-size Reduction.** Along with state money, the District must also levy local property taxes to help pay for this program. The District anticipates receiving just over \$3.8 million from state sources for this program in FY 2018.

State Revenue: 5y Comparison

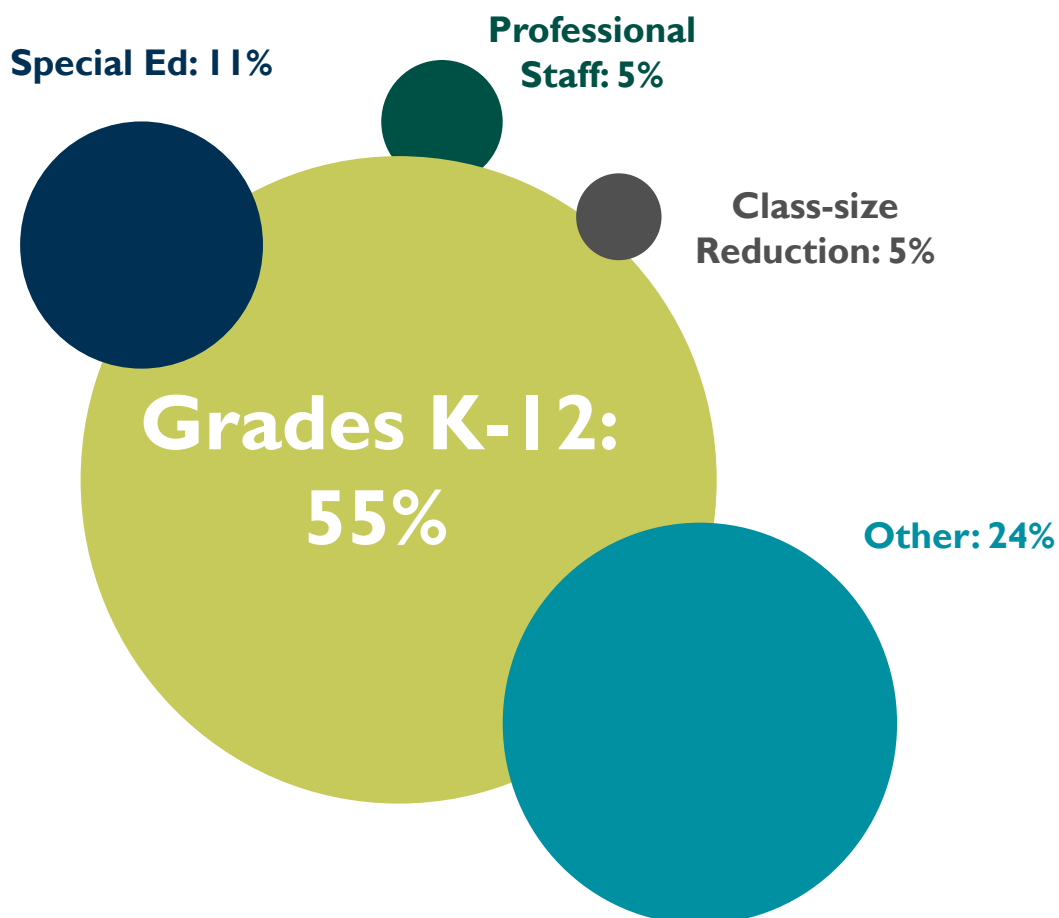


Major Revenue Sources Continued: *State of Utah*

Many state revenue sources have been consolidated over the past several fiscal years as a result of Utah State Legislature actions. The top four programs make up 76% of the overall state revenue budget, with approximately 40 programs combining to make up the remaining 24%.

Program	% of Total
Grades K-12	55%
Special Education	11%
Professional Staff	5%
Class-size Reduction	5%
Other State (approx. 40 additional)	24%

Distribution of State Revenue: *FY 2018*



Major Revenue Sources: Local

Property Tax

The District levies property taxes to provide operating funds for the District. Each year, the District receives a certified tax rate from Utah County, and from that is able to set tax rates. The Basic Program tax rate is set by the State of Utah, and individual school districts set other rates with maximum levies set by law.

Property taxes are the District's second largest funding source, and the largest component of local revenues at approximately 86%. For Tax Year 2018, the overall tax rate is .007327, a decrease of .000556 compared to the prior year.

“Property taxes are the District’s second largest funding source.”

The District’s goals and objectives for the coming year are determined before final property assessed values are known.

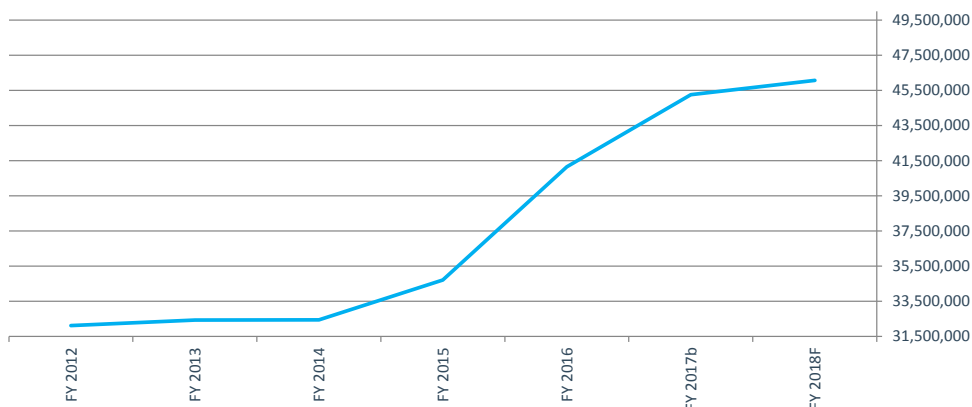
The majority of local funding consists of revenue from five different taxes that a local school board may levy. Each district must impose a

minimum Basic property tax levy and contribute the proceeds of that levy to the cost of providing educational services. The more Basic Levy revenue collected, the less state funding – from the Uniform School Fund – is required. More information on property taxes received by the District can be found in the Informational section of this book.

Property Taxes by Levy Fiscal Year 2017 to 2018

	FY 2017	FY 2018	Change
Basic Program (53A-17a-135)	0.001675	0.001568	-0.000107
Voted Leeway (53A-17a-133)	0.001093	0.001024	-0.000069
Board Leeway (53A-17a-164)	0.001600	0.001416	-0.000184
Charter School Levy (53A-1a-513.1)	-	0.000083	0.000083
Gen Oblig Debt (11-14-19/53A-17a-145/53A-21-103)	0.001995	0.001812	-0.000183
Voted Capital (53A-16-110)	0.001520	0.001424	-0.000096
Total - All Funds	0.007883	0.007327	-0.000556

Property Taxes Collected



Major Revenue Sources: Local

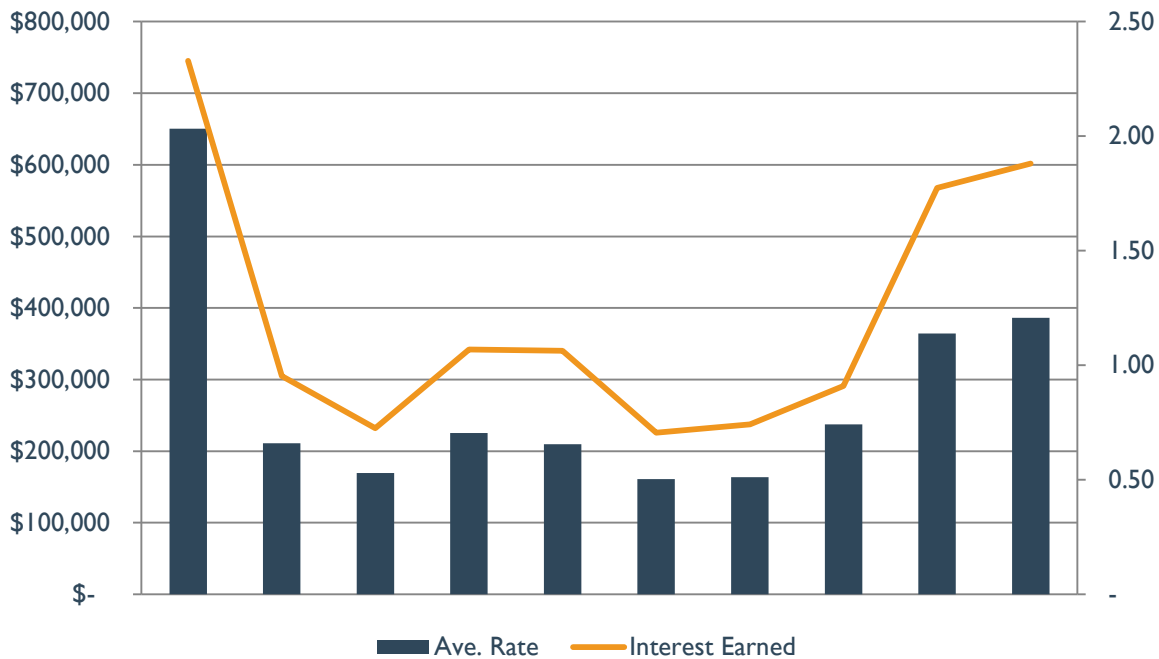
Other Local Revenue

District management has placed a strong emphasis on sound cash management. Among other things, this means as grant expenditures are made, reimbursement from the federal government or awarding agency is requested as soon as possible, with quarterly reimbursement requests typical. However, historically low rates will continue to adversely impact the District’s interest income in 2018 meaning less flexibility and difficulty launching innovative programs.

The graph below shows the rates of return and the District’s actual interest income (or budgeted & projected amounts for FY 17 and FY 18) for the past several years. Rates have declined rapidly and then remained at historically low rates, which means the District receives substantially less interest income from its investments than in previous years. Interest income is *typically* not restricted for specific use, so declining rates mean less money that goes into the classroom for general purposes, such as teacher pay, instructional assistants, and supplies.

In the summary budgets, other local revenues are often combined with property taxes. These other local revenues include earnings from investments (interest earned), and income from students, such as school lunches. We do not expect large changes in rates over the coming years and, as a result, interest earned is projected to remain relatively flat in FY 2018.

The District’s investment activities are governed by the Utah State Money Management Act, which limits the types of investments the District can participate in. The District invests mainly in what’s referred to as the Utah Public Treasurer’s Investment Fund (PTIF – often referred to as “the Pool”), which provides security, stability and competitive returns. The “Pool” is diversified, with no more than 5% of assets invested with a single issuer.

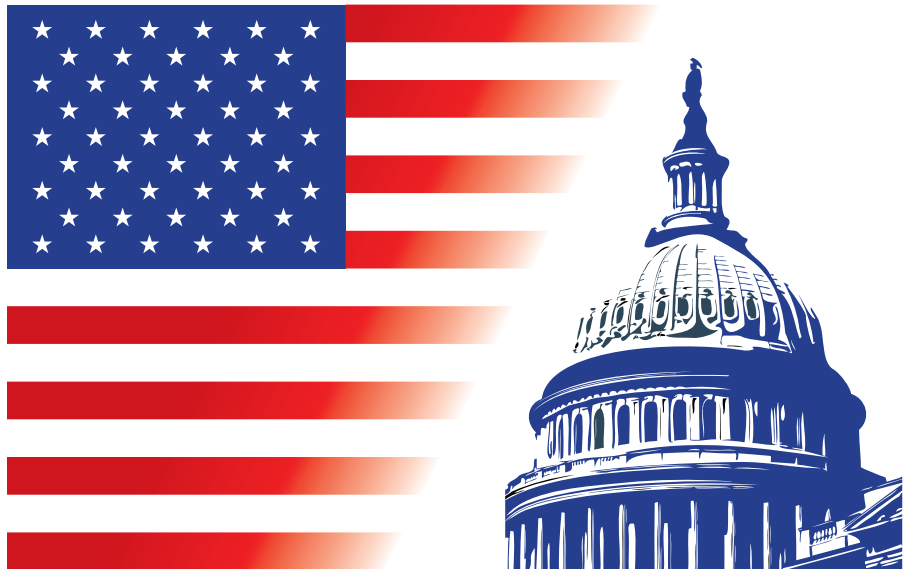


2008.....2018

2018 forecasted rate : 1.21%

Major Revenue Sources: *Federal*

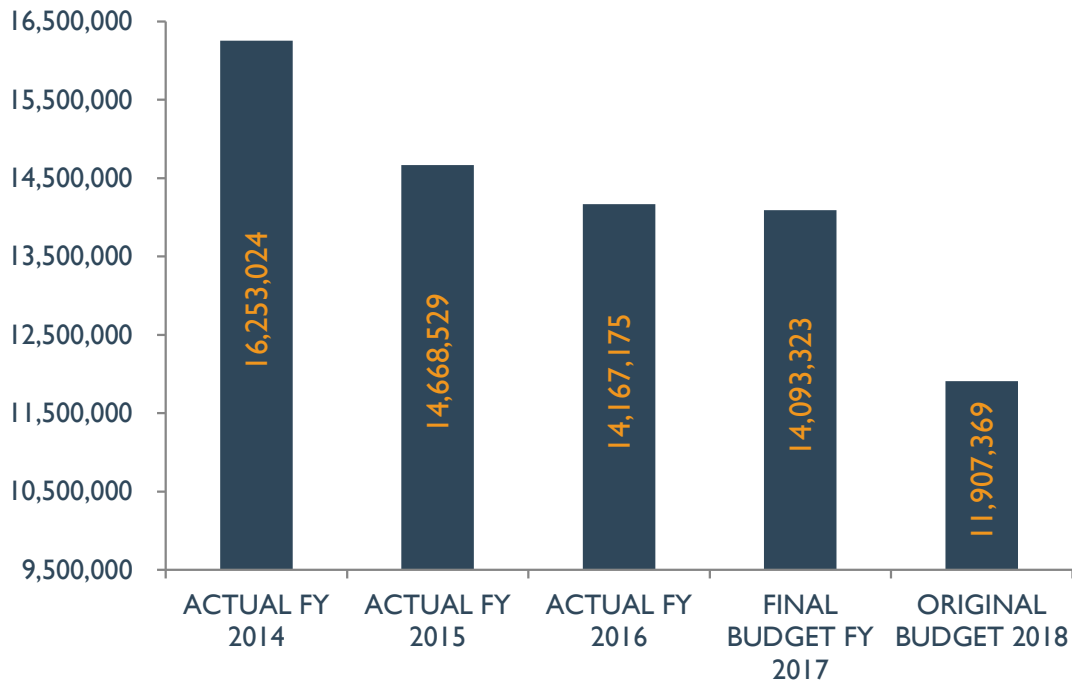
The federal government provides direct and flow-through support to specific programs in the District. For FY 2018 it's anticipated that the District will receive about \$11.9 million in federal revenue.



The largest programs the District operates with federal funding are IDEA, Title I, Improving Teacher Quality, 21st Century Community Learning Centers and the school lunch program. These five programs make up roughly 90% of all the federal grants the District receives.

Much of the federal funding available to the District falls under the No Child Left Behind Act of 2001. According to the Department of Education, "No Child Left Behind is based on stronger accountability for results, more freedom for states and communities, proven education methods, and more choices for parents." The District's mission, goals and objectives are all geared toward the aim of no child being left behind in Provo.

Federal Revenue: *FY 2014 to FY 2018 (projected)*



Major Revenue Sources: Federal

Largest Federal Funding Sources

The following five programs make up approximately 90% of all District federal grants for FY 2018. The remainder of federal revenue is made up of a number of smaller grants. Most federal grants, large and small, are first awarded to the Utah State Office of Education, which then awards districts based on enrollment, demographics, and demonstrated need.

Federal Food Programs

The District is expected to receive \$3.3 million in FY 2018 to assist with providing quality, nutritious meals to children most in need.

The funding is determined by the amount of meals served to students, multiplied by a reimbursement amount that is predetermined by the federal government. The District has seen steady growth in the amount of free and reduced price lunch waivers from students in recent years, resulting in increases to federal revenues. In the Food Services program, the District receives more revenue from federal sources than local sources.

Title I

This grant, part of No Child Left Behind, is funded by the government to help ensure that all children receive fair and equal opportunities to obtain a high-quality education.

The funding of this grant is contingent upon the number of low-income students in the District. The District is projected to receive just over \$2.8 million in Title I funding in FY 2018.

IDEA

In terms of funding amount, this grant is similar in size to Title I. It too is part of No Child Left Behind. It is designed to help disabled individuals receive improved opportunities for success, with a substantial focus on technology to meet this goal. The District anticipates receiving just under \$2.9 million from this grant in FY 2018.

Improving Teacher Quality

This grant is designed to help improve the quality of education in the classroom. Part of No Child Left Behind, the objectives of this grant are carried out by increasing the number of teachers who are considered to be “highly-qualified,” and by holding districts accountable for academic achievement. The District is projected to receive \$510,000 from this grant in FY 2018. Funding for this budget continues to see dramatic cuts.

21st Century Community Learning Centers

This grant, also part of No Child Left Behind, is actually several smaller grants that are awarded to the District to help it provide quality instruction outside of regular school hours. The awarding of 21st Century grants is very competitive. Much of the funding is determined by the number of low-income students enrolled. Schools without substantial low-income enrollments typically aren’t considered for these grants. All combined, the District anticipates receiving \$1.0 million in 21st Century grants for FY 2018.

“Most federal grants are first awarded to the Utah State Office of Education, which then awards districts based on enrollment, demographics, and demonstrated need.”

Significant Expense Sources

Compensation

Expenditures are based upon available funding. Although signs point to slight funding increases, these increases aren't enough to cover skyrocketing medical and retirement benefit costs incurred by the District, meaning that while overall compensation is projected to increase, employee raises will continue to lag behind.

Going forward, expenditures will likely increase as revenues do. As a service organization, the District spends the majority of its available resources on salaries and benefits. So, as funding fluctuates so will compensation costs.

The District forecasts that benefits costs will outpace salary costs, mainly for two reasons: first, the State of Utah's retirement system took a big hit during the recession, and districts must continue to contribute large portions of funds to the retirement system. However, the retirement contribution rate is expected to not increase in 2018. The second reason benefit costs are projected to rise faster than salaries is because healthcare inflation has far outpaced salary growth in recent years on a national and District level. Just as with many other organizations, the District continues to examine alternative methods of providing health benefits to its employees.

Bond-Related Expenses

As discussed previously, in November 2014 the city voted on and passed a Bond with an overwhelming 71% majority voting in favor of the measure. As a result, we expect to see significant Capital Projects Fund expenses this coming fiscal year. Three of the five school rebuild projects are now complete with construction on Provo High School and Provost Elementary now underway. We expect to see roughly \$45 million in expense related to those schools in this fiscal year.

These expenses are primarily coded to the Property Services object code in our financials. Also, payments on the bond issuance requires us to spend more in our Debt Service Fund. These expenses are included in the Other Objects code.

It is important to note that while significant bond expenses will hit our books in FY 2018, the revenue associated with these expenses was received in FY 2015 and FY 2016. As a result, although it appears as though we are drastically overspending our budget in the current year, we really are just spending down funds that are set aside for the purpose of rebuilding schools.

Other Expenditures

As benefits increase, the ability to pay for other budget items, such as supplies and equipment, will decrease. As a result, we will see only slight additions to other expenditure categories, if any at all. It's safe to assume that in the next 3-4 years the percentage of the District's budget that goes toward benefits will increase each year, while the percentage of the budget that goes to other expenditures will decrease commensurately.

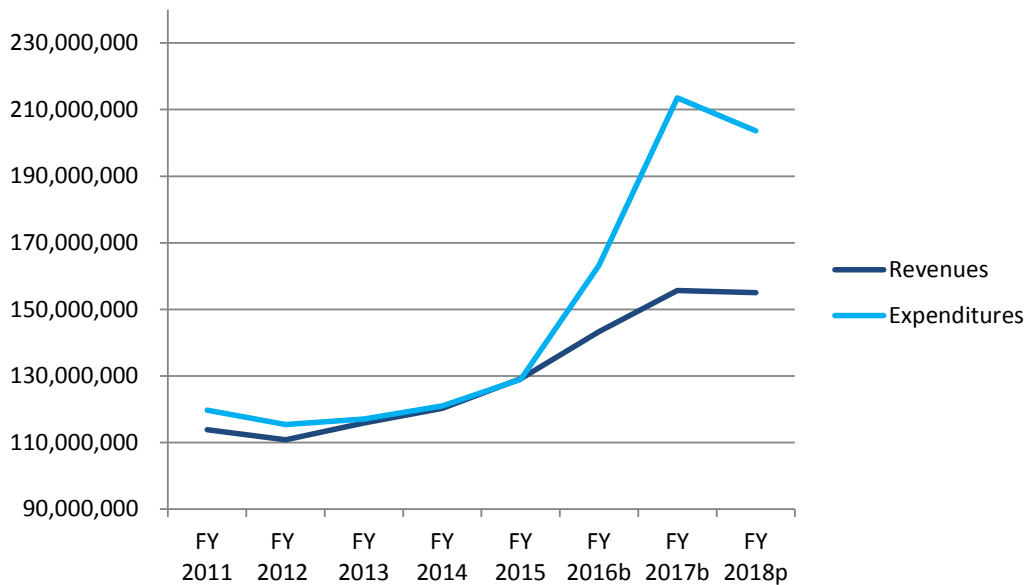
Summary

Years of heavy funding increases are likely over, at least for the periods forecasted, but moderate levels of funding increases are occurring. However, ongoing purchases for everything from office supplies to school buses will be scrutinized and efficiency improvements, both in staffing and equipment, continue to be focuses of administration.

In short, the District's ability to adjust to a new level of funding will define its success over the coming years. Seeking out innovative programs that are cost-effective - or even slightly profitable - will be an important way to mitigate inflationary pressures that push expenditures up ahead of available revenues.

Financial Schedules and Charts

Including Supplementary Financial Information



Revenue and Expenditure Summary: *FY 2011 to FY 2018*

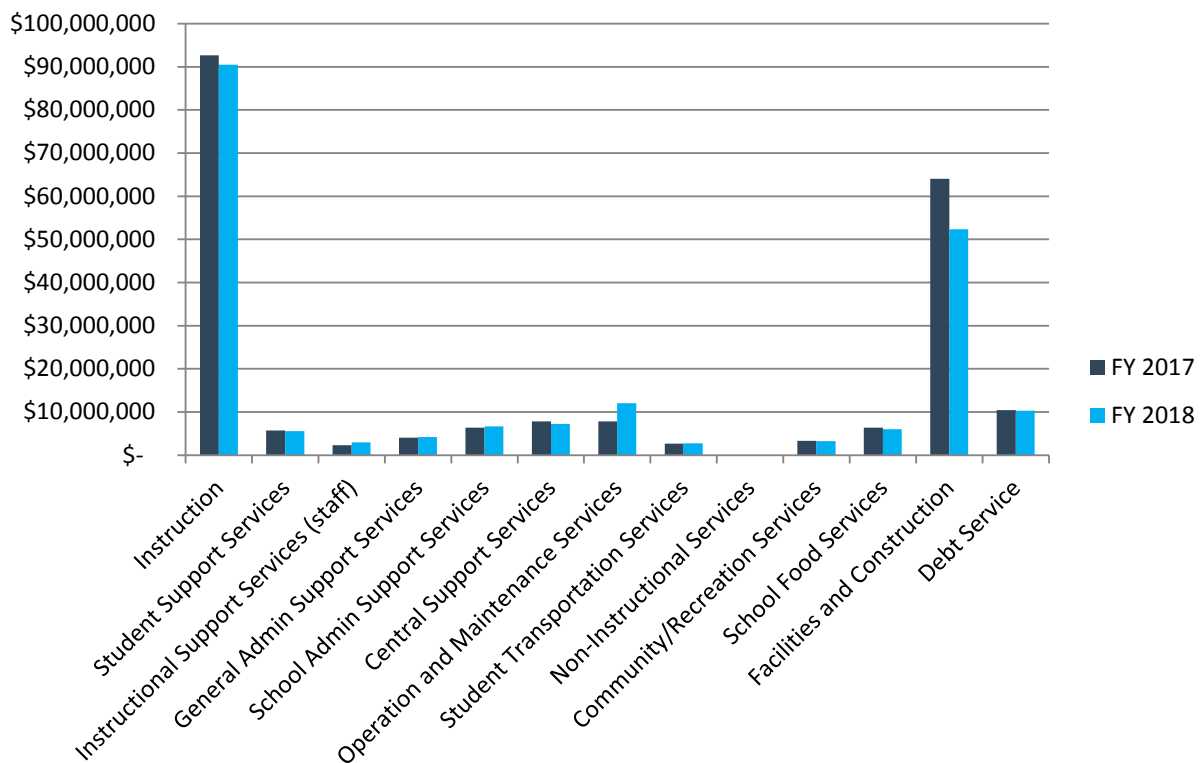
Fiscal Year	Revenues	Expenditures	Net
FY 2011	113,857,100	119,725,864	(5,868,764)
FY 2012	110,802,740	115,367,457	(4,564,717)
FY 2013	115,907,707	117,051,103	(1,143,396)
FY 2014	120,288,218	120,977,759	(689,541)
FY 2015	129,182,622	128,990,690	191,932
FY 2016	143,247,175	163,190,480	(19,943,305)
FY 2017 ^b	155,657,592	213,541,877	(57,884,285)
FY 2018 ^p	155,025,022	203,576,613	(48,551,591)

^bFinal Budget
^pProjected (Original Budget)

Expenditure Comparison by Function: All Funds

FY 2017 to FY 2018

Function	FY 2017	FY 2018	% Change
Instruction	\$ 92,663,924	\$ 90,511,690	-2%
Student Support Services	5,736,035	5,565,477	-3%
Instructional Support Services (staff)	2,299,045	2,917,926	21%
General Admin Support Services	4,011,077	4,161,916	4%
School Admin Support Services	6,377,778	6,627,502	4%
Central Support Services	7,835,414	7,221,103	-9%
Operation and Maintenance Services	7,848,622	12,003,588	35%
Student Transportation Services	2,658,368	2,732,452	3%
Non-Instructional Services	-	-	0%
Community/Recreation Services	3,288,415	3,212,989	-2%
School Food Services	6,331,913	6,019,509	-5%
Facilities and Construction	64,071,285	52,325,460	-22%
Debt Service	<u>10,420,000</u>	<u>10,277,000</u>	<u>-1%</u>
Total	<u>\$ 213,541,877</u>	<u>\$ 203,576,613</u>	<u>-5%</u>



FY 2018 Budget Summary, Revenue by Source and Expenditures by Object: All Funds

Revenues by Source	Other Governmental				Total
	General	Funds	Debt Service	Capital Projects	
Property Taxes	\$ 26,590,975	\$ 1,250,000	\$ 9,737,000	\$ 8,496,755	\$ 46,074,730
Earnings on Investment	-	-	-	-	-
Other Local Revenue	4,538,526	5,308,812	-	959,000	10,806,338
State Sources	84,443,761	865,089	-	927,735	86,236,585
Federal Sources	8,600,451	3,306,918	-	-	11,907,369
Total Revenues:	124,173,713	10,730,819	9,737,000	10,383,490	155,025,022

Expenditures by Function	Other Governmental				Total
	General	Funds	Debt Service	Capital Projects	
Instruction	\$ 86,243,690	\$ 4,268,000	\$ -	\$ -	\$ 90,511,690
Student Support Services	5,565,477	-	-	-	5,565,477
Instructional Support Services (staff)	2,917,926	-	-	-	2,917,926
General Admin Support Services	4,161,916	-	-	-	4,161,916
School Admin Support Services	6,627,502	-	-	-	6,627,502
Central Support Services	5,971,103	1,250,000	-	-	7,221,103
Operation and Maintenance Services	8,576,421	-	-	3,427,167	12,003,588
Student Transportation Services	2,507,452	-	-	225,000	2,732,452
Non-Instructional Services	-	-	-	-	-
Other Support Services	-	-	-	-	-
School Food Services	-	6,019,509	-	-	6,019,509
Community/Recreation Services	3,212,989	-	-	-	3,212,989
Facilities and Construction	-	-	-	52,325,460	52,325,460
Debt Service	-	-	9,737,000	540,000	10,277,000
Total Expenditures:	125,784,477	11,537,509	9,737,000	56,517,627	203,576,613

Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,610,764)</u>	<u>(806,690)</u>	<u>-</u>	<u>(46,134,137)</u>	<u>(48,551,591)</u>
Other Financing Sources (Uses) and Other Items	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Net Change in Fund Balance	\$ (1,585,764)	\$ (806,690)	\$ -	\$ (46,134,137)	\$ (48,526,591)

Figures may vary slightly due to rounding.

Expenditures by Fund and Object: *FY 2018*

Object	General	Capital Projects	Debt Service	Tax Increment
Salaries	\$ 61,694,407	\$ 948,572	\$ -	\$ -
Benefits	32,301,036	450,054	-	-
Purchased/Professional Services	11,605,083	37,527	-	-
Purchased Property Services	335,781	82,327,459	-	-
Other Purchased Services	926,874	4,500	-	-
Supplies	10,812,510	203,529	-	-
Equipment	1,531,506	1,730,410	-	-
Other Objects	1,857,118	1,613,075	9,880,000	1,250,000
Total:	<u>121,064,314</u>	<u>87,315,126</u>	<u>9,880,000</u>	<u>1,250,000</u>

Object	Student Activities	Non K-12	Food Services	Building Reserve
Salaries	\$ -	\$ -	\$ 1,975,215	\$ -
Benefits	-	-	790,627	-
Purchased/Professional Services	529,366	-	42,749	-
Purchased Property Services	42,124	-	130,480	-
Other Purchased Services	1,033,548	-	60,686	-
Supplies	1,489,813	-	2,700,006	-
Equipment	-	-	225,000	-
Other Objects	871,840	-	407,150	-
Total:	<u>3,966,691</u>	<u>-</u>	<u>6,331,913</u>	<u>-</u>

Note: The Non K-12 fund is not appropriated for use in FY 2018.

Summary of All Funds: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 42,423,021	\$ 43,153,390	\$ 50,929,001	\$ 57,142,114	\$ 56,881,068	\$ 60,058,000	\$ 61,473,000	\$ 63,287,000
Total State	61,612,173	71,360,702	78,150,999	84,422,155	86,236,585	89,721,645	93,348,440	97,111,771
Total Federal	16,253,024	14,668,529	14,167,175	14,093,323	11,907,369	12,535,000	12,835,000	13,149,000
TOTAL REVENUES	120,288,218	129,182,621	143,247,175	155,657,592	155,025,022	162,314,645	167,656,440	173,547,771
Salaries	56,806,234	57,989,807	60,539,697	66,350,808	66,273,766	70,193,000	72,309,000	74,489,000
Employee Benefits	27,667,066	28,601,716	29,397,236	34,027,532	33,557,291	34,265,000	36,989,000	39,210,000
Purchased Professional/Tech Svcs	7,926,589	10,444,964	10,853,624	12,985,816	12,958,147	13,276,675	13,664,742	14,063,830
Purchased Property Services	4,938,170	6,158,328	32,672,279	60,368,720	55,133,267	17,706,000	9,729,000	8,169,000
Other Purchased Services	1,616,384	1,871,878	2,094,497	2,158,981	2,090,043	2,113,501	2,137,696	2,162,897
Supplies	11,125,713	11,143,455	10,904,896	15,983,142	15,229,380	14,821,809	14,868,630	14,922,863
Property	1,084,273	2,962,404	2,794,731	5,768,140	2,975,842	3,040,000	3,106,000	3,173,000
Other Objects	9,813,331	9,818,137	13,933,520	15,898,740	15,358,878	14,988,016	15,095,089	16,816,188
TOTAL EXPENDITURES	120,977,759	128,990,690	163,190,480	213,541,879	203,576,613	170,404,001	167,899,157	173,006,777
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(689,541)	191,931	(19,943,305)	(57,884,287)	(48,551,591)	(8,089,355)	(242,717)	540,994
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	23,970	53,482,888	58,573,261	25,290,500	25,000	(1,975,000)	(1,475,000)	(975,000)
NET CHANGE IN NET ASSETS / FUND BALANCE	(665,571)	53,674,819	38,629,956	(32,593,787)	(48,526,591)	(10,064,355)	(1,717,717)	(434,006)
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	38,029,830	37,364,259	91,039,078	129,669,034	97,075,247	48,548,655	38,484,300	36,766,583
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 37,364,259	\$ 91,039,078	\$ 129,669,034	\$ 97,075,247	\$ 48,548,655	\$ 38,484,300	\$ 36,766,583	\$ 36,332,577

Summary of Operating Funds: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 42,423,021	\$ 42,043,390	\$ 49,683,290	\$ 55,892,114	\$ 55,631,068	\$ 59,308,000	\$ 60,798,000	\$ 62,612,000
Total State	61,612,173	71,360,702	78,150,999	84,422,155	86,236,585	89,721,645	93,348,440	97,111,771
Total Federal	16,253,024	14,668,529	14,167,175	14,093,323	11,907,369	12,535,000	12,835,000	13,149,000
TOTAL REVENUES	120,288,218	128,072,621	142,001,464	154,407,592	153,775,022	161,564,645	166,981,440	172,872,771
Salaries	56,806,234	57,989,807	60,539,697	66,350,808	66,273,766	70,193,000	72,309,000	74,489,000
Employee Benefits	27,667,066	28,601,716	29,397,236	34,027,532	33,557,291	34,265,000	36,989,000	39,210,000
Purchased Professional/Tech Svcs	7,926,589	10,444,964	10,853,624	12,985,816	12,958,147	13,276,675	13,664,742	14,063,830
Purchased Property Services	4,938,170	6,158,328	32,672,279	60,368,720	55,133,267	17,706,000	9,729,000	8,169,000
Other Purchased Services	1,616,384	1,871,878	2,094,497	2,158,981	2,090,043	2,113,501	2,137,696	2,162,897
Supplies	11,125,713	11,143,455	10,904,896	15,983,142	15,229,380	14,821,809	14,868,630	14,922,863
Property	1,084,273	2,962,404	2,794,731	5,768,140	2,975,842	3,040,000	3,106,000	3,173,000
Other Objects	9,813,331	8,708,137	12,687,809	14,648,740	14,108,878	14,238,016	14,420,089	16,141,188
TOTAL EXPENDITURES	120,977,759	127,880,690	161,944,769	212,291,879	202,326,613	169,654,001	167,224,157	172,331,777
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(689,541)	191,931	(19,943,305)	(57,884,287)	(48,551,591)	(8,089,355)	(242,717)	540,994
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	23,970	55,482,888	57,073,261	25,290,500	25,000	(1,975,000)	(1,475,000)	(975,000)
NET CHANGE IN NET ASSETS / FUND BALANCE	(665,571)	55,674,819	37,129,956	(32,593,787)	(48,526,591)	(10,064,355)	(1,717,717)	(434,006)
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	32,657,590	31,992,019	87,666,838	124,796,794	92,203,007	43,676,415	33,612,060	31,894,343
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 31,992,019	\$ 87,666,838	\$ 124,796,794	\$ 92,203,007	\$ 43,676,415	\$ 33,612,060	\$ 31,894,343	\$ 31,460,337

*** Does not include Tax Increment or Building Reserve Funds

Summary of General Fund: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 25,276,504	\$ 24,088,553	\$ 26,681,734	\$ 31,422,880	\$ 31,129,501	\$ 33,931,000	\$ 34,610,000	\$ 35,648,000
Total State	59,502,308	70,389,904	76,361,890	82,629,331	84,443,761	87,822,000	91,335,000	94,988,000
Total Federal	11,992,367	10,593,906	10,429,429	10,718,917	8,600,451	9,030,000	9,120,000	9,211,000
TOTAL REVENUES	96,771,179	105,072,363	113,473,053	124,771,128	124,173,713	130,783,000	135,065,000	139,847,000
Salaries	52,289,088	55,278,478	58,432,411	64,165,221	64,002,819	67,843,000	69,878,000	71,974,000
Employee Benefits	25,975,283	27,491,518	28,616,567	33,183,627	32,673,493	33,327,000	35,993,000	38,153,000
Purchased Professional/Tech Svcs	6,843,491	9,663,215	10,209,947	12,383,174	12,358,521	12,729,000	13,111,000	13,504,000
Purchased Property Services	227,871	243,186	547,873	1,482,142	1,475,856	1,505,000	1,535,000	1,566,000
Other Purchased Services	768,967	877,530	1,022,320	1,071,247	983,732	974,000	964,000	954,000
Supplies	6,930,204	7,072,812	7,034,255	11,469,656	10,812,717	10,705,000	10,598,000	10,492,000
Property	564,197	1,684,654	1,755,375	1,833,098	1,804,117	1,858,000	1,914,000	1,971,000
Other Objects	1,294,382	823,320	1,600,589	1,876,320	1,673,223	1,690,000	1,707,000	1,724,000
TOTAL EXPENDITURES	94,893,483	103,134,712	109,219,337	127,464,483	125,784,477	130,631,000	135,700,000	140,338,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,877,696	1,937,651	4,253,716	(2,693,356)	(1,610,764)	152,000	(635,000)	(491,000)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	\$ 23,950	\$ (490,174)	\$ (1,479,269)	\$ 25,000	\$ 25,000	(975,000)	(975,000)	(975,000)
NET CHANGE IN NET ASSETS / FUND BALANCE	1,901,646	1,447,477	2,774,447	(2,668,356)	(1,585,764)	(823,000)	(1,610,000)	(1,466,000)
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	25,205,305	27,106,951	28,554,428	31,328,874	28,660,519	27,074,755	26,251,755	24,641,755
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 27,106,951	\$ 28,554,428	\$ 31,328,874	\$ 28,660,519	\$ 27,074,755	\$ 26,251,755	\$ 24,641,755	\$ 23,175,755

