

2009-10

# PROVO CITY SCHOOL DISTRICT

*"Provo City School District assists the Provo-Orem Chamber in attracting and retaining businesses to the area by providing a high-quality education for the children of Provo City while keeping property tax rates the lowest in the county."*

**Steve Densley**  
President, Provo-Orem  
Chamber of Commerce



280 West 940 North  
Provo, Utah 84604  
(801) 374-4800



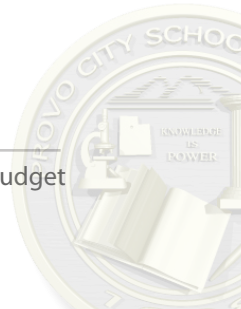
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# ANNUAL BUDGET





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Provo City School District  
280 West 940 North  
Provo, Utah 84604

# 2009-10 ANNUAL BUDGET

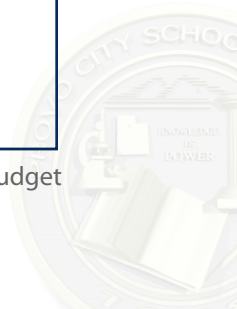
*For Fiscal Year Ending June 30, 2010*

Randall J. Merrill, Ed.D.  
Superintendent of Schools

Kerry J. Smith  
Business Administrator  
Certified Public Accountant

Prepared by:

Mark J. Holley  
Financial Analyst



## **Budget Recognition**

### **Association of School Business Officials International (ASBO)**

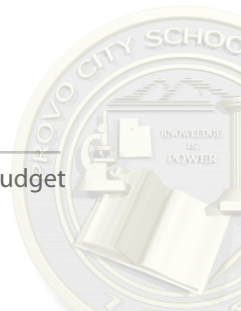
The Association of School Business Officials International (ASBO) awarded the *Meritorious Budget Award* for excellence in the preparation and issuance of a 2008-09 school system annual budget to Provo City School District.

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<sup>®</sup>, is only conferred on school systems that have met or exceeded the Meritorious Budget Award Program Criteria. We believe our current FY 2009-10 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, 2008. 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.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



**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 school system budget  
for the Fiscal Year 2008-2009.

The budget is judged to conform  
to the principles and standards of the  
ASBO International Meritorious Budget Awards Program.

*Angel Peteman*  
President

*John D. Musso*  
Executive Director





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

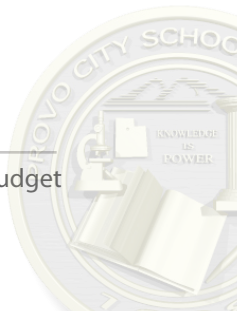
**Provo City School District  
Utah**

For the Fiscal Year Beginning

**July 1, 2008**

President

Executive Director



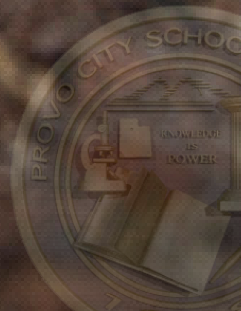
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*"Education's purpose is to replace an empty mind with an open one."*

*- Malcolm Forbes*





# CONTENTS

## **Introductory Section 1**

Executive Summary	2
Elected and Appointed Officials	4
Budget Message	5
Budget Development and Review Process	10
Revenue Summary and Highlights	11
Expenditure Summary and Highlights	12
Per Pupil Spending Comparison	13

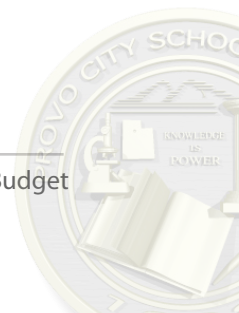
## **Organizational Section 18**

The District Entity	19
Significant Laws Affecting this Budget	20
Financial and Budget Administration Policies	22
Budget Development and Review Process	24
Capital Budget Development	24
Budget Administration and Management Process	25
Definition of a Balanced Budget	25
Budget Approval and Adjustment Process	26
Method of Classifying Revenues and Expenditures	27
Basis of Budgeting	27
Revenue Projection Methodology	27
Impact of Planning Processes on the Budget	28
Budget Timeline	29
Budget Initiatives Public Input/Surveys	30
Goals and Objectives	33
Mission Statement	38
Voting Precincts	39
Elementary School Boundaries	40
Description of Departments	41
Organizational Chart	44
Comparison of Staffing Levels by Function	45
Description of District Funds	46
Functions Used by the District	47



## Financial Section 50

Major Revenue Sources	51
Revenue Projection Assumptions	52
State of Utah	53
Description of Large State Programs	55
Local Sources - Property Tax	56
Local Sources - Other Local Revenue	57
Federal Sources	58
Description of Largest Federal Programs Operated by the District	59
Federal Sources - American Recovery and Reinvestment Act of 2009 (ARRA)	60
Financial Schedules and Charts	61
Expenditure Comparison by Function - All Funds	62
Summary of Budgets by Fund and Function	63
Expenditures by Fund and Object	64
Summary of Budgets	65
General Fund	66
Capital Projects Fund	67
Debt Service Fund	68
Student Activities Fund	69
Non K-12 Fund	70
Building Reserve Fund	71
Food Services Fund	72
Fund Balance Definition	73
Schedule of Changes in Fund Balance	73
Statement on Changes to Fund Balance	74
Major Revenues and Expenditures by Fund	76
Major Funds	76
General Fund	77
Capital Projects Fund	85
Debt Service Fund	90
Non-major Funds	93
Student Activities Fund	94
Non K-12 Fund	97
Building Reserve Fund	100
Food Services Fund	101



Capital Projects and Debt Service Supplementary Information	104
Definition of Capital Expenditures	105
Significant Non-routine Capital Expenditures	105
Other Significant Non-routine Capital Expenditures	106
Effect on Operations of Major Capital Projects	106
Ongoing Annual Operational Savings from Capital Improvement Projects	106
Capital Improvement Plan	107
Long-term Capital Improvement Plan	107
Long-term Capital Improvement Study	108
Short-term Capital Improvement List	109
Debt Obligations as of June 30, 2009	110
Debt Management Policies	110
Relationship of Debt Levels to Legal Debt Limit	111
Impact of Debt on Operations	111

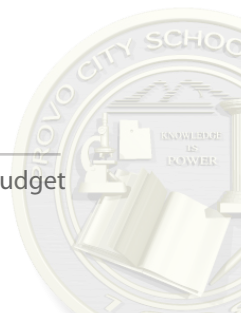
### **Informational Section 113**

Demographic and Economic Profile	114
Utah Economic Environment	117
Assessed Market Value of Property	127
Detailed Schedule of Property Tax	128
Impact of Property Taxes on Taxpayers	130
Property Tax Rate Comparison	131
Basis of Tax Rate	132
Statewide Comparison of Assessed Values	133
Basis of Budget Forecast - Revenues	134
Basis of Budget Forecast - Expenditures	135
Budget Forecast	136
General Obligation Bonds and Amortization Schedule	143
Provo City School District Trends and Statistics	144
Personnel Resource Allocation - FTE Comparison of Staffing Levels by Function	145
Top 15 School Districts in Utah for 2008-09 by Enrollment	146
Enrollment Trends	147
Building Information	151
FY 2009-10 Per-Pupil Expenditures	156
Average Class Size	157
Enrollment Demographics and Comparisons	158
Historical Costs/Supplementary Charts	162
Testing Statistics	165
Graduation Rates	169
Dropouts by Grade	170

Glossary	171
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# INTRODUCTORY SECTION



# PROVO CITY SCHOOL DISTRICT

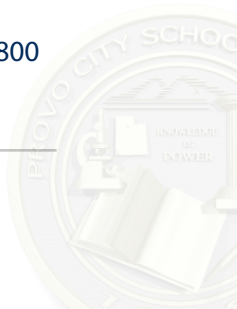


## Executive Summary

### FY 2009-10 Annual Budget

280 West 940 North Provo, Utah 84604 (801) 374-4800

On the web: [www.provo.edu](http://www.provo.edu)



## Provo City School District Board of Education and Officers



Front (left to right): Sue Curtis, Carolyn Wright, Shannon Poulsen, Kristine Manwaring, Mary Ann Christiansen  
Back (left to right): Kerry Smith, Richard Sheffield, Darryl Alder, Dr. Randall J. Merrill



**Provo City School District**  
Elected and Appointed Officials  
FY 2009-10

**Board of Education**

---

**Sue Curtis**  
Precinct 1  
Present Term: 2006 - 2010  
Initial Appointment: 2004

**Carolyn Wright**  
Precinct 2  
Present Term: 2006 - 2010  
Initial Appointment: 2002

**Richard Sheffield**  
Precinct 3  
Present Term: 2004 - 2008  
Initial Appointment: 2000

**Shannon Poulsen**  
Precinct 4  
Present Term: 2006 - 2010  
Initial Appointment: 2002

**Darryl Alder**  
Precinct 5  
Present Term: 2004 - 2008  
Initial Appointment: 2000

**Kristine Manwaring**  
Precinct 6  
Present Term: 2008 - 2012  
Initial Appointment: 2008

**Mary Ann Christiansen**  
Precinct 7  
Present Term: 2004 - 2008  
Initial Appointment: 2004

**District Administration**

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**Randall J. Merrill, Ed.D.**  
Superintendent  
Initial Appointment: 2003

**Kerry J. Smith, C.P.A., M.B.A.**  
Business Administrator  
Initial Appointment: 2003

**Ray Morgan**  
Asst. Superintendent  
Curriculum

**Bob Gentry**  
Personnel Director

**Cindy Wright**  
Associate Personnel Director

**Ted Kelly**  
Special Programs &  
Technology Support

**Greg Hudnall**  
Student Services

**Joe Gledhill**  
Facilities

**Jared Ferguson**  
Career Technology Education

**Stefanie Bryant, C.P.A.**  
Director of Accounting

**Mark Holley**  
Financial Analyst

**Jenilee McComb**  
Director of Food Services

**Elementary  
School Administration**

---

Amelia Earhart	Jason Cox
Canyon Crest	Patricia Anderson
Edgemont	Dennis Pratt
Farrer	Alex Judd
Franklin	Marlin Palmer
Lakeview	Drew Daniels
Provost	Dr. Steve Oliverson
Rock Canyon	Dean Nielsen
Spring Creek	Jarod Sites
Sunset View	Anne-Marie Harrison
Timpanogos	Diane Bridge
Wasatch	Colleen Densley
Westridge	Gaye Gibbs

**Middle School Administration**

Centennial	Dr. Mitch Swenson
Dixon	Rosanna Ungerman

**High School Administration**

Independence	Sarah Lloyd
Provo	Sam Ray
Timpview	Dr. George Bayles

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:

The 2008-09 school-year turned out to be one of the most difficult financial years in the history of Provo City School District. The 2009-10 school-year promises to present even more financial challenges for the District. The recession that has affected most of the world has taken a toll on Utah as well. Revenue from the State of Utah, the single largest funding source for the District, was cut mid-year in 2008-09, with revenues decreasing \$3.3 million from FY 2007-08 levels and \$5.1 million less than the original approved budget for FY 2008-09. In total, \$7.3 million in state revenue has been cut from District budgets since the onset of the recession, and more cuts are possible.

The recession has also played a role in shrinking the District’s local revenues, as property taxes, the largest component of locally-generated revenues, have weakened due to declining home values. The systemic collapse of the housing market decreased the District’s property taxes by nearly \$1 million in FY 2008-09. For 2009-10, the District anticipates receiving the same amount in property taxes as originally estimated for 2008-09 - despite declining home values - due to the State’s Truth-in-Taxation law. This will, however, result in higher tax rates for property owners. In addition to decreasing home values causing property tax revenues to shrink, interest from investments, another local revenue source for the District, is expected to decline substantially in FY 2009-10 as interest rates are at historic lows.

One bright spot for the District is federal revenue, which was increased by nearly \$5.8 million over the original budget in FY 2008-09, and is projected to increase an additional \$500,000 in FY 2009-10. However, most of the increase to federal revenues is a result of the American Recovery and Reinvestment Act of 2009 (ARRA), and as such is one-time, non-recurring funding. This money is meant to fill gaps and create jobs, not provide long-term support to school districts. As a result, if state revenue isn’t restored once the ARRA funding runs out, the District will be faced with even more drastic cuts. In total, the District anticipates receiving \$111,984,000 in revenue for FY 2009-10, compared to more than \$113 million in FY 2008-09.

Because of this, the Board of Education and District management made the decision in March 2009 to make substantial cuts to District programs. Before these cuts were made, the Board of Education hired a national survey firm to get public input on what the citizens’ priorities were, as severe cuts were inevitable. Because the District goes through a public process when deciding upon a budget, it was important to also involve the public when large-scale cuts had to be made. The results of the phone survey are below, with the cut most preferred listed first, followed by the next most-preferred cut, and so forth.