Summary of Capital Projects Fund: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 5,695,244	\$ 6,214,368	\$ 6,979,652	\$ 9,362,629	\$ 9,455,755	\$ 9,929,000	\$ 10,326,000	\$ 10,677,000
Total State	-	127,370	905,147	927,735	927,735	974,000	1,023,000	1,064,000
Total Federal	-	290,662	-	-	-	-	-	-
TOTAL REVENUES	5,695,244	6,632,400	7,884,799	10,290,364	10,383,490	10,903,000	11,349,000	11,741,000
Salaries	641,747	672,672	223,389	225,622	226,704	234,000	241,000	248,000
Employee Benefits	286,573	289,863	75,372	100,948	104,709	112,000	120,000	128,000
Purchased Professional/Tech Svcs	482,584	227,046	203,301	33,027	33,527	34,265	35,018	35,789
Purchased Property Services	4,534,943	5,771,741	31,968,314	58,708,274	53,464,725	16,039,000	8,020,000	6,416,000
Other Purchased Services	5,366	3,541	5,200	-	-	-	-	-
Supplies	246,048	234,479	61,437	40,047	59,237	60,422	61,630	62,863
Property	350,513	1,150,287	995,403	3,777,797	1,021,725	1,032,000	1,042,000	1,052,000
Other Objects	566,326	566,581	107,212	1,613,075	1,607,000	1,615,035	1,623,110	1,631,226
TOTAL EXPENDITURES	7,114,100	8,916,210	33,639,629	64,498,790	56,517,627	19,126,721	11,142,759	9,573,877
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,418,856)	(2,283,810)	(25,754,829)	(54,208,426)	(46,134,137)	(8,223,721)	206,241	2,167,123
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	55,396,989	58,551,534	25,265,000	-	(1,000,000)	(500,000)	-
NET CHANGE IN NET ASSETS / FUND BALANCE	(1,418,856)	53,113,179	32,796,705	(28,943,426)	(46,134,137)	(9,223,721)	(293,759)	2,167,123
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	3,307,638	1,888,782	55,001,961	87,798,666	58,855,239	12,721,102	3,497,381	3,203,622
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 1,888,782	\$ 55,001,961	\$ 87,798,666	\$ 58,855,239	\$ 12,721,102	\$ 3,497,381	\$ 3,203,622	\$ 5,370,745

Summary of Debt Service Fund: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 6,200,120	\$ 6,728,677	\$ 10,679,802	\$ 9,875,000	\$ 9,737,000	\$ 9,980,000	\$ 10,230,000	\$ 10,486,000
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	<u>6,200,120</u>	<u>6,728,677</u>	<u>10,679,802</u>	<u>9,875,000</u>	<u>9,737,000</u>	<u>9,980,000</u>	<u>10,230,000</u>	<u>10,486,000</u>
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-
Other Objects	<u>6,354,035</u>	<u>6,455,797</u>	<u>9,834,812</u>	<u>9,880,000</u>	<u>9,737,000</u>	<u>9,931,740</u>	<u>10,130,375</u>	<u>11,832,982</u>
TOTAL EXPENDITURES	<u>6,354,035</u>	<u>6,455,797</u>	<u>9,834,812</u>	<u>9,880,000</u>	<u>9,737,000</u>	<u>9,931,740</u>	<u>10,130,375</u>	<u>11,832,982</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(153,915)</u>	<u>272,879</u>	<u>844,990</u>	<u>(5,000)</u>	<u>-</u>	<u>48,260</u>	<u>99,625</u>	<u>(1,346,982)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>-</u>	<u>70,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>(153,915)</u>	<u>342,955</u>	<u>844,990</u>	<u>(5,000)</u>	<u>-</u>	<u>48,260</u>	<u>99,625</u>	<u>(1,346,982)</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>687,749</u>	<u>533,833</u>	<u>876,788</u>	<u>1,721,778</u>	<u>1,716,778</u>	<u>1,716,778</u>	<u>1,765,038</u>	<u>1,864,664</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	<u>\$ 533,833</u>	<u>\$ 876,788</u>	<u>\$ 1,721,778</u>	<u>\$ 1,716,778</u>	<u>\$ 1,716,778</u>	<u>\$ 1,765,038</u>	<u>\$ 1,864,664</u>	<u>\$ 517,681</u>

Summary of Student Activities Fund:

FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 3,631,034	\$ 3,920,332	\$ 4,042,552	\$ 4,005,247	\$ 4,070,234	\$ 4,192,000	\$ 4,318,000	\$ 4,448,000
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,631,034	3,920,332	4,042,552	4,005,247	4,070,234	4,192,000	4,318,000	4,448,000
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	466,253	515,101	413,690	529,366	535,000	482,000	487,000	492,000
Purchased Property Services	53,642	43,977	40,766	42,124	42,500	49,000	56,000	64,000
Other Purchased Services	824,217	986,137	1,064,405	1,033,548	1,100,000	1,133,000	1,167,000	1,202,000
Supplies	1,490,444	1,568,322	1,502,780	1,639,813	1,680,500	1,781,000	1,888,000	2,001,000
Property	-	-	-	-	-	-	-	-
Other Objects	920,981	649,639	842,211	871,840	910,000	865,000	822,000	814,000
TOTAL EXPENDITURES	3,755,536	3,763,176	3,863,852	4,116,691	4,268,000	4,310,000	4,420,000	4,573,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(124,502)	157,157	178,700	(111,444)	(197,766)	(118,000)	(102,000)	(125,000)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	(124,502)	157,157	178,700	(111,444)	(197,766)	(118,000)	(102,000)	(125,000)
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	1,521,584	1,397,083	1,554,239	1,732,939	1,621,495	1,423,729	1,305,729	1,203,729
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 1,397,083	\$ 1,554,239	\$ 1,732,939	\$ 1,621,495	\$ 1,423,729	\$ 1,305,729	\$ 1,203,729	\$ 1,078,729

Summary of Non K-12 Fund: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 662,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total State	1,332,673	-	-	-	-	-	-	-
Total Federal	644,610	-	-	-	-	-	-	-
TOTAL REVENUES	2,639,979	-	-	-	-	-	-	-
Salaries	2,035,353	171,600	-	-	-	-	-	-
Employee Benefits	713,108	102,204	-	-	-	-	-	-
Purchased Professional/Tech Svcs	121,835	-	-	-	-	-	-	-
Purchased Property Services	7,301	-	-	-	-	-	-	-
Other Purchased Services	11,373	-	-	-	-	-	-	-
Supplies	252,959	52	-	-	-	-	-	-
Property	21,817	-	-	-	-	-	-	-
Other Objects	10,649	-	-	-	-	-	-	-
TOTAL EXPENDITURES	3,174,396	273,856	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(534,417)	(273,856)	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	505,997	-	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	(534,417)	232,141	-	-	-	-	-	-
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	302,276	(232,141)	0	0	-	-	-	-
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ (232,141)	\$ 0	\$ 0	\$ 0	\$ -	\$ -	\$ -	\$ -

Summary of Building Reserve Fund: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-	-	-
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	(2,000,000)	1,500,000	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	-	(2,000,000)	1,500,000	-	-	1,975,000	1,475,000	975,000
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	5,372,240	5,372,240	3,372,240	4,872,240	4,872,240	4,872,240	6,847,240	8,322,240
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 5,372,240	\$ 3,372,240	\$ 4,872,240	\$ 4,872,240	\$ 4,872,240	\$ 6,847,240	\$ 8,322,240	\$ 9,297,240

Summary of Food Services Fund: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ 957,423	\$ 1,091,461	\$ 1,299,550	\$ 1,226,358	\$ 1,238,578	\$ 1,276,000	\$ 1,314,000	\$ 1,353,000
Total State	777,192	843,428	883,962	865,089	865,089	925,645	990,440	1,059,771
Total Federal	3,616,047	3,783,961	3,737,746	3,374,406	3,306,918	3,505,000	3,715,000	3,938,000
TOTAL REVENUES	5,350,662	5,718,850	5,921,258	5,465,853	5,410,585	5,706,645	6,019,440	6,350,771
Salaries	1,840,046	1,867,058	1,883,897	1,959,965	2,044,243	2,116,000	2,190,000	2,267,000
Employee Benefits	692,102	718,132	705,297	742,957	779,089	826,000	876,000	929,000
Purchased Professional/Tech Svcs	12,426	39,602	26,685	40,249	31,099	31,410	31,724	32,041
Purchased Property Services	114,413	99,425	115,326	136,180	150,186	113,000	118,000	123,000
Other Purchased Services	6,461	4,670	2,572	54,186	6,311	6,501	6,696	6,897
Supplies	2,206,058	2,267,789	2,306,424	2,833,626	2,676,926	2,275,387	2,321,000	2,367,000
Property	147,747	127,463	43,953	157,245	150,000	150,000	150,000	150,000
Other Objects	666,958	212,800	302,986	407,505	181,655	136,241	137,604	138,980
TOTAL EXPENDITURES	5,686,209	5,336,939	5,387,139	6,331,913	6,019,509	5,654,539	5,831,024	6,013,918
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(335,547)	381,911	534,118	(866,060)	(608,924)	52,106	188,417	336,854
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	20	-	996	500	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	(335,527)	381,911	535,114	(865,560)	(608,924)	52,106	188,417	336,854
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	1,633,037	1,297,510	1,679,422	2,214,536	1,348,976	740,052	792,157	980,574
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 1,297,510	\$ 1,679,422	\$ 2,214,536	\$ 1,348,976	\$ 740,052	\$ 792,157	\$ 980,574	\$ 1,317,428

Summary of Tax Increment Fund: FY 2014 through FY 2021

Summary: All Funds	Actual FY 2014	Actual FY 2015	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Total Local	\$ -	\$ 1,110,000	\$ 1,245,711	\$ 1,250,000	\$ 1,250,000	\$ 750,000	\$ 675,000	\$ 675,000
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>1,110,000</u>	<u>1,245,711</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>750,000</u>	<u>675,000</u>	<u>675,000</u>
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-
Other Objects	-	1,110,000	1,245,711	1,250,000	1,250,000	750,000	675,000	675,000
TOTAL EXPENDITURES	<u>-</u>	<u>1,110,000</u>	<u>1,245,711</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>750,000</u>	<u>675,000</u>	<u>675,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	-	-	-	-	-	-	-	-
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GASB 54 Fund Balance Classification:

FY 2013 through FY 2017

	Actual FY 2017	Actual FY 2016	Actual FY 2015	Actual FY 2014	Actual FY 2013
GENERAL FUND					
Nonspendable	\$ 473,722	\$ 499,507	\$ 533,351	\$ 606,666	\$ 605,384
Restricted	2,913,152	3,105,603	2,016,530	1,209,061	1,605,746
Committed	19,542,646	19,542,646	19,542,646	19,542,646	19,542,646
Assigned	3,110,298	-	-	-	-
Unassigned	9,000,366	7,337,273	5,712,495	5,025,862	2,709,865
	<u>35,040,184</u>	<u>30,485,029</u>	<u>27,805,022</u>	<u>26,384,235</u>	<u>24,463,641</u>
DEBT SERVICE FUND					
Restricted	1,758,706	1,721,779	876,789	533,835	687,750
	<u>1,758,706</u>	<u>1,721,779</u>	<u>876,789</u>	<u>533,835</u>	<u>687,750</u>
CAPITAL PROJECTS FUND					
	-	2,705	-	-	-
Restricted	63,315,100	87,795,961	55,001,960	1,888,781	5,253,070
	<u>63,315,100</u>	<u>87,798,666</u>	<u>55,001,960</u>	<u>1,888,781</u>	<u>5,253,070</u>
NON K-12 INSTRUCTION FUND					
Restricted	-	-	-	273,857	272,732
Assigned	-	-	-	-	-
Unassigned	-	-	-	(506,002)	29,540
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(232,145)</u>	<u>302,272</u>
SCHOOL ACTIVITIES FUND					
Assigned	2,087,804	1,732,942	1,554,242	1,397,081	1,521,583
	<u>2,087,804</u>	<u>1,732,942</u>	<u>1,554,242</u>	<u>1,397,081</u>	<u>1,521,583</u>
FOOD SERVICES FUND					
Nonspendable	124,915	138,511	146,980	91,355	105,762
Restricted	2,160,655	2,076,024	1,532,440	1,206,155	1,527,275
	<u>2,285,570</u>	<u>2,214,535</u>	<u>1,679,420</u>	<u>1,297,510</u>	<u>1,633,037</u>
BUILDING RESERVE FUND					
Restricted	4,872,240	4,872,240	3,372,240	5,372,240	5,372,240
	<u>4,872,240</u>	<u>4,872,240</u>	<u>3,372,240</u>	<u>5,372,240</u>	<u>5,372,240</u>
MUNICIPAL BUILDING AUTHORITY					
Committed	-	-	-	-	-
Restricted	-	-	-	-	(1,945,433)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,945,433)</u>
PROVO SCHOOL DISTRICT FOUNDATION					
Restricted	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ALL GOVERNMENT FUNDS					
Nonspendable	598,637	640,723	680,331	698,021	711,146
Committed	19,542,646	19,542,646	19,542,646	19,542,646	19,542,646
Restricted	75,019,853	99,571,607	62,799,959	10,483,929	12,773,380
Assigned	5,198,102	1,732,942	1,554,242	1,397,081	1,521,583
Unassigned	9,000,366	7,337,273	5,712,495	4,519,860	2,739,405
	<u>\$ 109,359,604</u>	<u>\$ 128,825,191</u>	<u>\$ 90,289,673</u>	<u>\$ 36,641,537</u>	<u>\$ 37,288,160</u>

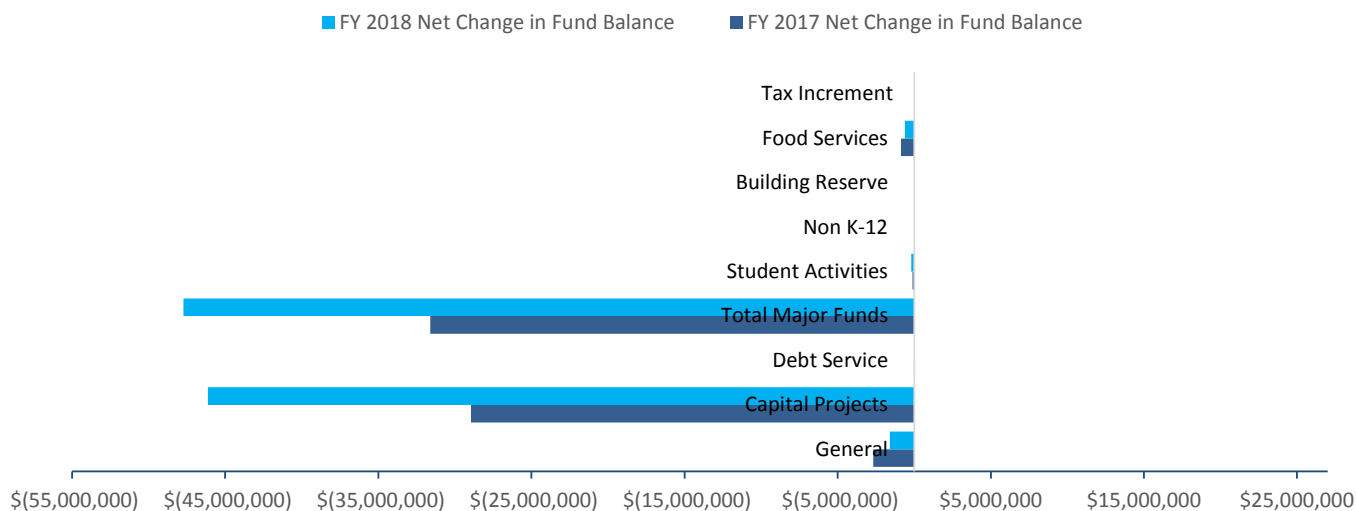
Fund Balance: Adjustment Schedule

FY 2017 to FY 2018

Major Funds	FY 2017			FY 2018		
	Beginning Balance	Net Change in Fund Balance	Ending Balance	Beginning Balance	Net Change in Fund Balance	Ending Balance
General	31,328,874	(2,668,356)	28,660,519	28,660,519	(1,585,764)	27,074,755
Capital Projects	87,798,666	(28,943,426)	58,855,239	58,855,239	(46,134,137)	12,721,102
Debt Service	1,721,778	(5,000)	1,716,778	1,716,778	0	1,716,778
Total Major Funds	\$120,849,318	(\$31,616,782)	\$89,232,536	\$89,232,536	(\$47,719,901)	\$41,512,635
Non-major Funds						
Student Activities	1,732,939	(111,444)	1,621,495	1,621,495	(197,766)	1,423,729
Non K-12	0	0	0	0	0	0
Building Reserve	4,872,240	0	4,872,240	4,872,240	0	4,872,240
Food Services	2,214,536	(865,560)	1,348,976	1,348,976	(608,924)	740,052
Tax Increment	0	0	0	0	0	0
Total Non-major Funds	\$8,819,716	(\$977,004)	\$7,842,711	\$7,842,711	(\$806,690)	\$7,036,021
Total All Funds	\$129,669,034	(\$32,593,786)	\$97,075,247	\$97,075,247	(\$48,526,591)	\$48,548,656

Fund Balance Definition

Fund balance (or equity) is defined as the difference between the assets and liabilities of a fund, or, in simpler terms, the resources remaining from prior years that are available to be budgeted in the current year. Fund balance is terminology that is applicable to “fund level” reporting of individual governmental funds and is based on the modified accrual basis of accounting, which is the basis of accounting used by the District. It is used as a measure of the amount available to budget or spend in the future, and it’s typically accounted for as either designated or undesignated. Utah state law limits the designated amount in the General fund to no more than 5% of the total expense budget of that fund.



Statement of Changes to Fund Balance (Equity)

General Fund: (\$1,585,764)

The District is projected to reduce its General fund residual balances during FY 2018 by roughly \$1.6M. Much of this reduction is due to planned prior year expenditures rolling into this fiscal year. These items include curriculum replacement, infrastructure, and employee compensation changes.

Capital Projects Fund: (\$46,134,137)

The Capital Projects fund balance is projected to decrease by over \$46 million in FY 2018. This amount is due to the Bond-related construction projects that are in process in FY 2018. We expect to wrap up construction on the final two schools by the end of this fiscal year, with only minimal costs in early FY 2019. The District is taking advantage of low construction costs, but rebuilding 5 schools is expensive. Additionally, some smaller projects originally scheduled to be completed in FY 2017 have been pushed back into FY 2018 resulting in higher expenses for the coming year.

Debt Service Fund: \$0

The debt service fund balance will remain roughly flat in FY 2018. We expect increased tax revenues will offset the added expenses related to the District's debt obligations. Any fund balance is then reinvested to draw down our debt obligations.

Student Activities Fund: (\$197,766)

The District expects the student activities fund balance to only see minimal changes in FY18. The District recently consolidated and unified its secondary fee schedules so some change is expected due to these adjustments.

Non K-12 Fund: \$0

This fund isn't appropriated for use in FY 2018. Prior years' expenses in this fund have now been completely shifted to other district funds.

Building Reserve Fund: \$0

For FY 18, the District does not expect to have to use any additional building reserve funds for its capital projects.

Food Service Fund: (\$608,924)

This fund balance decrease is a planned spend down of balances in order to maintain compliance with state fund balance requirements. Some of this spend down is a result of supplementing lunch room equipment purchase costs at the new schools being built. The District's food service fund balance will be at approximately 14% of total revenues in this fund after this spend down, which is considered appropriate.

Tax Increment Fund: \$0

The District expects this fund balance to once again not change in FY 2018.

Summary of Fund Balances

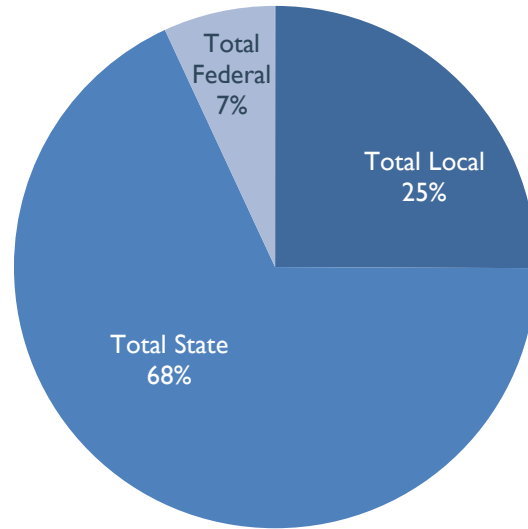
Overall, District fund balances are projected to decrease by \$48,526,591 in FY 2018. The vast majority of this decrease is due to the ongoing school construction expenses in the capital projects fund. While there is some spend down in other funds, these are due to non-routine expenditures or are a result of state compliance obligations, although it's important to note that if funds don't increase, especially in the Capital Projects fund, then substantial budget cuts will have to occur in FY 2019 and beyond.

Major Revenue and Expenditures by Fund
Major Funds

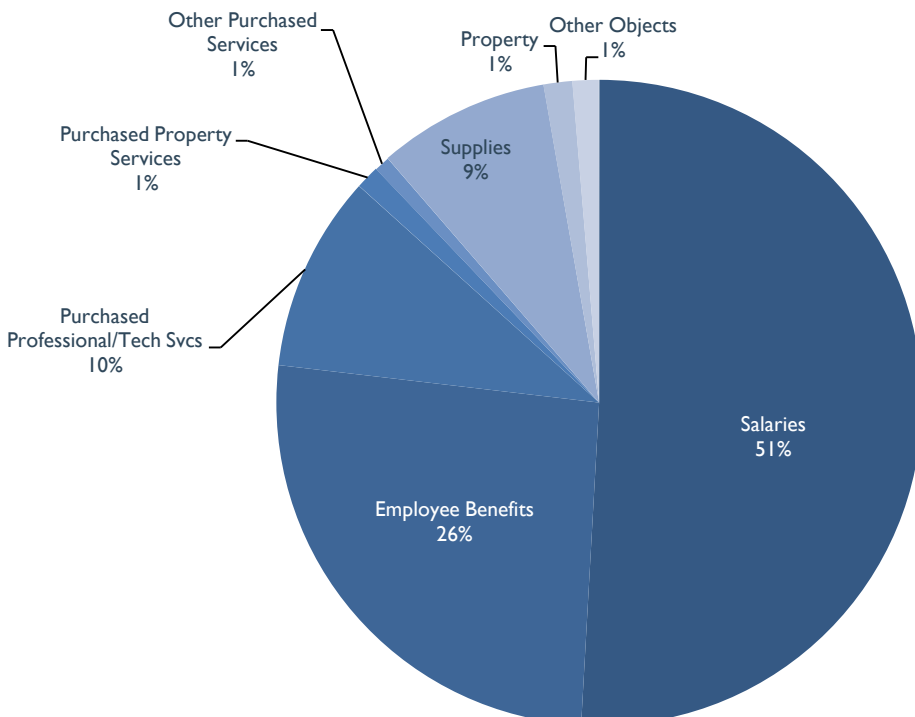
Revenue and Expenditure Budgets by Source: *General Fund*

General Fund Revenue: *FY 2018*

The District's largest General fund revenue source is the State of Utah, followed by local sources (mainly property taxes), followed by federal revenue.



General Fund Expenditures: *FY 2018*



As a service organization, the District spends most of its budget on employee compensation. As health care costs continue to rise, it's anticipated that the percentage of benefits to salaries will also rise.

Major Revenue Sources, General Fund:

FY 2016 through FY 2018

Revenues from State Sources	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Regular School Program K-12	\$ 39,432,823	\$ 43,427,023	\$ 46,400,597
Professional Staff	3,835,456	4,086,800	4,334,192
Special Education -- Add-On	5,492,026	6,381,142	6,265,794
Special Education -- Self-Contained	1,796,177	1,604,449	1,513,109
Special Education -- Pre-school	1,004,498	1,048,428	1,065,910
Extended Year Program -- Severely Disabled	134,862	183,102	29,044
Special Education -- State Programs	206,538	146,706	143,405
Career & Technology Ed -- Add-On	2,266,708	2,137,182	2,245,560
Adult High School	445,588	480,988	551,731
Class Size Reduction (State Funds)	3,280,927	3,560,414	3,815,928
Enhance for Accelerated Stud Prog	73,405	78,796	41,497
Advanced Placement	51,083	57,121	41,497
Concurrent Enrollment	94,683	94,683	90,384
At-Risk Enhancement	789,247	611,302	627,527
At-Risk -- MESA	-	-	-
At-Risk -- Gang Prevention	45,527	89,802	-
At-Risk -- Youth-in-Custody	1,326,691	1,200,000	1,000,000
Critical Languages	299,600	260,000	230,000
Extended Day Kindergarten	-	207,657	207,305
Interventions for Student Success	215,590	-	-
Social Security and Retirement	602,268	207,430	206,404
Pupil Transportation	1,103,364	1,116,128	1,142,776
School Nurses	27,160	26,701	27,000
School Land Trust Program	1,190,579	1,295,808	1,755,618
Voted Leeway	5,015,601	6,207,071	5,198,836
Board Leeway	984,499	1,201,616	1,231,482
K-3 Reading Achievement	421,310	430,988	429,596
Other State Sources MSP	151,254	298,880	-
Total Minimum School Program Generated	70,287,464	76,440,217	78,595,192
Other Revenues from State Sources			
Other Revenues From State Sources (Non-MSP)	-	7,524	-
Driver Education (State Driver Training Tax)	150,738	59,290	59,290
Library Books & Electronic Resources	40,480	21,378	21,378
Supplementals / Other Bills	4,717,508	4,887,722	4,614,701
Revenues From Other State Agencies	1,165,700	1,213,200	1,153,200
Total State Revenue	76,361,890	82,629,331	84,443,761

Figures may vary slightly due to rounding.

Major Revenue Sources, General Fund: FY 2016 through FY 2018

Revenues from Local Sources	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Property Taxes	\$ 22,720,856	\$ 26,327,698	\$ 26,590,975
Tuition From Pupils or Parents	92,387	71,297	82,000
Tuition From Other LEAs Outside the State	54,798	-	50,000
Transportation Fees From Pupils or Parents	269,783	132,749	145,000
Earnings on Investments	349,896	369,611	373,307
Student Activities	138,281	266,500	222,468
Other Revenues From Local Sources	2,747,729	3,990,292	3,415,751
Contributions and Donations from Private Sources/Foundation	-	-	-
Miscellaneous	13,923	11,408	-
Total Local Revenue	<u>26,387,653</u>	<u>31,169,555</u>	<u>30,879,501</u>

Revenue from Federal Sources	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Restricted Revenue Direct From Federal	291,827	209,471	-
Restricted Federal Through State	554,190	180,720	-
Programs for the Disabled (IDEA)	2,754,398	2,984,067	2,924,386
Career & Technology Education	216,362	205,938	201,819
ARRA Programs	-	-	-
Other Restricted Federal Through State	42,096	144,780	-
Federal Received Through Other Agencies	1,581,853	64,500	15,000
No Child Left Behind (NCLB)	4,988,703	6,929,441	5,459,246
Total Federal Revenue	<u>10,429,429</u>	<u>10,718,917</u>	<u>8,600,451</u>
TOTAL REVENUES, GENERAL FUND	<u>113,178,972</u>	<u>124,517,803</u>	<u>123,923,713</u>

Figures may vary slightly due to rounding.

Major Expenditures, General Fund: FY 2016 through FY 2018

General Fund Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: Instruction			
Salaries - Teachers	\$ 34,770,136	\$ 37,530,533	\$ 37,267,403
Salaries - Teacher Aides and Paraprofessionals	5,448,208	6,974,029	6,725,143
Salaries - All Other	595,272	22,063	-
Total Salaries (100)	40,813,616	44,526,625	43,992,546
Retirement	8,457,975	9,745,382	9,319,128
Social Security	2,938,825	3,051,945	2,987,852
Insurance (Health/Dental/Life)	7,426,202	8,904,217	8,946,546
Other Benefits	2,300,369	2,887,056	2,581,893
Total Benefits (200)	21,123,371	24,588,600	23,835,419
Purchased Professional and Technical Services	8,514,016	10,560,640	10,345,649
Purchased Property Services	60,790	70,552	81,082
Other Purchased Services	584,162	518,396	423,890
Supplies	3,231,129	6,549,154	5,906,180
Textbooks	54,953	46,344	28,175
Property (Instructional Equipment)	705,724	347,732	408,501
Other Objects	1,035,789	1,220,596	1,011,933
Dues and Fees	15,229	18,595	10,315
TOTAL INSTRUCTION (1000)	\$ 76,138,778	\$ 88,447,234	\$ 86,043,690
Function: Student Support			
Salaries - Attendance and Social Work Personnel	\$ 556,263	\$ 812,064	\$ 691,692
Salaries - Guidance Personnel	703,570	971,340	986,779
Salaries - Health Services Personnel	344,167	404,153	989,292
Salaries - Psychological Personnel	364,790	596,911	531,663
Salaries - Secretarial and Clerical	220,916	274,402	309,192
Salaries - All Other	551,480	607,821	48,186
Retirement	587,763	780,037	738,943
Social Security	197,290	243,466	242,669
Insurance (Health/Dental/Life)	460,531	617,823	602,835
Other Benefits	20,678	36,472	36,889
Purchased Professional and Technical Services	277,409	303,700	305,512
Other Purchased Services	3,814	8,872	18,879
Supplies	26,664	42,656	38,764
Other Objects	36,293	36,318	24,183
TOTAL STUDENT SUPPORT (2100)	\$ 4,351,628	\$ 5,736,035	\$ 5,565,477

Figures may vary slightly due to rounding.

Major Expenditures, General Fund: FY 2016 through FY 2018

General Fund Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: Instructional Staff Support			
Salaries - Media Personnel - Certificated	\$ 169,618	\$ 192,531	\$ 200,810
Salaries - Secretarial and Clerical	346,329	302,815	371,812
Salaries - Media Personnel - Noncertificated.	344,982	405,316	421,796
Salaries - All Other	66,035	443,434	708,078
Retirement	187,623	273,997	285,079
Social Security	67,378	113,112	119,161
Insurance (Health/Dental/Life)	98,210	117,450	134,973
Other Benefits	6,728	22,359	25,146
Purchased Professional and Technical Services	20,136	121,411	377,613
Purchased Property Services	-	-	-
Other Purchased Services	1,578	11,282	7,290
Supplies	21,003	232,478	204,018
Library Books	72,146	43,756	43,766
Periodicals	-	-	-
Other Objects	-	11,784	11,784
Dues and Fees	-	7,320	6,600
TOTAL INSTRUCTIONAL STAFF SUPPORT (2200)	\$ 1,401,766	\$ 2,299,045	\$ 2,917,926
Function: District Admin Support			
Salaries - District Board and Administration	\$ 203,254	\$ 228,612	\$ 238,443
Salaries - Supervisors and Directors	670,520	1,151,644	1,325,587
Salaries - Secretarial and Clerical	210,822	222,981	234,261
Salaries - All Other	249,523	175,236	-
Retirement	330,908	434,147	468,116
Social Security	94,244	130,925	145,354
Insurance (Health/Dental/Life)	162,090	265,753	305,200
Other Benefits	9,546	14,407	16,128
Purchased Professional and Technical Services	168,575	197,510	182,600
Purchased Property Services	-	-	1,100
Other Purchased Services	34,958	95,571	95,510
Supplies	85,031	353,097	428,954
Property	418,476	659,440	624,521
Other Objects	1,050	42,977	42,977
Dues and Fees	38,543	38,778	53,166
TOTAL DISTRICT ADMINISTRATION (2300)	\$ 2,677,539	\$ 4,011,077	\$ 4,161,916

Figures may vary slightly due to rounding.

Major Expenditures, General Fund: FY 2016 through FY 2018

General Fund Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: School Admin Support			
Salaries - Principals and Assistants	\$ 2,668,679	\$ 2,909,922	\$ 3,026,457
Salaries - Secretarial and Clerical	1,348,265	1,538,876	1,585,303
Salaries - All Other	95,745	-	-
Retirement	955,061	947,005	984,003
Social Security	293,402	299,316	310,421
Insurance (Health/Dental/Life)	636,206	637,617	674,291
Other Benefits	31,378	32,766	33,973
Purchased Professional and Technical Services	4,675	-	-
Other Purchased Services	6,226	8,512	5,158
Supplies	34,736	3,389	2,062
Dues and Fees	-	375	5,834
TOTAL SCHOOL ADMIN SUPPORT (2400)	\$ 6,074,374	\$ 6,377,778	\$ 6,627,502
Function: Central Support			
Salaries	\$ 2,640,802	\$ 2,886,185	\$ 2,651,681
Retirement	586,838	596,180	593,792
Social Security	187,803	207,883	207,007
Insurance (Health/Dental/Life)	335,607	375,717	389,365
Other Benefits	21,901	57,067	57,056
Purchased Professional and Technical Services	605,613	787,796	656,538
Purchased Property Services	7,821	19,605	18,928
Other Purchased Services	335,862	370,672	202,748
Supplies	347,832	615,685	577,025
Property	496,074	654,100	606,100
Other Objects	462	4,411	750
Dues and Fees	5,390	10,113	10,113
TOTAL CENTRAL SUPPORT (2500)	\$ 5,572,004	\$ 6,585,414	\$ 5,971,103

Figures may vary slightly due to rounding.

Major Expenditures, General Fund:

FY 2016 through FY 2018

General Fund Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: Maintenance and Operations Support			
Salaries - Operation and Maintenance	\$ 2,375,871	\$ 1,895,016	\$ 2,527,531
Salaries - All Other	172,221	-	161,665
Retirement	428,875	323,222	498,171
Social Security	184,469	146,699	204,175
Insurance (Health/Dental/Life)	364,379	312,121	425,199
Other Benefits	18,965	18,432	24,902
Purchased Professional and Technical Services	287,973	284,617	261,609
Purchased Property Services	389,317	397,277	1,280,038
Other Purchased Services	41,221	41,556	214,871
Supplies	2,589,074	2,972,359	2,963,266
Property	3,292	14,995	14,995
Other Objects	-	-	-
TOTAL MAINTENANCE AND OPERATIONS (2600)	\$ 6,855,656	\$ 6,406,292	\$ 8,576,421

Function: Student Transportation			
Salaries - Secretarial and Clerical	\$ 48,902	\$ 64,872	\$ 67,661
Salaries - Supervisors	55,501	-	-
Salaries - Bus Drivers	839,944	942,361	982,883
Salaries - Mechanics and Other Garage Employees	177,912	178,434	186,106
Salaries - Other (Trainers, etc.)	5,730	1,209	1,261
Retirement	199,519	235,793	245,932
Social Security	81,275	93,871	97,907
Insurance (Health / Accident / Life)	184,555	219,918	233,113
Other Benefits	8,588	12,272	12,800
Purchased Professional and Technical Services	-	-	1,500
Purchased Property Services	87,901	94,668	94,668
Student Allowance	-	-	-
Payments in Lieu of Transportation - Subsistence	-	-	-
Communications (Telephone and Other)	18	1,560	1,560
Travel / Per Diem	641	3,433	3,433
Motor Fuel	121,210	209,322	209,322
Other Supplies	170,274	211,315	211,632
Equipment	126,809	156,831	150,000
Miscellaneous Expenditures	2,999	7,509	7,674
Training	-	-	-
TOTAL STUDENT TRANSPORTATION (2700)	\$ 2,111,779	\$ 2,433,368	\$ 2,507,452

Figures may vary slightly due to rounding.