### Budget Cuts: FY 2008-09 through FY 2009-10

<i>Citizens' Ranking</i>	<i>Potential Budget Cut</i>
1	Delay building maintenance and seismic upgrades (Citizens’ most preferred cut)
2	Reduce teacher preparation time during the school day
3	Reduce the number of school days
4	Raise property taxes
5	Reduce tutoring for reading, writing and math
6	Reduce music or art programs
7	Close one or more schools
8	Raise class size, reducing the number of teachers
9	Cut teacher pay (Citizens’ least preferred cut)



The District has formulated a plan using creative methods of decreasing the budgets in an effort to not increase the tax rate in times of a recession. The methods employed by the District include furloughs, decreased support services including custodial and secretarial services, outsourcing of services, delaying construction projects, and flexible work days to decrease utilities. For FY 2009-10, the District's budgeted expenditures total \$110,402,000, which is down from the FY 2008-09 total of more than \$116 million; although, approximately \$3 million of this decrease is due to the completion of bond projects. The FY 2009-10 figure is also inflated due to the aforementioned ARRA funding.

The Western Wats survey referenced above is just one of the ways the District reaches out to citizens in an effort to involve all stakeholders in setting the priorities of the budget. The District also sent out a mail survey in November to get citizen feedback on the District's short-term goals, or "initiatives" for 2009-10 (listed below). Regardless of the District's available funding for 2009-10, its goals and objectives are based on citizen input from both the mail survey and the phone survey. Both surveys were conducted using a 95% confidence level, and the margin of error for each was approximately 5%.

### **2009-10 Budget Initiatives**

<i>Citizens' Ranking</i>	<i>Budget Initiative</i>
1	Attract and Retain High-Quality Teachers
2	Provide Academic Challenge for All Students
3	Reduce Class Size
4	Promote Love of Learning
5	Increase Support for School Level Instructional Materials
6	Strengthen Communication Between Teachers and Parents
7	Increase School Safety for Children
8	Improve Building Maintenance, Appearance and Safety

In addition to the budget issues faced by the District due to the ongoing recession, the District faces other issues that it must overcome, including a shortage of teachers in critical areas such as math and science, and a backlog of maintenance and structural issues related to its aging buildings. The District also loses school-aged children to charter, private and home schools.

Although the District is faced with very challenging fiscal times, it still enjoys support from the Utah State Legislature, citizens of Provo City, business owners in Provo, employees and students. While still in recession, the State of Utah enjoys the best overall economy in the United States. The State is poised to exit the recession ahead of many states, and the overall impact of the recession has been much less in Utah than in most other states. Much of the economic growth in recent years has come from the Provo area, with numerous technology and service-related industries locating here. This helps bring talented students into the District, and also improves the District's tax base, which lessens the overall tax burden of all citizens.

The District is also fortunate to have a very involved citizenry, and property taxes generated per student in Provo are at or above the state average. The Provo area continues to grow, and the nationwide housing crisis actually appears to be benefitting Provo in some ways, as more families are forced to live in multi-family dwelling units, thereby increasing District enrollment. Provo has substantially more of these types of housing units than surrounding areas. The District's location in Provo also means it is surrounded by over 60,000 college students. These students provide volunteer services to the District and mean more jobs in the area.



The District also opened two new schools in 2008-09. Lakeview Elementary, on the west side of the city, will play a critical role in the future of providing much-needed school services to west-side residents. Timpanogos Elementary, which opened in October 2008, is a beautiful three-story structure located in Provo's central city. Both Lakeview and Timpanogos are among the most technologically advanced schools in the state, with interactive white boards and state-of-the-art mobile computer labs. These schools, built with proceeds from the 2006 bond election, are proving to be anchors of stability in their respective communities. Several other schools have undergone significant renovations over the past three years, including the addition of new classrooms, seismic safety retrofitting, and improvements to reduce utility costs and beautify building exteriors. In all, the District's buildings are in much better shape than they were five years ago, and further improvements are ongoing.

The District has also formed strategic partnerships with several local entities in an effort to provide more services to students. Entities teaming up with the District include Brigham Young University, Utah Valley University, Provo City Police Department, Utah Department of Workforce Services, Utah County Health Department, Brent Brown Autogroup, and many more. These partnerships help the District provide teacher training, dual immersion language programs, police services, extra social workers and many other critical services at a fraction of what it would normally cost the District.

Even during fiscally challenging times, the District is considered by community leaders to be a very well-run organization, from an educational and financial standpoint. This is evidenced by some of positive quotes shown below coming from area leaders:

*"Provo City School District is financially one of the best run school Districts in the state."*

Curt Bramble,  
Utah State Senate

*"Provo City School District assists the Provo-Orem Chamber in attracting and retaining businesses to the area by providing a high quality education for the children of Provo City while keeping property tax rates the lowest in the county. This long-term, forward thinking approach helps us improve the quality of life for Provo City citizens."*

Steve Densley,  
President, Provo-Orem Chamber of Commerce

*"It's hard to imagine a school district that values children and understands the importance of education more than the Provo School District. The time, talent and effort devoted to the education of the children of this community every day is inspiring. Over the years, Provo City and the School District have found many ways to share resources and work together to overcome our similar challenges and meet our mutual needs. Probably the most important thing we do in our community is educate our kids. It's a privilege to be of help and support to the School District in all that they do."*

Lewis Billings  
Mayor, Provo City

*"Utah Community Credit Union is pleased to be a partner with Provo City School District. As Vice President I am impressed with their determination to be fiscally responsible to the citizens of Provo. I am also grateful for the service they provide to all the children and families in Provo. Helping our children get a good education and have a positive experience while in school is a noteworthy goal."*

Brad Norton  
Vice President, Utah Community Credit Union



*"Brent Brown Automotive Group has helped Provo School District provide high-quality after-school programs for over six years. We believe the District consistently produces motivated graduates that make a difference in the local community and the business world."*

Brent Brown  
Founder and CEO, Brent Brown Autogroup

The Fiscal Year 2009-10 budget was a community effort. The public was involved in setting District priorities and expectations more than at any time in recent history. During the past two years, the District was in an expansion mode, with exciting new programs opening up and generous compensation increases for employees. For the 2009-10 budget, the District has had to retract services. Over 300 positions have been eliminated, and contracted employees will receive a pay decrease in the form of a furlough. However, the District, with citizen and employee involvement, has the ability to exit the recession a stronger organization. Even with the recent challenges and issues that need to be resolved in the near-term, the future of Provo City School District is very bright. It is our hope that citizens and employees will use this budget document as a resource to better understand where the District has been and where it is headed.

Respectfully submitted,



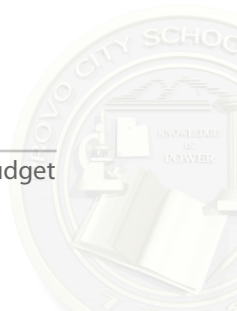
Randall J. Merrill, Ed.D.  
Superintendent of Schools



Kerry J. Smith, C.P.A., M.B.A.  
Business Administrator



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## Budget Development and Review Process

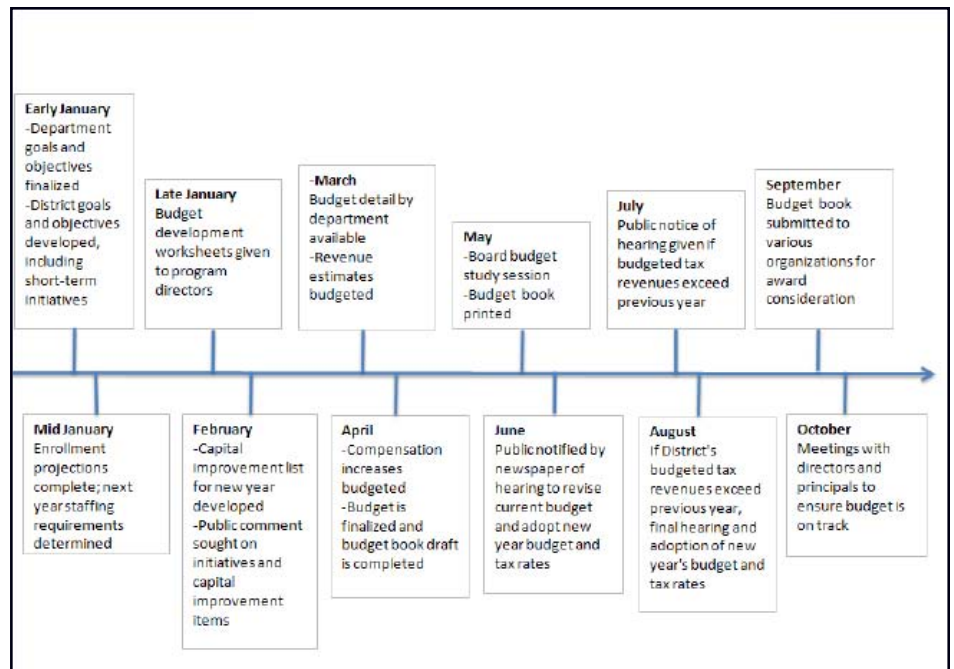
The District uses an annual budget, with fiscal years beginning July 1st and ending June 30th each year. Budget development is a year-round process, affecting the public, legislature, employees and the Board of Education.

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

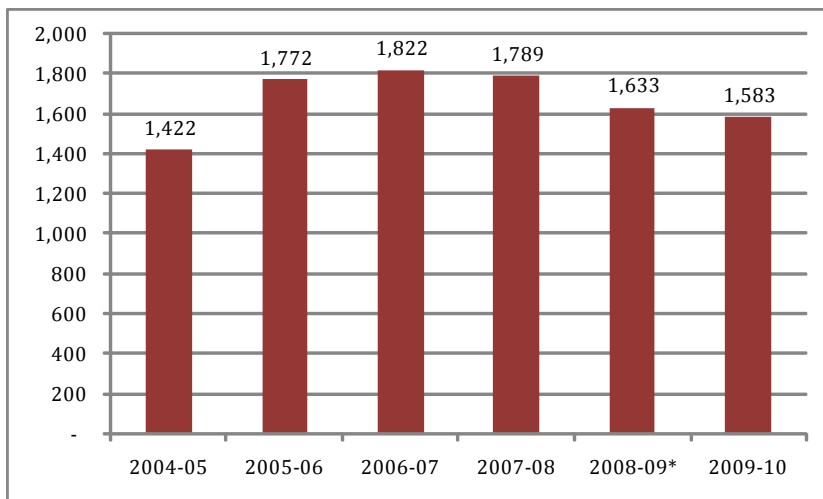
### Allocation of Resources

The District strives to ensure it has only the amount of employees necessary to meet its goals and objectives. For past several years, the District's staffing levels have been relatively flat. The large jump in FY 2005-06 shown on the chart below was mainly due to a difference in the way Full-Time Equivalent (FTE) employees were counted.

**Budget Development Timeline**

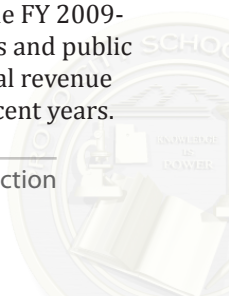


### Full-time Equivalent Employees 2004-05 to 2009-10



Staffing levels for FY 2009-10 are proposed to decrease heavily from 2008-09 levels, and staffing for 2008-09 decreased substantially mid-year due to economic conditions. For 2009-10, the Board of Education has approved an increase to class sizes, from 27.7 to 28.2. This means a decrease of approximately 10 teaching FTEs. Literacy coordinator positions were also eliminated, and a change in the service pattern at Independence High School resulted in six teaching positions being eliminated.

In total, approximately 26 teaching positions and an estimated 175 classified positions were eliminated, including custodians and other maintenance positions, secretaries, teacher aides, and bus driver aides. Most of the classified positions were eliminated during FY 2008-09. For this reason, it is helpful to look at the FTE decrease by comparing 2007-08 figures with the FY 2009-10 estimates. All of the position cuts were determined after careful deliberation, School Board meetings and public comment. While District management hoped no positions would be eliminated, the reality of substantial revenue decreases due to the current economic conditions made it impossible to retain staff levels similar to recent years.



### Revenue Summary and Highlights

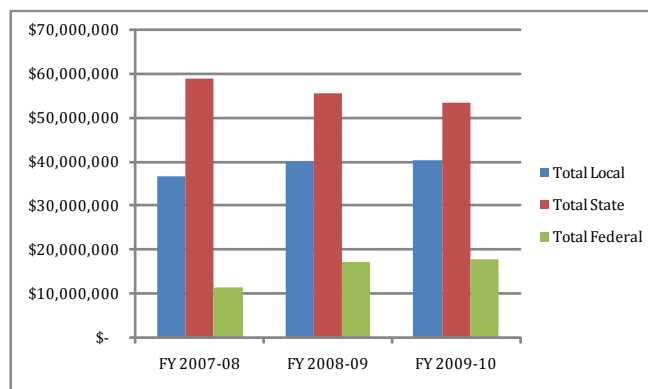
FY 2009-10 Total Revenue: \$111,984,568  
**Decrease** from FY 2008-09: \$1,252,560  
 Percentage change from FY 2008-09: -1.1%

- \$4.5 million overall decrease in state revenues
  - WPU held at \$2,577
  - Social Security/Retirement revenue cut \$3.5 million
  - Approximately \$2.5 million of this loss made up by one-time federal stimulus
  - \$1.9 million teacher quality budget eliminated
  - Most Minimum School Program budgets decreased 10%
  - Some restricted state programs, such as Special Ed and CTE were increased
- Property tax revenues held flat
- Property tax shift of approximately \$500,000 from Recreation fund to Capital fund
- Rate shift for increase in debt service payments
- Interest revenue projected down \$350,000 from prior year due to current economic situation
- Large increase in federal revenues (approximately 95% is one-time funding from the American Recovery and Reinvestment Act)
- Programs receiving ARRA funds include General Education (stabilization to cover Social Security and retirement for FY10), Title I, IDEA and Pre-school
- \$10 million dollars "other financing source" revenue for low interest/ interest-free school building bond from federal stimulus package

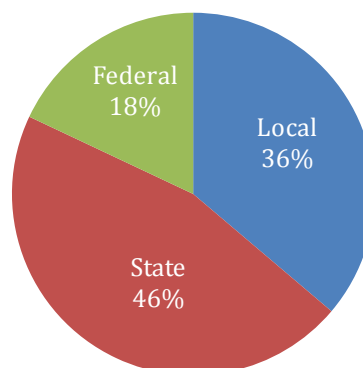
The Weighted Pupil Unit (WPU), a funding mechanism used by the State of Utah to allocate funds to schools, was held steady for FY 2009-10. This marks the first time the WPU hasn't been increased going into a new fiscal year in over twenty years.

### Four-year Revenue Comparison

Fund	Actual FY 2006-07	Actual FY 2007-08	Final Budget FY 2008-09	Original Budget FY 2009-10
General	\$ 74,219,852	\$ 82,708,373	\$ 84,970,367	\$ 84,608,414
Student Activities	-	4,208,785	3,792,097	3,349,500
Non K-12	3,243,753	4,261,647	4,538,452	3,150,961
Debt Service	5,000,512	5,174,090	6,322,282	6,500,000
Capital Projects	7,114,988	7,635,898	9,085,572	9,867,496
Food Services	4,639,186	4,468,990	4,528,355	4,508,196
<b>Total</b>	<b>\$ 94,218,291</b>	<b>\$ 108,457,783</b>	<b>\$ 113,237,125</b>	<b>\$ 111,984,568</b>



FY 2009-10 Revenue by Source



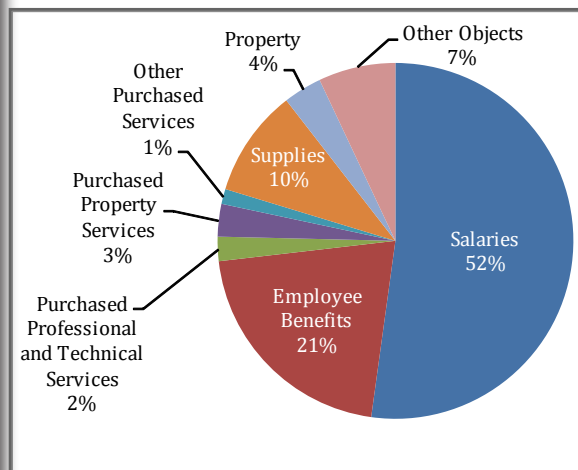
**Expenditure Summary and Highlights**

FY 2009-10 Total Expenditures: \$110,402,649  
**Decrease** from FY 2008-09: 6,338,838  
 Percentage change from FY 2008-09: -5.4%

**Highlights:**

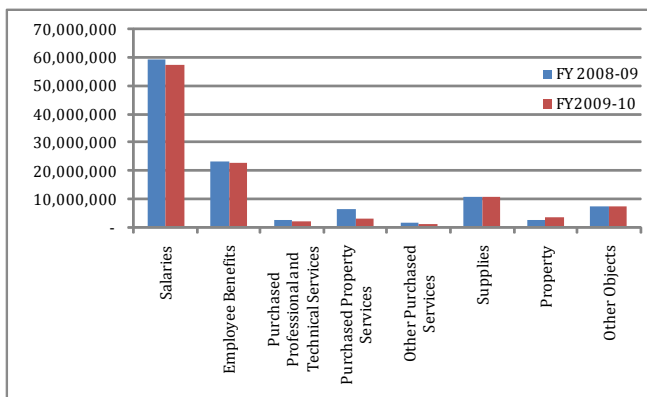
- Compensation decreases of approximately 1%
- 4.5% increase in health insurance costs
- Class sizes raised by 0.5 students per class on average
- Approximately 300 positions eliminated (preliminary)
  - Approximately 26 teacher positions
  - Approximately 274 classified/other positions
- One-time technology equipment/infrastructure upgrades from ARRA money (Title I and IDEA)
- Indirect rates raised, increasing “other objects” budgets
- \$3 million decrease in purchased services due to FY 2009 completion of bond projects
- \$500,000 decrease in capital projects spending (part of Board-approved Spring 2009 cuts)
- Elimination of \$420,000 Oakridge payment
- Building replacement fund kept intact
- Debt payment increase slightly
- Food services equipment and construction budget increase to pay for kitchen upgrades and new warehouse freezer

FY 2009-10 Expenditures by Object



**Four-year Expenditure Comparison**

Fund	Actual FY 2006-07	Actual FY 2007-08	Final Budget FY 2008-09	Original Budget FY 2009-10
General	\$ 74,544,523	\$ 83,512,166	\$ 84,937,670	\$ 84,489,572
Student Activities	-	4,129,955	3,911,691	3,478,190
Non K-12	3,032,394	4,086,343	4,877,778	3,095,867
Debt Service	4,668,945	6,080,000	6,425,400	6,500,000
Capital Projects	21,445,039	27,916,874	11,449,590 <sub>1</sub>	7,261,907
Building Reserve				400,000
Food Services	4,180,570	4,604,493	5,139,358	5,177,110
<b>Total</b>	<b>\$ 107,871,471</b>	<b>\$ 130,329,831</b>	<b>\$ 116,741,487</b>	<b>\$ 110,402,646</b>



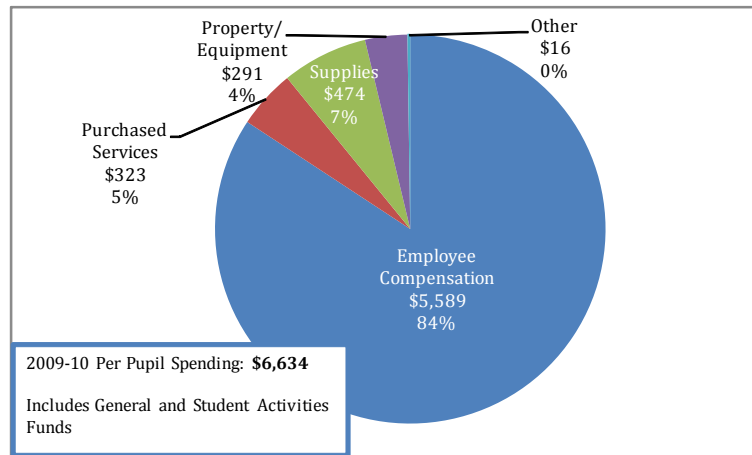


## Student Achievement and Per Pupil Spending

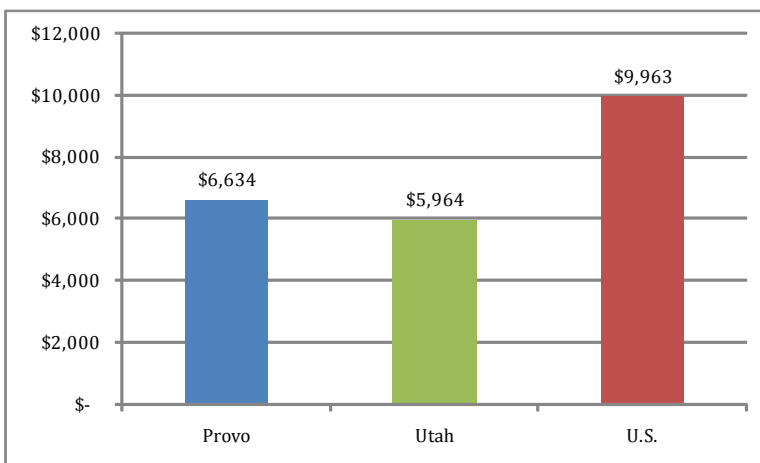
Student achievement plays a critical role in the development of the District’s budget each year. The very first official step toward goals and objectives for the coming year is the development of short-term budget initiatives. These initiatives are designed to meet short-term, pressing needs, and are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

One thing is certain - funding education is always going to be a challenge. The District continually strives to prioritize its goals and objectives with a focus on student achievement to maximize effectiveness and get the most out of every tax dollar.

### Provo City School District Per Pupil Spending FY 2009-10



### Per Pupil Spending Comparison 2006 - (Utah and U.S.) - 2009 (Provo)



Source: Education Week Quality Counts 2009

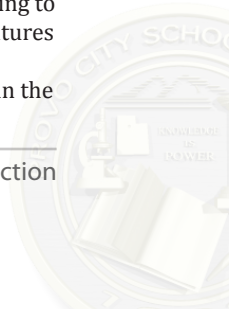
**Note regarding per pupil spending:** It can be misleading to compare Provo City School District’s per pupil spending to other districts in Utah and in the U.S.. A lack of recent comparable data and varying methods of computing expenditures can distort figures and make comparisons confusing and inaccurate. The important thing to keep in mind is that 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.

### Mission Statement

“Provo City schools maximize student achievement and development. Students in our schools enlarge their capacities, interests, and love of learning. They:

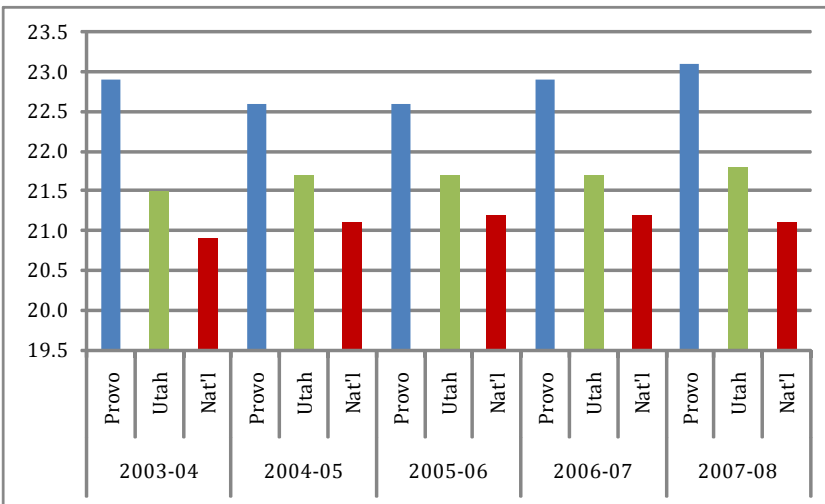
- Master the basics (the foundation of literacy and numeracy)
- Develop depth of content knowledge
- Excel in their interests
- Feel respected and loved in a safe and orderly environment
- Develop responsible, respectful, and compassionate citizenship.

We will accomplish our mission through connecting with the community.”



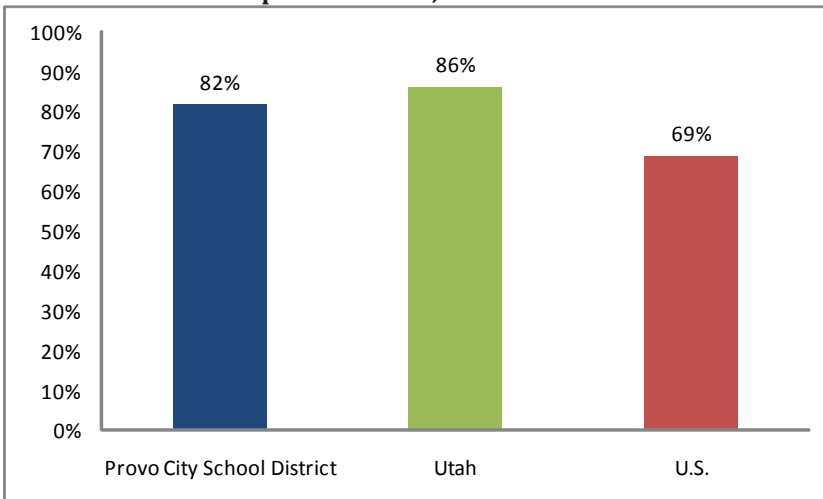
## Student Achievement Continued

### ACT® Score Comparison: 2003-04 to 2007-08



Sources: District data; www.ACT.org

### Graduation Rate Comparison: 2007, 2005\*



Sources: District data; National Center for Education Statistics

Utah and U.S. figures are from 2005 due to availability reasons; Provo City School District figures are from 2007

Utah has the 2nd highest graduation rate in the United States, according to a study by the NCHEMS Information Center. At 82%, the District's rate is slightly under Utah's average, but well ahead of the U.S. average of 69%.