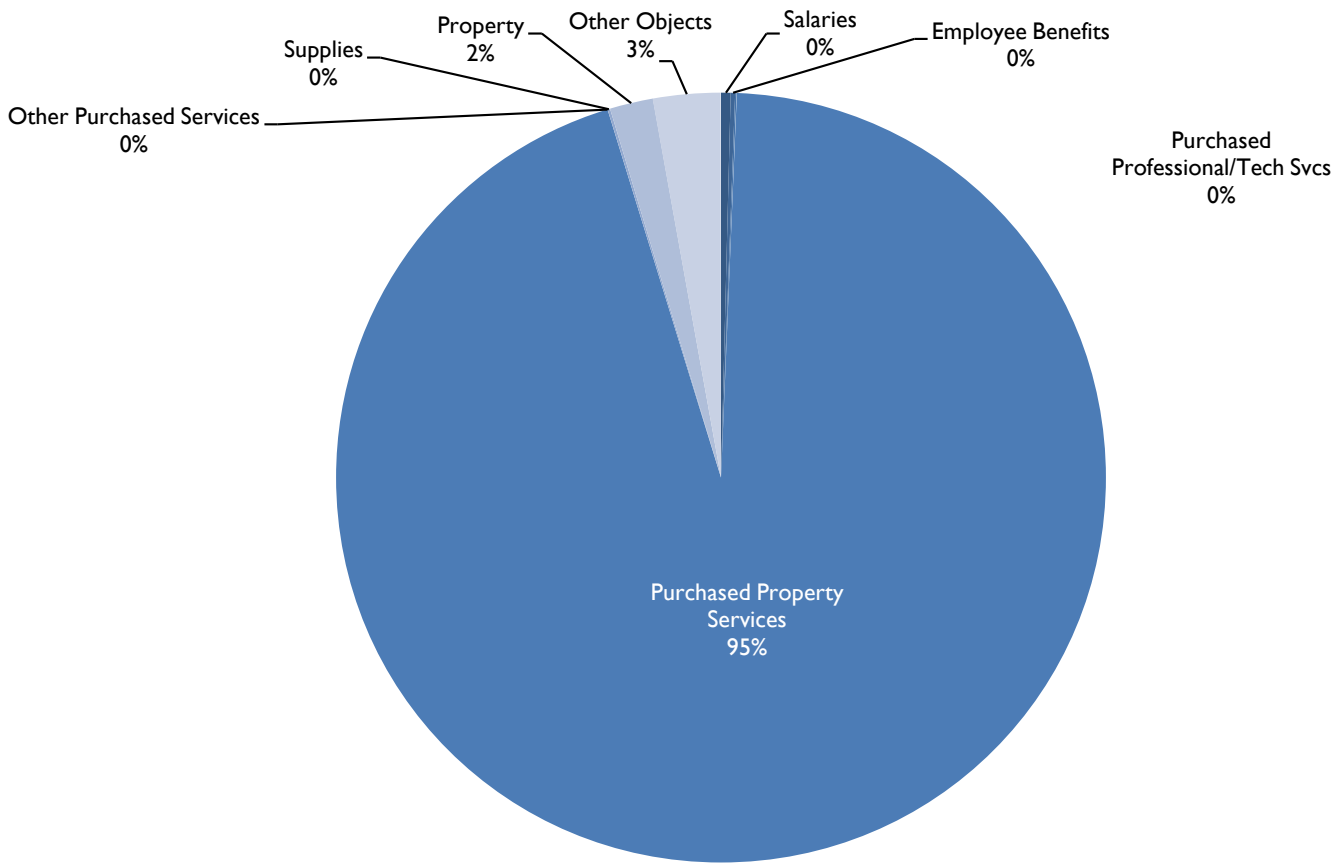
Major Expenditures, General Fund: FY 2016 through FY 2018

General Fund Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: Noninstructional Services			
Salaries	\$ 2,186,953	\$ 1,830,761	\$ 1,762,134
Retirement	362,844	339,874	359,306
Social Security	159,199	136,489	134,988
Insurance (Health/Dental/Life)	215,424	259,313	215,677
Other Benefits	13,923	16,400	15,503
Purchased Professional and Technical Services	131,909	27,500	27,500
Purchased Property Services	2,044	40	40
Other Purchased Services	13,840	10,393	10,393
Supplies	280,204	190,101	199,554
Equipment	5,000	-	-
Other Objects	464,698	477,544	487,894
Dues and Fees	136	-	-
TOTAL NON-INSTRUCTIONAL SERVICES (3300)	\$ 3,836,172	\$ 3,288,415	\$ 3,212,989
Function: Building Acquisition and Construction			
Salaries	\$ -	\$ 601,700	\$ -
Retirement	-	134,000	-
Social Security	-	41,150	-
Insurance (Health/Dental/Life)	-	97,525	-
Other Benefits	-	4,450	-
Purchased Professional and Technical Services	-	-	-
Purchased Property Services	-	900,000	-
Construction and Remodeling	-	-	-
Other Purchased Services	-	1,000	-
Supplies - New Buildings	-	-	-
Buildings	-	-	-
Other Equipment	-	-	-
Other Objects	-	-	-
Redemption of Principal	-	-	-
Interest	-	-	-
TOTAL BUILDING ACQUISITION/CONSTRUCTIO	\$ -	\$ 1,779,825	\$ -
TOTAL EXPENDITURES, GENERAL FUND	\$ 109,019,696	\$ 127,364,483	\$ 125,584,477
OTHER FINANCING			
OTHER FINANCING SOURCES (USES)			
Transfers In From Other Funds	-	-	-
Transfers Out to Other Funds	(1,500,000)	-	-
Proceeds From Sale of Capital Assets	20,731	25,000	25,000
Other	-	-	-
TOTAL OTHER FINANCING	\$ (1,479,269)	\$ 25,000	\$ 25,000

Figures may vary slightly due to rounding.

Revenue and Expenditure Budgets by Source: *Capital Projects Fund*

Capital Projects Fund: *FY 2018*



Note: The vast majority of revenue in the Capital Projects Fund comes from local sources - most notably property taxes, with minimal state funding. Total FY 2018 revenues for this fund are \$10,383,490.

Major Revenue Sources, Capital Projects Fund:

FY 2016 through FY 2018

Revenues from Local Sources	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Property Taxes	\$ 6,506,911	\$ 8,412,629	\$ 8,496,755
Earnings on Investments	212,946	865,000	873,650
Other Revenues from Local Sources	<u>259,795</u>	<u>85,000</u>	<u>85,350</u>
Total Local Revenue	<u><u>\$ 6,979,652</u></u>	<u><u>\$ 9,362,629</u></u>	<u><u>\$ 9,455,755</u></u>

Revenues from State Sources	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Enrollment Growth	<u>905,147</u>	<u>927,735</u>	<u>927,735</u>
Total State Revenue	<u><u>\$ 905,147</u></u>	<u><u>\$ 927,735</u></u>	<u><u>\$ 927,735</u></u>

Revenue from Federal Sources	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Federal Received Through Other Agencies	<u>-</u>	<u>-</u>	<u>-</u>
Total Federal Revenue	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
TOTAL REVENUES, CAPITAL PROJECTS FUND	<u><u>\$ 7,884,799</u></u>	<u><u>\$ 10,290,364</u></u>	<u><u>\$ 10,383,490</u></u>

Figures may vary slightly due to rounding.

Major Expenditures, Capital Projects Fund: FY 2016 through FY 2018

Capital Projects Fund Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: Operation and Maintenance of Facilities			
Salaries	\$ 93,987	\$ 88,882	\$ 92,704
Retirement	8,923	15,127	15,777
Social Security	7,264	7,356	7,672
Insurance (Health/Dental/Life)	4,477	24,138	25,587
Other Benefits	653	1,067	1,113
Purchased Professional and Technical Services	28,551	33,027	33,027
Purchased Property Services	266,896	344,220	2,395,825
Other Purchased Services	4,252		
Supplies	59,299	40,047	58,737
Property	347,660	525,000	796,725
Other Objects	-	-	-
TOTAL OPERATION AND MAINTENANCE OF FACILITIES	\$ 821,962	\$ 1,078,864	\$ 3,427,167
Function: Student Transportation			
Equipment	\$ 246,276	\$ 225,000	\$ 225,000
TOTAL STUDENT TRANSPORTATION	\$ 246,276	\$ 225,000	\$ 225,000
Function: Building Acquisition and Construction			
Salaries	\$ 129,403	\$ 136,740	\$ 134,000
Retirement	30,992	24,334	31,000
Social Security	9,327	14,277	10,720
Insurance (Health/Dental/Life)	12,702	13,026	11,500
Other Benefits	1,033	1,623	1,340
Purchased Professional and Technical Services	174,750	-	500
Repairs & Maintenance	10,650	-	-
Construction and Remodeling	31,690,768	58,364,054	51,068,900
Other Purchased Services	948	-	-
Supplies	2,139	-	500
Land/Site Improvements	-	1,650,000	-
Other Equipment	401,467	1,377,797	-
Other Objects	125	1,046,345	1,045,775
Redemption of Principal	27,626	26,730	21,225
Interest	-	-	-
TOTAL BUILDING ACQUISITION/CONSTRUCTION	\$ 32,491,930	\$ 62,654,926	\$ 52,325,460
Function: Debt Service			
Interest	\$ 79,461	\$ 80,000	\$ 80,000
Redemption of Principal	-	460,000	460,000
TOTAL DEBT SERVICE	\$ 79,461	\$ 540,000	\$ 540,000
TOTAL EXPENDITURES, CAPITAL PROJECTS FUND	\$ 33,639,629	\$ 64,498,790	\$ 56,517,627
OTHER FINANCING SOURCES (USES)			
Transfers In From Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
Proceeds From Sale of Capital Assets	8,317	25,265,000	-
Other Financing Sources & Uses	58,543,218	-	-
TOTAL OTHER FINANCING SOURCES	\$ 58,551,534	\$ 25,265,000	\$ -

Major Revenue and Expenditures, Debt Service Fund:

FY 2016 through FY 2018

Debt Service Fund	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Property Taxes	\$ 10,679,802	\$ 9,875,000	\$ 9,737,000
TOTAL REVENUE, DEBT SERVICE	<u>\$ 10,679,802</u>	<u>\$ 9,875,000</u>	<u>\$ 9,737,000</u>
Expenditures by Object			
Interest	\$ 2,924,812	\$ 4,160,000	\$ 4,062,000
Redemption of Principal	6,905,000	5,715,000	5,670,000
Miscellaneous Expenditures	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
TOTAL EXPENDITURES, DEBT SERVICE	<u>\$ 9,834,812</u>	<u>\$ 9,880,000</u>	<u>\$ 9,737,000</u>

Figures may vary slightly due to rounding.

Major Revenue and Expenditures by Fund
Non-major Funds

Major Revenue and Expenditures, Student Activity Fund

FY 2016 through FY 2018

Student Activity Fund	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
REVENUES FROM LOCAL SOURCES			
Earnings on Investments	\$ 6,203	\$ 4,446	\$ 5,000
Student Fees	1,274,248	1,309,951	1,350,000
School Vending	24,422	22,301	20,000
Community Services Activities	611,563	632,047	638,367
Other Revenues From Local Sources	<u>2,126,117</u>	<u>2,036,502</u>	<u>2,056,867</u>
TOTAL REVENUE FROM LOCAL SOURCES	<u>4,042,552</u>	<u>4,005,247</u>	<u>4,070,234</u>
TOTAL REVENUE, STUDENT ACTIVITY FUND	<u>\$ 4,042,552</u>	<u>\$ 4,005,247</u>	<u>\$ 4,070,234</u>
Function: Instruction			
Purchased Professional and Technical Services	\$ 413,690	\$ 529,366	\$ 535,000
Purchased Property Services	40,766	42,124	42,500
Other Purchased Services	1,064,405	1,033,548	1,100,000
Supplies	1,502,780	1,639,813	1,680,500
Property	-	-	-
Other Objects	<u>842,211</u>	<u>871,840</u>	<u>910,000</u>
TOTAL EXPENDITURES, STUDENT ACTIVITY FUND	<u>\$ 3,863,852</u>	<u>\$ 4,116,691</u>	<u>\$ 4,268,000</u>

Figures may vary slightly due to rounding.

Major Revenue, Non K-12 Fund

FY 2016 through FY 2018

Non-K-12 Fund	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
REVENUES FROM LOCAL SOURCES			
Property Taxes	\$ -	\$ -	\$ -
Tuition from Pupils or Parents	-	-	-
Earnings on Investments	-	-	-
Other Revenues From Local Sources	-	-	-
TOTAL REVENUES FROM LOCAL SOURCES	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES FROM STATE SOURCES			
Preschool-Handicapped	-	-	-
Adult Education	-	-	-
Revenues from Other State Agencies	-	-	-
TOTAL REVENUES FROM STATE SOURCES	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES FROM FEDERAL SOURCES			
Special Ed - Preschool	-	-	-
Adult Education	-	-	-
English Language Education	-	-	-
Other Revenues From Federal Sources	-	-	-
TOTAL REVENUES FROM FEDERAL SOURCES	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES, NON-K-12 FUND	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Figures may vary slightly due to rounding.

Major Expenditures, Non K-12 Fund: (no budget expenditures in this fund for FY 2018; schedules included for historical perspective only)
FY 2016 through FY 2018

Non-K-12 Fund Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: Community Services			
Salaries	\$ -	\$ -	\$ -
Retirement	-	-	-
Social Security	-	-	-
Insurance (Health/Dental/Life)	-	-	-
Other Benefits	-	-	-
Purchased Professional and Technical Services	-	-	-
Purchased Property Services	-	-	-
Other Purchased Services	-	-	-
Supplies	-	-	-
Property	-	-	-
Other Objects	-	-	-
Dues and Fees	-	-	-
TOTAL COMMUNITY SERVICES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL EXPENDITURES, NON-K-12 FUND	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
OTHER FINANCING SOURCES			
OTHER FINANCING SOURCES (USES)			
Transfers In from Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Figures may vary slightly due to rounding.

Other Financing Sources (Uses), Building Reserve Fund

FY 2016 through FY 2018

There are no revenues or expenditures in this fund as all transactions are done through interfund transfers. According to Utah law, “local school boards may make expenditures from the fund only if public notice is given stating the purpose for which the expenditures are to be made.”

Building Reserve Fund	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
OTHER FINANCING SOURCES (USES)			
Transfers In from Other Funds	\$ 1,500,000	\$ -	\$ -
Transfers Out from Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u><u>\$ 1,500,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Major Revenue, Food Services Fund: FY 2016 through FY 2018

Food Services Fund	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
REVENUES FROM LOCAL SOURCES			
Sales to Students	\$ 933,765	\$ 1,138,010	\$ 1,149,346
Sales to Adults	63,754	63,348	63,982
Other Revenues From Local Sources	302,031	25,000	25,250
Gains (Losses From Sale of Capital Assets)	-	-	-
TOTAL REVENUES FROM LOCAL SOURCES	<u><u>1,299,550</u></u>	<u><u>1,226,358</u></u>	<u><u>1,238,578</u></u>
REVENUES FROM STATE SOURCES			
School Lunch	\$ 883,962	\$ 865,089	\$ 865,089
TOTAL REVENUES FROM STATE SOURCES	<u><u>883,962</u></u>	<u><u>865,089</u></u>	<u><u>865,089</u></u>
REVENUES FROM FEDERAL SOURCES			
Lunch Reimbursement	\$ 447,208	\$ 423,256	\$ 414,791
Lunch Reimbursement (Free and Reduced Meals)	2,331,816	2,119,948	2,077,549
Special Milk Reimbursement	-	-	-
Breakfast Reimbursement	648,850	591,931	580,092
Child and Adult Care Food Program	38,173	38,119	37,357
Other Child Nutrition Program Revenue	193,905	201,152	197,129
Donated Commodities	77,794	-	-
TOTAL REVENUES FROM FEDERAL SOURCES	<u><u>3,737,746</u></u>	<u><u>3,374,406</u></u>	<u><u>3,306,918</u></u>
TOTAL REVENUES, FOOD SERVICES FUND	<u><u>\$ 5,921,258</u></u>	<u><u>\$ 5,465,853</u></u>	<u><u>\$ 5,410,585</u></u>

Figures may vary slightly due to rounding.

Major Expenditures, Food Services Fund:

FY 2016 through FY 2018

Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: Food Services			
Salaries	\$ 1,883,897	\$ 1,959,965	\$ 2,044,243
Retirement	304,661	324,861	338,830
Social Security	138,137	151,266	157,769
Insurance (Health/Dental/Life)	248,345	246,105	260,873
Other Benefits	14,154	20,725	21,617
Purchased Professional and Technical Services	26,685	40,249	31,099
Purchased Property Services	115,326	136,180	150,186
Other Purchased Services	2,572	54,186	6,311
Non-Food Supplies	273,210	481,730	408,588
Food	2,033,214	2,351,896	2,268,338
Property	43,953	157,245	150,000
Other Objects	302,986	406,850	181,000
Dues and Fees	-	655	655
TOTAL EXPENDITURES, FOOD SERVICES FUND	<u>\$ 5,387,139</u>	<u>\$ 6,331,913</u>	<u>\$ 6,019,509</u>
OTHER FINANCING			
OTHER FINANCING SOURCES (USES)			
Transfers In From Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
Proceeds From Sale of Capital Assets	996	500	-
Other	-	-	-
TOTAL OTHER FINANCING	<u>\$ 996</u>	<u>\$ 500</u>	<u>\$ -</u>

Figures may vary slightly due to rounding.

Major Revenue and Expenditures, Tax Increment Fund

FY 2016 through FY 2018

Tax Increment Fund	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
REVENUES FROM LOCAL SOURCES			
Property Taxes	\$ 1,245,711	\$ 1,250,000	\$ 1,250,000
TOTAL REVENUES FROM LOCAL SOURCES	<u>1,245,711</u>	<u>1,250,000</u>	<u>1,250,000</u>
 TOTAL REVENUES, TAX INCREMENT FUND	 <u>\$ 1,245,711</u>	 <u>\$ 1,250,000</u>	 <u>\$ 1,250,000</u>

Expenditures	Actual FY 2016	Final Budget FY 2017	Original Budget FY 2018
Function: Central Support			
Other Objects	\$ 1,245,711	\$ 1,250,000	\$ 1,250,000
TOTAL EXPENDITURES, TAX INCREMENT FUND	<u>\$ 1,245,711</u>	<u>\$ 1,250,000</u>	<u>\$ 1,250,000</u>

Capital Projects & Debt Service
Supplementary Information

Capital Expenditures: Definition

The District defines capital expenditures as “*tangible property of a more or less permanent nature with a useful life of at least three years, and costing at least \$20,000.*” Examples of capital expenditures include buildings, copy machines, buses, land, and computer/information technology equipment. Capital expenditures can occur in any fund with the exception of the Debt Service fund. However, the vast majority occur in the Capital Projects fund. The Capital Projects fund is almost exclusively funded through local property taxes.

Significant Capital Expenditures: Bond Construction

In November 2014 the residents of Provo voted to approve a Bond and Leeway of \$108 million, to be used to replace five aging schools within the District. As part of that process, in FY 2016 the District began construction on a handful of large-scale school rebuild projects which comprise substantial investments in the District’s capital projects and operations funds. For FY 2018, small remaining expenditures on the Edgemont Elementary construction project is included in the budget, as well as large amounts as construction continues on Provost Elementary and Provo High School.

The District has now issued the total voter approved Bond proceeds as of the beginning of FY 2017. In addition to Bond proceeds, funds from the sale of the old Provo HS building/ grounds as well as the CUE building are being used to supplement the construction rebuild expenses of the two remaining schools. The expectation is that all Bond-related projects will be completed by the 2017-18 fiscal year, with only minimal project expenses rolling into the beginning of FY 2019.

The following pages highlight the process used by the District to determine which construction projects to use Bond funds on, as well as the impacts that these projects have on District operations, debt, and our students.

Phase 1 - Projected Timeline

Project Name	Timeline
Rock Canyon Elementary School	Completed. Open August 2016
Sunset View Elementary School	Completed. Open August 2016

Phase 2 - Projected Timeline

Project Name	Timeline
Provo High School	Construction underway. Anticipated opening August 2018.
Edgemont Elementary School	Construction underway. Anticipated opening August 2017
Provost Elementary School	Groundbreaking fall/winter 2016/2017, will take 15 to 18 months to complete.

Significant Capital Expenditures: *BOND Considerations*

The District commissioned an independent facility assessment, conducted by a team of architects and engineers, evaluating and rating all of our existing schools and facilities. We also formed a Facility Advisory Committee (FAC), made up of community members from around the District, to evaluate the data and forward replacement recommendations to the Board of Education. The District and School Board took under advisement the recommendations of the building assessments and FAC in the initial \$108 million bond proposal. The District, together with the FAC and architectural consultants, are determined to take the best approach in replacing these schools. The following pages include information from these independent facility assessments.

Reconstruction will have a minimal impact on student displacement. In most cases, the students will remain in the current building while the new building is being constructed. By rebuilding the recommended schools on the existing sites, we will be able to minimize disruption to the school year, to both the students and their families. However, where necessary, viable portable classrooms will be used to temporarily house students.

When rebuilding schools, Provo City School District adheres to the guidelines set forth by the Utah State Office of Education (USOE) in their School Construction Resource Manual. Specifically, *Article 1.b.3.d states, "...planning should provide for the orderly replacement of all school facilities over a period of 50 to 75 years." Additionally, *Article 4.b states that, "...the life expectancy of the new school which they are planning will be from 50 to 75 or more years." In other words, we are expected to build our new buildings to last from 50 to 75 years. To do this requires masonry and steel structures, masonry exteriors and metal stud framed interiors. The vast majority of charter schools are entirely wood framed buildings built to last for 20 years. The other charter schools are built with either half-wood/half masonry, or with masonry structure and wood framed interior walls. These buildings are built to last 25 to 35 years. It is also important to note that charter schools do not typically include full cooking kitchens to provide school lunch, auditoriums, special needs services, or residential plumbing, mechanical and electrical systems. They also have either scaled down or no athletic facilities, gyms or athletic fields, reduced science labs, smaller classrooms and reduced curriculum opportunities.

*Source: 2013 USOE School Reconstruction Manual





Rock Canyon Elementary School

1964

Existing School

Score – 1.87 out of 5

Current Enrollment: 693

Projected 2030 Enrollment: 754

Total Maintenance and Upgrade Costs: \$15,850,000

Evaluation System

Rock Canyon Elementary was evaluated by an independent architecture/engineering team on a standardized rating system. Based on the assessment, which included life safety, structural stability, and fire safety among others, it has been determined that Rock Canyon Elementary is in **immediate need of replacement**.

Rating System

The school was evaluated on the following rating system:

1. Immediate Need of Replacement
2. Poor Condition
3. Average Condition
4. Above Average Condition
5. Excellent Condition

Life Safety Evaluation

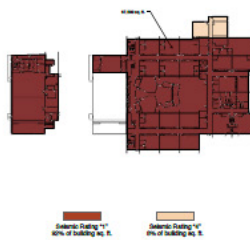
Categories that rate a 1 or lower

- Drop-offs
- Parking
- ADA accessibility on the site
- Brick
- Glazed Block
- Building insulation at roof
- Carpeting
- Fire sprinkling system
- Food service equipment
- Heating
- Mechanical piping
- Unreinforced walls
- Concrete double "T" roof framing
- Seismic hazards

Building Additions



Seismic Rating



Rock Canyon Elementary School



Heavy Concrete Roof on Unreinforced Masonry Walls



Corroded Steam Pipe Lines



Moisture Damage to Floor Structure

Deficiencies

- Heavy concrete roof structure built over unreinforced masonry walls
- No fire sprinkling system
- The parking lot and walks are not code compliant
- Poor security and surveillance, administration not ideally located
- Circulation at remodeled classrooms is poor; accessibility to gymnasium is poor
- The roof membrane is failing
- The building insulation is poor and not energy efficient
- The existing windows and entrances are poor
- The existing ceilings are poor
- The kitchen equipment is substandard, and needs to be replaced
- The floor mats at the entrances show wear and need replacement

Proposed Site Plan



Considerations for a New School

- Life Safety
- Security
- Learning Environment
- Daylight
- Cross Curricular Design
- Healthy Schools
- S.T.E.M. (Science, Technology, Engineering, and Math)
- Technology & Infrastructure

Strengths of this Proposal

- Building replacement school to the west allows existing school to function during construction with minimal interruption to classes
- Maintains play fields between Rock Canyon and Centennial
- New school location provides extensive play field areas to the east
- Efficient two story plan minimizes construction and operating costs
- Entry through administration area provides added security
- Classrooms oriented for ideal natural light
- South facing entry
- Separate parent and bus drop-off
- Preservation of trees along south edge

Edgemont Elementary School



1955

Existing School

Score – 2.41 out of 5

Current Enrollment: 566

Projected 2030 Enrollment: 616

Total Maintenance and Upgrade Costs: \$11,212,000

Evaluation System

Edgemont Elementary was evaluated by an independent architecture/engineering team on a standardized rating system. Based on the assessment, which included life safety, structural stability, and fire safety among others, it has been determined that Edgemont Elementary is in **immediate need of replacement**.

Rating System

The school was evaluated on the following rating system:

1. Immediate Need of Replacement
2. Poor Condition
3. Average Condition
4. Above Average Condition
5. Excellent Condition

Life Safety Evaluation

Categories that rate a 1 or lower

- Fire Sprinkling System
- Fire Riser
- General Seismic Conditions
- Foundation Settlement
- Emergency Lighting
- Site and Security Lighting
- Electrical Switch Gear or Panel Boards

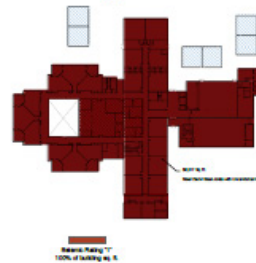
Building Additions



Building Health



Seismic Rating



Building Site Plan

Edgemont Elementary School



Exposed Plumbing Pipes Impact Learning Space



Cracked Interior Brick Walls and Mortar



Cracked Exterior Brick Walls and Mortar

Deficiencies

- Un-reinforced masonry walls, steel roof and deck connections, foundation settlement
- No fire sprinkling system
- Original ductwork, old galvanized piping, plumbing fixtures are in poor condition
- No main disconnect electrical panel
- No interior or exterior emergency lighting, poor intercom system
- 73% of the roofing is in poor condition, 27% needs to be replaced within the next 10 years
- School does not meet current ADA requirements
- Windows and entrances are single pane and not energy efficient
- Finishes and millwork are in poor condition

Proposed Site Plan



Considerations for a New School

- Life Safety
- Security
- Learning Environment
- Daylight
- Cross Curricular Design
- Healthy Schools
- S.T.E.M. (Science, Technology, Engineering, and Math)
- Technology & Infrastructure

Strengths of this Proposal

- Building replacement school to the south allows existing school to function during construction with minimal interruption to classes
- New school location provides larger contiguous play field
- Efficient two story plan minimizes construction and operating costs
- Entry through administration area provides added security
- Classrooms oriented for ideal natural light
- South facing entry

Sunset View Elementary School

1958



Existing School

Score – 2.55 out of 5

Current Enrollment: 532

Projected 2030 Enrollment: 692

Total Maintenance and Upgrade Costs: \$11,875,000

Evaluation System

Sunset View Elementary was evaluated by an independent architecture/engineering team on a standardized rating system. Based on the assessment, which included life safety, structural stability, and fire safety among others, it has been determined that Sunset View Elementary is in **immediate need of replacement**.

Rating System

The school was evaluated on the following rating system:

1. Immediate Need of Replacement
2. Poor Condition
3. Average Condition
4. Above Average Condition
5. Excellent Condition

Life Safety Evaluation

Categories that rate a 1 or lower

- General Seismic Conditions
- Electrical Switch Gear or Panel Boards
- Building Security - Cameras - "There is one new camera"

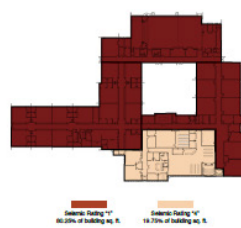
Building Additions



Building Health



Seismic Rating



Existing Site Plan

Sunset View Elementary School



Heavy Concrete Floor on Unreinforced Masonry Walls



Cracked Exterior Brick Wall and Mortar



Cracked Exterior Brick Wall and Mortar Corroded Downspout Pipe Lines

Deficiencies

- Unreinforced masonry walls and heavy concrete roof structure in 80% of building
- Foundation settling is causing masonry to crack in several areas
- Building insulation needs to be installed at the roof deck in the classroom areas
- The classroom windows should be replaced with energy efficient windows
- 52% of roof is in poor condition
- The air distribution system needs to be replaced
- All the plumbing fixtures in the student restrooms need to be replaced
- The mechanical control systems need to be replaced throughout the building
- Switch gear and panel boards need to be replaced
- Emergency lighting needs to be updated

Proposed Site Plan



Considerations for a New School

- Life Safety
- Security
- Learning Environment
- Daylight
- Cross Curricular Design
- Healthy Schools
- S.T.E.M. (Science, Technology, Engineering, and Math)
- Technology & Infrastructure

Strengths of this Proposal

- Building replacement school to the south allows existing school to remain open and functional during construction with minimal interruption to classes
- New school location provides extensive play field areas to the north
- Efficient two story plan minimizes construction and operating costs
- Entry through administration area provides added security
- Classrooms oriented for ideal natural light
- South facing entry
- Maintains parking and drop-off locations



1949

Existing School

Score – 1.94 out of 5

Current Enrollment: 521
 Projected 2030 Enrollment: 571
 Total Maintenance and Upgrade Costs: \$10,760,000

Evaluation System
 Provost Elementary was evaluated by an independent architecture/engineering team on a standardized rating system. Based on the assessment, which included life safety, structural stability, and fire safety among others, it has been determined that Provost Elementary is in **immediate need of replacement**.

Rating System
 The school was evaluated on the following rating system:
 1. Immediate Need of Replacement
 2. Poor Condition
 3. Average Condition
 4. Above Average Condition
 5. Excellent Condition

Life Safety Evaluation

Categories that rate a 1 or lower

- General Building Security
- Resilient Floor Tile (V.C.T)
- Fire Sprinkling System
- Asbestos
- Walls - masonry columns between windows on north side of 1949 building
- Floor Framing and Joist Bearing at 1960 and 1963 Additions
- Site and Security Lighting
- Seismic Hazards at 1949 Building and the 1960 and 1963 Additions
- Piping - all existing piping is galvanized with the exception of the 2006 addition
- Domestic Water Heating
- Electrical Switchgear and Panel Boards in the Original 1949 Building and the 1960 and 1963 Additions
- Emergency and Egress Lighting

Building Additions



Building Health



Seismic Rating



Provost Elementary School



Cracked Interior Brick Walls and Mortar



Cracked Structural Block Walls and Mortar, and Falling Wall to Roof Connection



Cracked Exterior Brick Walls and Mortar, Crumbling Brick at Structural Beam

Deficiencies

- Foundation has severe settling issues causing masonry to crack throughout
- Unreinforced masonry structure
- No fire sprinkling system
- No emergency egress lighting
- The school does not meet current ADA requirements
- No ADA access to cafeteria
- Roofing is in poor condition
- No security cameras, poor intercom and door locks
- Poor heating and cooling systems, poor plumbing fixtures, old galvanized steel piping
- Windows are single pane and not energy efficient
- Finishes and millwork are in poor condition

Proposed Site Plan



Considerations for a New School

- Life Safety
- Security
- Learning Environment
- Daylight
- Cross Curricular Design
- Healthy Schools
- S.T.E.M. (Science, Technology, Engineering, and Math)
- Technology & Infrastructure

Strengths of this Proposal

- Building replacement school to the north allows existing school to function during construction with minimal interruption to classes
- New school location provides larger contiguous play fields
- All play areas located toward residential side away from busy streets
- Efficient two story plan minimizes construction and operating costs
- Entry through administration area provides added security
- Classrooms oriented for ideal natural light
- South facing entry



Existing School

Score – 2.05 out of 5

Current Enrollment: 1,700
 Projected 2030 Enrollment: 2,363
 Total Maintenance and Upgrade Costs:

Evaluation System

Provo High was evaluated by an independent architecture/engineering team on a standardized rating system. Based on the assessment, which included life safety, structural stability, and fire safety among others, it has been determined that Provo High is in **immediate need of replacement**.

Rating System

The school was evaluated on the following rating system:

1. Immediate Need of Replacement
2. Poor Condition
3. Average Condition
4. Above Average Condition
5. Excellent Condition

Life Safety Evaluation

Categories that rate a 1 or lower

- Fire sprinkling system
- Fire Alarm System
- Asbestos
- General Seismic Conditions
- Foundation Settlement
- Plumbing
- Site Conditions
- ADA Compliance

Building Additions



Building Health

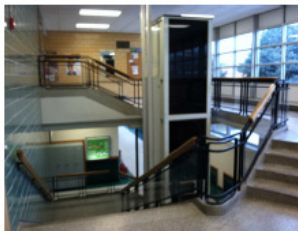


Seismic Rating



Existing Site Plan

Provo High School



Non Code-Compliant Guardrail and Handrails



Cracked Interior Brick Wall and Mortar



Non Code-Compliant Guardrail and Handrails

Deficiencies

- 58% of structural walls is of unreinforced masonry supporting heavy concrete roof and floor structure.
- No fire sprinkling system in 73% of school.
- Fire alarm system is poor.
- 75% of mechanical equipment is poor. (10-15% of the 75% will be replaced this summer)
- Mechanical piping is poor
- Pre-1990 electrical switchgear and panel boards are poor.
- 75% of roof needs to be replaced within 5 years. The remaining 25% in 10 years. All roof flashings need replacement.
- The configuration of the bus and parent drop-offs are poor.
- Masonry walls have cracking.
- Millwork is poor.
- Building insulation is poor.
- All metal, wood, overhead-coiling doors, and their door hardware need replacement.
- All windows are poor.
- Wall and floor finishes are poor.
- Restroom partitions and accessories are poor.
- Metal lockers are poor.

Considerations for a New School

- Life Safety
- Security
- Learning Environment
- Daylight
- Cross Curricular Design
- Healthy Schools
- S.T.E.M. (Science, Technology, Engineering, and Math)
- Technology & Infrastructure

Effect on Operations: BOND Financial Considerations

Financial

In order to finance the reconstruction of 5 schools Provo's citizens passed a bond & leeway in November 2014. As a result, the District now has the funds available to rebuild these schools, but there is a financial impact due to the additional debt service requirements. However, the District remains well under the mandated debt limit for a District of our size and additional refinancing of prior bonds will result in minimizing the impact of the bond on both our citizens' taxes and the District finances. Much of the additional debt service will be paid for by additional tax revenue from the General Obligation Debt Levy, resulting in minimal immediate financial impact to the District. It is estimated that the total bond impact on tax payers will be equivalent to roughly \$13/month for a primary residence of \$210,000.

The District still must tightly manage the construction budgets, though, to ensure that expenditures do not exceed the voted on bond amounts. Any budget overage will need to be covered by other District funding sources. Over the long-term, there could be significant operational savings. Buildings which are more energy efficient and have reduced ongoing maintenance costs are expected. While teacher costs are variable based on student enrollment, savings to fixed costs such as administration, custodial, transportation and utilities are expected.

Seven schools will cost more to maintain than to replace. Many schools in our District have outlived their life expectancy of fifty years. The schools proposed for replacement range from 49 to 82 years old! As older buildings continue to deteriorate, they become increasingly costly to maintain.

The Need						A Measured Approach
Assessment Rating	School	Year Built	Maintenance Costs 10 Year Projection	Estimated Seismic Upgrade and Remodel Costs	Total Maintenance and Upgrade Costs	Estimated Replacement School Cost
Proposed Bond	2.05	Provo High School	1954	\$18,300,000	\$41,300,000	vs. \$55,500,000
	1.94	Provost Elementary	1949	\$2,300,000	\$8,460,000	vs. \$11,570,000
	2.41	Edgemont Elementary	1955	\$2,150,000	\$9,062,000	vs. \$12,450,000
	2.55	Sunset View Elementary	1958	\$1,400,000	\$10,475,000	vs. \$12,480,000
	1.87	Rock Canyon Elementary	1964	\$5,150,000	\$10,700,000	vs. \$14,000,000
Future Bond	2.59	Wasatch Elementary	1949	\$1,830,000	\$7,500,000	\$16,500,000
	2.53	Dixon Middle School	1931	\$5,670,000	\$19,340,000	\$36,500,000
		Other Schools & Property		\$19,489,000	\$28,495,000	
		Land Purchase				\$3,000,000
	Total		\$58,894,000	\$135,332,000	\$194,226,000	\$108,000,000

It is more cost effective to replace these five schools than to maintain and upgrade them.

Projected Total Need to Maintain Life Safety Total to Replace 5 Deficient Schools

Projected Need: \$194,226,000 Bond Request: \$108,000,000

Request is about half the need – Sensitive to tax payers' wallets


Effect on Operations: *BOND Financial Considerations continued*

Capital Fund

In short, without the use of Bond proceeds the District would not be able to keep up with the building safety and operations requirements of our facilities. Prior to the recent recession, the District's Capital Fund, with supplementary funding from our Building Reserve Fund, was funded at a rate which provided us with the resources needed to provide regular maintenance for our capital facilities. However, much of that funding has dried up, and as a result the balance of our Capital Fund and Building Reserve are now low. Even with the supplementary Bond proceed funds, which are earmarked and will only be used to help complete the 5 school rebuilds detailed on the prior pages, we expect that we will need to reduce the level of renovation/repairs over the next few years in order to once again build up a Capital Fund reserve. So, while the Bond projects do not have a direct financial impact on our Capital Fund, as a result of these funds being used entirely for the school projects, we have only limited means to build up a Capital Fund reserve. This process of focusing our maintenance efforts and reducing the number and cost of the other capital improvements planned by our Facilities department began last year and will continue through this fiscal year.

Debt Service Fund

As stated previously, there is only a minor financial impact due to the additional debt service requirements. The District remains well under the mandated debt limit for a District of our size and additional refinancing of prior bonds has resulted in minimizing the impact of the bond on both our citizens' taxes and the District finances. The majority of the additional debt service will be paid for by additional tax revenue from the General Obligation Debt Levy, resulting in minimal immediate financial impact to the District. It is estimated that the total bond impact on tax payers will be equivalent to roughly \$13/month for a primary residence of \$210,000.

	*Budget As Per Bid	Budget From Bond Funds
Rock Canyon	\$14.5m	\$13.8m
Sunset View	\$13.9m	\$13.9m
Provo High	\$79.7m	\$55.5m
Edgemont	\$14.5m	\$13.4m
Provost	\$14.1m	\$11.5m
	\$136,700,000.00	\$108,000,000.00

*This represents an all-inclusive budget: Construction, Architects, Engineering, furniture, fixtures, etc.. E

General Fund

The General Fund is where the vast majority of staffing and other school operations expenses are charged. As our 5 new schools are completed, the financial impacts in the General Fund are:

- **Staffing** - Since these are replacement projects we expect the general staffing levels (Teachers, Support, Custodial, etc) to be at roughly the same levels as those prior to the new schools becoming operational. However, each school is constructed with an eye to possible future growth and has the space required for our foreseeable enrollment needs. Any significant enrollment increases will require additional staffing.
- **Maintenance & Operations** - When beginning the Bond process, the District commissioned a long-term capital projects study of the maintenance/upgrade costs of the buildings in our District. It was estimated that prior to replacement, these 5 schools would have cost just over \$29 million in just building maintenance. The new buildings, with upgraded electrical, HVAC, and other mechanical systems, will result in much more efficient use of resources. The end result is that, despite being a bit larger than the schools they are replacing, we expect to see savings with regards to general maintenance and operations in the General Fund.
- **Insurance** - Insurance for the new school buildings will not be dramatically different than that for the schools they are replacing. While the condition of the schools will be upgraded to “A” ratings, due to the increase in square footage as well as the newer equipment within the schools, the expectation is that there will not be significant savings.
- **Other Impacts** - The primary impact felt in our General Fund will be the need to rebuild our Capital Fund balances. In order to accomplish this, we expect that we will need to transfer some of our General Fund balance over to Capital little by little in future years. Our General Fund balance is very healthy, and we expect that with the increase in our student population, as well as the general austerity measures that we have in place as a District, we should be able to continue to add to its balance going forward. These measures, combined with the recent decision by the Board to implement a slight increase to our tax rates, will be the most significant impact on operations of the Bond construction projects.