### General Fund Budget Forecasts: FY 2009-10 through FY 2012-13

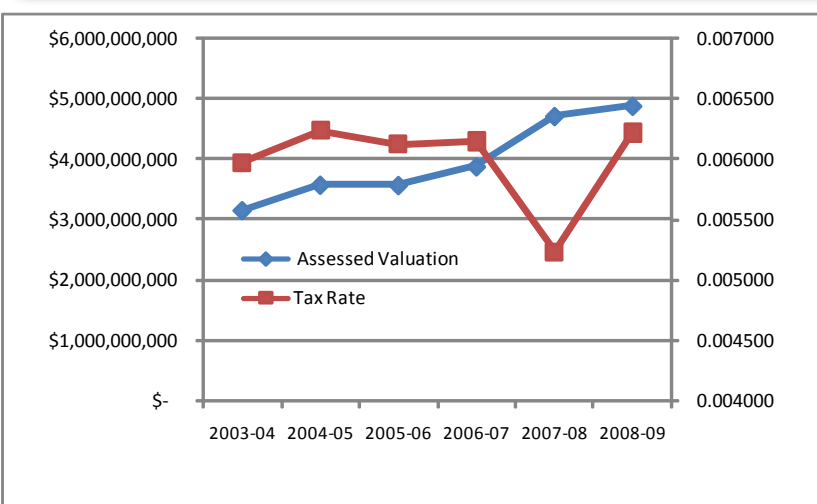
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Revenue	\$ 84,608,413	\$ 77,273,881	\$ 79,261,778	\$ 81,044,551
Expenses	84,489,573	78,237,392	79,409,024	80,995,904
Net	118,840	(963,511)	(147,246)	48,646



**Tax Base, Rate Trends and District Debt**

Year	Assessed Valuation	Tax Rate
2003-04	\$ 3,158,130,838	0.005973
2004-05	3,579,680,617	0.006234
2005-06	3,573,893,056	0.006124
2006-07	3,883,034,322	0.006147
2007-08	4,717,762,297	0.005239
2008-09	4,887,984,782	0.006214
2009-10	Unknown	0.006249

Property taxes consist of revenue from 13 different taxes that a local school board *may* levy. The overall tax rate is the sum of the rates that the District levies.



Property taxes make up the second largest component of the District's funding. Only the amount necessary to meet District goals and objectives is budgeted.

**Changes in District Debt Level**

As of June 30, 2009

Governmental activities:	Beginning Balance	Additions	Reductions	Ending Balance	Noncurrent Liabilities Due Within One Year
General obligation bonds	\$ 60,234,000	\$ -	\$ 3,850,000	\$ 56,384,000	\$ 4,016,000
Lease Revenue Bonds	-	-	-	-	-
Obligations under lease agreements	563,100	-	277,972	285,128	285,128
Accrued vacation payable <sup>1</sup>	867,256	139,423	103,378	903,301	903,301
Early retirement payable <sup>1</sup>	6,207,635	1,227,030	2,086,158	5,348,507	2,208,184
<b>Total governmental activities</b>	<b>\$ 67,871,991</b>	<b>\$ 1,366,453</b>	<b>\$ 6,317,507</b>	<b>\$ 62,920,937</b>	<b>\$ 7,412,613</b>



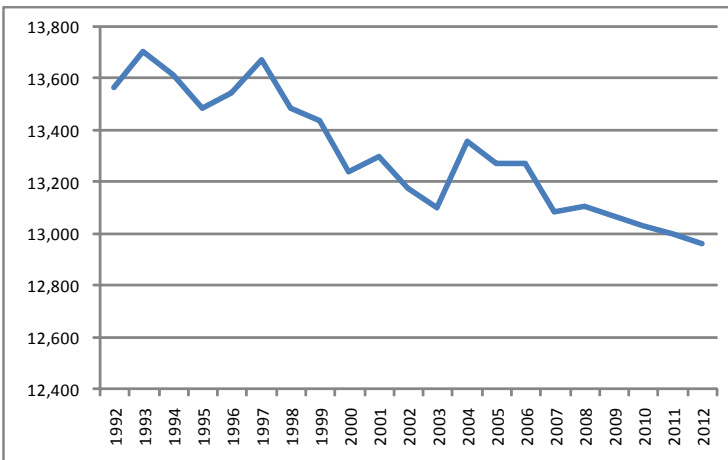
## Provo City School District

Historical Fall Enrollment (includes self-contained special needs students) with Future Projections  
1992-2013

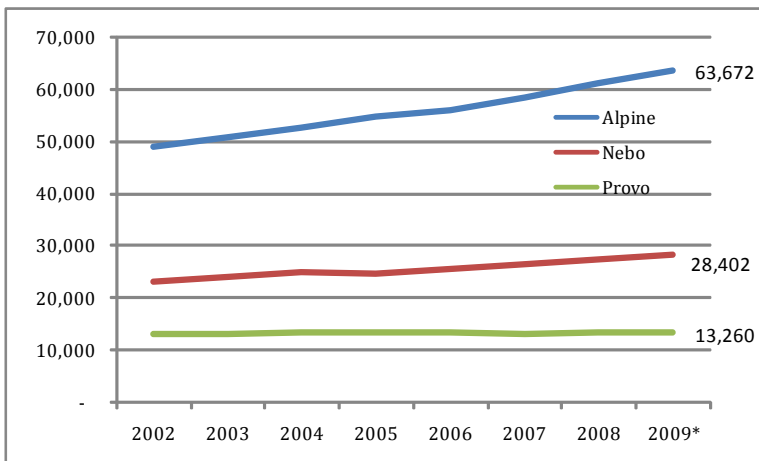
<u>Year</u>	<u>Enrollment</u>	<u>Year</u>	<u>Enrollment</u>
1992	13,565	2003	13,103
1993	13,706	2004	13,359
1994	13,616	2005	13,273
1995	13,487	2006	13,272
1996	13,544	2007	13,083
1997	13,674	2008	13,288
1998	13,486	2009	13,260
1999	13,438	2010	13,260
2000	13,241	2011	13,174
2001	13,298	2012	13,086
2002	13,177	2013	13,077

Projected

### District Enrollment Trend



### District Enrollment Compared to Surrounding Districts 1992 - 2009\*



\*Projected

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 grow on. 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.



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# ORGANIZATIONAL SECTION



## The District Entity

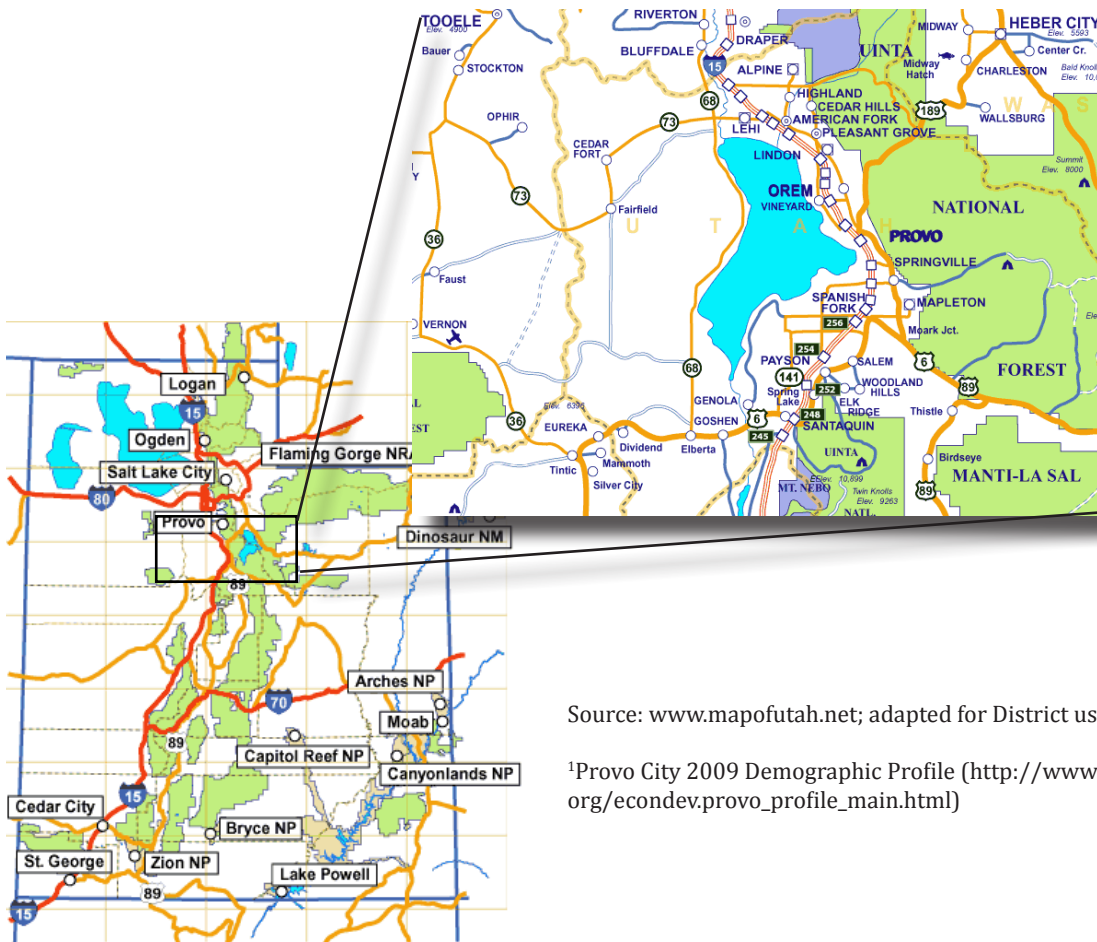
### Legal and Fiscal Considerations

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 greatest emphasis on answering to 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 122,000 residents<sup>1</sup>, 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, 2008, the District had 13,288 students enrolled - including self-contained special education students - placing it in the top ten of largest Utah school districts. Unlike surrounding school districts, Provo City School District projects relatively flat enrollment figures each year.



Source: [www.mapofutah.net](http://www.mapofutah.net); adapted for District use

<sup>1</sup>Provo City 2009 Demographic Profile ([http://www.provo.org/econdev.provo\\_profile\\_main.html](http://www.provo.org/econdev.provo_profile_main.html))



## Significant Laws Affecting this Budget

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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 and Budget Administration Policies

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The following proposed budget policies of the Board of Education guide the preparation and administration of this budget.

### 1. 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, plant, and equipment, and for orderly replacement of 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.



### 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.

### 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, 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.



## Budget Development and 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 and setting up a dedicated email account to handle budget-related questions, the District also sent out surveys in 2009 asking the public to rank the initiatives based on importance. The budget initiative surveys will be covered in more detail later on in this book.

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

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

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 at the same time the rest of the District’s budgets are developed. 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.



## Budget Administration and Management Process

---

The District has mechanisms in place to ensure compliance with the adopted budget. 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.

An online budget control system provides cost center budget status information on demand and helps encourage budgetary compliance. 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 Cabinet and Board approval.

### Definition of a Balanced Budget

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 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.

**The District’s budget  
is balanced for FY  
2009-10.**

**Scenario One:** Revenues = Expenditures

**Scenario Two:** Revenues > Expenditures

**Scenario Three:** Revenues + Appropriated Fund Balances = Expenditures

For FY 2009-10, the District’s budget is balanced under Scenario Three. Substantial cuts in funding will result in the District tapping into its reserves in some funds, while other funds will be at or near break-even.



## Budget Approval and Adjustment Process

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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.

**“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.”**

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.

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 architectural, engineering, and trades staff, and the school principal and/or other representatives of the school.



## Method of Classifying Revenues and 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. Functions are classified such as instruction, support, maintenance, etc. The majority of the District’s expenditures go toward the instruction function. A further explanation of the classification of functions is included later in this book, under “Explanation of Functions Used by the District.”

**“The District operates within budget requirements as prescribed by state law”**

*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 the *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

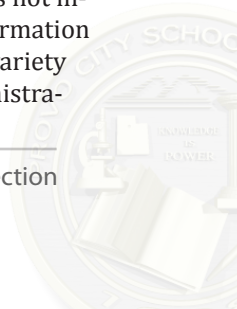
When projecting revenue for future years, the District relies heavily on its own internal data to estimate enrollment, which is the biggest driver of state revenue. Typically *regression analysis* is used to forecast general expected student enrollment for future years. A more detailed approach, using migration patterns, birth rates, and what is referred to as *survival rates*, is used to get a more detailed

**“The District’s policy is to estimate annual revenues by an objective, analytical process.”**

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. The District used each of these methods in estimating revenue for FY 2009-10. 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.

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, are critical pieces of the District's master 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 2009-10 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.

Recently, the Board of Education, armed with information and preferences from the public, developed a 20 year capital improvement/building replacement plan, which is summarized in a schedule on page 108. Part of this plan was the passing of the aforementioned bond in 2006. The District doesn't anticipate the need to use regular bond issuance for buildings until 2017 as part of this plan. 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.

Another key planning process employed by the District is the public input aspect of budget development. Public surveys, discussed on pages 30-32, are critical in the budget development process. After the results are made available to the Board of Education and District staff, budget priorities are set. These priorities are then made available for public review (via the District's website, mailings and public meetings) before any budgets are officially developed. The District also conducts employee surveys to help set direction in key personnel-related areas.

The District's planning processes affect not only the coming year, but several years into the future. While new needs arise, and economic conditions and public desires change, some things will always remain the same. Academic achievement and student success will always come first. Having a long-term perspective, through strategic planning and short-term goals, benefits the children of Provo.