Items	Budget From Capital/Other Sources	To Date Expenditures
	\$620,000	\$14,788,177.30
	-	\$14,179,931.55
	\$24.2m	\$39,012,788.17
	\$11m	\$9,486,508.02
	\$2.6m	\$1,875,711.27
	\$28,520,000.00	\$79,343,116.31

Bid Budget subject to change for value engineering/ change orders.

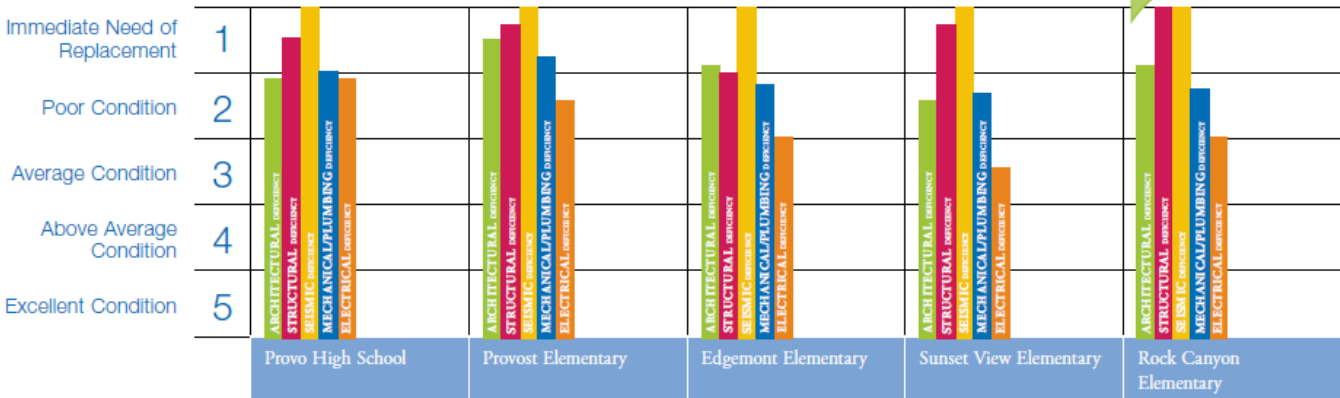
Effect on Operations: BOND Non-Financial Considerations

The bond reconstruction projects represent a significant investment of public tax dollars. Besides the financial aspect of these investments, there are also non-financial benefits that come from these projects, including:

- Safety of our students (all schools scheduled for rebuild have significant safety issues that need to be addressed)
- School and classroom environments more conducive to effective learning
- Community beautification
- Less impact on the environment (new schools are substantially more energy-efficient)
- Smaller class sizes
- Safer and cleaner buildings and grounds
- Improved public perception leading to increased enrollment in an increasingly competitive marketplace (students have more education choices than ever before. Safe, clean, and efficient buildings give the District a competitive advantage when attracting students)

The five proposed schools were evaluated to have significant deficiencies which require immediate action. All schools were evaluated on the following system and given a rating:

All schools were evaluated by an Independent Architectural/Engineering team.



Other Significant Capital Expenditures: *Non-routine*

The short-term capital improvement list on pages 144-145 includes other significant non-routine capital expenditures as well as one-time maintenance and repairs projects scheduled to occur during the coming fiscal year. These expenditures are determined based on recommendations from District staff and are subsequently voted on by the Board of Education in February for the coming fiscal year. Public comment is sought each year on the proposed capital projects as well as input from each school's administration, and a detailed budget for each specific project is available for public review.

For FY 2018, the standard Capital Improvement list includes projects totaling \$9,469,605. Most of the projects will begin on or around July 1, 2017, and be completed by June 30, 2018. An additional \$45,139,560 in building construction cost is slated for the current year which will be funded using Bond proceeds as discussed on the previous pages.

Capital Improvement Plan: *Long-term Outlook*

The District continues its targeted and aggressive capital improvement schedule, which is part of the master plan of 2003. **Capital improvements are funded through three major sources: the capital outlay tax levy, building reserve fund, and general obligation bonds.** In 2006, Provo voters approved a \$35 million bond and leeway. While most of the funding for the bond was received during FY 2007, the projects were completed by January 30, 2009.

Qualified School Construction Bonds (QSCB) are part of the federal stimulus bill of 2009. The District was awarded \$6.4 million in QSCB funding to help fund the rebuild of Farrer Elementary into Provo Peaks Elementary. These funds were actually tax credit bonds, which allowed the District to fund part of the school at very low interest rates, further allowing the District to move ahead of the long-term capital improvement schedule.

The rest of the cost to rebuild the school came from the Capital Projects property tax levy. The rebuild of Farrer was a part of the District's overall long-term master plan; the QSCB funds just moved the project forward earlier than originally planned. All capital projects and maintenance efforts are part of a progressive 20 year building replacement plan.

“All capital projects and maintenance efforts are part of a progressive 20 year building replacement plan.”

The 2018 projects listed on the following pages will start on or around July 1, 2017, and be completed by June 30, 2018. Most of the FY 2018 projects are improvements to existing square footage (e.g. HVAC efficiency projects). As stated

previously, the bond construction projects will be ongoing for the next few years. The completion of the first two elementary rebuilds were finalized in Summer 2016, with Edgemont Elementary opening its doors in August 2017. Construction is well underway on the remaining two schools, and we expect both Provost Elementary and Provo High School to be open to begin the FY 2018-19 school year.



Short-term Capital Improvement List: *FY 2017-18*

FY 2018 Major Maintenance and Repairs List

Location	Location Description	Project	Expense
0100	Amelia Earhart	Replace Chiller System	230,000
0101	Canyon Crest	VCT flooring in gym & cafeteria/painting gym walls	40,000
0101		VCT flooring replacement in south hallways	45,000
0404	Centennial	Portable Classroom Lease	18,000
0610	East Bay Post High	Temporary Lease Space	40,000
0102	Edgemont	3 playgrounds, equipment and install	115,000
0102		Asbestos clean up and removal	-
0408	Dixon	HVAC, Electrical, Plumbing repairs & maintenance	150,000
0104	Franklin	South playfield repairs/sod	45,000
0104		Install new backup Emergency Generator System	35,000
0118	Lakeview	Skylight, roof transition, north west leak repairs	50,000
0118		Lease costs for 1 classroom portable	25,000
0704	Provo High	HVAC, Electrical, Plumbing maintenance	75,000
0704		Dumpsters, manpower for moving needs starting June 2018	50,000
0120	Provost	3 playgrounds, equipment and install	115,000
0120		Asbestos clean up & removal	80,000
0712	Timpview High	Replace classroom carpet & paint in approximately 35 classroom:	75,000
0712		Stage repairs, surface flooring/orchestra pit support system	125,000
0712		Auditorium Sound System Replacement	210,000
0132	Wasatch/Oakridge	Site Security/perimeter fencing for east and southeast	35,000
0134	Westridge	VCT flooring in gym & cafeteria/painting gym walls	40,000
0134		Portable Classroom Lease	16,000
0038	District Services	Superintendent's Contingency	92,000
0038		Various Millwork repairs and replacement throughout District	150,000
0038		Camp Big Springs repairs	12,000
0038		Technology - UPS Battery Replacement at Various locations	20,000
0038		Technology - Wireless Infrastructure Upgrades	40,000
0038		Timpview Chiller Loan Payment	27,000
0038		Facilities & Maintenance General Contingency	590,705
0038		Custodial & Maintenance Equipment Upgrades	50,000
0038		Technology Infrastructure Replacement Plan	400,000
0038		2 School Buses	225,000
	Various Schools	Asphalt & Concrete Maintenance for FY16	150,000
Total Maintenance & Repairs Improvements			<u>\$ 3,370,705</u>

Building Improvement Project Expenses

Location	Location Description	Project	Expense
1600	Transportation	Relocation of transportation	2,608,900
0712	Timpview HS	Softball Field Project	3,200,000
0712	Timpview HS	Replace 40 yr old fire sprinkler heads & HVAC repairs	290,000
Total Building Improvement Projects			<u>\$ 6,098,900</u>

Short-term Capital Improvement List: *FY 2017-18*

Bond-Related Capital Project Expenses

Location	Location Description	Project	Expense
0038	District Office	Construction/Bond General Expenses	189,560
0102	Edgemont	New School Construction Drawdowns	3,250,000
0120	Provost	New School Construction Drawdowns	8,500,000
0704	Provo HS	New School Construction Drawdowns	33,200,000
Total Bond Capital Projects			<u>\$ 45,139,560</u>



Debt Obligations

As of June 30, 2017

GENERAL OBLIGATION BONDS

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
2007B Series G.O. Bonds	School Building	25,600,000	4.00% to 4.50%	June 15, 2017	-
2012 Series G.O. Refunding Bonds	Bond Refunding	9,045,000	.56% to 1.29%	June 15, 2017	-
2015A Series G.O. Bonds	Bond Refunding	22,790,000	2.13%	June 15, 2027	21,770,000
2015 Series G.O. Bonds	School Building	50,615,000	2.25% to 5%	June 15, 2035	47,565,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	50,650,000
Total General Obligation Bonds Payable as of June 30, 2017					<u>\$ 119,985,000</u>

LEASE AGREEMENTS

2013 Software	Equipment	\$ 45,375	0.00%	July 20, 2018	17,302
Total obligations under lease agreements, June 30, 2016					<u>\$ 17,302</u>

COMBINED GENERAL OBLIGATION BONDS

Combined G.O Bonds

Year Ending June 30	Principal	Interest	Debt Service Fund
2018	5,670,000	4,061,851	9,731,851
2019	5,915,000	3,836,325	9,751,325
2020	6,175,000	3,600,702	9,775,702
2021	6,420,000	3,353,800	9,773,800
2022	6,630,000	3,116,297	9,746,297
2023-2027	36,070,000	11,957,555	48,027,555
2028-2032	29,430,000	6,792,800	36,222,800
2033-2036	23,675,000	1,797,538	25,472,538
	<u>\$ 119,985,000</u>	<u>\$ 38,516,867</u>	<u>\$ 158,501,867</u>

OPEB Post-Employment Benefits

As of June 30, 2017

OPEB Liability	FY 2017
Service Cost	225,142
Interest	1,346,728
Changes in benefit terms	-
Differences between expected and actual experience	(7,200,082)
Changes of assumptions	4,138,650
Benefit payments	(3,462,281)
Net change in total OPEB Liability	(4,951,843)
Total OPEB Liability--beginning	39,123,953
Total Opeb Liability --ending	<u>\$ 34,172,110</u>
Covered employee payroll	\$ 11,440,284
Net OPEB liability as a percentage of covered employee payroll	299%

Debt Obligations (continued)

As of June 30, 2017

Arrow - Endpoint Software

Year Ending June 30	Principal	Interest	General Fund
2018	8,513	562	9,075
2019	8,789	286	9,075
	<u>\$ 17,302</u>	<u>\$ 848</u>	<u>\$ 18,150</u>
Total Minimum Lease Payments			18,150
Amount Representing Interest			(848)
Present Value of Minimum Lease Payments			<u>\$ 17,302</u>

Department of Energy Loan

ARRA for THS chiller

Year Ending June 30	Principal	Interest	Capital Fund
2018	21,223	5,504	26,727
2019	21,921	4,806	26,727
2020	22,642	4,085	26,727
2021	23,387	3,340	26,727
2022	24,156	2,570	26,727
2023-2025	63,925	2,891	66,817
	<u>\$ 177,255</u>	<u>\$ 23,195</u>	<u>\$ 200,450</u>

Lease Revenue Bond

(QSCB)

Year Ending June 30	Principal	Interest	Municipal Building Authority Fund
2018	460,000	79,483	539,483
2019	460,000	79,483	539,483
2020	460,000	79,483	539,483
2021	460,000	79,483	539,483
2022	460,000	79,483	539,483
2023-2026	1,862,000	317,930	2,179,930
	<u>\$ 4,162,000</u>	<u>\$ 715,343</u>	<u>\$ 4,877,343</u>

Debt Obligations (continued)

As of June 30, 2017

COMBINED MATURITIES ON ALL LONG-TERM BORROWINGS

Year Ending June 30	Principal	Interest	Total
2018	6,159,735	4,147,400	10,307,135
2019	6,405,710	3,920,899	10,326,609
2020	6,657,642	3,684,269	10,341,911
2021	6,903,387	3,436,622	10,340,009
2022	7,114,156	3,198,349	10,312,506
2023-2027	37,995,925	12,278,377	50,274,302
2028-2032	29,430,000	6,792,800	36,222,800
2033-2036	23,675,000	1,797,538	25,472,538
	<u>\$ 124,341,557</u>	<u>\$ 39,256,253</u>	<u>\$ 163,597,810</u>

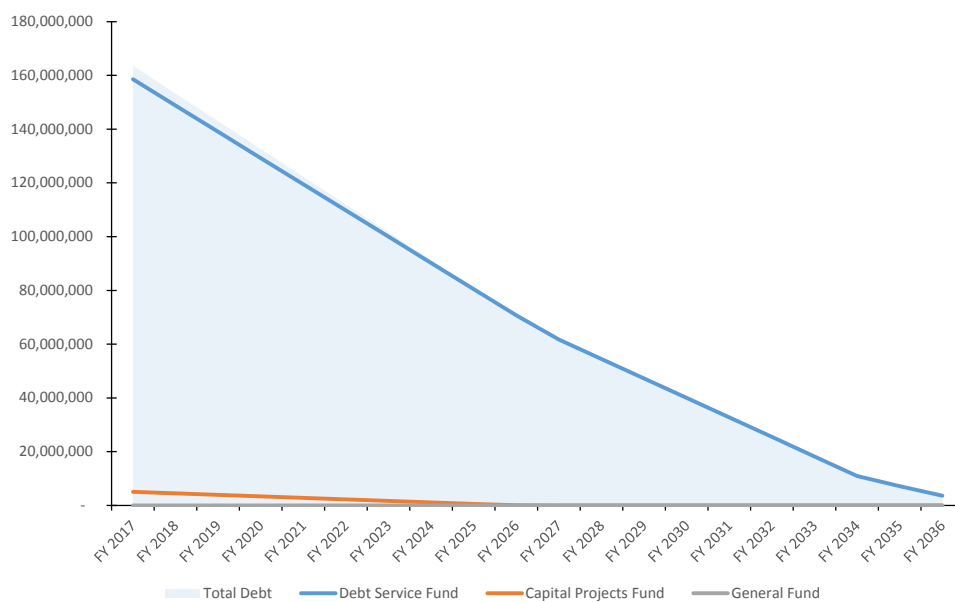
Debt Obligations: Summary by Fund

As of June 30, 2017

	General	Other Governmental	Debt Service	Capital Projects	Summary: All Funds
General Obligation Bonds	\$ -	\$ -	\$ 119,985,000	\$ -	\$ 119,985,000
Arrow Endpoint Software	\$ 17,302	\$ -	\$ -	\$ -	\$ 17,302
Department of Energy Loan	\$ -	\$ -	\$ -	\$ 177,255	\$ 177,255
Lease Revenue Bond	\$ -	\$ -	\$ -	\$ 4,162,000	\$ 4,162,000
COMBINED LONG-TERM BORROWINGS	<u>\$ 17,302</u>	<u>\$ -</u>	<u>\$ 119,985,000</u>	<u>\$ 4,339,255</u>	<u>\$ 124,341,557</u>

Outstanding Principal and Interest: Summary by Fund

As of June 30, 2017



General Obligation Debt: Actual to Limit

The approximate fair market assessed value¹ of taxable properties in Provo is \$7.6 billion, meaning the District's general obligation debt limit is approximately \$304 million (\$7.60 billion x 4%). It was noted previously that the District's general obligation debt is at 1.58% of the assessed market value of Provo - far less than what is allowed by law.

Although it is conservative in its debt practices and avoids excessive, unnecessary debt, the District still must ensure buildings are safe and properly maintained. Long-term debt is often the best option to pay for long-term assets. In the previous decade, the condition of some District buildings fell below what the current administration considered appropriate, as priorities and attention were shifted away from building maintenance.

The current administration has been very progressive in creating a 20-year building replacement plan. Part of this plan was the passing of a bond in 2006. Additionally, as part of the 2009 Federal Stimulus Bill the district was awarded \$6.4 million in tax credit bonds. These tax credit bonds were available to the District at an extremely low interest rate, making it possible to accelerate the construction of Provo Peaks Elementary, which replaced the aging Farrer building on the east side of the city. Provo Peaks opened its doors in August 2011. In order to continue to address our aging infrastructure, the District put an additional bond to vote in November 2014, which was passed by voters in the community with 71% of voters in favor of the bond. These dearly needed funds are being used to replace five additional schools, three of which have already opened their doors.

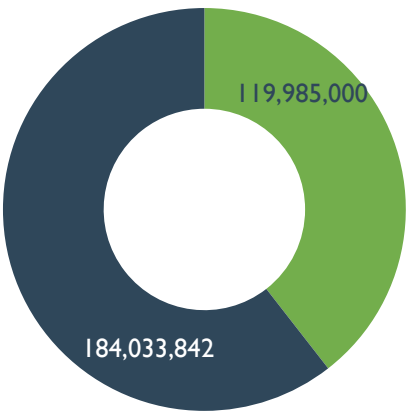
Through the bond election, public survey on budget initiatives, community meetings, Board of Education meetings and other correspondence, Provo citizens have stressed their support for safe and modern buildings in the District.

Impact of Debt on Operations

There is no direct impact of the District's current debt on regular operations. For example, choosing to go to the public for a bond election won't raise class sizes, lower teacher pay, etc. The main reason for this is the fact that long-term debt is funded through a separate tax levy than the General fund.

What can be said, however, is choosing to allow buildings to fall into disrepair has a negative impact on the learning environment the District provides. By properly maintaining buildings, and replacing buildings when repairs would cost more than is feasible, the District provides a safe learning environment for students, while also being conservative and mindful of taxpayers. The District's 20 year building replacement plan, referenced above, accomplishes this goal.

G.O. Debt vs. Debt Limit As of June 30, 2017



¹Fair market assessed value is the combined residential and business property value in the area of taxation (in this case Provo City) less adjustments for redevelopment and an allowance for doubtful collections.



InformationalSection

Demographic & Economic Profile

Provo - Utah County - Utah

Provo: Past and Present

Provo City is situated in Utah Valley, an area just south of Salt Lake City that traditionally was home to part of the Ute Indian tribe. The Utes settled in villages close to Utah Lake both for protection from northeastern tribes and to obtain fish, their primary food source. Fathers Escalante and Dominguez, the first non-American Indians to visit the area, entered Utah Valley in 1776. However, due to the Spanish focus on colonization efforts elsewhere, they failed to establish permanent settlement in the area.

During the first decades of the 19th century, many fur trappers and traders hunted beaver in Utah Valley. Etienne Provost - a French-Canadian trapper - working out of Taos in present-day New Mexico is perhaps the first white man to have seen the Great Salt Lake. In 1824 he led a company into the Great Basin. While camping, they encountered a band of Shoshone Indians. The mountain men were invited into the Shoshone camp, but were told it was bad luck to have metallic objects nearby. As Provost's men laid their weapons aside, the Shoshone attacked them. Only Provost and a few of his entourage escaped.

Highly admired by his contemporaries and considered to be a knowledgeable, skillful, and successful mountain man, Provo City, Provo River, and Provo Canyon are named after him.

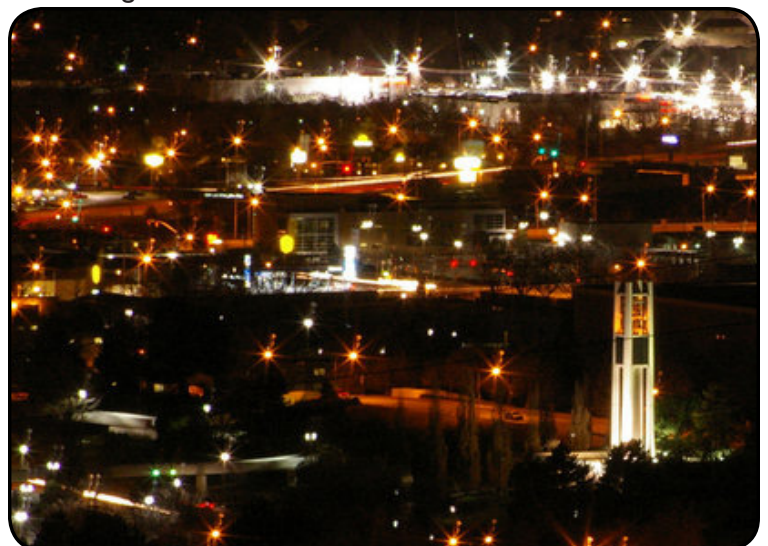
Mormon pioneers established Provo as a permanent settlement in 1849. It became the second largest city in the territory until Ogden became a major railroad hub in the 1870s. In 1875, the settlers established Brigham Young Academy, the beginnings of today's Brigham Young University. Attracting national attention for both its academic and athletic programs, it is the largest church-affiliated institution of higher learning in the nation today.

“With a population of nearly 116,000 and a land area of 43 square miles, Provo is the county seat of Utah County”

Throughout the city's history, Provo has served as Utah Valley's center of industry, commerce, and government. One bustling example is the Provo Woolen Mills. Since sheep thrived in Utah's climate and a mill site was readily available on the Provo River to supply water and power to a plant, the Provo Woolen Mills opened in 1872 as Utah's first large factory. The LDS Church and private donations paid for its construction and, upon completion, it employed upwards of 150 people.

Many of its workers were skilled immigrant laborers from British textile factories. Later, the Provo factory turned to young women to run the looms. It specialized in heavy woolens; blankets, shawls, yarns, and flannels with about one-third of them being exported. The Provo Woolen Mills experienced ebbs and flows, continuing to operate until 1932.

With a population of nearly 116,000 and a land area of 43 square miles, Provo, which uses a mayor-council form of government, is the county seat of Utah County and home to the county offices and courts. It also has one of the highest population densities in the state of Utah. Its close proximity to the mountains and Utah Lake gives its residents superior recreational opportunities throughout both the winter and summer months.



Provo: Past and Present Continued

With a population of close to 116,000, Provo is located in north-central Utah, approximately 45 miles south of Salt Lake City. Provo is the county seat of Utah County, which has seen explosive growth in recent years. In 2000, the U.S. Census Bureau counted Utah County's population at 371,894. In 2016, the U.S. Census projected that Utah County's population had grown to over 603,362.

Utah County is part of what is referred to as the Wasatch Front, which is made up by Weber, Davis, Salt Lake and Utah Counties. With approximately 2.2 million residents, the Wasatch Front accounts for 80% of Utah's population.

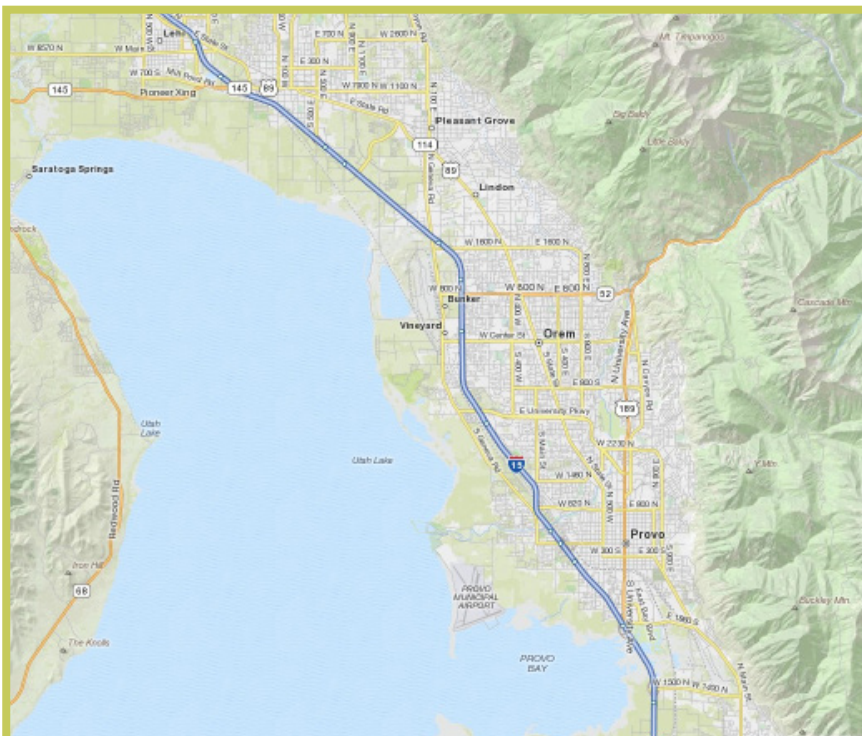
Although Provo City continues to grow at a moderate pace, the percentage of Utah County residents residing in Provo continues to decrease as the northern and southern parts of the county are seeing explosive growth. In 2000, Provo made up 28% of the county population. But in 2016, Provo made up just more than 19% of the population – even though Provo had grown at a moderate rate during this period. In addition, the percentage of Provo residents enrolled in the Provo School District continues to fall, as more college-age students move into the area and areas of the city gentrify. Approximately 15 out of every 100 Provo residents is a student in the Provo School District, compared with 22 out of 100 in Alpine School District.

Source: District data, Provo City, US Census Bureau

Wasatch Front



Utah County Area



Utah Economic Indicators

The economic outlook of the District is heavily dependent on state aid, which for FY 2017 will provide 56% of total revenues, and 68% of General fund revenues. The Utah State Uniform School Fund was established constitutionally in 1938 and is used to ensure equitable funding for public education statewide. Since 1947, all taxes based on income have been constitutionally required to be used for public education. In 1996, voters in Utah approved a constitutional change providing that these revenues could also be used for higher education. Additionally, a statewide property tax rate is levied to finance the Uniform School Fund and is applied against the taxable value of real and personal property.

Some notable State of Utah highlights that play a role in the State's economic environment include:

Economic Indicators

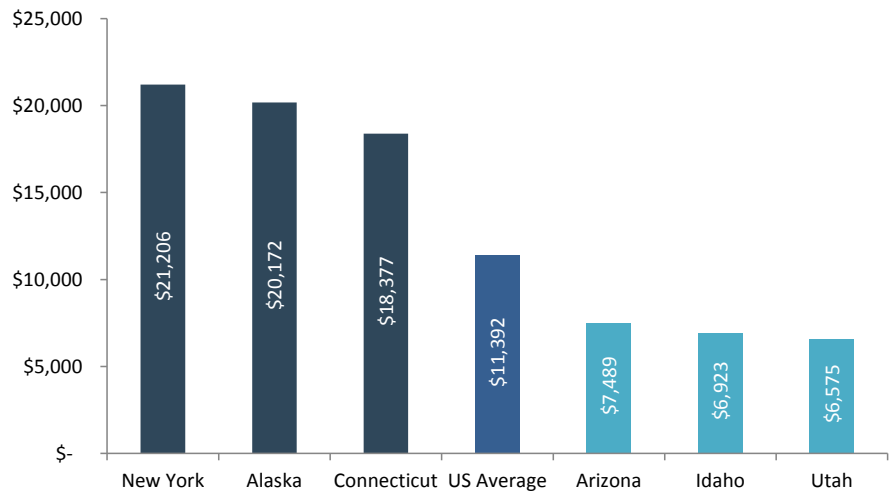
Population: Utah's 2016 projected population count was 3,054,806. This represents a population increase of 57,402 people, or 1.9% from 2015, ranking Utah first among states in population growth rate. Utah grew more than twice as fast as the nation from 2015 to 2016.

2016 Outlook: Utah will continue to experience population growth at a rate higher than most states in 2018 on account of strong natural increase in addition to in-migration. Natural increase (births less deaths) combined with net in-migration results in an anticipated increase of 40,000+ people to Utah's population. While net in-migration had slowed in previous years, Utah's net migration is projected to remain strong in the coming years due to continued favorable economic factors.

As evidenced by the chart below, Utah lags behind the rest of the country in per-pupil education spending, but the State has invested heavily in public education the last few years - the current Governor and legislature both making it their top funding priority. The large ratio of school-age children to taxpaying adults simply makes it difficult to fund education at the same levels of many other states, particularly those on the East Coast.

Long-Term Projections: The state's population is projected to reach 3.34 million in 2020, 3.43 million in 2030, 4.33 million in 2040, 4.83 million in 2050, and 5.29 million in 2060.

Per Student Spending



Public School Enrollment: In October 2016, there were more than 644,476 students in Utah public schools, an increase of over 10,500 from the previous year.

Economic Indicators (continued)

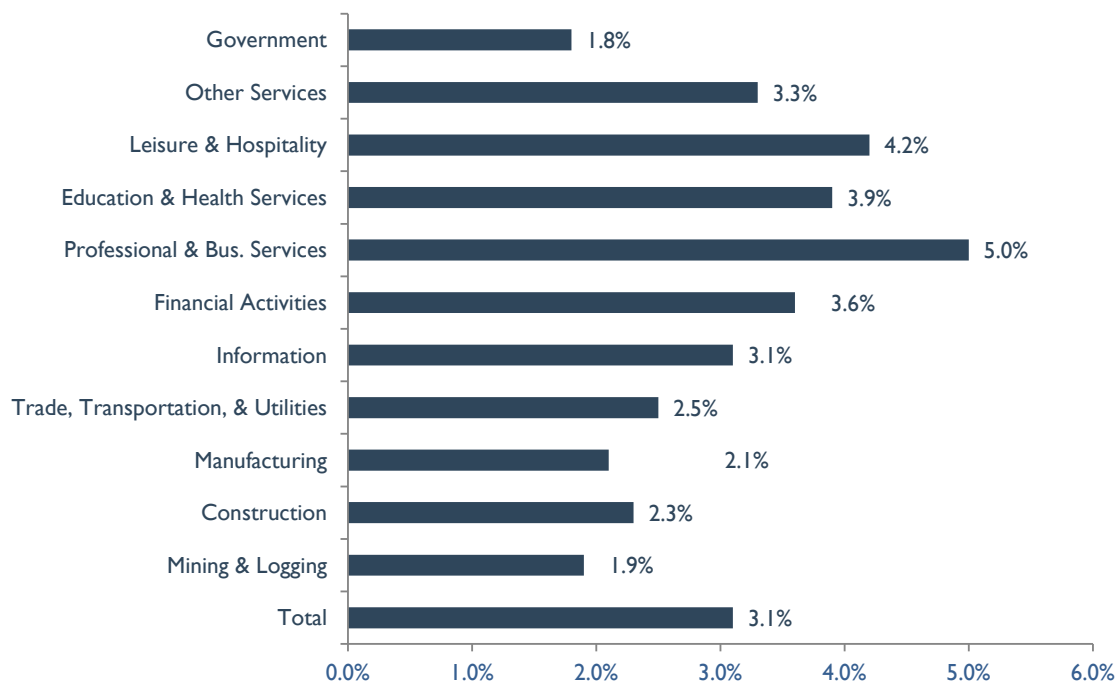
Employment Change: Utah's nonagricultural employment is expected to increase by 3.1%, or 44,700 jobs, in 2017.

Unemployment: Utah's unemployment rate was 3.1% during 2016, slightly lower than the 2015 unemployment rate of 3.3%. It is expected to remain at 3.1% in 2017. The national unemployment rate is projected to be 4.3% in 2017.

Total Personal Income: Utah's total personal income is estimated to have reached \$124.5 billion in 2016. This is a change of 5.7% from 2015. National change in per capita personal income over the same period is expected to be 3.6%.

Average Annual Pay: Utah's annual pay was estimated at \$40,864 in 2016, an increase of 4.0% from 2015. Average annual pay for the nation in 2016 was \$49,270, an increase of 2.4%. Utah's personal income is expected to continue to grow strongly in the next few years.

Percent Change in Utah Employment by Industry: FY 2016 to FY 2017 (Projected)



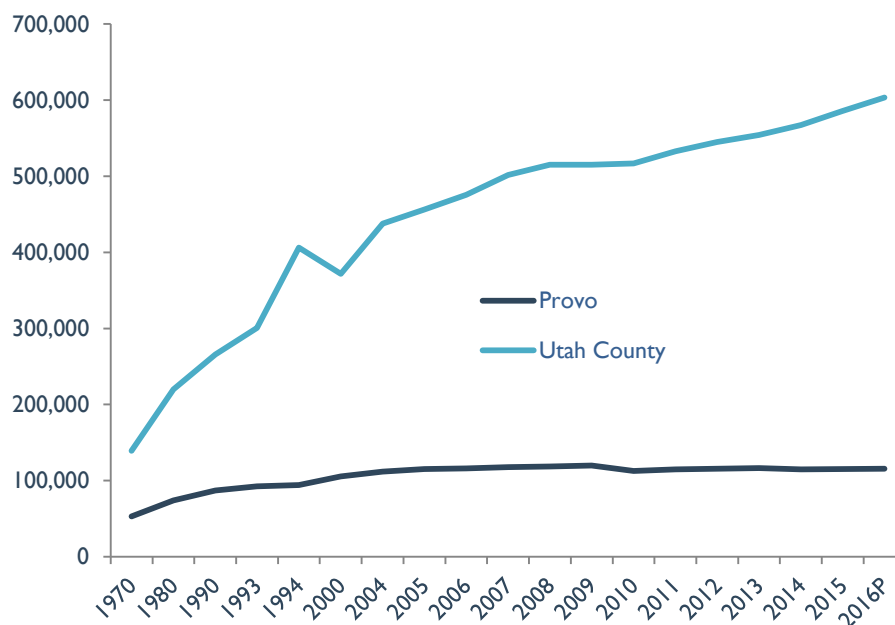
Source: 2016 Economic Outlook, State of Utah Governor's Office

Population, Utah County and Provo City: 1970-2016

Year	Provo	Utah County
1970	53,131	139,300
1980	74,111	220,000
1990	86,835	265,766
1993	92,630	300,447
1994	94,210	405,977
2000	105,439	371,894
2004	111,718	437,627
2005	115,135	456,073
2006	116,217	475,425
2007	117,791	501,447
2008	118,468	515,000
2009	119,775	515,000
2010	112,945	516,564
2011	114,684	530,499
2012	115,461	540,404
2013	116,507	551,926
2014	115,784	561,534
2015	115,070	575,205
2016 ^P	115,610	603,362

According to the U.S. Census Bureau, Utah County has added over 230,000 residents since 2000. As the population of Utah County has grown dramatically, Provo has grown at a moderate pace, making it one of Utah's most livable and well-planned cities.

Population, Utah County and Provo City: 1970-2016



Source: U.S. Census

Birth Rates¹: Utah County - Utah - U.S.

Year	Utah County	Utah	US
1997	26.0	20.5	14.2
1998	26.8	21.1	14.3
1999	27.4	21.1	14.2
2000	26.8	21.1	14.4
2001	26.2	20.8	14.1
2002	26.1	20.8	13.9
2003	25.4	20.6	14.1
2004	25.0	20.5	14.0
2005	24.8	20.2	14.0
2006	24.7	20.4	14.2
2007	24.5	20.4	14.3
2008	24.1	20.2	13.9
2009	22.9	19.2	13.5
2010	23.2	18.9	12.9
2011	22.7	18.2	12.7
2012	22.2	18.0	12.6
2013	21.5	17.5	12.5
2014	21.3	17.4	12.5
2015	20.8	17.0	12.9

Utah County's birth rate is higher than the Utah state average, which is substantially higher than the U.S. average. This leads to dramatic growth in the school-age population, which affects the District's budget and forecasting.

¹Rates are per 1,000 people.

Source: Utah Department of Health, *Office of Vital Records and Statistics*

Provo: Information and Attractions



Points of Interest and Special Events

A family celebration of the holidays including First Night
 America's Freedom Festival
 Hiking, fishing, and the most spectacular scenery in the country
 Home of the famous Sundance Film Festival and Summer Theater
 One of the nation's biggest Independence Day celebrations
 Provo River World Class Trout Fishing & the Uinta mountain range
 Sundance Ski Resort and Summer Theater
 WinterFest in Downtown Provo

Provo Compared to Utah State Average

- Hispanic race population percentage **significantly above** state average.
- Median age **significantly below** state average.
- Foreign-born population percentage **significantly above** state average.
- Renting percentage **above** state average.
- Length of stay since moving in **significantly below** state average.
- House age **below** state average.
- Number of college students **significantly above** state average.
- Percentage of population with a bachelor's degree or higher **above** state average.

Recreation

Golf Courses (within 15 min.)	10
Public Tennis Courts	37
Public Parks	32
Softball Complexes	5
Ice Rinks	2
Skate Park	1

Culture

Museums	8
Live Theatrical Venues	14

Source: Provo City
 (www.provo.org)

Largest Employers: State of Utah and City of Provo

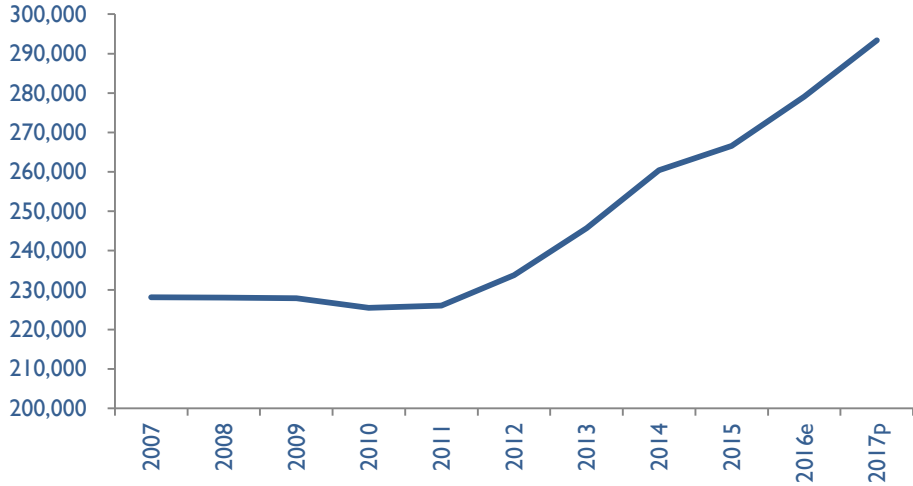
Company	Industry	Employment
Intermountain Health Care	Health Care	20,000 +
State of Utah State	State Government	20,000 +
University of Utah (Including Hospital)	Higher Education	20,000 +
Brigham Young University	Higher Education	15,000-19,999
Wal-Mart	Warehouse Clubs/Supercenters	15,000-19,999
Hill Air Force Base	Federal Government	10,000-14,999
Davis County School District	Public Education	7,000-9,000
Granite School District	Public Education	7,000-9,000
Utah State University	Higher Education	7,000-9,000
U.S. Department of Treasury	Federal Government	5,000-6,999
Smith's Food and Drug Centers	Grocery Store	5,000-6,999
Alpine School District	Public Education	5,000-6,999
Jordan School District	Public Education	5,000-6,999
Salt Lake County	Local Government	5,000-6,999
U.S. Postal Service	Federal Government	4,000-4,999
Convergys Corporation	Telephone Call Center	4,000-4,999
Zions Bank Mangement Services	Banking	4,000-4,999
The Canyons School District	Public Education	3,000-3,999
L3 Communications Corporation	Electronics Manufacturing	3,000-3,999
Weber County School District	Public Education	3,000-3,999
Salt Lake City School District	Public Education	3,000-3,999
Delta Airlines Air Transportation	Air Transportation	3,000-3,999
Nebo School District	Public Education	3,000-3,999
Utah Valley University	Higher Education	3,000-3,999
Wells Fargo Bank Banking	Banking	3,000-3,999
Autoliv	Vehicle Equipment Manufacturing	3,000-3,999
The Home Depot	Home Center	3,000-3,999
Washington County School District	Public Education	3,000-3,999
United Parcel Service	Courier Service	3,000-3,999
Salt Lake City Corporation	Local Government	2,000-2,999
SkyWest Airlines	Air Transportation	2,000-2,999
Salt Lake Community College	Higher Education	2,000-2,999

Principal Employers in Provo City 2016 (most recent year available)

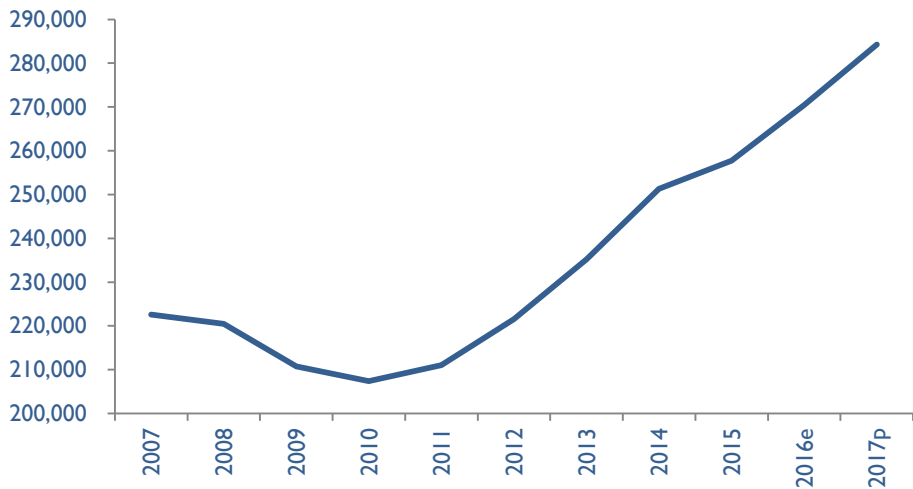
Company Name	Type of Company
Brigham Young University	Higher Education
Utah Valley Regional Medical Center	Health Care
Vivint	Electrical Contractor
Provo School District	Public Education
Utah County	Local Government
Provo City	Local Government
Central Utah Medical Clinic	Health Care
Qualtrics	Internet and Web Services
Nu Skin International	Wholesale Skin Care
Chrysalis Utah, Inc.	Health Care

Utah County Labor Statistics: 2007 to 2017

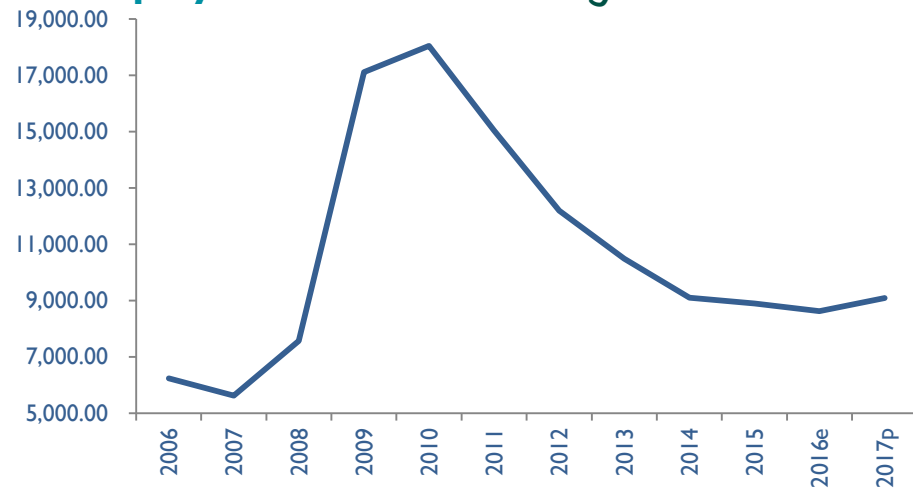
Labor Force: Utah County



Employment: Utah County

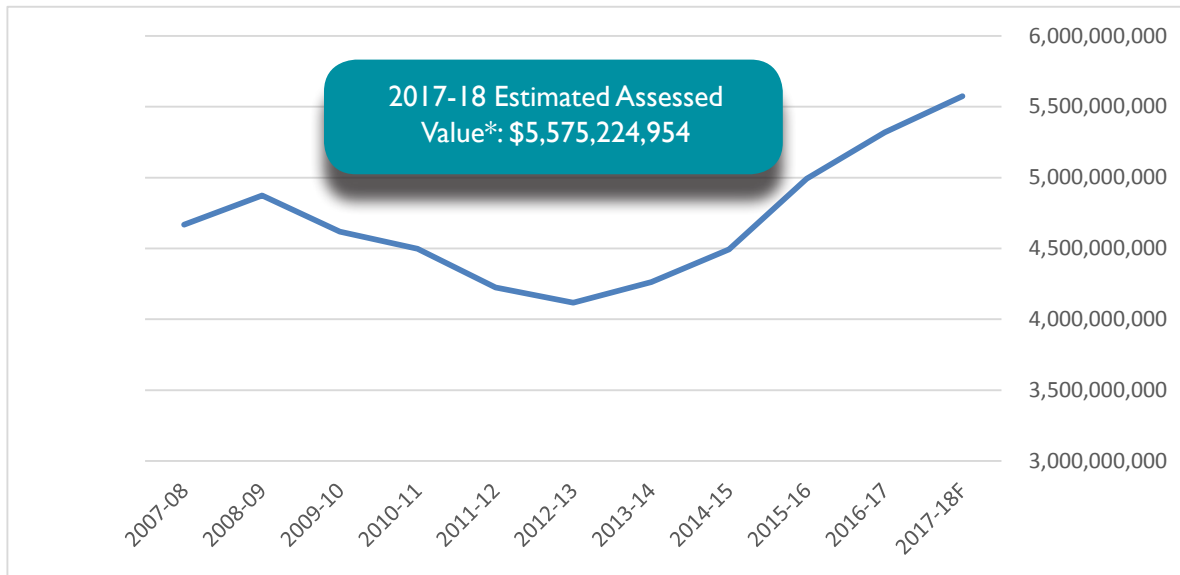


Unemployment: Utah County



Source: U.S. Bureau of Labor Statistics

Assessed Market Value of Property in Provo City 2007-08 to 2017-18



Source: Utah County Auditor/Utah State Office of Education

Explanation of Property Tax Schedules on Following Pages

The detailed property tax schedules on the following three pages are formatted as the District is required to report them to the State of Utah. For readability reasons, the schedule is divided up into three pages. The first and second schedule contains tax rates and actual receipts for the fiscal years 2008 thru 2013. The last schedule contains detailed tax information for 2014, 2015, 2016, 2017 and the budget year 2018. Revenue received from various fees and redemptions are reported on this schedule but are not subject to a tax rate.

Property taxes are determined by multiplying home value by the tax rate. However, residential properties receive a 45% exemption, meaning homeowners pay taxes based on 55% of the actual value property. Businesses do not receive this exemption.

Year	Assessed Valuation	Percent Change
2019-20P	6,061,388,175	3.73%
2018-19P	5,843,628,781	4.81%
2017-18F	5,575,224,954	4.81%
2016-17	5,319,149,189	6.56%
2015-16	4,991,750,387	11.11%
2014-15	4,492,633,509	5.38%
2013-14	4,263,318,359	3.57%
2012-13	4,116,444,314	-2.54%
2011-12	4,223,905,869	-6.09%
2010-11	4,497,643,871	-2.62%
2009-10	4,618,781,613	-5.25%
2008-09	4,874,771,703	4.43%
2007-08	4,668,011,830	20.22%
2006-07	3,883,034,322	3.27%
2005-06	3,759,978,736	7.88%
2004-05	3,485,394,154	0.36%

Property Tax Rates & Collections: *FY 2008 to FY 2010*

	<u>FY 2008</u>		<u>FY 2009</u>		<u>FY 2010</u>	
	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue
Levy						
Basic Program	0.001311	5,353,161	0.001250	5,294,800	0.001433	5,906,437
Voted Leeway	0.000877	3,581,024	0.001275	5,675,765	0.001346	5,547,846
Board Leeway (Class Size Reduction)	0.000339	1,656,900	0.000214	1,157,100	0.000226	1,130,696
Board Leeway (Reading Program)	0.000000	-	0.000121	529,989	0.000121	509,183
Transportation	0.000096	388,651	0.000093	422,359	0.000098	411,879
Tort Liability	0.000060	242,866	0.000058	262,620	0.000061	257,727
10% of Basic Operating					0.000492	2,029,951
Recreation	0.000256	1,066,236	0.000249	1,101,302	0.000132	543,049
Gen Oblig Debt	0.001018	4,239,950	0.001242	5,491,824	0.001307	5,377,002
Capital Outlay Foundation	0.000369	1,536,878	0.000828	3,659,895	0.000930	3,690,400
10% of Basic Capital	0.000913	3,802,626	0.000884	3,910,262	0.000493	1,954,325
Redemptions - Basic Levy	-	399,913	-	314,494	-	581,009
Redemptions - Voted Leeway	-	370,933	-	337,311	-	545,734
Redemptions - Board Leeway	-	-	-	56,549	-	91,631
Redemptions - Special Transportation	-	29,035	-	25,261	-	40,399
Redemptions - Tort Liability	-	18,144	-	16,099	-	25,352
Redemptions - Reading Levy	-	-	-	31,779	-	50,087
Vehicle Fees in Lieu of Tax Basic	-	742,603	-	584,343	-	577,978
Vehicle Fees in Lieu of Tax - Voted Leeway	-	688,791	-	105,162	-	91,154
Vehicle Fees in Lieu of Tax - Board Leeway	-	-	-	627,003	-	542,888
Vehicle Fees in Lieu of Tax - Sp. Trans.	-	53,914	-	46,480	-	40,022
Vehicle Fees in Lieu of Tax - Tort Liab.	-	33,691	-	29,180	-	24,971
Vehicle Fees in Lieu of Tax - Reading Levy	-	-	-	58,432	-	49,826
Vehicle Fees in Lieu of Tax (Non K12)	-	79,654	-	121,489	-	53,141
Tax Sales and Redemptions & Other (Non K12)	-	147,910	-	65,189	-	53,419
Vehicle Fees in Lieu of Tax (Debt Service)	-	316,749	-	606,260	-	526,171
Tax Sales and Redemptions & Other (Debt Svc)	-	588,176	-	326,296	-	528,929
Vehicle Fees in Lieu of Tax Cap Found	-	213,199	-	371,608	-	382,483
Vehicle Fees in Lieu of Tax 10% Basic	-	527,509	-	464,263	-	361,126
Tax Sales and Redemption Cap Foundation	-	114,814	-	200,097	-	384,489
Tax Sales and Redemptions 10% Basic	-	284,079	-	249,382	-	363,020
TOTALS - ALL FUNDS	<u>.005239</u>	<u>\$ 26,477,406</u>	<u>.006214</u>	<u>\$ 32,142,593</u>	<u>.006639</u>	<u>\$ 32,672,324</u>

Property Tax Rates & Collections: *FY 2011 to FY 2013*

Levy	FY 2011		FY 2012		FY 2013	
	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue
Basic Program	0.001495	5,915,149	0.001591	6,343,879	0.001651	\$ 7,314,891
Voted Leeway	0.001340	5,301,870	0.001434	5,718,470	0.001300	5,760,104
Board Local Levy	-	-	0.000400	1,595,367	0.001467	6,499,343
Board Leeway (Class Size Reduction)	0.000392	1,550,995	-	-	-	-
Board Leeway (Reading Program)	0.000121	478,751	0.000121	482,369	-	-
Transportation	-	-	0.000100	398,842	-	-
Tort Liability	-	-	0.000080	319,491	-	-
Recreation	0.000132	522,205	0.000600	2,243,370	0.000592	2,623,760
Gen Oblig Debt	0.001317	5,210,185	0.001399	5,230,514	0.001432	6,345,627
Capital Outlay Foundation	0.000982	3,883,550	0.000250	608,818	0.000877	3,885,035
10% of Basic Capital	0.000464	1,834,996	0.000576	1,402,513	-	-
10% of Basic Operating	0.000463	1,831,915	0.000602	2,400,358	-	-
Redemptions - Basic Levy	-	615,755	-	649,423	-	-
Redemptions - Voted Leeway	-	551,915	-	584,689	-	-
Redemptions - Board Leeway	-	161,456	-	162,878	-	-
Redemptions - Special Transportation	-	-	-	40,719	-	-
Redemptions - Tort Liability	-	-	-	32,367	-	-
Redemptions - Reading Levy	-	49,837	-	49,072	-	-
Redemptions - 10% of Basic	-	190,699	-	245,361	-	-
Vehicle Fees in Lieu of Tax Basic	-	579,714	-	627,497	-	-
Vehicle Fees in Lieu of Tax - Voted Leeway	-	519,610	-	565,895	-	-
Vehicle Fees in Lieu of Tax - Board Leeway	-	152,005	-	157,657	-	-
Vehicle Fees in Lieu of Tax - Sp. Trans.	-	-	-	39,675	-	-
Vehicle Fees in Lieu of Tax - Tort Liab.	-	-	-	31,323	-	-
Vehicle Fees in Lieu of Tax - Reading Levy	-	46,920	-	48,028	-	-
Vehicle Fees in Lieu of Tax - 10% of Basic	-	179,537	-	237,008	-	-
Vehicle Fees in Lieu of Tax (Non K-12)	-	51,179	-	222,184	-	-
Tax Sales and Redemptions & Other (Non K-12)	-	54,361	-	229,035	-	-
Vehicle Fees in Lieu of Tax (Debt Service)	-	510,625	-	516,884	-	-
Tax Sales and Redemptions & Other (Debt Svc)	-	542,370	-	535,484	-	-
Vehicle Fees in Lieu of Tax Cap Found	-	404,269	-	59,926	-	-
Vehicle Fees in Lieu of Tax 10% Basic	-	191,019	-	138,976	-	-
Tax Sales and Redemption Cap Foundation	-	380,607	-	62,476	-	-
Tax Sales and Redemptions 10% Basic	-	179,839	-	143,439	-	-
TOTALS - ALL FUNDS	<u>.006706</u>	<u>\$31,891,333</u>	<u>.007153</u>	<u>\$32,123,987</u>	<u>.007319</u>	<u>\$32,428,762</u>

Property Tax Rates & Collections: *FY 2014 to FY 2018*

Levy	<u>FY 2014</u>		<u>FY 2015</u>		<u>FY 2016</u>	
	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue	Tax Rate	Amount Budgeted
Basic Program (53A-17a-135)	0.001535	\$ 7,020,400	0.001419	\$ 8,325,871	0.001736	\$ 10,943,844
Voted Leeway (53A-17a-133)	0.001300	5,945,615	0.001228	\$ 6,244,602	0.001151	\$ 6,427,197
Board Local Levy (53A-17a-164)	0.001518	6,942,649	0.001445	\$ 7,348,086	0.001293	\$ 7,220,127
Recreation (11-2-7)	0.000000	-	0.000000	-	0.000000	-
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.001380	6,311,499	0.001268	6,728,677	0.002139	10,972,591
Voted Capital (53A-16-110)	0.001361	6,224,602	0.001276	6,069,273	0.001249	6,685,492
TOTALS - ALL FUNDS	<u>.007094</u>	<u>\$ 32,444,766</u>	<u>.006636</u>	<u>\$ 34,716,507</u>	<u>.007568</u>	<u>\$ 42,249,252</u>

Levy	<u>FY 2017</u>		<u>FY 2018</u>	
	Tax Rate	Amount Projected	Tax Rate	Amount Projected
Basic Program (53A-17a-135)	0.001675	\$ 11,345,901	0.001568	\$ 10,670,899
Voted Leeway (53A-17a-133)	0.001093	\$ 6,587,952	0.001024	\$ 6,968,751
Board Local Levy (53A-17a-164)	0.001600	\$ 9,643,845	0.001416	\$ 9,636,475
Charter School Levy (53A-1a-513.1)	0.000000	\$ -	0.000083	\$ 564,850
Recreation (11-2-7)	0.000000	-	0.000000	-
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.001995	9,875,000	0.001812	9,737,000
Voted Capital (53A-16-110)	0.001520	8,412,629	0.001424	8,496,755
TOTALS - ALL FUNDS	<u>.007883</u>	<u>\$ 45,865,327</u>	<u>.007327</u>	<u>\$ 46,074,730</u>

Impact of Property Taxes on Taxpayers: 2013 to 2018

Residential						
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Home Value	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Residential Exemption	45%	45%	45%	45%	45%	45%
Assessed Value	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500
District Total Tax Rate	0.007319	0.007094	0.006636	0.007568	0.007883	0.007327
District Property Taxes	\$1,006.36	\$975.43	\$912.45	\$1,040.60	\$1,083.91	\$1,007.46
Taxes per \$1,000 of value:	\$4.03	\$3.90	\$3.65	\$4.16	\$4.34	\$4.03

Business						
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Business Value	250,000	250,000	250,000	250,000	250,000	250,000
Assessed Value	250,000	250,000	250,000	250,000	250,000	250,000
District Total Tax Rate	0.007319	0.007094	0.006636	0.007568	0.007883	0.007883
District Property Taxes	\$1,829.75	\$1,773.50	\$1,659.00	\$1,892.00	\$1,970.75	\$1,831.75
Taxes per \$1,000 of value:	\$7.32	\$7.09	\$6.64	\$7.57	\$7.88	\$7.33

Basis of Tax Rate: The overall tax rate is a % that is multiplied by the assessed values of business and residential properties in Provo, although residential properties receive a 45% exemption (discussed previously).

SIMPLE PROPERTY TAX DETERMINATION

Residential: Assessed Home Value x 0.55 x Tax Rate

On a \$250,000 home, 2016-17 property tax attributable to the District would be: $\$250,000 \times 0.55 \times .007327$, or **\$1,007.46**.

Business: Assessed Business Value x Tax Rate

On a \$250,000 business, 2016-17 property tax attributable to the District would be: $\$250,000 \times .007327$, or **\$1,831.75**.

Property Taxes: Levy Comparison

Property taxes may be levied by the State of Utah and most of its political subdivisions, including counties, all cities and towns, all school districts and most special service districts. Authority levy depends upon enabling statutes.

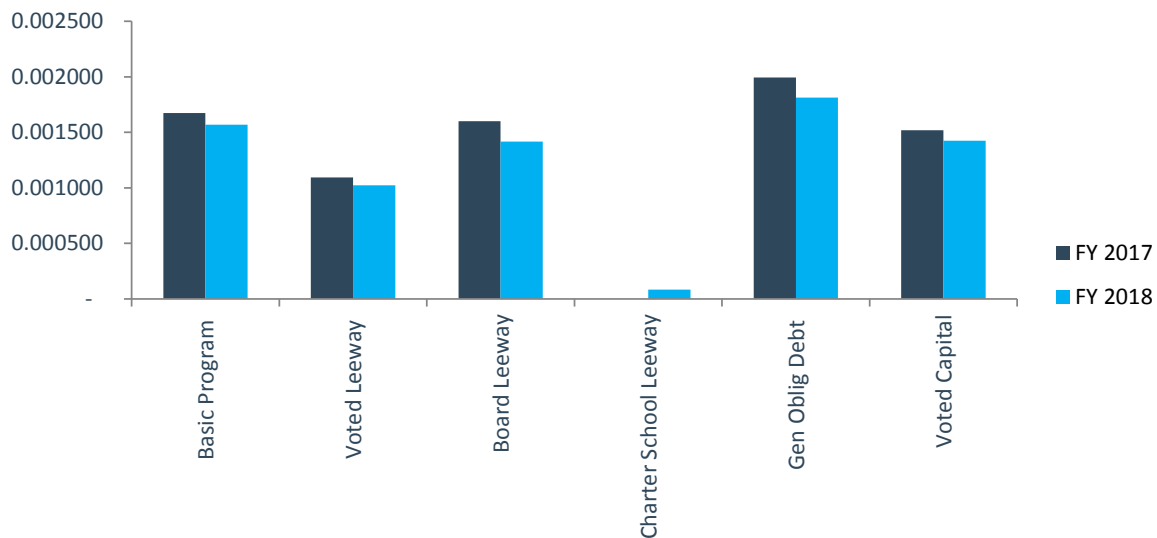
School districts previously had the authority to levy thirteen different taxes to collect funds for the education of students. Effective January 1, 2012, there were only six tax rates a school district could levy. Subsequently, the state has removed the recreation levy but has added a charter school levy.

Levy	FY 2017	FY 2018
Basic Program	0.001675	0.001568
Voted Leeway	0.001093	0.001024
Board Leeway	0.001600	0.001416
Charter School Leeway	0.000000	0.000083
Gen Oblig Debt	0.001995	0.001812
Voted Capital	0.001520	0.001424
Total - All Funds	0.007883	0.007327

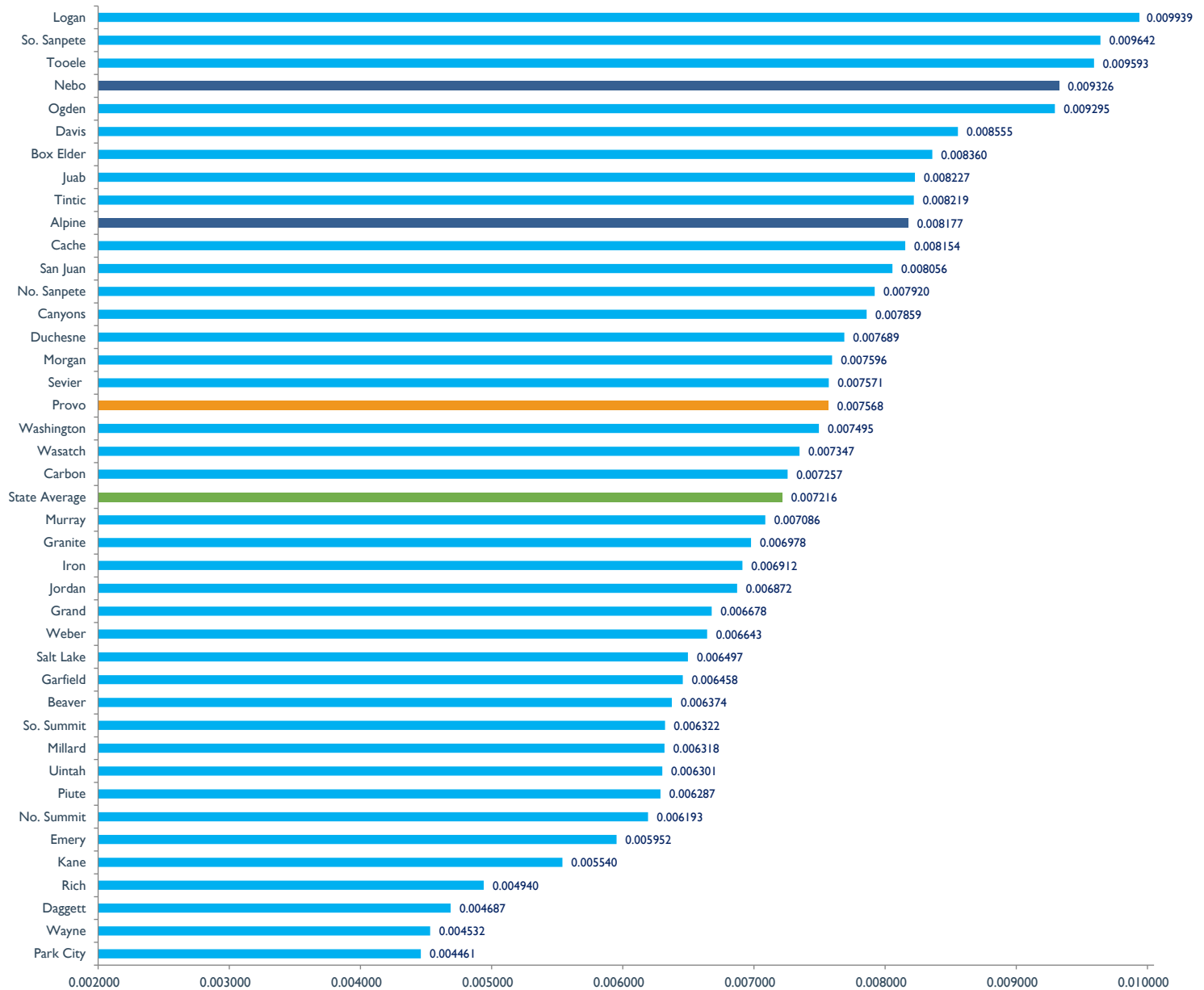
Before 2012, there were 13 different taxes (levies) that school districts could raise!

This was confusing for the general public. Now, with only six possible levies, the tax system is much more transparent for the general taxpaying public.

Levy Comparison: 2016-17 to 2017-18



School District Property Tax Rate Comparison: 2016 (most recent)



Basis of Tax Rate: The overall tax rate is a % that is multiplied by the assessed values of business and residential properties in Provo, although residential properties receive a 45% exemption (discussed previously).

Basis of Budget Forecast: Revenue

The following pages contain original budgets for FY 2018 (budgets that have been approved by the Board of Education), and projected budgets for FY 2019 through FY 2021. Budget projections are made using a variety of assumptions. Past experience plays a large role in determining future revenues and expenditures. As a general rule, enrollment impacts revenues and expenditures more than any other factor. The local and national economy also plays a large role.

Local Sources

For FY 2018, the District anticipates receiving \$210,000 more in property tax when compared to the final FY 2017 budget. This increase is primarily due to growth within city limits. After FY 2018, the District projects slight to moderate increases in property tax revenues, resulting from new growth as well as a higher tax collection rate as the economy continues to improve. Property taxes have increased moderately in Provo City during the past 18 months, and although it's difficult to project what will happen in this market over the next several years, especially as the Federal Reserve contemplates increasing interest rates, it's assumed values will continue to rise at a mild to moderate level through FY 2021. Another component of local revenue, return on investments, is heavily dependent on market interest rates. Those rates are projected to see small increases in FY 2018, with continuing increases projected thereafter. These rates are also highly dependent on decisions made by the Federal Reserve, and we don't expect any dramatic rate changes.

State Sources

Revenues from state sources are projected to see moderate increases in FY 2018 compared to FY 2017 levels, primarily due to an increase in the WPU amount from the State of Utah. This also uses a conservative enrollment projection method.

The State of Utah is the largest funding source for the District, and the State is in very solid financial footing compared to most states in the country.

This forecast is based on the assumption that the State will continue to fare well economically, but will provide only conservative increases in funding. We also project Provo's eSchool enrollment to remain relatively flat as we look forward to 2021. Because the State of Utah is the District's largest funding source, any changes in available revenue from the State impact the District more than changes in local or federal revenue.

Federal Sources

The vast majority of the District's federal revenues are included in the General fund. Due to federal budget cuts and other government policies, federal revenues are projected to be down once again in 2018. This trend is expected to continue, with the only possibilities for increases coming in areas that are funded based on at-risk populations and english language learners. We do not expect the moderate increases in the at-risk populations in Provo to outweigh the reductions seen in the other federal programs.

Summary

Simply put, the District is adjusting to a new funding level that includes less money from federal sources, with gradual state funding increases making up some of the difference. Local revenues will remain flat in FY2018, with slight increases thru 2021 after adjusting to account for debt service requirements.

Besides applying for even more in federal grants, it used to be that the only funding source that the District could directly exercise control over was revenue from local sources in the form of property tax increases.

Basis of Budget Forecast: Expenditures

Compensation

Expenditures are based upon available funding. Although signs point to slight funding increases, these increases aren't enough to cover skyrocketing medical and retirement benefit costs incurred by the District, meaning that while overall compensation is projected to increase, employee raises will continue to lag behind.

Going forward, expenditures will likely increase as revenues do. As a service organization, the District spends the majority of its available resources on salaries and benefits. So, as funding fluctuates so will compensation costs.

"In short, the District's ability to adjust to a new level of funding will define its success over the coming years."

The District forecasts that benefits costs will outpace salary costs, mainly for two reasons: first, the State of Utah's retirement system took a big hit during the recession, and districts must continue to contribute large portions of funds to the retirement system. However, the retirement contribution rate is expected to not increase in 2018. The second reason benefit costs are projected to rise faster than salaries is because healthcare inflation has far outpaced salary growth in recent years on a national and District level. Just as with many other organizations, the District continues to examine alternative methods of providing health benefits to its employees.

Other Expenditures

As benefits increase, the ability to pay for other budget items, such as supplies and equipment, will decrease. It's safe to assume that in the next 3-4 years the percentage of the District's budget that goes toward benefits will increase each year, while the percentage of the budget that goes to other expenditures will decrease commensurately.

Projecting forward into the next few years, large building replacement-type construction projects should be completed by the end of FY 2018, though we expect some expense from those projects to roll into the beginning of FY 2019. For the few years, most capital project expenditures, which are classified as "other objects," will be primarily funded by bond proceeds, supplemented by the recent sale of the old Provo HS property.

Summary

The forecasts on the following pages reflect the fact that the District is in the process of adapting to a changing economic environment.

Years of heavy funding increases are likely over, at least for the periods forecasted, but moderate levels of funding increases are occurring. However, ongoing purchases for everything from office supplies to school buses will be scrutinized and efficiency improvements, both in staffing and equipment, continue to be focuses of administration.

In short, the District's ability to adjust to a new level of funding will define its success over the coming years. Seeking out innovative programs that are cost-effective - or even slightly profitable - will be an important way to mitigate inflationary pressures that push expenditures up ahead of available revenues.

Budget Forecast: General Fund

FY 2017 through FY 2021

	Final Budget FY 2017	Original Budget FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021
REVENUES BY SOURCE					
Total Local	\$ 31,422,880	\$ 31,129,501	\$ 33,931,000	\$ 34,610,000	\$ 35,648,000
Total State	82,629,331	84,443,761	87,822,000	91,335,000	94,988,000
Total Federal	<u>10,718,917</u>	<u>8,600,451</u>	<u>9,030,000</u>	<u>9,120,000</u>	<u>9,211,000</u>
TOTAL REVENUES	124,771,128	124,173,713	130,783,000	135,065,000	139,847,000
EXPENDITURES BY OBJECT					
Salaries	64,165,221	64,002,819	67,843,000	69,878,000	71,974,000
Employee Benefits	33,183,627	32,673,493	33,327,000	35,993,000	38,153,000
Purchased Professional and Technical Services	12,383,174	12,358,521	12,729,000	13,111,000	13,504,000
Purchased Property Services	1,482,142	1,475,856	1,505,000	1,535,000	1,566,000
Other Purchased Services	1,071,247	983,732	974,000	964,000	954,000
Supplies	11,469,656	10,812,717	10,705,000	10,598,000	10,492,000
Property	1,833,098	1,804,117	1,858,000	1,914,000	1,971,000
Other Objects	<u>1,876,320</u>	<u>1,673,223</u>	<u>1,690,000</u>	<u>1,707,000</u>	<u>1,724,000</u>
TOTAL EXPENDITURES	127,464,483	125,784,477	130,631,000	135,700,000	140,338,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,693,356)	(1,610,764)	152,000	(635,000)	(491,000)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	25,000	25,000	(975,000)	(975,000)	(975,000)
NET CHANGE IN FUND BALANCE	(2,668,356)	(1,585,764)	(823,000)	(1,610,000)	(1,466,000)
FUND BALANCE - BEGINNING (From Prior Year)	31,328,874	28,660,519	27,074,755	26,251,755	24,641,755
Adjustments to Beginning Fund Balance (Attach Detail)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 28,660,519</u>	<u>\$ 27,074,755</u>	<u>\$ 26,251,755</u>	<u>\$ 24,641,755</u>	<u>\$ 23,175,755</u>

Budget Forecast: Capital Projects Fund

FY 2017 through FY 2021

	Final Budget FY 2017	Original Budget FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021
REVENUES BY SOURCE					
Total Local	\$ 9,362,629	\$ 9,455,755	\$ 9,929,000	\$ 10,326,000	\$ 10,677,000
Total State	927,735	\$ 927,735	974,000	1,023,000	1,064,000
Total Federal	-	-	-	-	-
TOTAL REVENUES	10,290,364	10,383,490	10,903,000	11,349,000	11,741,000
EXPENDITURES BY OBJECT					
Salaries	225,622	226,704	234,000	241,000	248,000
Employee Benefits	100,948	104,709	112,000	120,000	128,000
Purchased Professional and Technical Services	33,027	33,527	34,265	35,018	35,789
Purchased Property Services	58,708,274	53,464,725	16,039,000	8,020,000	6,416,000
Other Purchased Services	-	-	-	-	-
Supplies	40,047	59,237	60,422	61,630	62,863
Property	3,777,797	1,021,725	1,032,000	1,042,000	1,052,000
Other Objects	1,613,075	1,607,000	1,615,035	1,623,110	1,631,226
TOTAL EXPENDITURES	64,498,790	56,517,627	19,126,721	11,142,759	9,573,877
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(54,208,426)	(46,134,137)	(8,223,721)	206,241	2,167,123
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	25,265,000	-	(1,000,000)	(500,000)	-
NET CHANGE IN FUND BALANCE	(28,943,426)	(46,134,137)	(9,223,721)	(293,759)	2,167,123
FUND BALANCE - BEGINNING (From Prior Year)	87,798,666	58,855,239	12,721,102	3,497,381	3,203,622
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-	-
FUND BALANCE - ENDING	\$ 58,855,239	\$ 12,721,102	\$ 3,497,381	\$ 3,203,622	\$ 5,370,745

Budget Forecast: Student Activities Fund

FY 2017 through FY 2021

	Final Budget FY 2017	Original Budget FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021
REVENUES BY SOURCE					
Total Local	\$ 4,005,247	\$ 4,070,234	\$ 4,192,000	\$ 4,318,000	\$ 4,448,000
Total State	-	-	-	-	-
Total Federal	-	-	-	-	-
TOTAL REVENUES	4,005,247	4,070,234	4,192,000	4,318,000	4,448,000
EXPENDITURES BY OBJECT					
Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Purchased Professional and Technical Services	529,366	535,000	482,000	487,000	492,000
Purchased Property Services	42,124	42,500	49,000	56,000	64,000
Other Purchased Services	1,033,548	1,100,000	1,133,000	1,167,000	1,202,000
Supplies	1,639,813	1,680,500	1,781,000	1,888,000	2,001,000
Property	-	-	-	-	-
Other Objects	871,840	910,000	865,000	822,000	814,000
TOTAL EXPENDITURES	4,116,691	4,268,000	4,310,000	4,420,000	4,573,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(111,444)	(197,766)	(118,000)	(102,000)	(125,000)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(111,444)	(197,766)	(118,000)	(102,000)	(125,000)
FUND BALANCE - BEGINNING (From Prior Year)	1,732,939	1,621,495	1,423,729	1,305,729	1,203,729
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 1,621,495</u>	<u>\$ 1,423,729</u>	<u>\$ 1,305,729</u>	<u>\$ 1,203,729</u>	<u>\$ 1,078,729</u>

Budget Forecast: Debt Service Fund

FY 2017 through FY 2021

	Final Budget FY 2017	Original Budget FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021
REVENUES BY SOURCE					
Total Local	\$ 9,875,000	\$ 9,737,000	\$ 9,980,000	\$ 10,230,000	\$ 10,486,000
Total State	-	-	-	-	-
TOTAL REVENUES	9,875,000	9,737,000	9,980,000	10,230,000	10,486,000
EXPENDITURES BY OBJECT					
Other Objects	9,880,000	9,737,000	9,931,740	10,130,375	11,832,982
TOTAL EXPENDITURES	9,880,000	9,737,000	9,931,740	10,130,375	11,832,982
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,000)	-	48,260	99,625	(1,346,982)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(5,000)	-	48,260	99,625	(1,346,982)
FUND BALANCE - BEGINNING (From Prior Year)	1,721,778	1,716,778	1,716,778	1,765,038	1,864,664
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 1,716,778</u>	<u>\$ 1,716,778</u>	<u>\$ 1,765,038</u>	<u>\$ 1,864,664</u>	<u>\$ 517,681</u>

Budget Forecast: *Non K-12 Fund*

FY 2017 through FY 2021

The Non K-12 Fund is not appropriated for use in FY 2018 and isn't expected to be used in the future. It is included in other areas in the book for historical perspective.