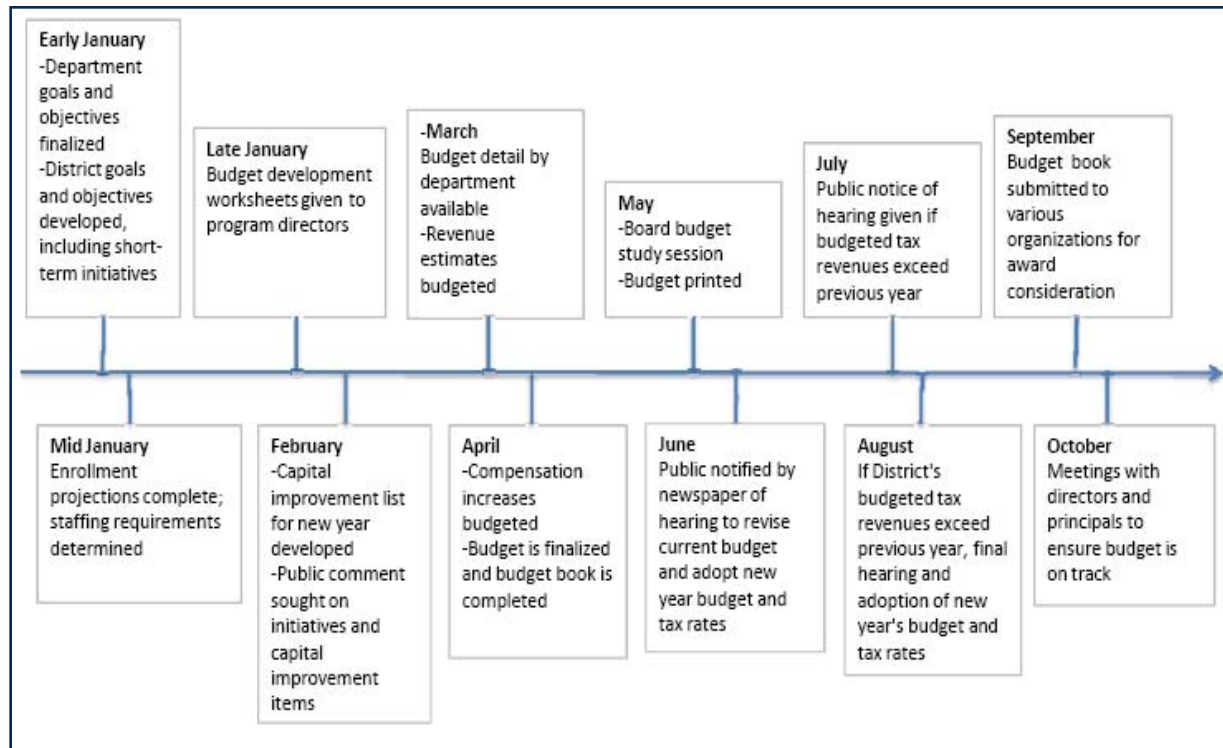




## Provo City School District Budget Timeline

The District maintains and adheres to a budget timeline to help it meet its obligations and plan for the future. Employees from each department are aware of their roles in the timeline, and progress benchmarks are followed to assure the budget is allocated efficiently and equitably.

### Budget Timeline



## Budget Initiatives Public Input

The District's priorities differ from year to year based on public feedback, legislation, and the identification of specific needs, with significant weight being given to public feedback. Using the budget initiatives drafted by the Board, a survey postcard was sent to all 33,000 households in Provo in January, 2009. Respondents were asked to rate each initiative based on importance. By the end of January 2009, the District had received approximately 4.3% of the surveys back. Using the data from the resident surveys, the District has been able to identify and rank its 2009-10 budget initiatives based on importance. The FY 2009-10 budget is based on the public input received from this survey. The results of the survey can be found on the following page.

The short-term budget initiatives (shown below) are one of the primary factors in the budget development process for Fiscal Year 2009-10.

Citizens' Rank	Budget Initiative
1	Attract and Retain High-Quality Teachers
2	Provide Academic Challenge for All Students
3	Reduce Class Size
4	Promote Love of Learning
5	Increase Support for School Level Instructional Materials
6	Strengthen Communication Between Teachers and Parents
7	Increase School Safety for Children
8	Improve Building Maintenance, Appearance and Safety



**PROVO CITY SCHOOL DISTRICT NEEDS YOUR INPUT**

Please prioritize the use of tax dollars by indicating what is the most important to you from 1-4, with 1 being *Very Important* and 4 being *Not Important at All*. 1 2 3 4

<b>Provide Academic Challenge for All Students</b> (including gifted and "at-risk" students)	○ ○ ○ ○
<b>Reduce Class Size</b> (provide additional funds and strategies for class size reduction)	○ ○ ○ ○
<b>Increase Support for School Level Instructional Materials</b> (including textbooks, computers, musical and scientific instruments, etc.)	○ ○ ○ ○
<b>Attract and Retain High-Quality Teachers</b> (i.e. competitive compensation, teacher recognition, professional development and strategies to attract teachers in critical shortage areas)	○ ○ ○ ○
<b>Promote Love of Learning</b> (provide instruction and class activities that promote lifelong learning)	○ ○ ○ ○
<b>Increase School Safety for Children</b> (provide enhanced security and emergency procedures in schools)	○ ○ ○ ○
<b>Improve Building Maintenance, Appearance &amp; Safety</b> (enforce cleanliness standards; provide for timely remodeling, maintenance and seismic safety)	○ ○ ○ ○
<b>Strengthen Communication Between Teachers and Parents</b> (enhance school response time to parent requests)	○ ○ ○ ○

What other suggestions do you have to improve Provo City School District?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The nearest elementary school to me is (list name of school): \_\_\_\_\_

1 - Very Important  
2 - Somewhat Important  
3 - Somewhat Unimportant  
4 - Not Important at All

PLEASE DETACH AND RETURN SURVEY - POSTAGE IS PREPAID



## Results of Public Survey on District Budget Initiatives January 2009

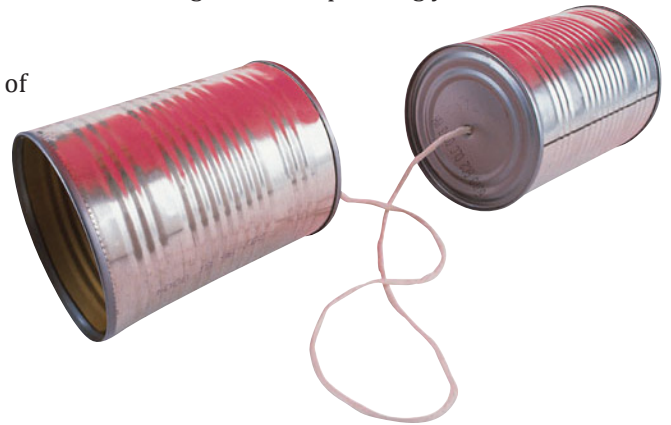
Neighborhood	Provide Academic Challenge for All Students	Reduce Class Size	Increase Support for School Level Instructional Materials	Attract and Retain High-Quality Teachers	Promote Love of Learning	Increase School Safety for Children	Improve Building Maintenance, Appearance and Safety	Strengthen Communication Between Teachers and Parents
Amelia Earhart	2.20	2.44	2.22	2.61	2.00	1.93	2.00	1.84
Canyon Crest	2.42	2.17	2.16	2.73	2.14	1.71	1.63	2.07
Edgemont	2.35	2.40	2.02	2.64	2.11	1.83	1.78	1.86
Farrer	2.24	2.42	2.05	2.53	2.23	1.91	1.80	1.91
Franklin	2.25	2.31	2.06	2.64	2.07	1.96	1.77	2.02
Lakeview	1.89	2.44	2.07	2.38	1.89	1.89	1.76	1.85
Other/Not Listed	2.40	2.08	2.05	2.61	2.22	1.89	1.76	2.10
Provost	2.19	2.31	2.27	2.65	2.20	1.97	1.80	2.00
Rock Canyon	2.36	2.38	2.11	2.65	2.33	1.83	1.80	1.75
Spring Creek	2.48	2.29	2.10	2.52	2.00	1.90	1.65	2.00
Sunset View	2.34	2.37	2.26	2.75	2.40	2.13	1.99	1.90
Timpanogos	2.45	2.36	2.23	2.57	2.02	2.00	1.72	2.02
Wasatch	2.32	2.25	1.97	2.64	2.20	1.71	1.72	1.72
Westridge	2.20	2.21	2.11	2.63	2.10	1.98	1.90	1.88

Higher score indicates higher ranking relative to other initiatives.

### Communicating with the Public is More Important than Ever

In addition to the budget initiatives survey, a dedicated email address is used to respond to specific inquiries about the budget. By Utah State law, a copy of the District's detailed budget for the upcoming year is available for review at the District administration building.

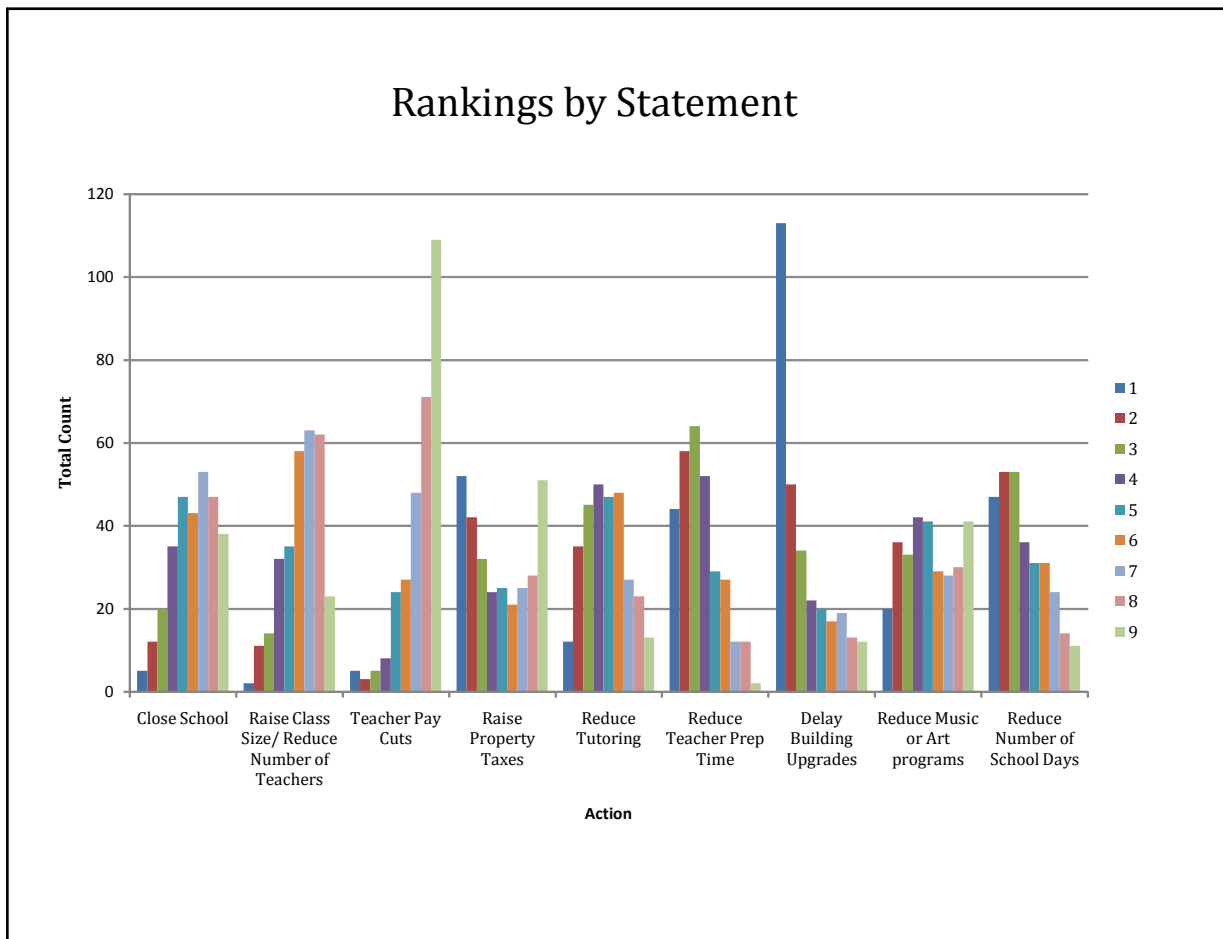
The District also periodically conducts other surveys. Many of these surveys are employee satisfaction surveys, while others are done with regard to parent satisfaction. Results of these surveys from previous years were unavailable at the publishing of this budget.



## Telephone Survey Public Input

Faced with unprecedented budget cuts due to the nationwide recession, the District hired a nationwide marketing firm to conduct a scientific survey of Provo residents to determine where to make budget cuts. Because the citizens help determine District spending each year, the District deemed it necessary to also involve the public in determining what large-scale budget cuts should take place. The magnitude of the cuts wasn't known until March 2009, but by January the District knew the cuts would be severe, so the options presented to the public were severe also.

Below is a summary of the findings from the telephone survey. Ranked from 1-9, lower scores indicate areas the public felt should be cut first, while higher scores reflect options the public felt should be cut as a last resort. Certain questions were not on the list, because District management felt they already knew how the public would respond in many cases. For example, if the District included "cut District Office staff" on the survey, most residents would likely vote for this as an early option. *In fact, the District made large-scale cuts at the District Office before any other cuts.*



The District is confident that the budget for the coming year has been developed with more public involvement than any budget in its recent history.



## FY 2009-10 District-wide Goals and Objectives

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The following goals and objectives are supplemented by the short-term budget initiatives. They were also developed to fit within the District's long-term goals, which are to provide a high quality education to Provo City's diverse population, build confidence in and seek input from stakeholders, and maintain sound District management.

### Academic Achievement (Curriculum)

- Full Implementation of Treasures Program
- Improve secondary content literacy strategies
- Implement math K-2 Growing With Math
- Implement math grades 3-6
- Implement secondary mathematics blended instruction
- Provide teacher professional development
- Implement Knowing Math (grades 4-6)
- Implement Triumphs (grades K-6)
- Implement Treasure Chest (grades K-6 in Title One schools)
- Develop Tier 2 secondary instruction support
- Strengthen coordination between classroom teachers, ESL tutors and special education teachers
- Provide teachers timely formative and summative student performance data
- Expand gifted education offerings

### Academic Achievement (Special Education and Title I)

- Develop ongoing math, reading, and behavioral performance tracking
- Enhance teacher and service provider mentoring
- Close the achievement gap
- Increase individual student performance focus

### Academic Achievement (Student Services)

- Develop on-line academic system for home schooled students
- District wide emergency training
- Maintain fund raising efforts
- Improve homeless population guidelines
- Strengthen anti-bullying policy



## FY 2009-10 Goals and Objectives Continued

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### Professional Management of the District

- Upgrade accounting and human resources software
- Implement Timecard online
- Improve retention strategies
- Provide supervisor HR training
- Control medical costs
- Excellence in financial and budget reporting
- Implement accounts receivable
- Implement work-flow
- Utilize Alpine Warehouse
- Utilize Child Nutrition Focus Groups

### Improvement of Facilities

- Hire Facilities Director
- Develop and implement energy efficiency strategies
- Develop district wide facilities master plan
- Increase facilities and maintenance worker efficiency
- Develop long term facilities maintenance plan incorporating reduced funding stream
- Improve District security



## Provo City School District FY 2009-10 Goals by Department

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The following goals are those of the individual departments within the District. These goals were developed to support the District's overall goals and objectives, listed on the previous two pages. **Some of the departmental goals are very specific by nature, using jargon familiar to the employees within the departments.**

### Special Programs (covers three specific functions; listed below)

#### Special Education

- Develop and implement a system by which Special Education will provide ongoing academic performance tracking in reading, math, behavioral and functional skills and provide reports to the building administrator on all students identified under IDEA
- Enhance our mentoring programs to support interns, new teachers, career teachers and related service providers to deliver more school based extended learning opportunities for students' with disabilities that move beyond the current extended school year model to that of after school programs and other interventions to support student success. We will provide professional staff 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. This includes the implementation of additional Emints classrooms
- Implement a process by which the principal will be able to support and evaluate the services provided by special education professional staff assigned to their school and establish methods to encourage and maintain Special Education leadership in our schools and at a district level

#### Title 1

- Provide teachers and students with greater access to classroom-based materials and resources including networks, hardware, software, and other classroom materials that support the Utah Core Curriculum. This includes the implementation of additional E-mints classrooms and finding innovative methods to promote parental involvement and training
- Close 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. This includes initiating Title 1 School Wide services at Provost Elementary
- Laser-like focus on ongoing individual student academic assessment in reading and math, which includes implementing a data tracking system, Digital Bridge, to empower schools to access and use student performance data

#### Technology

- Continue the implementation of long-term strategies for improving student academic achievement, including technology literacy, through the effective use of technology in the classroom, and the capacity of teachers to integrate technology effectively into curriculum, instruction, assessment and review and renew the District five-year technology plan
- Provide teachers and students with greater access to classroom-based materials and resources including networks, hardware, software, and other classroom materials that support the Utah Core Curriculum. This includes the implementation of additional E-mints classrooms, which includes implementing a data tracking system, Digital Bridge, to empower schools to access and use student performance data
- Establish method to enhance security to schools and networks in order to protect property, equipment and data



## Goals by Department Continued

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### Business/Finance

- Implement OPEB financial reporting requirements
- Award winning Annual Budget (ASBO and GFOA)
- Award Winning Comprehensive Annual Financial Report (ASBO and GFOA)
- Develop award winning PAFR (Public Audited Financial Report)
- Fully Implement accounts receivable District wide
- IFAS 7.9 general ledger, accounts payable, accounts receivable, budgeting, and purchasing module upgrade
- Implement A/P and purchasing work flow (multi-year)
- Credit card payments integrated into IFAS (multi-year)
- Utilize Alpine warehouse for instructional school supplies
- Monthly child nutrition student focus groups

### Student Services

- Purchase and install security systems for every elementary school
- Outline standard procedures for district-wide security measures
- Develop on-line academic system for students who are home schooled
- Improve enrollment services to foster students
- New Board guidelines for homeless population
- Pursue grant opportunities for emergency training
- Maintain support for Foundation
- Implement new Bullying and Cyber Bullying policy

### Curriculum

- Full implementation of Treasures Program
- Balanced literacy framework
- Purposeful differentiation
  - Continued focus on secondary content literacy strategies
- Wilhelm Institute
- Individualized school-wide writing plans
- EYE/ESL Endorsement (before, during, after strategies)
  - Full implementation of Math K-2 Growing with Math / 3-6
- CMI Framework
- Purposeful differentiation
  - Implementation of a blended instructional approach for secondary mathematics
- CMI Framework
- Purposeful differentiation
  - EYE/BEEDE/TELL/ESL : Improve classroom teaching that enhances student achievement
- Training, mentoring and coaching
- Utilizing ESL endorsement strategies
- Purposeful differentiation
- MASS (Managing Aggressive Students Successfully)
- SIOP





## Goals by Department Continued

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- Support instruction for specific skill acquisition in the classroom or in small groups or one-to-one settings in addition to Tier 1
  - Knowing Math (grades 4-6)
  - Triumphs (grades K-6)
  - Treasure Chest (grades K-6) (Title One schools)
- Identify how the Curriculum Department can support Tier 2 instruction at the secondary level
- Technology improvements
- Strengthen coordination between Special Educators, ESL tutors, and classroom teachers to ensure quality Tier 3 intervention
  - Treasure Chest
  - Triumphs
  - Technology
  - Assessment
- Provide timely formative and summative student performance data to teachers and administrators that guide classroom and school academic goals
- Support school, grade level, and department teams in analyzing student performance data to direct classroom instruction to improve student performance
- Gifted Education
- Expand opportunities for the pullout of gifted students at individual elementary schools
- Provide district-wide on-going activities for qualified gifted students
- Continue the development of the Center for Accelerated Studies
- Enable teachers at the elementary and secondary levels to receive their gifted endorsement



**Provo City School District**  
Mission Statement

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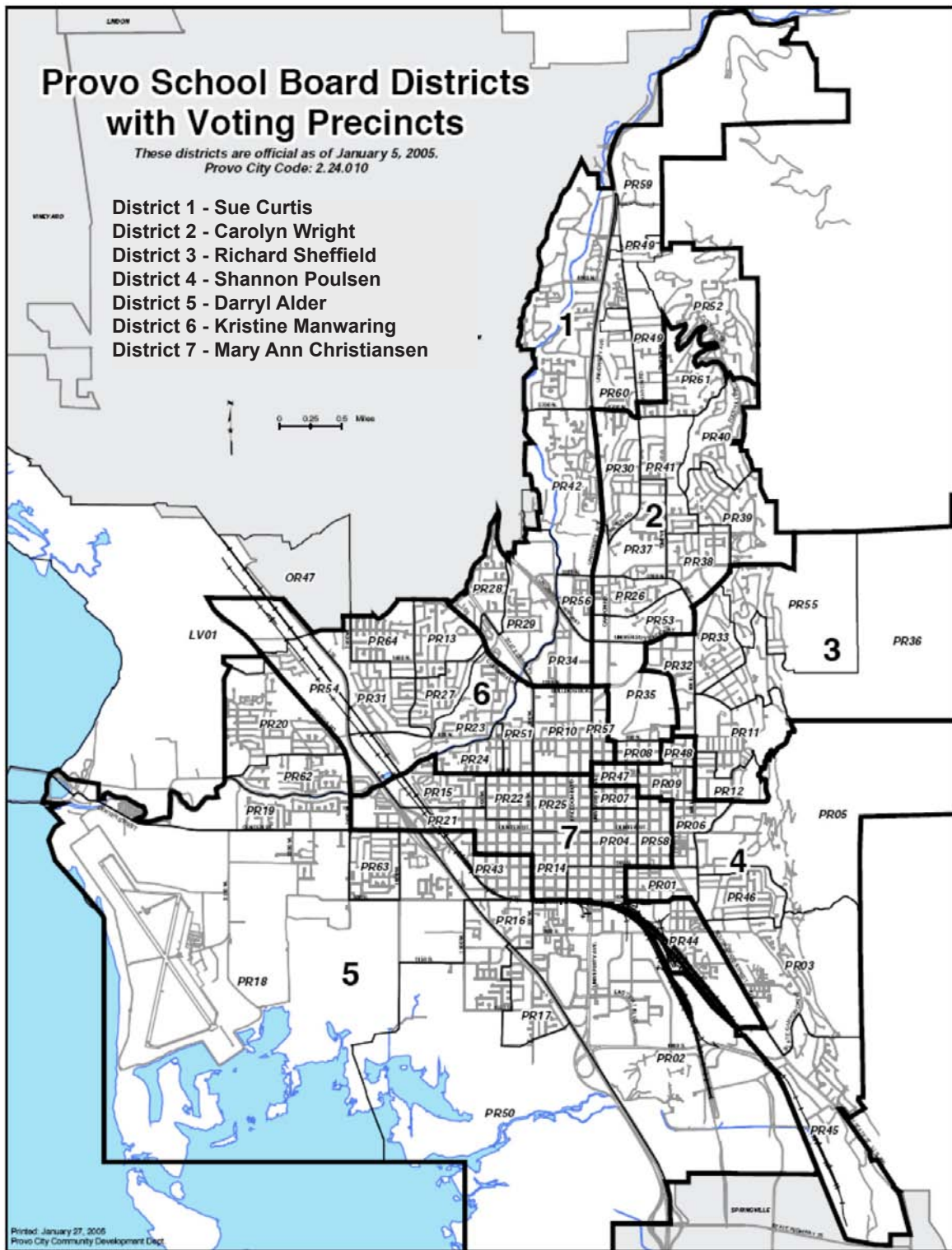
“Provo City schools maximize student achievement and development. Students in our schools enlarge their capacities, interests, and love of learning. They:

- Master the basics (the foundation of literacy and numeracy)
- Develop depth of content knowledge
- Excel in their interests
- Feel respected and loved in a safe and orderly environment
- Develop responsible, respectful, and compassionate citizenship

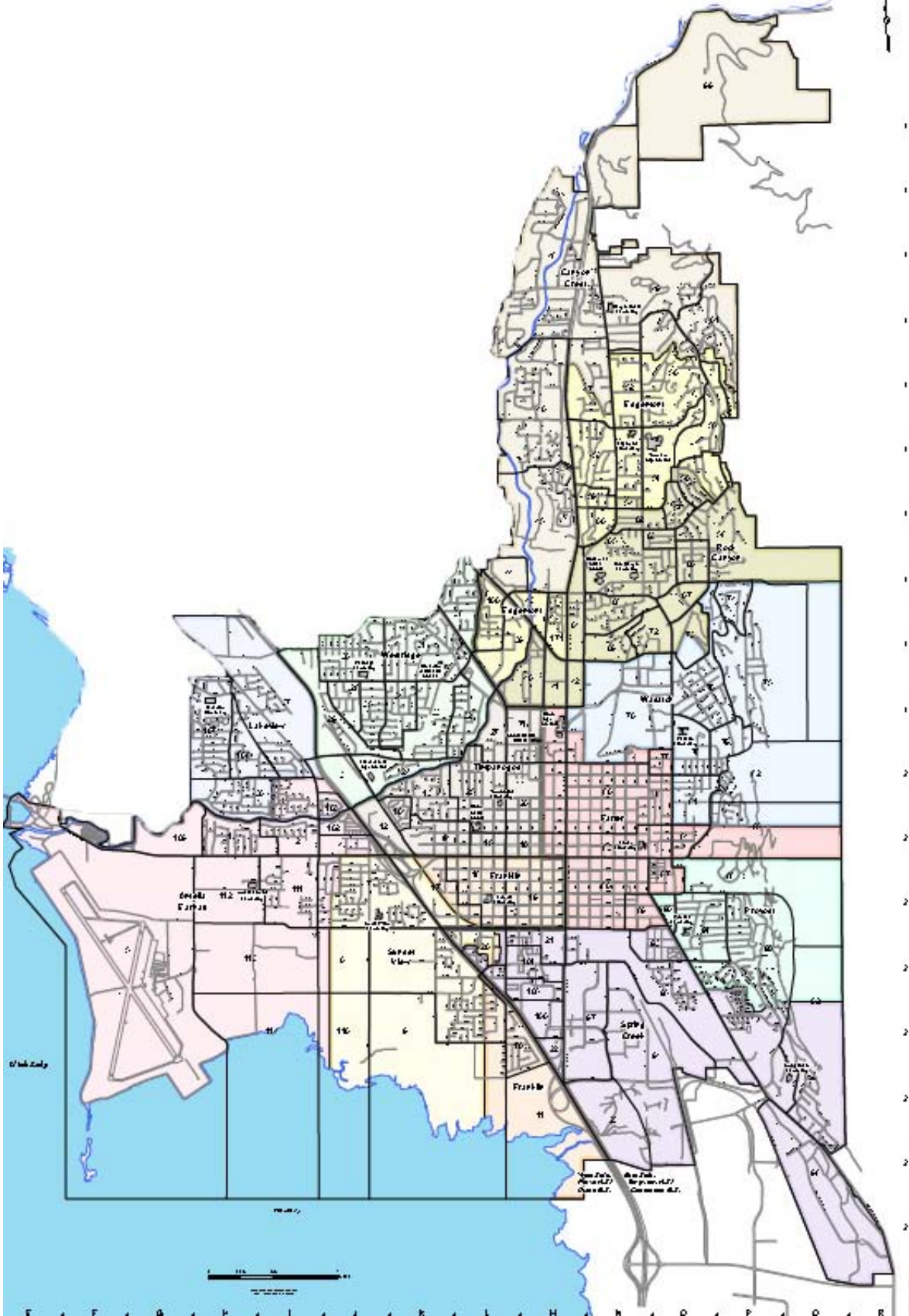
We will accomplish our mission through connecting with the community.”