Budget Forecast: Building Reserve Fund

FY 2017 through FY 2021

	Final Budget FY 2017	Original Budget FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021
REVENUES BY SOURCE					
Total Local	\$ -	\$ -	\$ -	\$ -	\$ -
Total State	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-
EXPENDITURES BY OBJECT					
Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Purchased Property Services	-	-	-	-	-
Property	-	-	-	-	-
Other Objects	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	1,975,000	1,475,000	975,000
NET CHANGE IN FUND BALANCE	-	-	1,975,000	1,475,000	975,000
FUND BALANCE - BEGINNING (From Prior Year)	4,872,240	4,872,240	4,872,240	6,847,240	8,322,240
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 4,872,240</u>	<u>\$ 4,872,240</u>	<u>\$ 6,847,240</u>	<u>\$ 8,322,240</u>	<u>\$ 9,297,240</u>

Budget Forecast: Food Services Fund

FY 2017 through FY 2021

	Final Budget FY 2017	Original Budget FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021
REVENUES BY SOURCE					
Total Local	\$ 1,226,358	\$ 1,238,578	\$ 1,276,000	\$ 1,314,000	\$ 1,353,000
Total State	865,089	865,089	925,645	990,440	1,059,771
Total Federal	3,374,406	3,306,918	3,505,000	3,715,000	3,938,000
TOTAL REVENUES	5,465,853	5,410,585	5,706,645	6,019,440	6,350,771
EXPENSES / EXPENDITURES BY OBJECT					
Salaries	1,959,965	2,044,243	2,116,000	2,190,000	2,267,000
Employee Benefits	742,957	779,089	826,000	876,000	929,000
Purchased Professional and Technical Services	40,249	31,099	31,410	31,724	32,041
Purchased Property Services	136,180	150,186	113,000	118,000	123,000
Other Purchased Services	54,186	6,311	6,501	6,696	6,897
Supplies	2,833,626	2,676,926	2,275,387	2,321,000	2,367,000
Property	157,245	150,000	150,000	150,000	150,000
Other Objects	407,505	181,655	136,241	137,604	138,980
TOTAL EXPENSES/EXPENDITURES	6,331,913	6,019,509	5,654,539	5,831,024	6,013,918
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(866,060)	(608,924)	52,106	188,417	336,854
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	500	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	(865,560)	(608,924)	52,106	188,417	336,854
NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)	2,214,536	1,348,976	740,052	792,157	980,574
Adjustment to Beginning Net Assets/Fund Balance (Add Explanation)	-	-	-	-	-
NET ASSETS / FUND BALANCE - ENDING	\$ 1,348,976	\$ 740,052	\$ 792,157	\$ 980,574	\$ 1,317,428

Budget Forecast: Tax Increment Fund

FY 2017 through FY 2021

	Final Budget FY 2017	Original Budget FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021
REVENUES BY SOURCE					
Total Local	\$ 1,250,000	\$ 1,250,000	\$ 750,000	\$ 675,000	\$ 675,000
Total State	-	-	-	-	-
Total Federal	-	-	-	-	-
TOTAL REVENUES	<u>1,250,000</u>	<u>1,250,000</u>	<u>750,000</u>	<u>675,000</u>	<u>675,000</u>
EXPENSES / EXPENDITURES BY OBJECT					
Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Purchased Property Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Supplies	-	-	-	-	-
Property	-	-	-	-	-
Other Objects	<u>1,250,000</u>	<u>1,250,000</u>	<u>750,000</u>	<u>675,000</u>	<u>675,000</u>
TOTAL EXPENSES/EXPENDITURES	<u>1,250,000</u>	<u>1,250,000</u>	<u>750,000</u>	<u>675,000</u>	<u>675,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	-	-	-	-	-
NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)	-	-	-	-	-
Adjustment to Beginning Net Assets/Fund Balance (Add Explanation)	-	-	-	-	-
NET ASSETS / FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Debt: General Obligation Bonds

As of June 30, 2017

GENERAL OBLIGATION BONDS					
Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
2007B Series G.O. Bonds	School Building	25,600,000	4.00% to 4.50%	June 15, 2017	-
2012 Series G.O. Refunding Bonds	Bond Refunding	9,045,000	.56% to 1.29%	June 15, 2017	-
2015A Series G.O. Bonds	Bond Refunding	22,790,000	2.13%	June 15, 2027	21,770,000
2015 Series G.O. Bonds	School Building	50,615,000	2.25% to 5%	June 15, 2035	47,565,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	50,650,000
Total General Obligation Bonds Payable as of June 30, 2017					<u>\$ 119,985,000</u>

COMBINED GENERAL OBLIGATION BONDS

Combined G.O Bonds

Year Ending June 30	Principal	Interest	Debt Service Fund
2018	5,670,000	4,061,851	9,731,851
2019	5,915,000	3,836,325	9,751,325
2020	6,175,000	3,600,702	9,775,702
2021	6,420,000	3,353,800	9,773,800
2022	6,630,000	3,116,297	9,746,297
2023-2027	36,070,000	11,957,555	48,027,555
2028-2032	29,430,000	6,792,800	36,222,800
2033-2036	23,675,000	1,797,538	25,472,538
	<u>\$ 119,985,000</u>	<u>\$ 38,516,867</u>	<u>\$ 158,501,867</u>

Debt: Amortization Schedule

		<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General obligation bonds:									
<i>Debt Service Fund</i>									
Series 2015 Refunding	Principal	\$ 2,020,000	\$ 2,095,000	\$ 2,155,000	\$ 2,195,000	\$ 2,225,000	\$ 2,255,000	\$ 2,315,000	\$ 2,345,000
\$22,790,000	Interest	463,701	420,675	376,052	330,150	283,397	236,004	187,973	138,663
Series 2015	Principal	1,875,000	1,970,000	2,070,000	2,175,000	2,280,000	2,395,000	2,450,000	2,510,000
\$50,615,000	Interest	1,640,338	1,546,588	1,448,088	1,344,588	1,235,838	1,121,838	1,067,950	1,006,700
Series 2016	Principal	1,775,000	1,850,000	1,950,000	2,050,000	2,125,000	2,250,000	2,350,000	2,475,000
\$9,400,000	Interest	<u>1,957,813</u>	<u>1,869,063</u>	<u>1,776,563</u>	<u>1,679,063</u>	<u>1,597,063</u>	<u>1,490,813</u>	<u>1,378,313</u>	<u>1,260,813</u>
Total Principal - General Obligation Bonds		5,670,000	5,915,000	6,175,000	6,420,000	6,630,000	6,900,000	7,115,000	7,330,000
Total Interest - General Obligation Bonds		<u>4,061,852</u>	<u>3,836,326</u>	<u>3,600,703</u>	<u>3,353,801</u>	<u>3,116,298</u>	<u>2,848,655</u>	<u>2,634,236</u>	<u>2,406,176</u>
Total - General Obligation Bonds		<u>9,731,852</u>	<u>9,751,326</u>	<u>9,775,703</u>	<u>9,773,801</u>	<u>9,746,298</u>	<u>9,748,655</u>	<u>9,749,236</u>	<u>9,736,176</u>
Lease revenue bonds:									
<i>Debt Service Fund</i>									
2010 Lease Revenue Bonds	Principal	-	-	-	-	-	-	-	-
\$6,462,000	Interest	<u>51,193</u>	<u>45,535</u>	<u>39,877</u>	<u>34,219</u>	<u>28,561</u>	<u>22,903</u>	<u>17,245</u>	<u>11,587</u>
Total - Lease Revenue Bonds		<u>51,193</u>	<u>45,535</u>	<u>39,877</u>	<u>34,219</u>	<u>28,561</u>	<u>22,903</u>	<u>17,245</u>	<u>11,587</u>
Total - Bonds Payable		<u>9,783,045</u>	<u>9,796,861</u>	<u>9,815,580</u>	<u>9,808,020</u>	<u>9,774,859</u>	<u>9,771,558</u>	<u>9,766,481</u>	<u>9,747,763</u>
Obligations under lease agreements:									
<i>General Fund</i>									
2012 Capital Lease	Principal	8,513	8,789	-	-	-	-	-	-
\$45,375	Interest	<u>562</u>	<u>286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Principal - Lease Obligations		8,513	8,789	-	-	-	-	-	-
Total Interest - Lease Obligations		<u>562</u>	<u>286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total - Lease Obligations		<u>9,075</u>	<u>9,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Note payable:									
<i>Capital Projects Fund</i>									
2011 Energy Efficiency Chiller	Principal	21,223	21,921	22,642	23,387	24,157	24,951	25,772	13,202
\$264,697	Interest	<u>5,504</u>	<u>4,806</u>	<u>4,085</u>	<u>3,340</u>	<u>2,570</u>	<u>1,776</u>	<u>955</u>	<u>161</u>
Total Note Payable		<u>26,727</u>	<u>26,727</u>	<u>26,727</u>	<u>26,727</u>	<u>26,727</u>	<u>26,727</u>	<u>26,727</u>	<u>13,363</u>
Total long-term debt obligations:									
Total Principal - All Funds - All Long-Term Debt		5,699,736	5,945,710	6,197,642	6,443,387	6,654,157	6,924,951	7,140,772	7,343,202
Total Interest - All Funds - All Long-Term Debt		<u>4,119,111</u>	<u>3,886,953</u>	<u>3,644,665</u>	<u>3,391,360</u>	<u>3,147,429</u>	<u>2,873,334</u>	<u>2,652,436</u>	<u>2,417,924</u>
Total - All Funds - All Long-Term Debt		<u>\$ 9,818,847</u>	<u>\$ 9,832,663</u>	<u>\$ 9,842,307</u>	<u>\$ 9,834,747</u>	<u>\$ 9,801,586</u>	<u>\$ 9,798,285</u>	<u>\$ 9,793,208</u>	<u>\$ 9,761,126</u>

<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>Totals</u>
2,395,000	\$ 1,770,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,770,000
88,715	37,701	-	-	-	-	-	-	-	-	-	2,563,031
2,580,000	2,655,000	2,735,000	2,830,000	2,930,000	3,035,000	3,125,000	3,220,000	3,315,000	3,415,000	-	47,565,000
937,675	860,275	780,625	684,900	585,850	483,300	392,250	298,500	201,900	102,450	-	15,739,653
2,600,000	2,725,000	2,775,000	2,825,000	2,950,000	3,075,000	3,150,000	3,275,000	3,375,000	3,475,000	3,600,000	50,650,000
<u>1,137,063</u>	<u>1,007,063</u>	<u>952,563</u>	<u>897,063</u>	<u>784,063</u>	<u>666,063</u>	<u>566,125</u>	<u>463,750</u>	<u>357,313</u>	<u>247,625</u>	<u>126,000</u>	<u>20,214,195</u>
7,575,000	7,150,000	5,510,000	5,655,000	5,880,000	6,110,000	6,275,000	6,495,000	6,690,000	6,890,000	3,600,000	119,985,000
<u>2,163,453</u>	<u>1,905,039</u>	<u>1,733,188</u>	<u>1,581,963</u>	<u>1,369,913</u>	<u>1,149,363</u>	<u>958,375</u>	<u>762,250</u>	<u>559,213</u>	<u>350,075</u>	<u>126,000</u>	<u>38,516,879</u>
<u>9,738,453</u>	<u>9,055,039</u>	<u>7,243,188</u>	<u>7,236,963</u>	<u>7,249,913</u>	<u>7,259,363</u>	<u>7,233,375</u>	<u>7,257,250</u>	<u>7,249,213</u>	<u>7,240,075</u>	<u>3,726,000</u>	<u>158,501,879</u>
											-
											-
6,462,000	-	-	-	-	-	-	-	-	-	-	6,462,000
<u>59,612</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>310,732</u>
<u>6,521,612</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,772,732</u>
<u>16,260,065</u>	<u>9,055,039</u>	<u>7,243,188</u>	<u>7,236,963</u>	<u>7,249,913</u>	<u>7,259,363</u>	<u>7,233,375</u>	<u>7,257,250</u>	<u>7,249,213</u>	<u>7,240,075</u>	<u>3,726,000</u>	<u>165,274,611</u>
											-
											-
											17,302
											848
											17,302
											848
											18,150
											-
											-
											177,255
											23,197
											200,452
											-
											-
14,037,000	7,150,000	5,510,000	5,655,000	5,880,000	6,110,000	6,275,000	6,495,000	6,690,000	6,890,000	3,600,000	126,641,557
<u>2,223,065</u>	<u>1,905,039</u>	<u>1,733,188</u>	<u>1,581,963</u>	<u>1,369,913</u>	<u>1,149,363</u>	<u>958,375</u>	<u>762,250</u>	<u>559,213</u>	<u>350,075</u>	<u>126,000</u>	<u>38,851,656</u>
<u>16,260,065</u>	<u>\$ 9,055,039</u>	<u>\$ 7,243,188</u>	<u>\$ 7,236,963</u>	<u>\$ 7,249,913</u>	<u>\$ 7,259,363</u>	<u>\$ 7,233,375</u>	<u>\$ 7,257,250</u>	<u>\$ 7,249,213</u>	<u>\$ 7,240,075</u>	<u>\$ 3,726,000</u>	<u>\$ 165,493,213</u>

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Provo City School District
Statistics and Performance Measures

Personnel Resource Allocation: Full-time Equivalents

FY 2010 to 2018 (proposed)

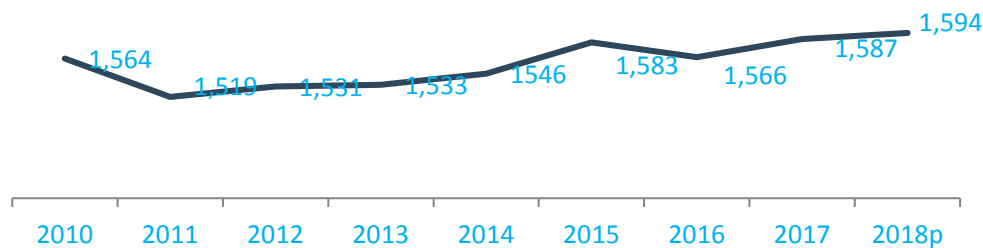
Function	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 ^p
Instruction	984	977	984	998	1,005	1,002	1,022	1,020	1,025
Students	51	49	50	50	50	50	68	84	86
Instructional Staff	41	31	32	32	32	27	29	42	42
General Administration	15	16	17	17	17	17	24	26	26
School Administration	70	70	70	70	72	65	71	76	76
Business and Central	26	27	26	26	26	41	47	51	52
Operation and Maintenance	148	95	95	95	95	133	109	114	110
Transportation	46	44	46	46	46	66	51	39	45
Other Support	1	25	26	26	26	0	0	-	-
Food Services	82	92	92	80	84	77	82	87	87
Community Services	100	93	93	93	93	103	62	47	45
Total FTEs	1,564	1,519	1,531	1,533	1,546	1,583	1,566	1,587	1,594

^pProposed

As a service organization, employee compensation is the biggest single expense incurred by the District. As a result, when cuts need to be made, it's difficult to spare all positions.

For 2017-18 the Board of Education and management have made the decision to try to keep average class-sizes at 27.5, roughly the same size as in the prior year. Some growth in instructional FTE is budgeted to account for projected enrollment changes, as seen in the table above. As our enrollment has grown the past few years we are seeing increases in instructional staff, as well as positions related to student transportation and nutrition. The District is always striving to reduce instructional class sizes while balancing that desire with the financial constraints we operate within.

Staffing Levels by FTE: FY 2010 to FY 2018



Budgeted staffing levels are slightly higher in the FY 2016-17 budget when compared to the previous year.

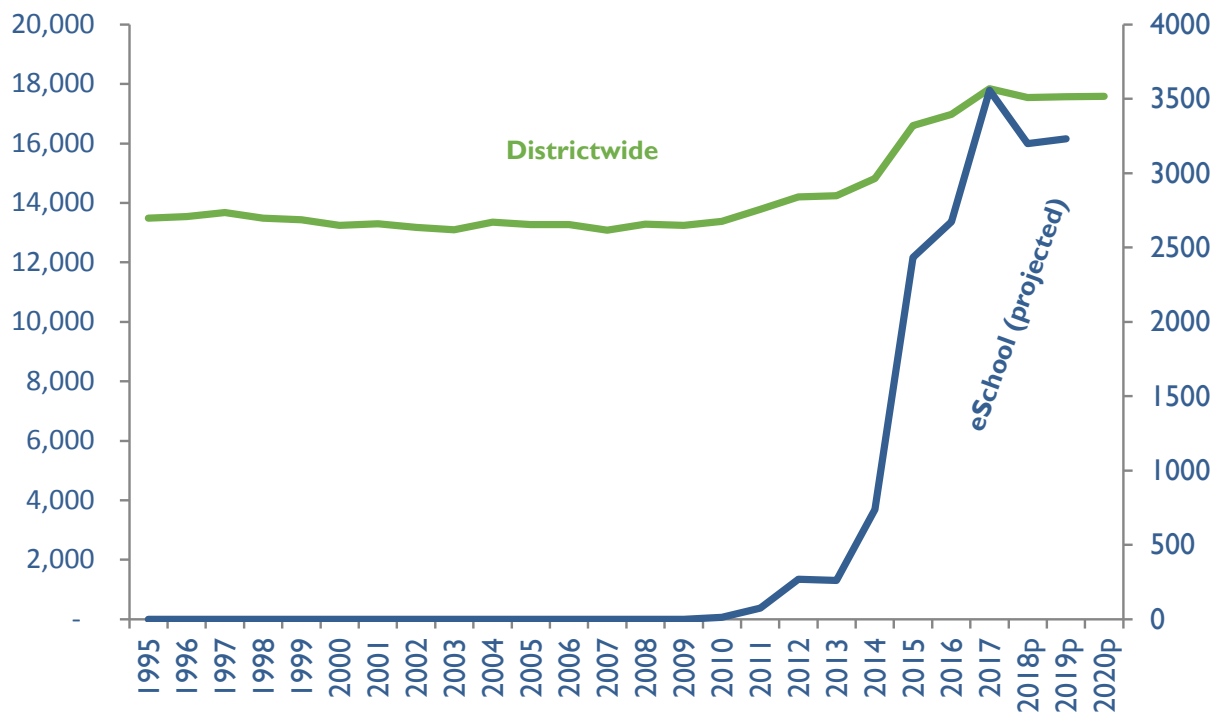
Enrollment: Projections and Methodology

1995-2020 (projected)

Student enrollment is a primary driver of state, federal and some local revenue for the District. These enrollment figures are taken from data gathered from October 1 enrollment reports each year. Projections for future years are made using simple regression analysis to forecast general expected student enrollment for future years. A more detailed approach, using migration patterns, birth rates, and what is referred to as survival rates, is also used to get a more detailed analysis for the next year. Detailed analysis for the coming year is normally done in the fall, and the Board of Education and management are given the results after that time. Information and documentation regarding enrollment projection methods are available to the public through the District Business Office.

Year	Fall Enrollment	Year	Fall Enrollment
1995	13,487	2008	13,288
1996	13,544	2009	13,241
1997	13,674	2010	13,376
1998	13,486	2011	13,779
1999	13,438	2012	14,202
2000	13,241	2013	14,241
2001	13,298	2014	14,824
2002	13,177	2015	16,600
2003	13,103	2016	16,983
2004	13,359	2017	17,840
2005	13,273	2018	17,549
2006	13,272	2019	17,568
2007	13,083	2020	17,588

Most recent growth in enrollment has been the result of our growing eSchool program. However, the District has now reached maximum capacity relative to the available resources. As a result, we expect to see only minimal growth in enrollment as any increases due to expansion on the west side of town are offset by declining enrollment in the more established neighborhoods in the east.



Fall Enrollment by School: FY 2011 to FY 2018 (Projected)

Fall Enrollment is a census taken as of the first school day in October each school year, as required by the Utah State Legislature. It's a major factor in determining the funding the District gets from the state as part of the Weighted Pupil Unit (WPU).

School	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 ^P
Amelia Earhart Elementary	560	588	558	551	515	532	523	530
Canyon Crest Elementary	487	494	532	541	541	538	547	551
Edgemont Elementary	525	565	569	570	632	623	626	635
Provo Peaks Elementary ²	366	462	506	484	613	592	571	553
Franklin Elementary	521	517	516	494	453	472	450	448
Lakeview Elementary ¹	680	685	673	724	765	787	754	765
Provost Elementary	438	457	440	436	447	464	472	475
Rock Canyon Elementary	600	625	623	642	634	612	623	627
Spring Creek Elementary	564	570	567	558	501	486	476	475
Sunset View Elementary	560	531	527	541	510	473	561	580
Timpanogos Elementary	629	630	672	663	703	758	668	670
Wasatch Elementary	774	864	861	906	965	944	892	915
Westridge Elementary	870	889	893	890	826	785	806	825
Centennial Middle	1,003	996	1,033	1023	988	1056	1103	1,095
Dixon Middle	863	835	833	836	822	847	869	870
Provo High	1,705	1,683	1,777	1825	1895	1924	1901	1,910
Timpview High	1,900	1,938	1,953	1967	1976	2058	2114	2,105
Independence High	277	328	322	326	251	259	285	275
Adult Education	2	-	74	63	45	48	42	45
Central Utah Enterprises	47	51	51	47	83	65	0	0
eSchool ³	14	90	270	737	2435	2660	3557	3200
Total:	13,385	13,798	14,250	14,824	16,600	16,983	17,840	17,549

^PProjected

¹Grandview Elementary prior to FY 2007-08

²Farrer Elementary prior to FY 2011-12

³Aggregate of full-time students only; most eSchool students aren't enrolled in the school full-time

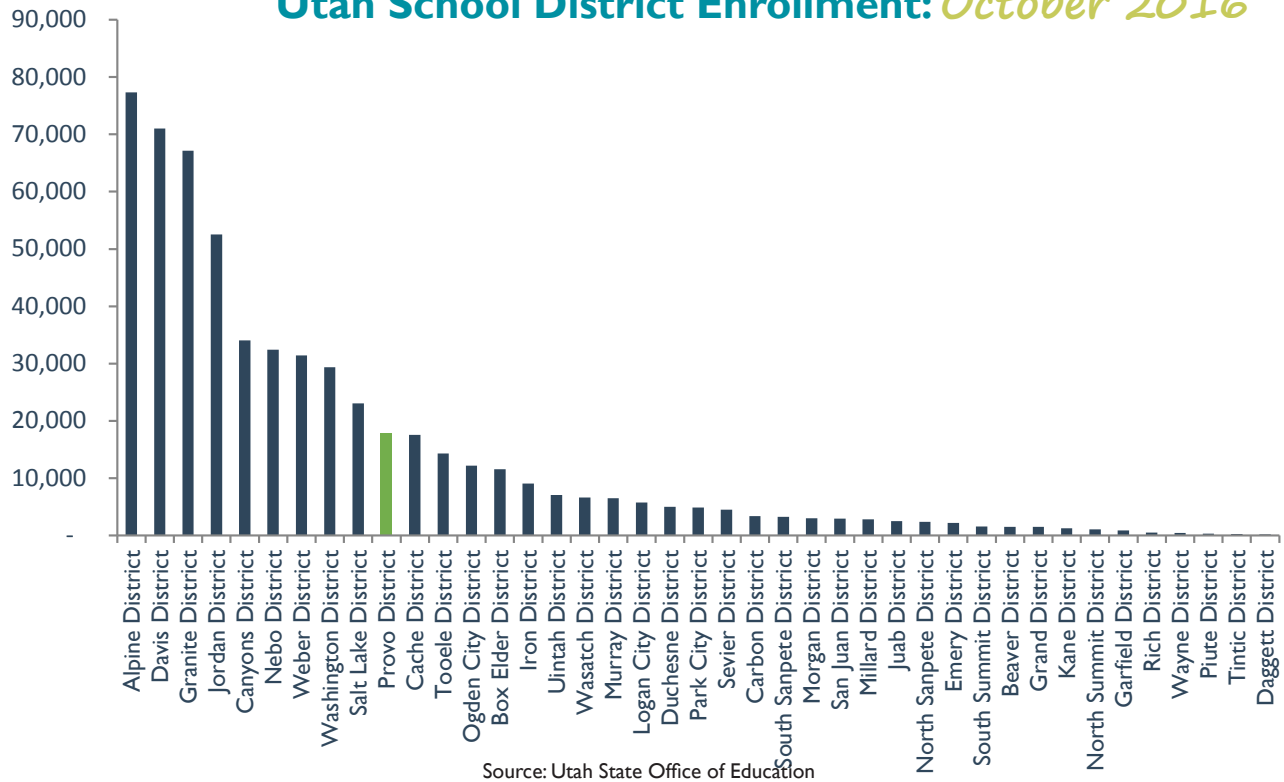
District Comparison: Where Provo Fits In

Utah is made up of 41 school districts. The total enrollment of K-12 students for Fall 2016, including charter schools, was approximately 644,476. With 17,840 students, Provo City School District is the 10th largest district in Utah.

Over the next several years, the school-age population in Utah is expected to grow dramatically, while in Provo it's projected to drop in FY2018 due to eSchool changes and then grow at a minimal rate over the next several years.

District	Oct. 2016 Enrollment
Alpine District	77,343
Davis District	71,021
Granite District	67,177
Jordan District	52,507
Canyons District	34,017
Nebo District	32,437
Weber District	31,445
Washington District	29,355
Salt Lake District	23,047
Provo District	17,840

Utah School District Enrollment: *October 2016*



Student Enrollment: Utah County Comparison

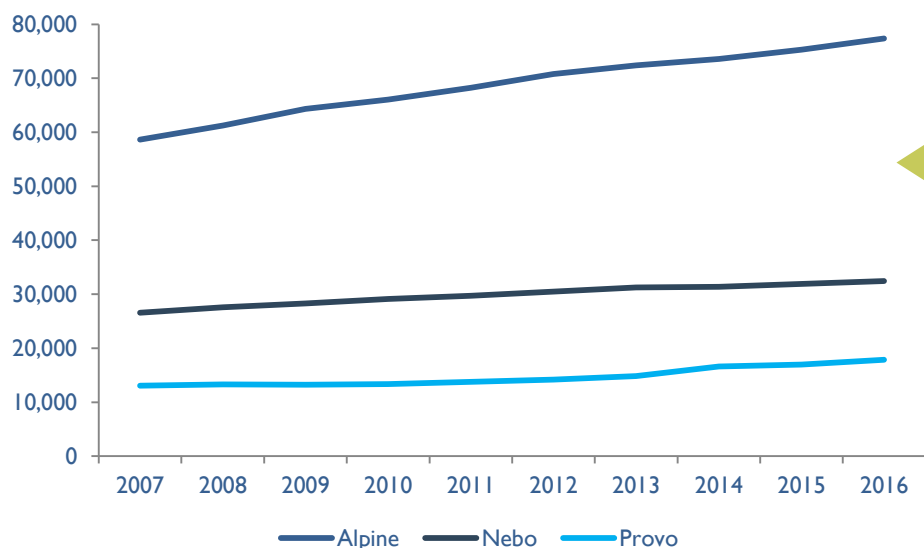
While Alpine School District, to the north, and Nebo School District, to the south, have grown rapidly this decade, enrollment in Provo has been flat until just the past few years. This is the case in most one-city districts throughout the State. Despite having flat enrollment throughout this period, Provo continues to have a substantially higher low-income student population than the other two districts in the county. Overall, the public school (school districts) enrollment in Utah County was over 127,500 in October 2016, while charter schools, which are also public, had over 8,500 students enrolled in Utah County.

Provo School District is pinning much of its future enrollment hopes on eSchool. In fact, online schools are the fastest growing public education segment in Utah.

However, attention and emphasis will continue in critical traditional areas. Face-to-face instruction and group learning remains a proven and effective method of instruction.



Utah County School Enrollment by District



Although difficult to discern in the graphic to the left, Provo grew at a greater rate from Oct. 2015 to Oct. 2016 than both Nebo and Alpine school districts.

Source: Utah State Office of Education

District Facilities

Location/Site	Year Built/ Renovated Substantially	Square Footage
Elementary Schools:		
Amelia Earhart	1999	69,733
Canyon Crest	1982	68,240
Edgemont ²	2017	71,561
Provo Peaks	2011	80,000
Franklin	1994	75,801
Lakeview	2007	77,480
Provost ³	1949	56,799
Rock Canyon ¹	2016	71,367
Spring Creek	2002	70,720
Sunset View ¹	2016	71,367
Timpanogos	2008	69,247
Wasatch	1949	45,326
Westridge	1979	73,928
Secondary Schools:		
Centennial Middle School	1996	144,795
Dixon Middle School	1931	124,276
Provo High School ³	1956	325,842
Timpview High School.	1974	409,803
Independence High School	1992	48,121
Other:		
Oakridge	1979	43,992
Grandview Learning Center	1949	69,546
District Office	1965	28,875

¹Construction to rebuild school completed summer 2016

²Construction to rebuild school completed summer 2017

³Construction to rebuild school expected to be completed summer 2018

Elementary Schools

Amelia Earhart

Address: 2585 West 200 South
Year built or substantially renovated: 1999
Square footage: 69,733
Projected FY 2018 enrollment: 530



Canyon Crest

Address: 4664 N Canyon Road
Year built or substantially renovated: 1982
Square footage: 68,240
Projected FY 2018 enrollment: 551



Edgemont

Address: 566 East 3650 North
Year built or substantially renovated: 2017
Square footage: 71,561
Projected FY 2018 enrollment: 635



Lakeview

Address: 2899 West 1390 North
Year built or substantially renovated: 2007
Square footage: 77,480
Projected FY 2018 enrollment: 765



Franklin

Address: 350 South 600 West
Year built or substantially renovated: 1994
Square footage: 75,801
Projected FY 2018 enrollment: 448



Provo Peaks

Address: 100 North 600 East
Year built or substantially renovated: 2011
Square footage: 80,000
Projected FY 2018 enrollment: 553



Provost

Address: 629 South 1000 East
Year built or substantially renovated: 1949
Square footage: 56,799
Projected FY 2018 enrollment: 475



Rock Canyon

Address: 2495 North 650 East
Year built or substantially renovated: 2016
Square footage: 71,367
Projected FY 2018 enrollment: 627



Spring Creek

Address: 1740 South Nevada Avenue
Year built or substantially renovated: 2002
Square footage: 70,720
Projected FY 2018 enrollment: 475



Sunset View

Address: 525 South 1600 West
Year built or substantially renovated: 2016
Square footage: 71,367
Projected FY 2018 enrollment: 580



Timpanogos

Address: 449 North 500 West
Year built or substantially renovated: 2008
Square footage: 69,733
Projected FY 2018 enrollment: 670



Wasatch

Address: 1080 North 900 East
Year built or substantially renovated: 1949
Square footage: 45,326
Projected FY 2018 enrollment: 915



Westridge

Address: 1720 West 1460 North
Year built or substantially renovated: 1979
Square footage: 73,928
Projected FY 2018 enrollment: 825



Grandview Learning Center

Address: 1591 North Jordan Avenue
Year built or substantially renovated: 2008
Square footage: 26,000
Projected FY 2018 enrollment¹
¹Counted as part of Westridge Elementary in this budget document



eSchool (K-12)

eSchool service center: 243 E 2320 N
Year built or substantially renovated: 2012
Projected FY 2018 enrollment: 3,200 (includes full and part-time)



Secondary Schools

Centennial Middle School

Address: 305 East 2320 North
Year built or substantially renovated: 1996
Square footage: 144,795
Projected FY 2018 enrollment: 1,095



Dixon Middle School

Address: 750 West 200 North
Year built or substantially renovated: 1931
Square footage: 124,276
Projected FY 2018 enrollment: 870



Provo High School

Address: 1125 North University Avenue
Year built or substantially renovated: 1956
Square footage: 325,842
Projected FY 2018 enrollment: 1,910



Timpview High School

Address: 3570 North 650 East
Year built or substantially renovated: 1974
Square footage: 409,803
Projected FY 2018 enrollment: 2,105



Independence High School

Address: 636 North Independence Avenue
Year built or substantially renovated: 1992
Square footage: 48,121
Projected FY 2018 enrollment: 275



Per Pupil Expenditures: *FY 2018 compared to FY 2017*

(excludes debt service and long-term capital projects)

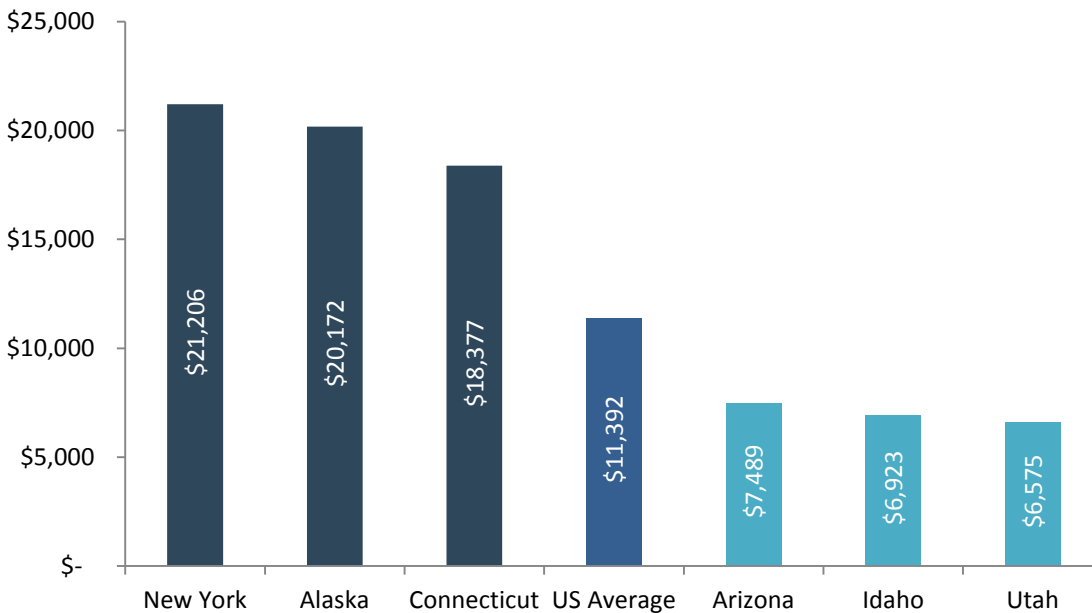
For FY 2018, the District is budgeted to spend **\$8,443 per student, an increase of \$949** when compared to FY 2017.

FY 2017 Per Student: \$7,494

\$949

FY 2018 Per Student: \$8,443

Per Student Spending: *Top and Bottom 3 States*



In addition to these amounts, **the District is budgeted to spend \$3,982 per student in FY 2018** for long-term capital improvement projects and debt service related to infrastructure capital expenditures.

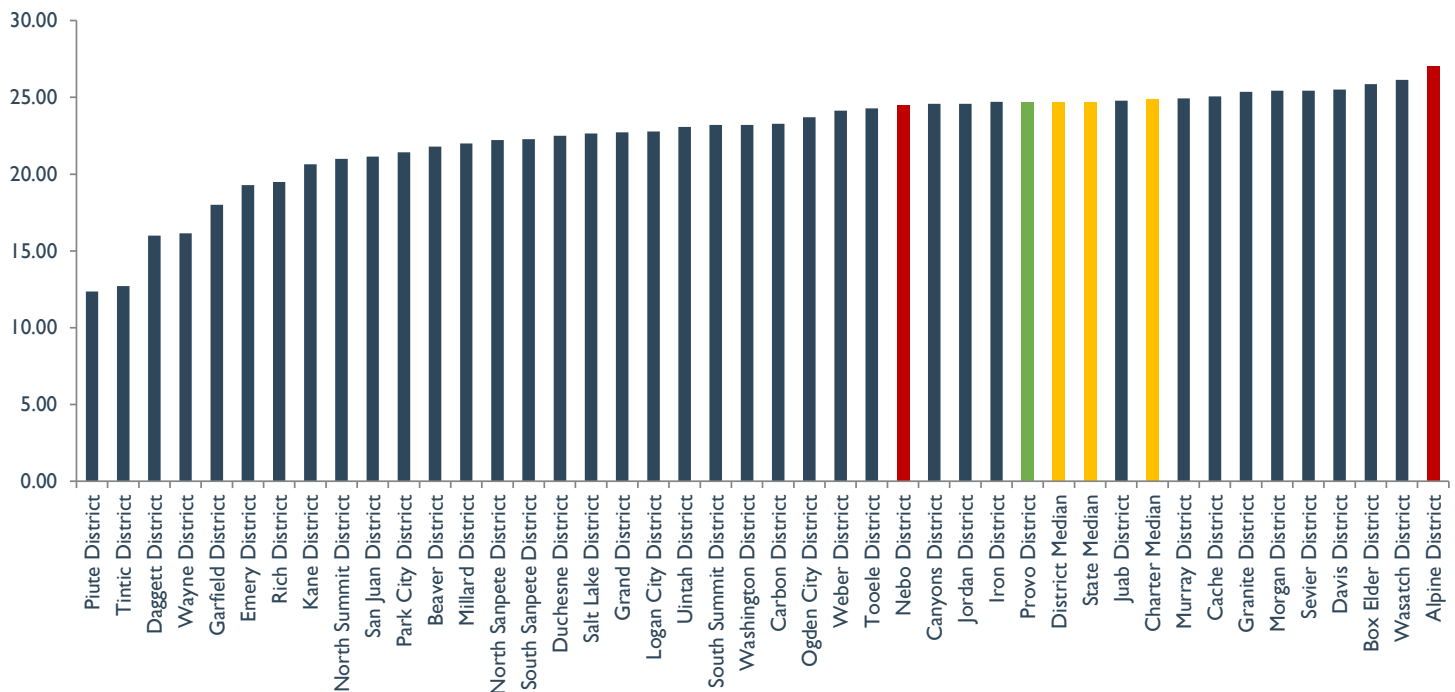
Median Class Sizes: State of Utah

Fall 2016

Provo City School District has class sizes that slightly lower than the median in the State of Utah. Interestingly, charter schools have, as a median, higher class sizes than the average Utah school district.