**Provo City School District**  
**Voting Precincts**



**Provo City School District**  
Elementary School Boundaries



## Description of Departments

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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. Normally, 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:

### Learning Curriculum and Assessment Office

The Curriculum and Learning Office 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 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.

### Child Nutrition

Child Nutrition falls under business services. 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.



## Personnel

The Personnel Department is given the responsibility to find, recruit and retain qualified teachers and support staff that are committed to District goals, ensure that employees working in the District meet the academic and licensing standards set by the state and federal government, 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. 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 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 and the warehouse.

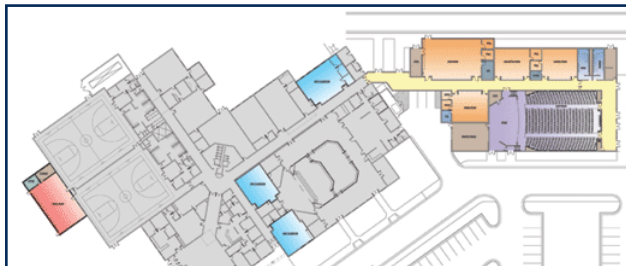
## Transportation

The Transportation Department transports 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.

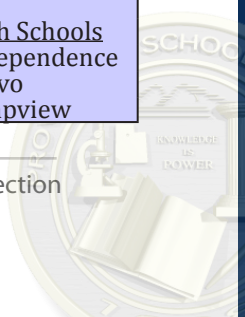
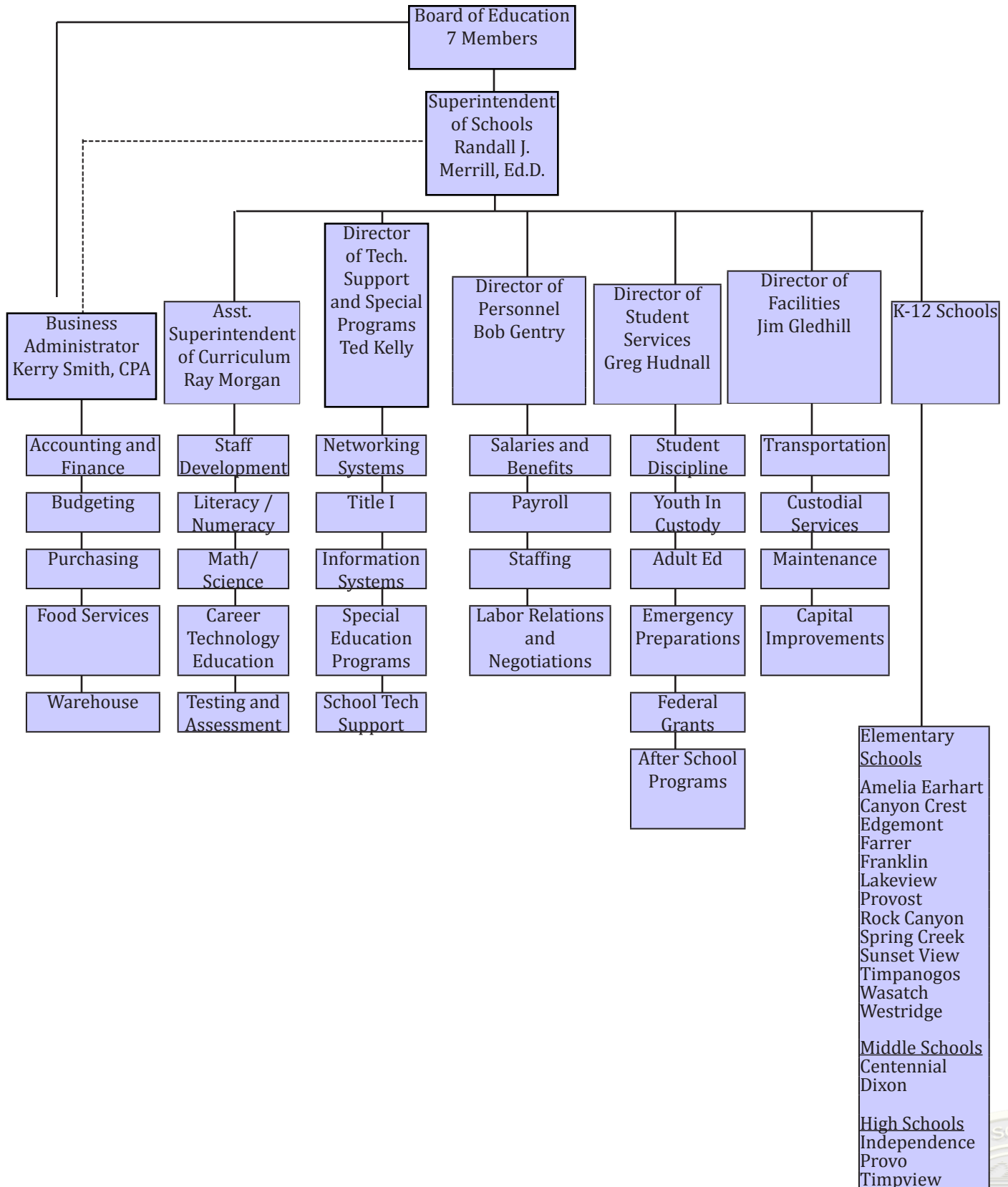


## Maintenance

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's believed students learn better in a pleasant and environmentally-friendly building.



**Provo City School District**  
Organizational Chart





**Provo City School District**  
 Comparison of Staffing Levels by Function  
 FY 2004-05 to 2009-10

Staffing levels for FY 2009-10 are expected to be decreased substantially due to economic conditions, however much of the cuts were put in place mid-FY 2008-09, which is evident in the large decreases shown in the table below. In all, more than 200 FTEs (and more than 300 total positions) have been eliminated as part of the budget cuts first implemented in FY 2008-09. Cuts will continue in FY 2009-10, but some positions might be re-opened on a temporary basis using funds from the American Recovery and Reinvestment Act of 2009 (ARRA).

**Staffing Levels by Full-time Equivalent**

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>Proposed 2009-10</u>
Instruction	980.7	1,117.4	1,141.4	1,148.4	999.71	968.6
Support Services						
Students	49.6	58.6	53.9	52.3	51.8	50.2
Instructional Staff	39.6	35.5	32.6	38.1	40.0	38.8
General Administration	9.2	24.1	23.9	19.8	16.3	14.8
School Administration	75.0	78.7	79.8	73.7	74.0	74.0
Business and Central	22.1	23.5	24.8	22.1	19.9	18.8
Operation and Maintenance	84.7	118.6	152.0	138.9	148.09	143.5
Transportation	38.6	46.6	49.9	60.0	44.3	42.9
Other Support	-	-	-	10.6 <sup>1</sup>	1.0	1.0
Food Services	57.7	83.2	90.8	90.4	91.5	88.7
Community Services	64.7	185.6	172.5	135.2 <sup>2</sup>	146.2	141.7
Total full-time equivalent positions:	<u>1,421.7</u>	<u>1,771.6</u>	<u>1,821.6</u>	<u>1,789.4</u>	<u>1,633.8</u>	<u>1,582.8</u>

<sup>1</sup> Classified among various other functions prior to FY 2007-08

<sup>2</sup> Community and Recreation Services functions combined



## Description of District Funds

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The District's budget is divided into seven funds. A fund is a fiscal and accounting entry. 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**

This special revenue fund is used to account for activities not related to regular, K-12 operations. Adult education, pre-school and recreation are examples of programs that operate in this fund.

### **Food Services 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.

Note: all funds are appropriated for use in FY 2009-10.



## Expenditure Functions Used by the District

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One of the most useful ways to understand how the District spends the public's money is to identify expenditures by functions. Below is a description of the expenditure functions used by the District. To understand more about functions, please see page 27 of this book.

### **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 Administration 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.

### **Operation and Maintenance Services**

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 Services**

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

**Other Support Services**

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 Services**

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

**Facilities and Construction**

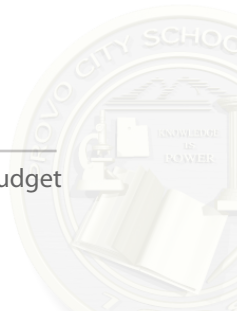
This function includes costs associated with the acquisition, remodel, and construction of buildings. Capital improvement costs, including materials, salaries and benefits, are included in this function. Also included are material and contract costs associated with bond construction.

**Debt Service**

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



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# FINANCIAL SECTION

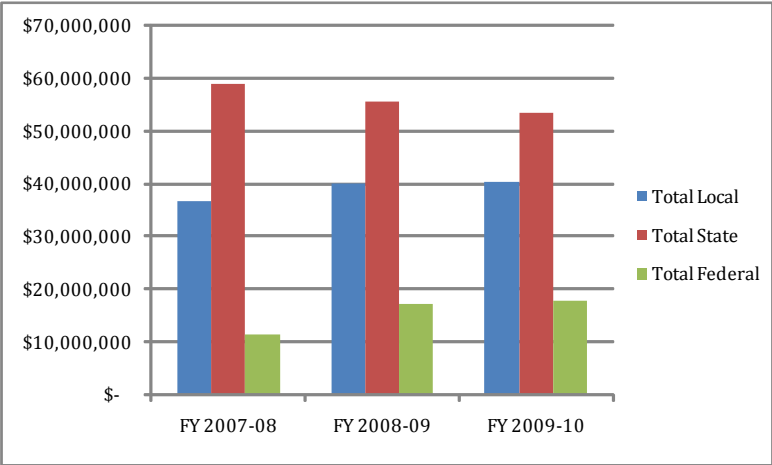


Financial Section



# 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 Projection Assumptions

FY 2009-10

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The District is always as conservative as possible when estimating revenues. Accordingly, several assumptions were made when projecting revenue for FY 2009-10. For example, in the past the District assumed federal revenue would be flat or slightly decreased for each coming year. However, unprecedented economic conditions meant a dramatic increase in federal funding for the District for FY 2009-10. Most of this money is “one-time,” and it’s restricted for specific uses, like Title I programs or Special Education. Most new federal money for FY 2009-10 comes from the American Recovery and Reinvestment Act (ARRA). ARRA also helped the State of Utah fill critical gaps in funding due to decreases in state tax revenues. While the funding will provide significant boosts to the District in helping it maintain important

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

services, due to the short-term and restricted nature of the money no ongoing services are built into it for FY 2009-10. More information on ARRA can be found on page 60 of this book. Regardless of ARRA funding, the District projects moderate funding increases in federal revenue for the next few years.

The District also projects decreases in the assessed property valuations in Provo City based on the housing crisis that has hit most of the U.S. New growth has also stagnated, so overall the District projects an overall decrease to the tax base for FY 2009-10. The District always sets its goals and objectives before assessed property valuations are known. Interest rates of return also continue to plummet, so less money will be available to the District from this source.

State revenue has shown strong growth in recent years, as a robust state economy, along with a legislature and governor supportive of public education has fueled large increases. However, the recession that has hit much of the world economy has also hit Utah, meaning substantial cuts to state revenue are expected over the next few years. These cuts began mid-year in FY 2008-09, and revenue will be substantially lower in FY 2009-10, and likely FY 2010-11. Based on the most recent information available, the District projects improvements to the overall economy will lead to more funding available to the District beginning in FY 2011-12. Based on numerous reports from within the State of Utah and from outside sources, Utah is in a position to exit the recession earlier than most states.