Low class sizes are very costly to maintain, and the data are mixed when it comes to determining what role class sizes play in academic performance. However, Provo City School District has conducted multiple surveys with the public, and low class sizes always rank “very important” to Provo citizens, which is one reason the District strives to have the lowest class sizes possible.

Median Class Sizes in Utah: By District



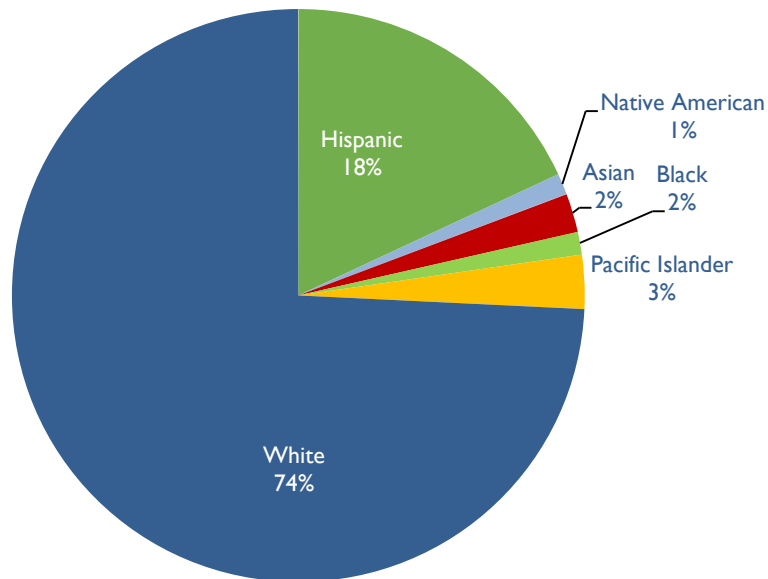
Source: Utah State Office of Education

Student Demographics

The District is becoming much more diverse. This can help provide a healthy and dynamic learning environment for students. However, challenges also occur - especially when At-Risk populations continue to increase in size bringing with them chronic absenteeism, low income, and language acquisition challenges. The District has been proactive in developing programs to help broaden future opportunities for **all** students, and as seen later in this document have seen success on assessments despite the challenges facing our student population.

Hispanic students make up the largest ethnic minority group in the District, with 18% of total enrollment as of October 1, 2016.

Provo School District Enrollment by Race



Source: District data; audited Fall 2016 enrollment reports submitted to State

District School Lunch Participation: FY 2006 to FY 2016 (most recent)

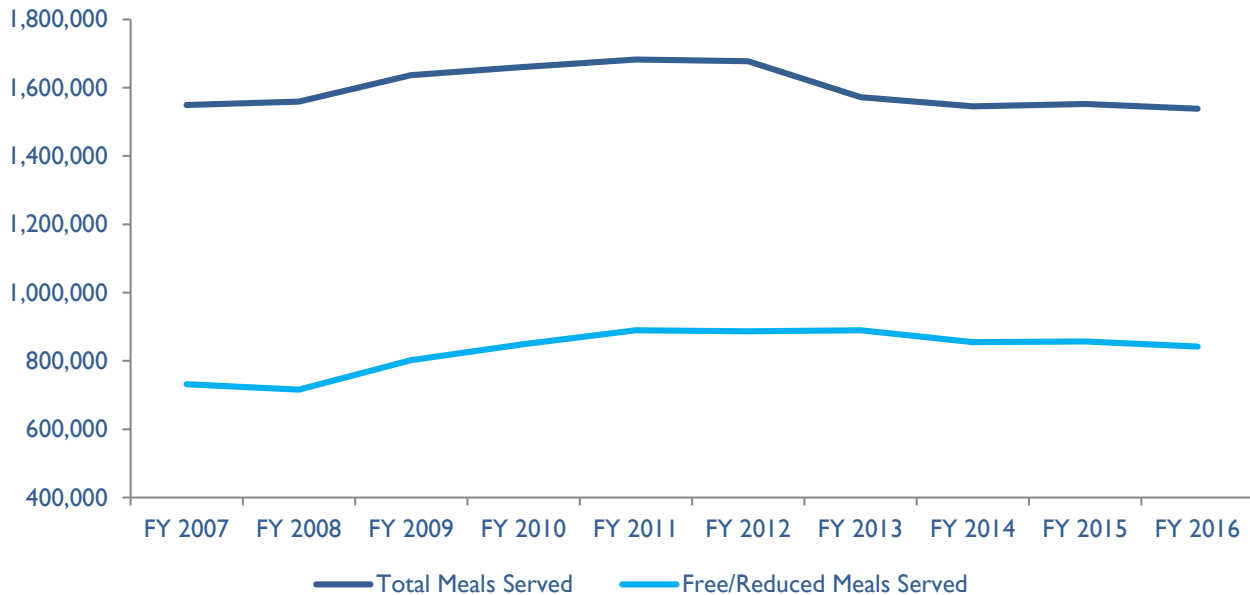
Year	FY Lunches Served	Breakfasts Served	Free Lunch Served	% of Free lunches to Total Served	Reduced Cost Lunch Served	% of Reduced Cost lunches to Total Served
FY 2006	1,256,839	289,865	609,996	48.53%	152,639	12.14%
FY 2007	1,255,951	293,649	567,608	45.19%	164,048	13.06%
FY 2008	1,253,673	305,989	560,368	44.70%	155,779	12.43%
FY 2009	1,311,952	324,889	639,746	48.76%	162,320	12.37%
FY 2010	1,315,197	345,581	693,426	52.72%	155,354	11.81%
FY 2011	1,343,858	338,210	736,472	54.80%	152,940	11.38%
FY 2012	1,319,933	357,943	736,901	55.83%	150,151	11.38%
FY 2013	1,232,859	339,783	732,485	59.41%	157,697	12.79%
FY 2014	1,215,543	329,534	705,006	58.00%	150,490	12.38%
FY 2015	1,209,334	343,320	721,222	59.64%	136,191	11.26%
FY 2016	1,191,836	346,216	704,271	59.09%	137,477	11.53%

School meal assistance is available based on financial need.

Students with the greatest need qualify for free meals, while students with moderate need qualify for meals at a reduced price.

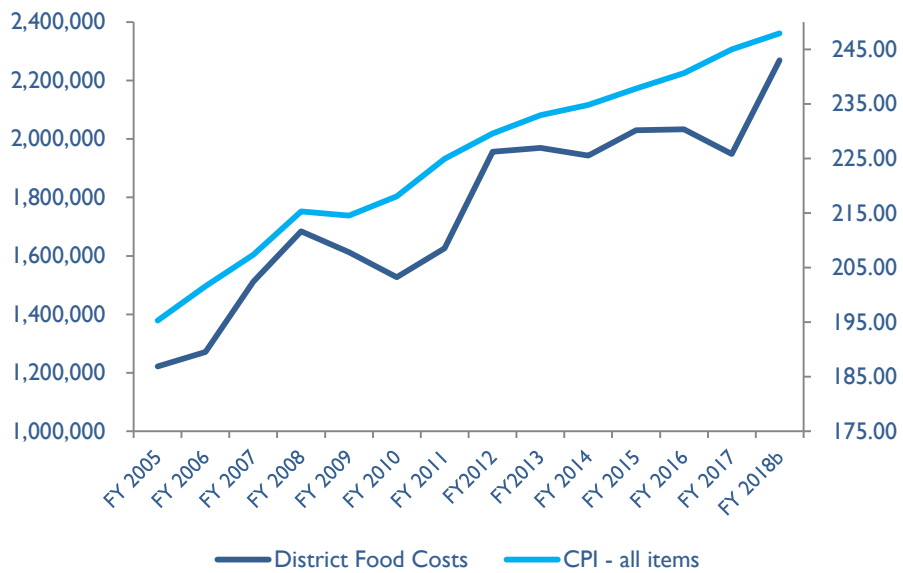
Participation in school food services is projected to remain flat in 2017-18.

School Lunch Participation: FY 2006 - FY 2016 (most recent)



The District continues to experience strong demand for free/reduced lunch services. Over the last few years the number of free/reduced meals has remained relatively flat.

Program Costs and Data: Food Services



The chart above compares food costs for the District’s food services program with the CPI, or Consumer Price Index (urban areas, all items including food). The CPI measures the average cost of purchasing goods and services for a specific time period (1982-84 is the base period for the index and that period is set at 100).

Source: U.S. Bureau of Labor and Statistics; District data



Child Nutrition Meal Prices: FY2012 to FY 2018

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Breakfast	\$1.25	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
Adult Breakfast	\$1.50	\$1.75	\$1.75	\$1.75	\$2.00	\$2.00	\$2.00
Elementary Lunch	\$1.75	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Secondary Lunch	\$2.00	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25
Adult Lunch	\$2.75	\$3.00	\$3.00	\$3.00	\$4.00	\$4.00	\$4.00

School lunch price increases are the result of inflationary pressures and new federal guidelines that drive costs up. In the end, meals will be even more fresh and nutritional than ever before. All meal prices are staying flat in FY18, and are generally only raised in order to maintain compliance with state and federal regulations.

Transportation: Costs and Statistics

Transportation

Year	Miles traveled (to and from school, field trips, and activities)	Number of students transported daily	Driving hours per day	Route miles driven per day	Field and activity trip miles per day	Cost per student per year to bus	Number of buses
2006-07	510,840	4,894	245	2,605	233	\$492	43
2007-08	542,700	5,169	271	2,747	268	\$501	48
2008-09	524,340	6,208	226	2,699	214	\$366	48
2009-10	514,980	6,332	204	2,650	211	\$315	48
2010-11	527,340	5,903	234	2,699	231	\$394	48
2011-12	543,832	5,939	214	2,741	260	\$370	45
2012-13	429,001	5,885	165	2,168	215	\$331	40
2013-14	384,987	6,472	179	1,896	243	\$304	41
2014-15	374,013	5,464	174	1,863	283	\$364	43
2015-16	339,395	5,451	175	1,602	283	\$387	43
2016-17	370,834	6,772	167	1,756	315	\$366	43



Back in 2013, Provo City School District purchased a new propane-powered bus, the first propane school bus in the state of Utah. Provo City School District has always been at the forefront of technology in regards to the buses used to service the district, and continues to be as efficient as possible in order to manage an aging bus fleet and ensure all students are able to attend their classes on time.

The District will purchase four additional buses in FY 2018 to replace aging vehicles. These buses are clean diesel vehicles. The District has found the reduced repairs and maintenance costs for these vehicles outweigh the small savings seen on propane fuel. We continue to monitor advances in clean fuel technology and prior to any purchase conduct extensive research to ensure we best serve the District's transportation needs.

Innovation: eSchool

Provo City School District is committed to offering more education choices for parents and students. One of the most exciting programs offered by the District is eSchool. As seen in previous enrollment graphics, much of the District's future growth continues to come from eSchool, proving that this educational option is both effective and highly desirable for our community.

While the District is targeting Provo students primarily, a state law enacted July 1, 2011 provides a way for students to take online courses from any provider that meets State requirements. Provo City School District has found that eSchool provides a wonderful opportunity for students who are home-schooled, supplementing in-school coursework, or are in unique circumstances that don't allow them to attend regular school environments. Best of all, this is a free option offered to students!

Because eSchool has the largest course catalog in Utah, and exclusive technology and language courses not offered anywhere else in the State, students from outside of Provo continue to be a significant contributor to eSchool enrollment. The District continues to partner with electronic education vendors to serve those students' needs and anticipates those students will continue to make up a significant portion of our eSchool student body.



eSchool *At-a-Glance:*

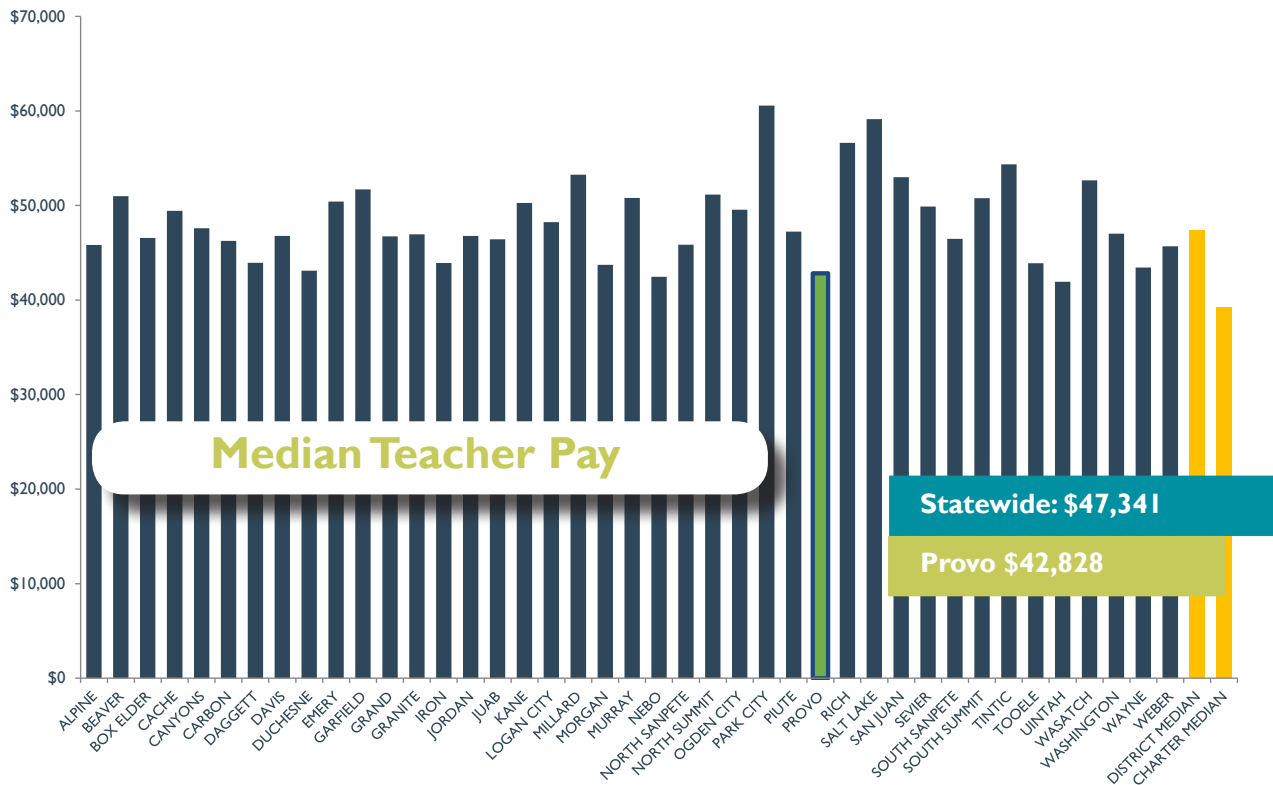
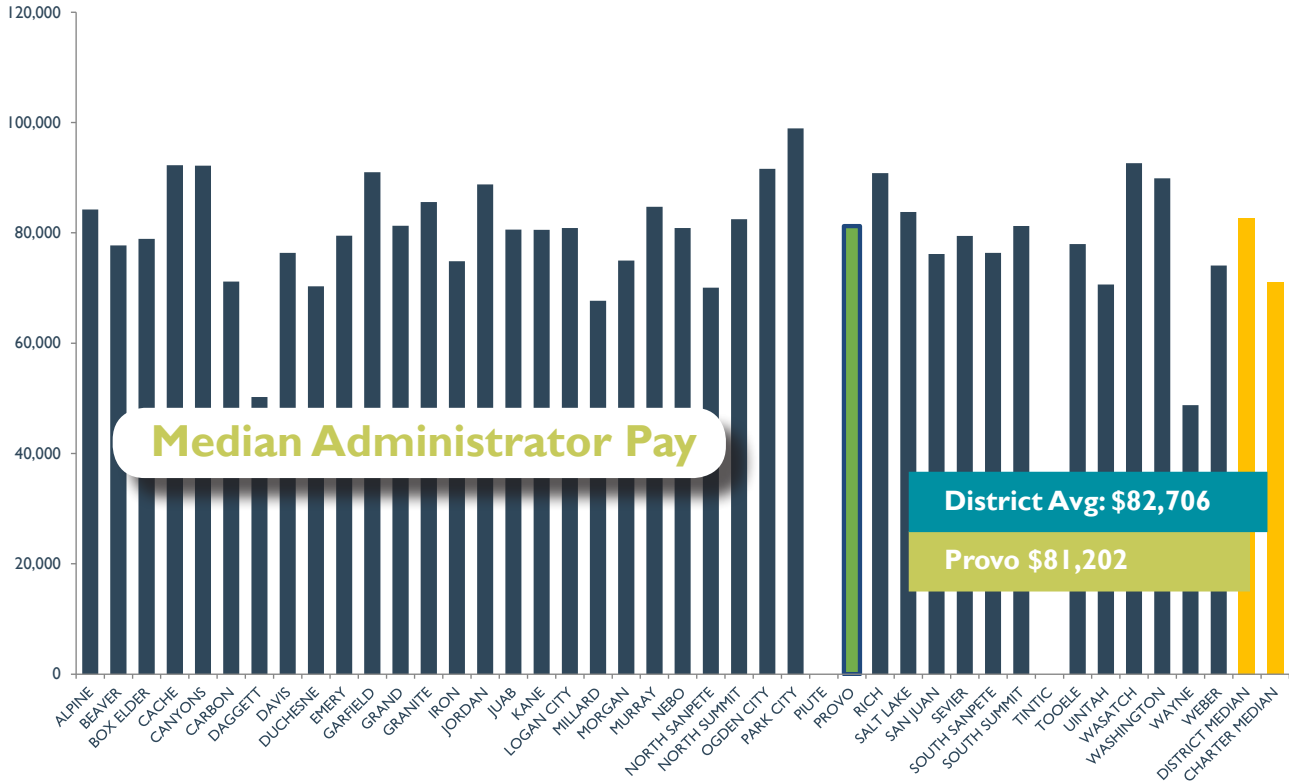
A strategic action of Provo School District's 20/20 Initiative, eSchool provides Provo and Utah students with choice and flexibility.

Some unique aspects of eSchool include:

- The most online courses in Utah, with over 400 courses to choose from as of July 2016
- The largest online K-12 school in Utah in FY17
- Agreements with Brigham Young University Independent Study, Edgenuity, and K12 Curriculum, among others, provide innovative language courses delivered on a virtual platform unmatched anywhere in Utah
- Utah Tech Academy allows students to take courses that prepare them for college and a high-tech workplace
- Cost savings over traditional brick-and-mortar courses

Compensation: Median Pay Comparison

The District continues to try to keep pace with education professional salary expectations in the state of Utah. It's critical for the District to pay employees a competitive wage to attract talent and retain valuable employees, especially as the economy improves and employees have more employment options. As a result, the District is currently analyzing teacher pay rates in order to bring Provo in line with other District pay scales.



Source: Utah State Office of Education

Health Insurance: Cost and Statistics

The rising cost of health care is a concern nationwide, and the District isn't immune. In 2005, a premium participation plan was put in place, with employees paying a percentage of their premiums. This was designed not only to save money, but more importantly to help employees take ownership of their health care. Overall, the District's health care expenditures are projected to make up roughly 8.9% of the FY 2018 budget.

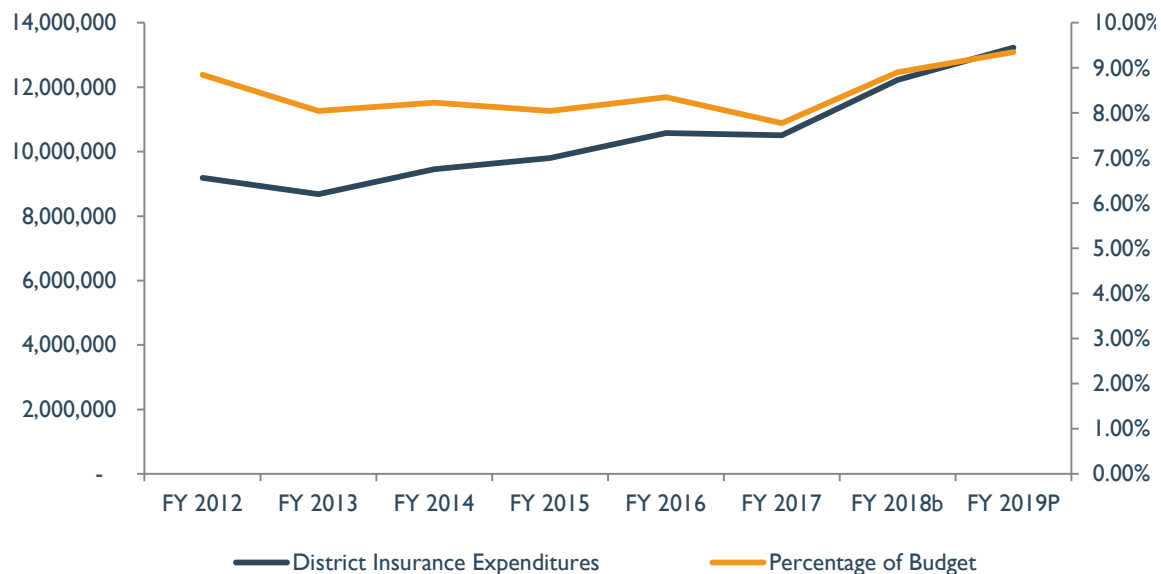
As the adjacent table and graph below indicate, the percentage of the District's budget that goes toward health insurance each year is trending upward, meaning inflationary pressure on health care is outpacing other District expenditures.

Year	District Insurance Expenditures	Percentage of Budget
FY 2013	8,677,956	8.05%
FY 2014	9,458,189	8.23%
FY 2015	9,804,904	8.05%
FY 2016	10,577,067	8.35%
FY 2017	10,506,603	7.78%
FY 2018 ^B	12,225,158	8.90%
FY 2019 ^P	13,229,623	9.35%

^BBudget
^PProjected

Note: Percentage of budget calculation excludes building construction and debt service, which can fluctuate significantly depending on current construction projects.

Health Insurance: Expenditures and Percentage of Budget



Other Post Employment Benefits (OPEB) contributions are projected to remain flat in FY18. A large component of OPEB costs are health insurance. Health insurance rates are increasing for the District at a rapid pace which largely offsets any savings from OPEB contributions.

Student Assessment and Performance
Provo City School District

Some Notes on Student Performance and Assessment Methods

The **Utah Performance Assessment System for Students (UPASS)** is a comprehensive assessment of school performance based on attendance records, test scores on several different tests, and graduation rates for high schools. In order to be considered passing, schools must have 95% participation and perform at a level considered proficient (80% or higher), or show sufficient progress from the previous year's assessment.



Criterion Referenced Tests (CRTs) are used in Utah to test students' mastery of Utah's Core Curriculum. The CRT is also used for No Child Left Behind (NCLB) and UPASS. CRTs are administered to grades 2 through 11 for English language arts. Math and Science CRTs for junior high and high school are based on students' courses rather than grade level.

The **No Child Left Behind Act (NCLB)** is a nationwide accountability system for schools receiving federal funding. Each school is evaluated based on whether or not they meet Adequate Yearly Progress (AYP). In order to meet AYP, a school must show annual progress for certain student groups on assessments determined by each state. The percentage of students required to be proficient increases each year.

Title I schools are higher poverty schools that receive federal funding to provide extra services to their at-risk students. In Utah, about 28% of all public schools are Title I schools.

Beginning in the FY 2014 school year the UPASS, CRT, and AYP testing and accountability systems were replaced by Utah's Comprehensive Accountability System (UCAS) and the Student Assessment for Growth and Excellence (SAGE) computer assessment system. UCAS was later discontinued and SAGE testing is the current assessment program used by the State.

Utah Comprehensive Accountability System (UCAS) provides a straightforward determination of school performance and supports the goals of public education in Utah by valuing performance on state tests, prioritizing individual student growth toward meaningful achievement targets, promoting

equality for low-performing students, and incentivizing attainment of graduation and college/career readiness.

Student Assessment for Growth and Excellence (SAGE) is Utah's new computer adaptive assessment system. It includes summative, interim, and formative components. SAGE employs a software algorithm that adapts the test in real time, responding to the accuracy of a student's performance. Each question a student receives is dependent on his or her response to previous questions. This allows the algorithm to more accurately and efficiently determine a student's level of proficiency.

Student Performance: SAGE

2016-17 (most recent year available)

School	LANGUAGE ARTS									
	3rd Grade	4th Grade	5th Grade	6th Grade	7th Grade	8th Grade	9th Grade	10th Grade	11th Grade	Overall
AMELIA EARHART	43.0%	37.0%	59.0%	51.0%	xxx	xxx	xxx	xxx	xxx	46.8%
CANYON CREST	71.0%	70.0%	58.0%	63.0%	xxx	xxx	xxx	xxx	xxx	66.0%
EDGEMONT	49.0%	54.0%	47.0%	73.0%	xxx	xxx	xxx	xxx	xxx	54.8%
PROVO PEAKS	37.0%	32.0%	67.0%	64.0%	xxx	xxx	xxx	xxx	xxx	49.6%
FRANKLIN	31.0%	23.0%	31.0%	34.0%	xxx	xxx	xxx	xxx	xxx	29.8%
LAKEVIEW	68.0%	64.0%	54.0%	71.0%	xxx	xxx	xxx	xxx	xxx	63.4%
PROVOST	55.0%	58.0%	71.0%	67.0%	xxx	xxx	xxx	xxx	xxx	62.3%
ROCK CANYON	68.0%	64.0%	45.0%	69.0%	xxx	xxx	xxx	xxx	xxx	62.4%
SPRING CREEK	46.0%	24.0%	58.0%	63.0%	xxx	xxx	xxx	xxx	xxx	47.3%
SUNSET VIEW	34.0%	35.0%	45.0%	43.0%	xxx	xxx	xxx	xxx	xxx	39.4%
TIMPANOGOS	36.0%	36.0%	20.0%	43.0%	xxx	xxx	xxx	xxx	xxx	33.3%
WASATCH	71.0%	55.0%	47.0%	59.0%	xxx	xxx	xxx	xxx	xxx	57.9%
WESTRIDGE	53.0%	48.0%	38.0%	55.0%	xxx	xxx	xxx	xxx	xxx	48.1%
CENTENNIAL	xxx	xxx	xxx	xxx	66.0%	66.0%	xxx	xxx	xxx	66.5%
DIXON	xxx	xxx	xxx	xxx	40.0%	44.0%	xxx	xxx	xxx	41.7%
PROVO HIGH	xxx	xxx	xxx	xxx	xxx	xxx	33.0%	39.0%	xxx	42.2%
TIMPVIEW HIGH	xxx	xxx	xxx	xxx	xxx	xxx	54.0%	52.0%	xxx	54.0%
INDEPENDENCE HIGH	xxx	xxx	xxx	xxx	xxx	xxx	3.0%	9.0%	xxx	6.3%

School	MATH									
	3rd Grade	4th Grade	5th Grade	6th Grade	7th Grade	8th Grade	Secondary	Secondary II	Secondary II	Overall
AMELIA EARHART	33.0%	51.0%	56.0%	40.0%	xxx	xxx	xxx	xxx	xxx	44.6%
CANYON CREST	76.0%	78.0%	71.0%	59.0%	xxx	xxx	xxx	xxx	xxx	71.8%
EDGEMONT	32.0%	67.0%	60.0%	74.0%	xxx	xxx	xxx	xxx	xxx	58.9%
PROVO PEAKS	43.0%	36.0%	69.0%	14.0%	xxx	xxx	xxx	xxx	xxx	48.6%
FRANKLIN	35.0%	32.0%	26.0%	28.0%	xxx	xxx	xxx	xxx	xxx	29.9%
LAKEVIEW	59.0%	72.0%	68.0%	56.0%	xxx	xxx	xxx	xxx	xxx	64.3%
PROVOST	72.0%	68.0%	66.0%	43.0%	xxx	xxx	xxx	xxx	xxx	63.6%
ROCK CANYON	66.0%	80.0%	49.0%	68.0%	xxx	xxx	xxx	xxx	xxx	67.0%
SPRING CREEK	48.0%	40.0%	68.0%	62.0%	xxx	xxx	xxx	xxx	xxx	55.9%
SUNSET VIEW	28.0%	45.0%	48.0%	38.0%	xxx	xxx	xxx	xxx	xxx	40.5%
TIMPANOGOS	21.0%	49.0%	37.0%	42.0%	xxx	xxx	xxx	xxx	xxx	37.7%
WASATCH	68.0%	69.0%	53.0%	53.0%	xxx	xxx	xxx	xxx	xxx	60.9%
WESTRIDGE	50.0%	53.0%	49.0%	64.0%	xxx	xxx	xxx	xxx	xxx	53.4%
CENTENNIAL	xxx	xxx	xxx	xxx	69.0%	53.0%	97.0%	xxx	xxx	63.6%
DIXON	xxx	xxx	xxx	xxx	51.0%	43.0%	91.0%	xxx	xxx	46.2%
PROVO HIGH	xxx	xxx	xxx	xxx	xxx	xxx	21.0%	34.0%	48.0%	30.9%
TIMPVIEW HIGH	xxx	xxx	xxx	xxx	xxx	xxx	30.0%	48.0%	75.0%	46.3%
INDEPENDENCE HIGH	xxx	xxx	xxx	xxx	xxx	xxx	4.0%	0.0%	xxx	2.5%

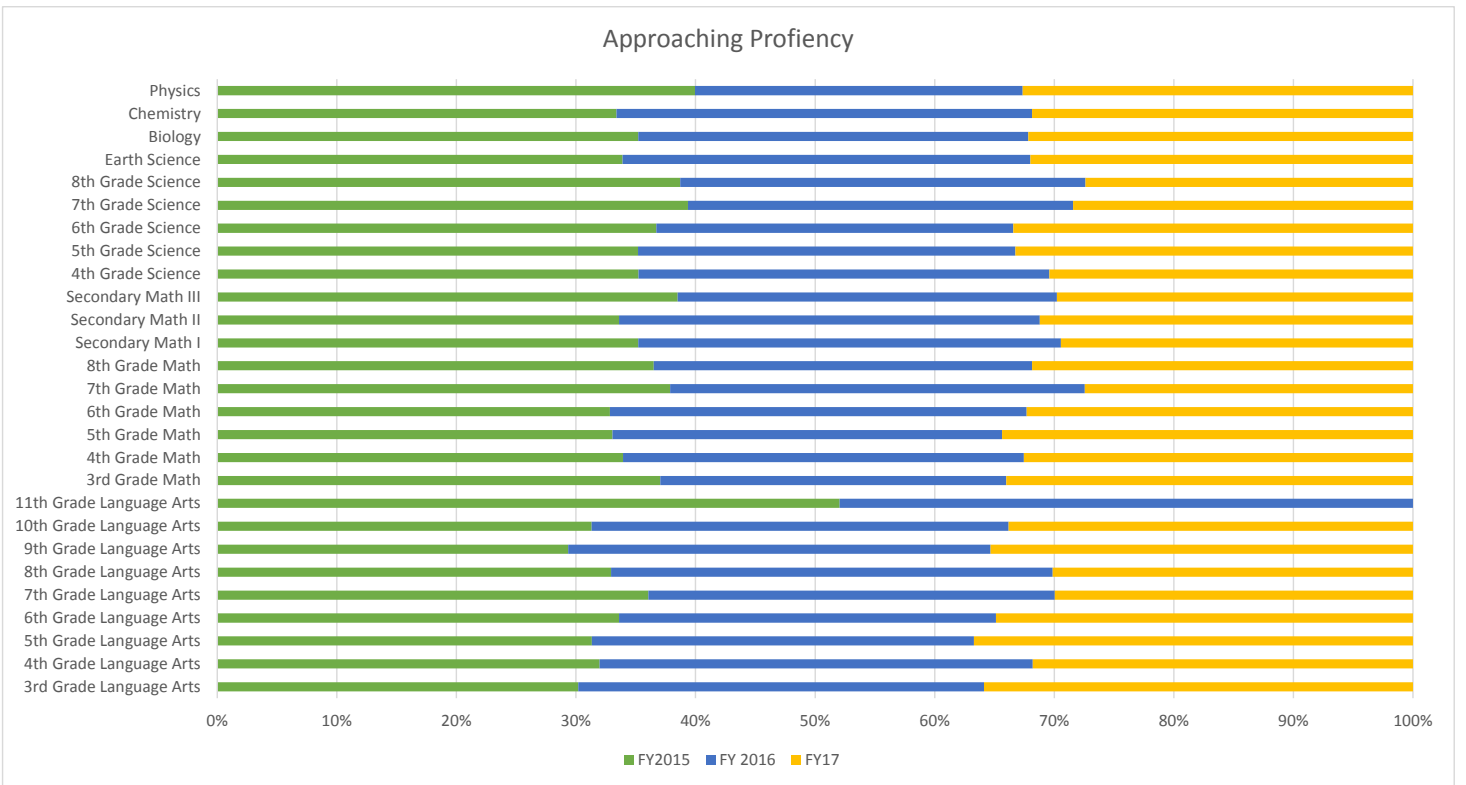
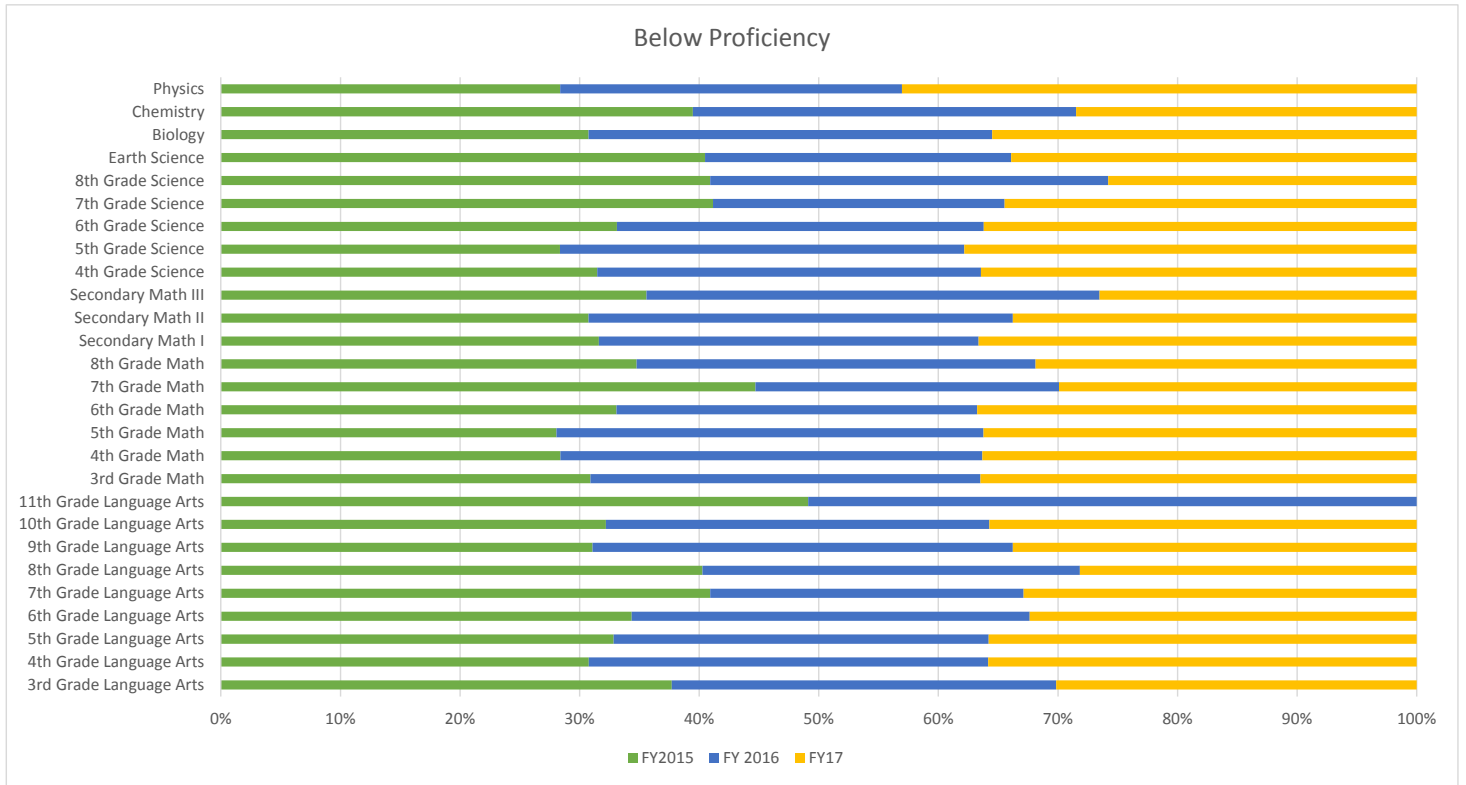
Sources: Utah State Office of Education; District data

School	SCIENCE									Overall
	4th Grade	5th Grade	6th Grade	7th Grade	8th Grade	Biology	Chemistry	Earth Scienc	Physics	
AMELIA EARHART	49.0%	61.0%	57.0%	xxx	xxx	xxx	xxx	xxx	xxx	55.4%
CANYON CREST	71.0%	49.0%	76.0%	xxx	xxx	xxx	xxx	xxx	xxx	65.3%
EDGEMONT	55.0%	77.0%	77.0%	xxx	xxx	xxx	xxx	xxx	xxx	67.5%
PROVO PEAKS	20.0%	62.0%	54.0%	xxx	xxx	xxx	xxx	xxx	xxx	43.8%
FRANKLIN	30.0%	39.0%	26.0%	xxx	xxx	xxx	xxx	xxx	xxx	32.4%
LAKEVIEW	83.0%	59.0%	59.0%	xxx	xxx	xxx	xxx	xxx	xxx	69.5%
PROVOST	51.0%	69.0%	51.0%	xxx	xxx	xxx	xxx	xxx	xxx	57.1%
ROCK CANYON	58.0%	77.0%	77.0%	xxx	xxx	xxx	xxx	xxx	xxx	59.0%
SPRING CREEK	54.0%	64.0%	64.0%	xxx	xxx	xxx	xxx	xxx	xxx	47.2%
SUNSET VIEW	33.0%	32.0%	29.0%	xxx	xxx	xxx	xxx	xxx	xxx	31.4%
TIMPANOGOS	26.0%	30.0%	49.0%	xxx	xxx	xxx	xxx	xxx	xxx	34.2%
WASATCH	54.0%	63.0%	58.0%	xxx	xxx	xxx	xxx	xxx	xxx	58.9%
WESTRIDGE	50.0%	37.0%	62.0%	xxx	xxx	xxx	xxx	xxx	xxx	49.5%
CENTENNIAL	xxx	xxx	xxx	66.0%	73.0%	xxx	xxx	xxx	xxx	70.4%
DIXON	xxx	xxx	xxx	43.0%	53.0%	xxx	xxx	xxx	xxx	48.3%
PROVO HIGH	xxx	xxx	xxx	xxx	xxx	28.0%	41.0%	xxx	21.0%	41.5%
TIMPVIEW HIGH	xxx	xxx	xxx	xxx	xxx	56.0%	70.0%	41.0%	71.0%	57.8%
INDEPENDENCE HIGH	xxx	xxx	xxx	xxx	xxx	15.0%	xxx	22.0%	xxx	17.7%

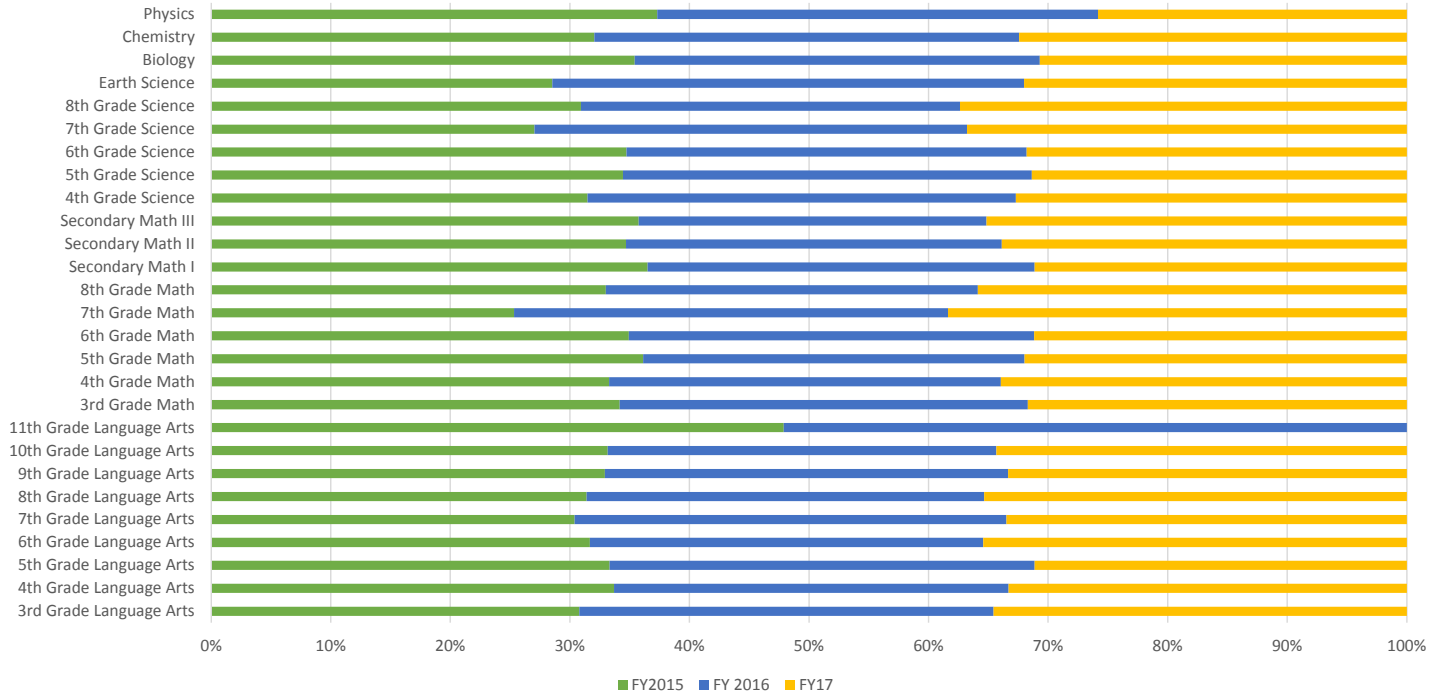


Student Performance: SAGE Trends

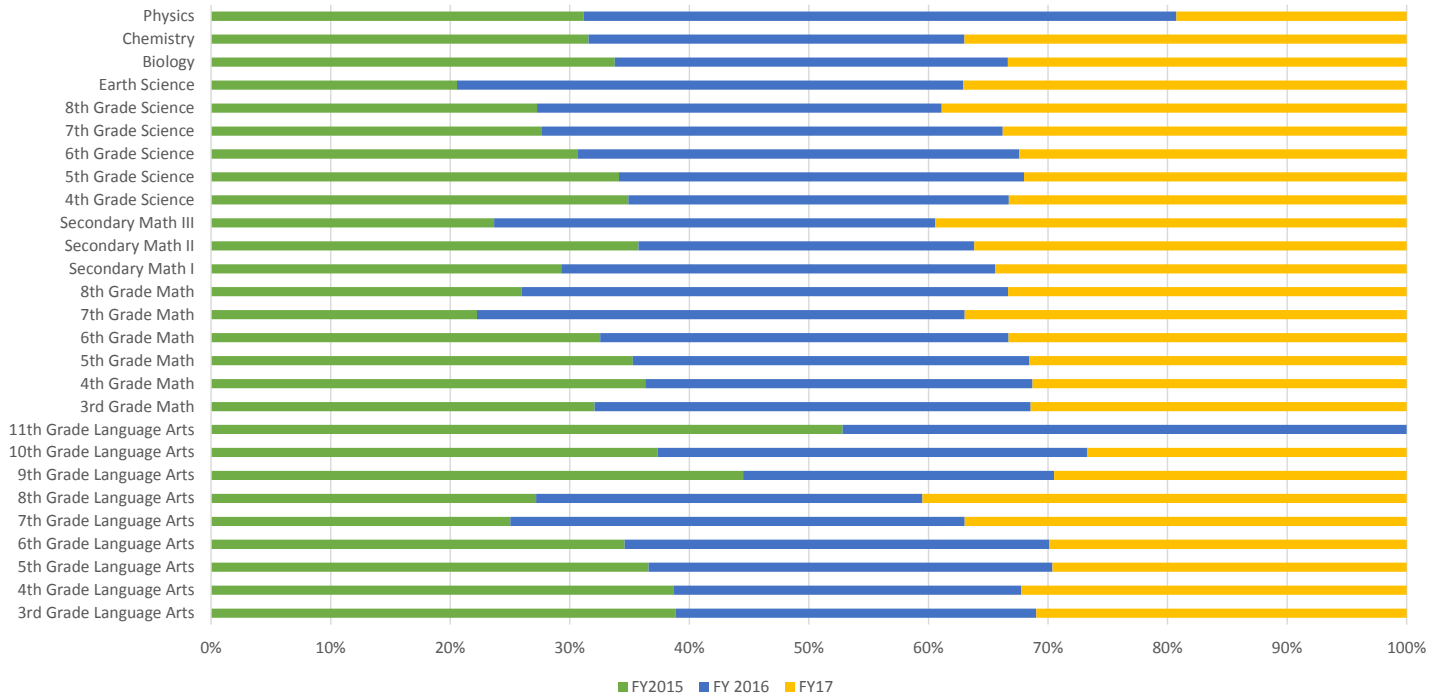
FY 2015 - FY 2017



Proficient



Highly Proficient



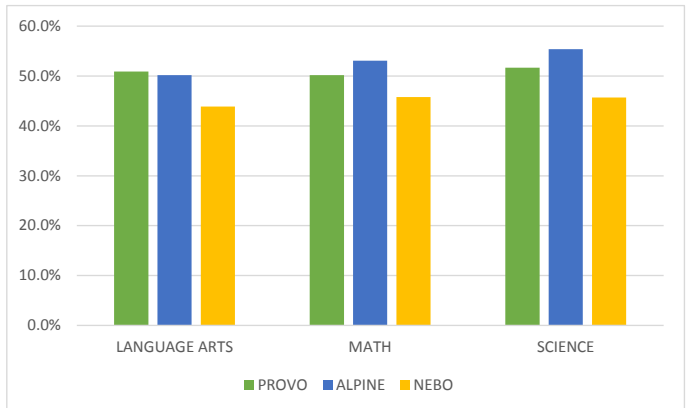
Student Performance: SAGE - State Comparison

2016-17

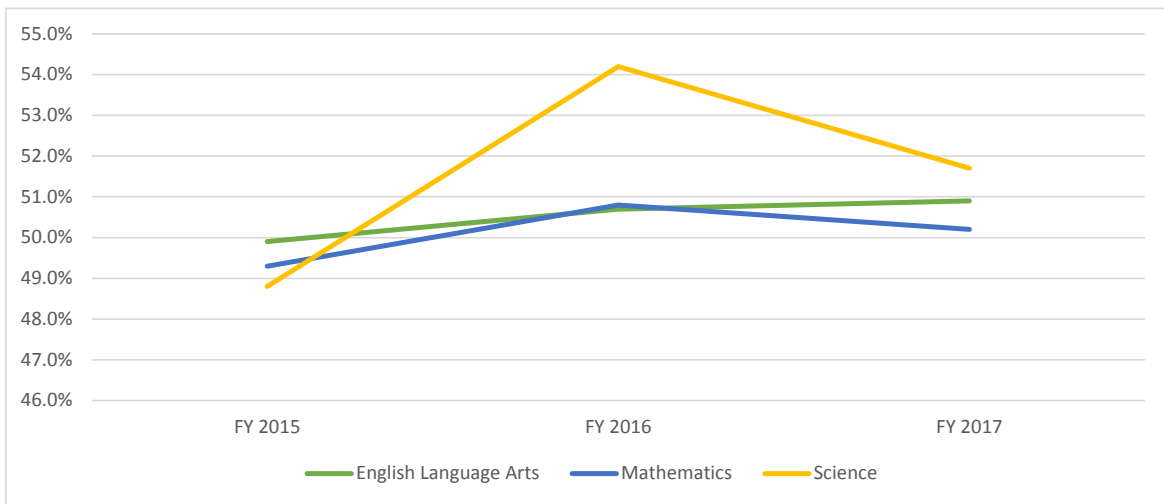
There are two other districts in Utah county which Provo competes with in regards to hiring and employee retention. As a result, it is sometimes interesting to see how our student assessments compare with these competing districts and the state average. The below chart is based on preliminary 2016-17 data, and it is important to keep in mind that Provo has a higher At-Risk student population than either Alpine or Nebo.

SAGE District Overall Proficiency - 2016-17

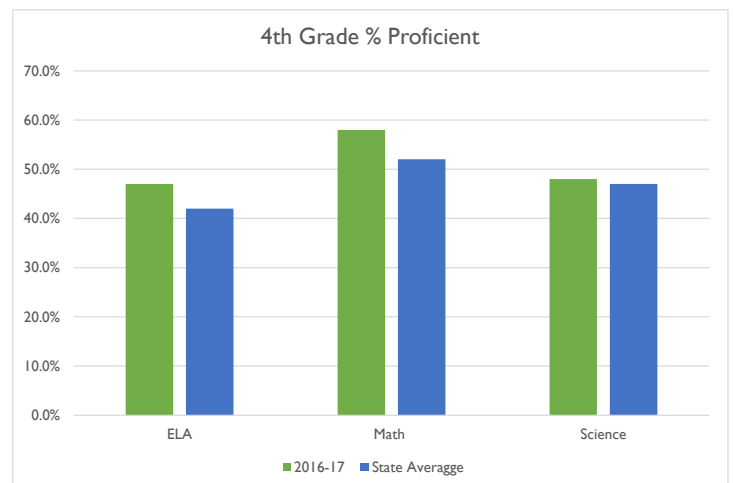
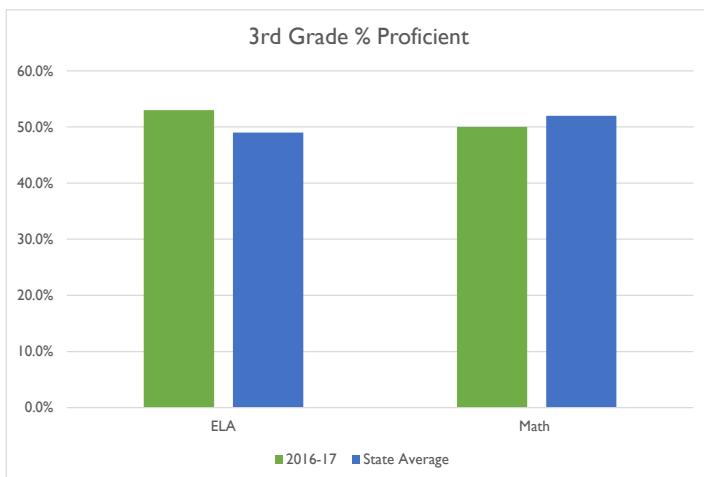
SAGE SUMMARY SCORES			
	LANGUAGE ARTS	MATH	SCIENCE
PROVO	50.9%	50.2%	51.7%
ALPINE	50.2%	53.1%	55.4%
NEBO	43.9%	45.8%	45.7%

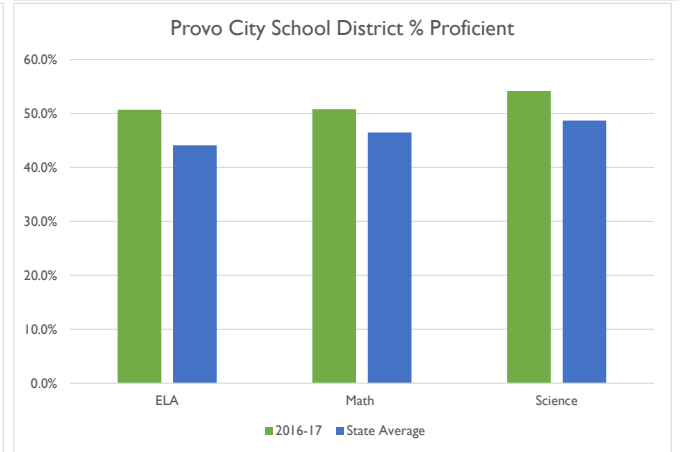
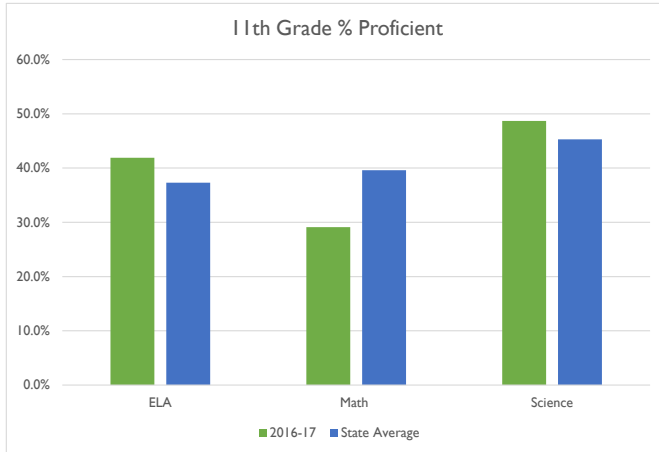
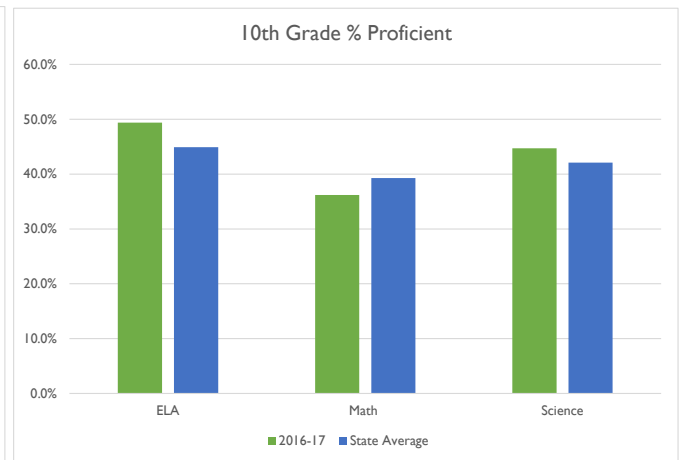
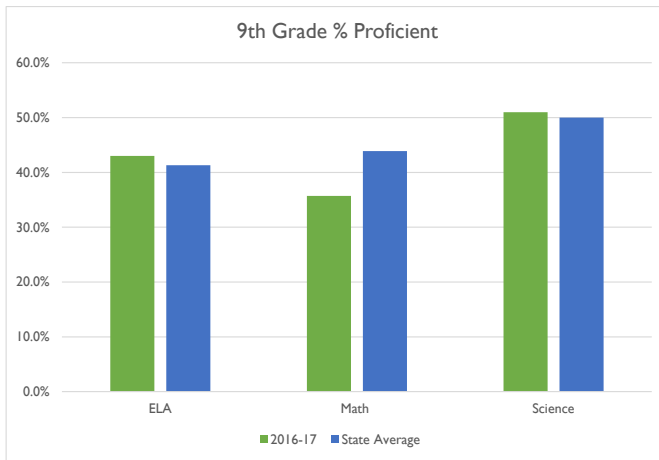
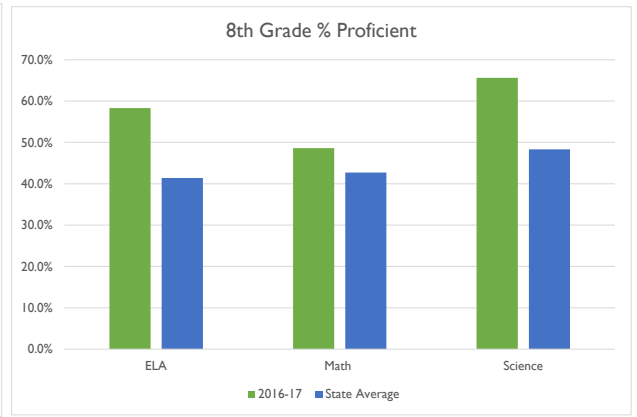
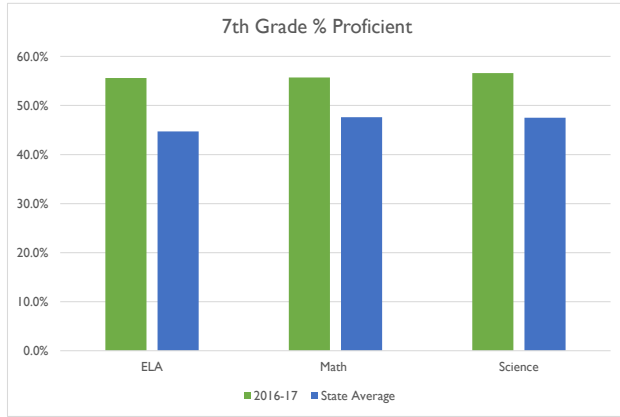
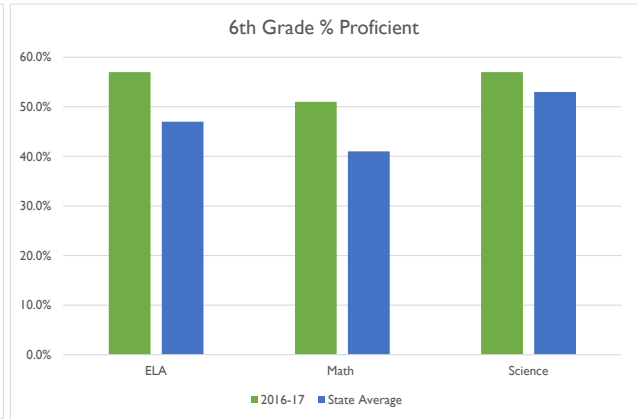
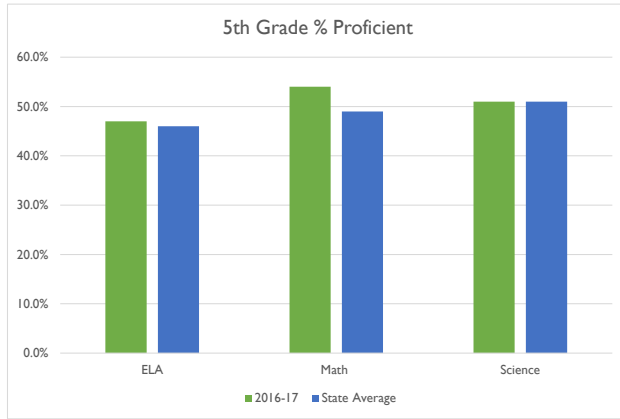


SAGE Proficiency by Year - FY 2015 - FY 2017



SAGE Proficiency by Grade - 2016-17

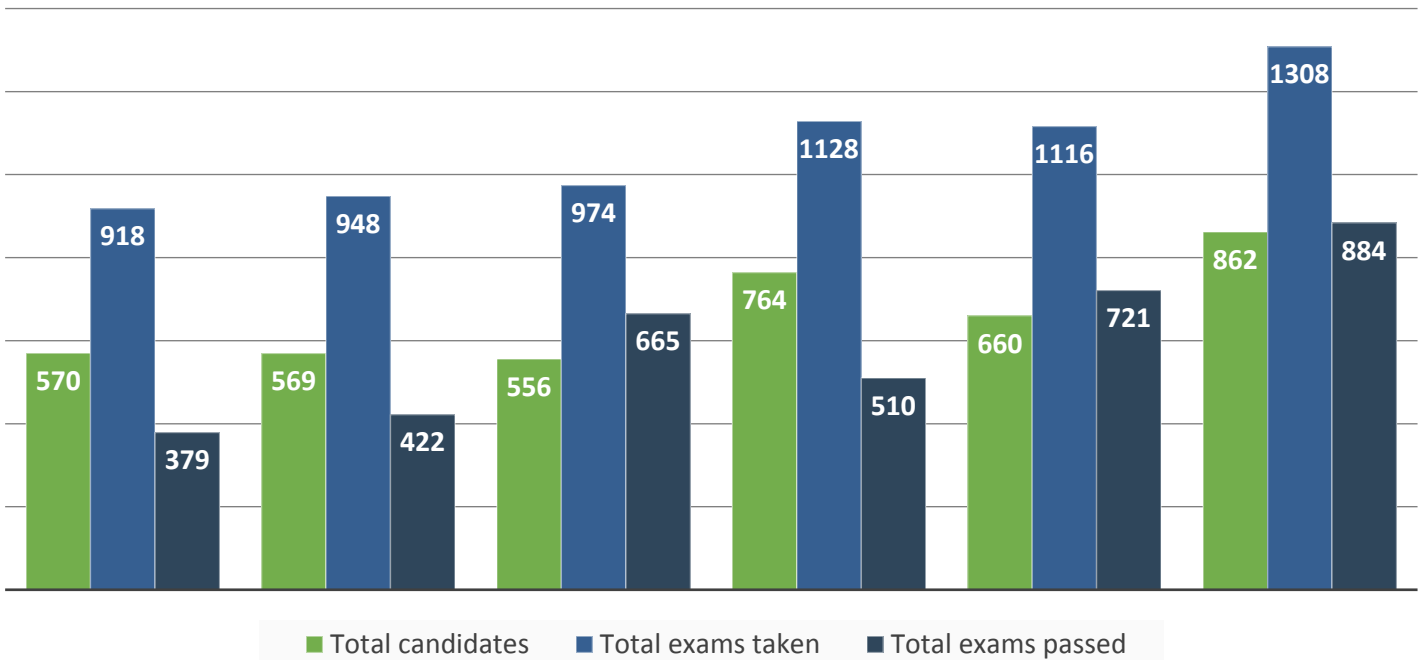




Student Performance: Advanced Placement Tests & ACT Participation

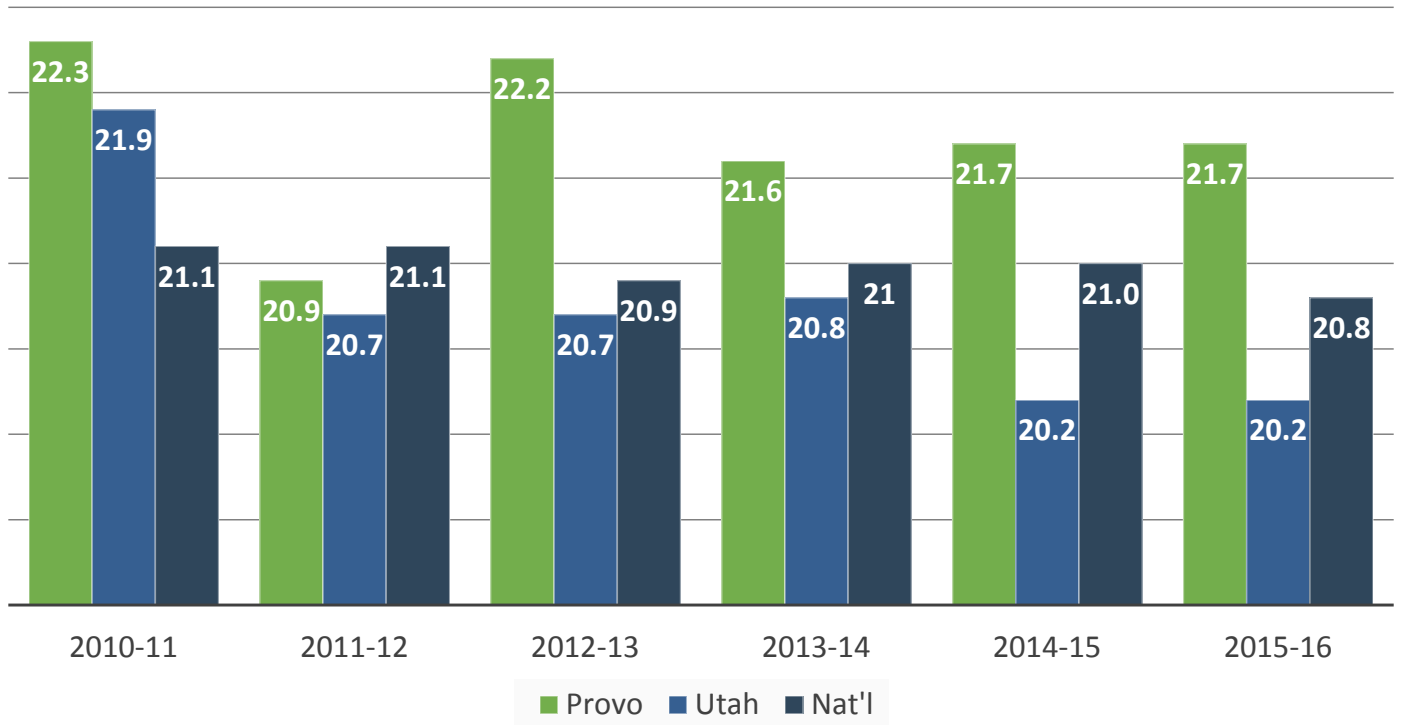
“Success” on an AP Exam is defined as an exam score of 3 or higher, which represents the score point that research finds predictive of college success and college graduation. These findings have held consistent across the decades. One example of such a study comes from the National Center for Educational Accountability, which found that an AP Exam score, and a score of 3 or higher in particular, is a strong predictor of a student’s ability to persist in college and earn a bachelor’s degree.

High School AP Exam Results - 2011-16 (most recent)



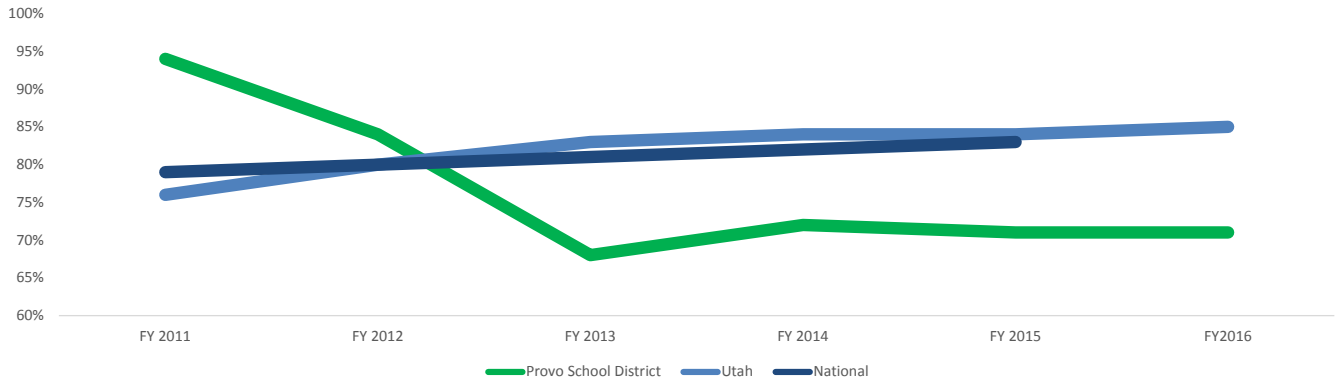
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Total Candidates	570	569	556	764	660	862
Total Exams Taken	918	948	974	1128	1116	1308
Total Exams Passed	379	422	665	510	721	884
Provo Average Passed	65%	69%	68%	67%	71%	61%

ACT Exam Results - 2011-16



Student Performance: Graduation Trends

2011-16



At 71%, the District’s graduation rate for the 2016 school year is substantially lower than the average rate in the State of Utah, and also lower than the last available national rate of 83% (FY2015). While Provo High’s rate for FY16 was 87% and Timpview High’s was 86%, Provo also offers other options for students that don’t fit well into these traditional school programs but are still factored in to the overall District graduation rates. Provo School District’s alternative high school, Independence High, for example, lagged far behind our traditional high schools with a graduation rate of 32% and our eSchool program’s rate of 9% also drastically affected the district’s overall graduation rate last year. While the District average is lower than desired, it is important to note that looking at just the District rate as a whole does not necessarily indicate programmatic success.

Student Performance: High School Graduation Rates

2015-16



Source: U.S. Department of Education and Utah State Office of Education

Glossary

Accrual: allows an entity to record expenses and revenues for which it expects to expend cash or receive cash, respectively, in a future reporting period

Allocation: an amount (usually money or staff) designated for a specific purpose or program.

Amortization: the paying off of debt in regular installments over a period of time

Annual Yearly Progress (AYP): a measurement used by the U.S. Department of Education to determine how every public school and school district in the country is performing academically according to the results on standardized tests.

Appropriation: an authorization, usually limited in amount and time, granted by a legislative body to make expenditures and to incur obligations for specific purchases.

Assessed Valuation (AV): the value of taxable businesses and residences. The District's overall tax rate is determined by the combined assessed value of all businesses and residences in Provo City.

Asset: an economic benefit obtained or controlled by the District as a result of a past transaction or event.

Average Daily Membership (ADM): the aggregate days of student membership in a school during a typical 180 day school year, divided by the total number of school days in session during the same period. Each student who remains in membership for 180 days equals one ADM.

Balance Sheet: a summary of the District's balances. Assets, liabilities and fund balances (called "equity" in non-governmental accounting) are included on the balance sheet.

Balanced Budget: The District considers the budget balanced when total expenditures are equal to total revenues. However, there are instances when revenues exceed expenditures, or when expenditures exceed revenues but residual fund balances are used to make up the difference.

Basic School Program: programs for kindergarten, elementary, and secondary school students that are operated and maintained for the amount derived by multiplying the number of Weighted Pupil Units (WPU) for each district or charter school by the value of the Weighted Pupil Unit.

Board of Education: the governing body of a school district comprised of elected representatives. In Provo, the Board consists of seven members elected to four-year terms.

Bond: a funding tool representing a written promise to pay a specific sum (principal amount) in the future (maturity date), plus interest. Bonds are only used to finance capital improvements.

Budget: a plan of financial operation consisting of an estimate of proposed expenditures for a given period and the proposed means to finance them.

Budget Initiatives: short-term goals or objectives the District intends to accomplish in the near future. Initiatives should support the District's mission and long-term goals.

See a word or phrase in this book that you feel should be included in the glossary? Let us know:

budget@provo.edu

Consumer Price Index: a statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of cost of living and economic inflation.

Cost Center: part of the District that does not produce direct profit and adds to the cost of running the overall organization (e.g., purchasing department, human resources).

Criterion Referenced Tests (CRT): standardized tests administered to grades 2 thru 11 used in Utah to test students' mastery of the Utah Core Curriculum.

Debt Service: cash required over a given period for the repayment of interest and principal on a debt.

Depreciation: the expiration of the useful life of District assets, attributable to age, wear and tear, and obsolescence.

Encumbrance: a method of reserving funds for purchase orders, salary contracts, and other financial commitments which are forthcoming.

Expenditure: a charge that is incurred, presumably to benefit the District.

Fall Enrollment Report: the audited census of students registered in Utah public schools as reported in the audited October 1 Fall Enrollment Report from the previous year.

Fiscal Year (FY): a 12 month period beginning July 1st and ending June 30th each year. The District's budget operates annually on this schedule.

Full-time Equivalent (FTE): a unit of workforce measurement. An employee hired to fill a normal contract day of approximately 8 hours is considered 1.0 FTE. An assistant that works 1/2 time is considered 0.5 FTE, and so forth.

Function: a relatively broad grouping of related expenditures or revenues aimed at accomplishing a common objective.

Fund: a segregation of accounting and financial resources, each with cash and other assets, liabilities, and fund balances.

Fund Balance: the difference between assets and liabilities (see "asset" and "liability").

General Fund: to account for resources which are not required to be accounted for in any other fund. Revenue and expenditures of categorical federal and state programs for a student's regular day school are accounted for in this fund.

GASB 54: a fund balance statement which classifies balances based primarily on the extent to which the District is bound to observe constraints placed on the use of the funds.

Indirect costs: costs that are associated with, but not directly attributable to, a specific program or

Legal debt limit: the amount of debt the District can enter into; based on the overall taxable market value of Provo City multiplied by 4%.

Legal debt margin: amount of debt the District can enter into after current debt is included. Can be classified as a percentage or dollar amount. See "Legal debt limit."

Liability: an obligation of the District arising from past transactions or events. Liabilities are recorded on the District's balance sheet.

Major Fund: funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds

Minimum School Program: the primary funding source for the school districts and chart schools in Utah. MSP funds are distributed according to formulas provided by State law and State Board rules.

Modified Accrual Basis: Government accounting method where revenue is recognized when it becomes available and measurable. Expenditures are typically recognized in the period in which liability is incurred.

No Child Left Behind Act (NCLB): a nationwide accountability system for schools receiving federal funding. Schools must show annual progress for certain student groups on assessments determined by each state.

Non-major Fund: funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are less than 10 percent of corresponding totals for all governmental and enterprise funds and are less than 5 percent of the aggregate amount for all governmental and enterprise funds

Non-routine expenditure: expenditures that occur infrequently and are not typically part of normal operations.

Object: as used in expenditures classification, identifies the type of article or service obtained (e.g., supplies, equipment, purchased services).

PACE: an initiative by the governor of Utah combining educational and economic goals to ensure that 2/3 of all working-age Utahns will have or will obtain a post-secondary degree or certificate by 20/20.

Program: a group of activities, operations, or organizational units directed to attaining specific purposes or objectives (e.g., transportation, school lunch, dual immersion).

Regression analysis: a statistical method that can be used for predicting future numerical values. The District uses a form of regression analysis when projecting future enrollment, revenues, and other figures.

Revenue: actual income the District receives from external sources. Donated items of value are not counted as revenue.

Student Assessment for Growth and Excellence (SAGE): Utah's new computer adaptive assessment system. The system uses a software algorithm that adapts the test in real time, responding to the accuracy of a student's performance.

Tax Rate: an amount of tax stated in terms of a unit of the tax base (e.g., a tax rate of 0.005 is equal to

Utah Comprehensive Accountability System (UCAS): a new accountability system used by the state of Utah to determine school/student performance which has replaced UPASS.

Utah Performance Assessment System for Students (UPASS): a comprehensive assessment of school performance based on attendance records, standardized test scores, and graduation rates. Replaced in FY 2014 by UCAS.

Weighted Pupil Unit (WPU): a unit of measure used to determine the needed amount of state funding in a fair and equitable way.

Zero-based budgeting: a method of budgeting used by the District in which all expenses must be justified each year. Zero-based budgeting starts from a “zero base” and every program within the District is analyzed to determine viability and cost. Budgets are then built around what is needed for the upcoming year, regardless of whether the budget is higher or lower than the previous one.



If you have any questions regarding the budget of Provo City School District, or this budget guide in particular, please call the Business Office of the District at (801) 374-4848, or contact us by email at budget@provo.edu. The web address is: www.provo.edu/dep/busadmin/.

Thank you for your interest and continued support of Provo City School District.

ProvoCitySchoolDistrict