As a general rule, the District relies on the following assumptions when projecting near-term future revenue:

- Flat student enrollment (student enrollment is by far the largest determinant of funding)
- Substantial decreases in state revenue for 2009-10 and 2010-11
- Increased federal revenue (restricted for specific programs)
- Increasing “at-risk” student population, which helps drive federal revenue and could offset any enrollment decreases
- Varied interest rates of return depending on the year and economic conditions (low rates through at least the first half of 2009-10)
- Decreasing property values due to a declining housing market, which affects property tax rates and receipts



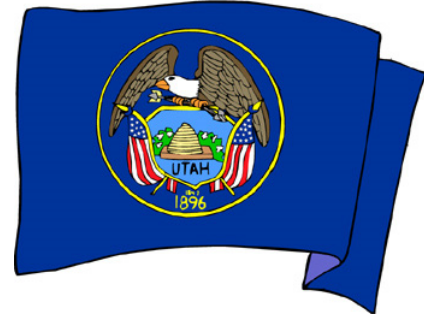


## Major Revenue Sources

State of Utah

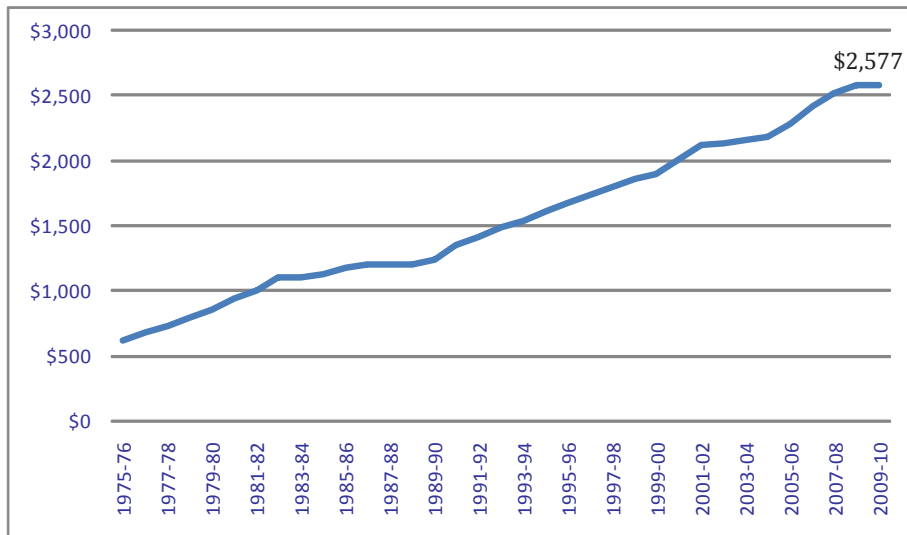
The State of Utah is the largest revenue source of the school district, with revenues of \$53.6 million for FY 2009. However, this is down from FY 2007-08, when the District received over \$59 million from state sources. State revenue is divided up among approximately 60 programs. The largest component 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. As illustrated in the figure below, growth from the WPU has doubled in the past twenty years. The WPU is \$2,577 in FY 2009-10, which is the same amount as FY 2008-09. Approximately 69% of revenue from the State, or \$37 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).

### Historical Value of the Weighted Pupil Unit (WPU)



Source: Utah State Office of Education; District data

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. Due to economic conditions, the WPU will not be increased by the State in 2009-10, which will be the first time this has happened since the 1988-89 school year.



## Major Revenue Sources

State of Utah  
1975-76 to 2009-10

**Table of Historical Weighted Pupil Unit (WPU) Value**

Year	WPU Value	Dollar Change	Percent Change
1975-76	\$ 621	\$ -	-----
1976-77	683	62	9.98%
1977-78	732	49	7.17%
1978-79	795	63	8.61%
1979-80	852	57	7.17%
1980-81	946	94	11.03%
1981-82	1,003	57	6.03%
1982-83	1,103	100	9.97%
1983-84	1,103	0	0.00%
1984-85	1,124	21	1.90%
1985-86	1,180	56	4.98%
1986-87	1,204	24	2.03%
1987-88	1,204	0	0.00%
1988-89	1,204	0	0.00%
1989-90	1,240	36	2.99%
1990-91	1,346	106	8.55%
1991-92	1,408	62	4.61%
1992-93	1,490	82	5.82%
1993-94	1,539	49	3.29%
1994-95	1,608	69	4.48%
1995-96	1,672	64	3.98%
1996-97	1,739	67	4.01%
1997-98	1,791	52	2.99%
1998-99	1,854	63	3.52%
1999-00	1,901	47	2.54%
2000-01	2,006	105	5.52%
2001-02	2,116	110	5.48%
2002-03	2,132	16	0.76%
2003-04	2,150	18	0.84%
2004-05	2,182	32	1.49%
2005-06	2,280	98	4.49%
2006-07	2,417	137	6.01%
2007-08	2,514	97	4.01%
2008-09	2,577	63	2.51%
2009-10	2,577	0	0%

Average increase from 1977 to 2008: 4.3%  
 10-year increase from 2000 to 2009: 34.7%  
 10-year average increase from 2000 to 2009: 3.5%



## Major Revenue Sources

State of Utah

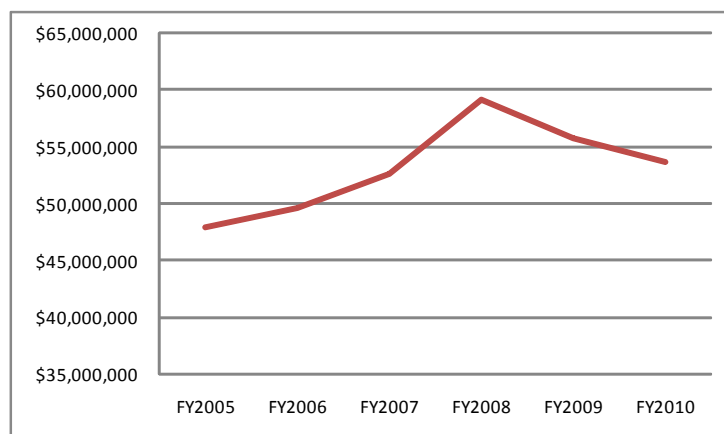
### Description of Large State Programs

#### 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 \$37 million, or 69% of total state revenues from WPU-related state programs in FY 2009-10. As evidenced in the chart below, overall state revenues were down in FY 2008-09 and will be down even further in FY 2009-10.

The largest individual state funding source, referred to as “**Regular School Programs**,” is projected to be over \$24 million for the District in FY 2009-10. This source is based on the WPU amount and the District’s levied property taxes. The District uses this funding source to pay teachers.

**State Revenue**  
FY 2004-05 - FY 2009-10 (projected)



**Special Education** is the second-largest state funded program the District operates, with approximately \$5.8 million in revenues projected for FY 2009-10. 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 \$2.2 million in FY 2009-10.

The District also anticipates receiving \$2.6 million to pay for “**Professional Staff**.” This is tied

to the other WPU-related funding sources and is designed to cover administrative overhead costs.

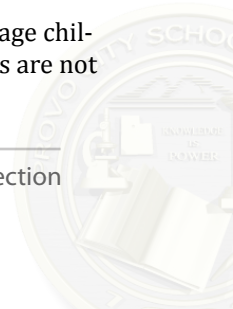
The District also receives money through the WPU to facilitate **Class-size Reduction**. Along with state money, the District must also levy local property taxes to help pay for this program. The District anticipates receiving \$2 million from state sources for this program in FY 2009-10.

#### Other State Programs

The District also receives several programs from the State that aren’t directly funded through the WPU. The largest programs the State funds in this category are listed below.

The **Social Security and Retirement** program helps pay the cost of payroll taxes and pension costs the District pays on behalf of its employees. It’s anticipated to be over \$4.3 million for the District in FY 2009-10, although another \$2.6 million in American Recovery and Reinvestment ACT (ARRA) funds will be received for this purpose. For more on ARRA, see page 60 of this book. The specific ARRA line item designed to cover the additional Social Security and Retirement allocation is listed as “stabilization funds.” Even with the ARRA money, revenues for this program have been decreased by about \$1 million when compared to FY 2008-09 levels.

**Youth-in-Custody**, which is a state-mandated program the District runs based on incarcerated school-age children in the District’s boundaries, generates approximately \$1.2 million for the District. Even if students are not originally from Provo, if they’re incarcerated in the city the District is required to educate them.



## Major Revenue Sources

### Local Sources - Property Tax

#### 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 make up the second largest component of funding for the District, and the largest component of local revenues at 80%. For FY 2009-10, the overall tax rate goes from .006214 to .006249 (preliminary; exact rate will not be known until assessed property valuations are available), although the amount budgeted is equal to the amount the District originally budgeted for FY 2008-09. The difference between the District's final FY 2008-09 property tax budget and the FY 2009-10 original budget is due to lower actual tax collections in FY 2008-09.

The District's goals and objectives for the coming year are determined before final property assessed values are known. In FY 2007-08, the District actually lowered its tax rate by 15% once final property values became available, rather than keep its original rate, which would have produced more in property taxes than the District needed to meet its goals and objectives.

The majority of local funding consists of revenue from 13 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 Tax Comparison by Levy

2008-09 to 2009-10

Levy	2008-09	2009-10	\$ Difference <sup>1</sup>
Basic Program	.001250	.001250	\$ -
Voted Leeway	.001275	.001275	-
Board Leeway	.000214	.000214	-
Reading Program	.000121	.000121	-
Transportation	.000093	.000093	-
Tort Liability	.000058	.000058	-
Recreation	.000249	.000138	(473,926)
Gen. Oblig. Debt	.001242	.001277	149,436
Capital Outlay	.000828	.000939	473,926
10% of Basic	<u>.000884</u>	<u>.000884</u>	-
Total:	<u>.006214</u>	<u>.006249</u>	<u>\$ 149,436</u>

<sup>1</sup>Difference is between FY 2008-09 Original Budget and FY 2009-10 Original Budget. FY 2008-09 collections down approximately \$1M due to economic conditions.



## Major Revenue Sources

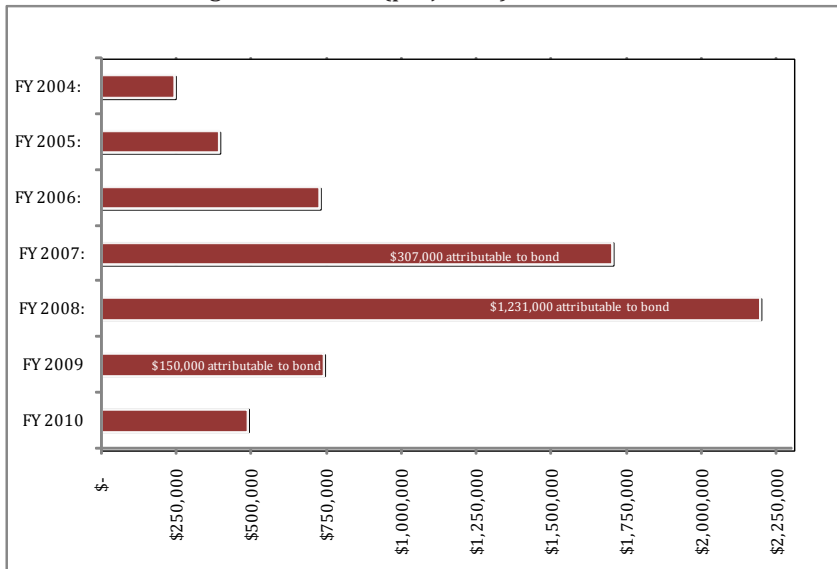
### Local Sources - Other Local Revenue

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. Interest earned is projected to decrease substantially in FY 2009-10 due to overall lower interest rates of return and the completion of bond projects, which results in less money available for the District to invest.

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.

### Provo City School District Interest Earned

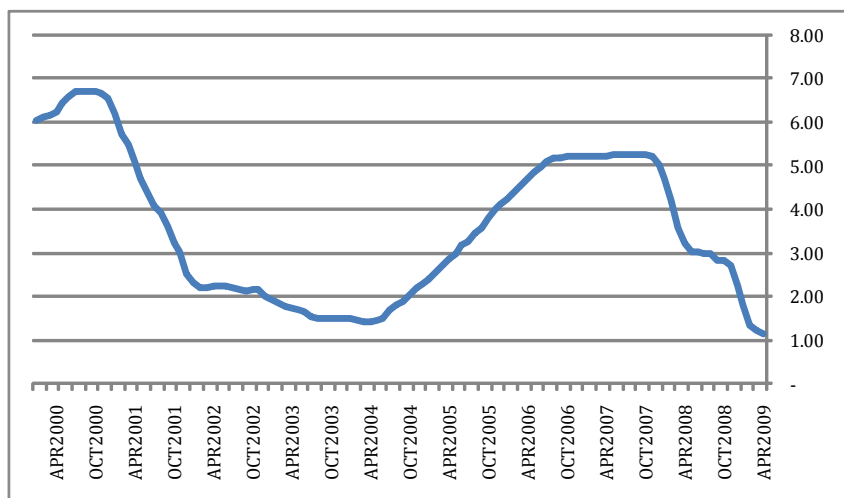
FY 2003-04 through FY 2009-10 (projected)



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 monthly reimbursement requests typical. However, declining rates will adversely impact the District's interest income in 2009-10.

### Public Treasurer's Investment Fund Interest Rates

Jan. 2000 - April 2009



The graph to the left shows the rates of return for the current decade. Rates have declined rapidly over the past year, which means the District receives substantially less interest income from its investments. 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.

Source: Utah State Treasurer



## Major Revenue Sources

### Federal Sources

The federal government provides direct and flow-through support to specific programs in the District. For FY 2009-10, it's anticipated that the District will receive just over \$20 million in federal support, a dramatic increase when compared to prior years. The biggest reason for the jump is due to the American Recovery and Reinvestment Act (ARRA), which is part of the 2009 Federal Stimulus package. The majority of the increase in federal revenues is one-time money, meaning no ongoing expenses will be built into the budget. Most of the money will be used for technology equipment upgrades and a one-time subsidization of the District's retirement budget. Unless the national recession substantially worsens, it is unlikely any new one-time federal money will go to the District in FY 2010-11, although some existing funds are anticipated to be carried over from FY 2009-10 into FY 2010-11. As mentioned previously, additional information regarding ARRA can be found on page 60 of this book.

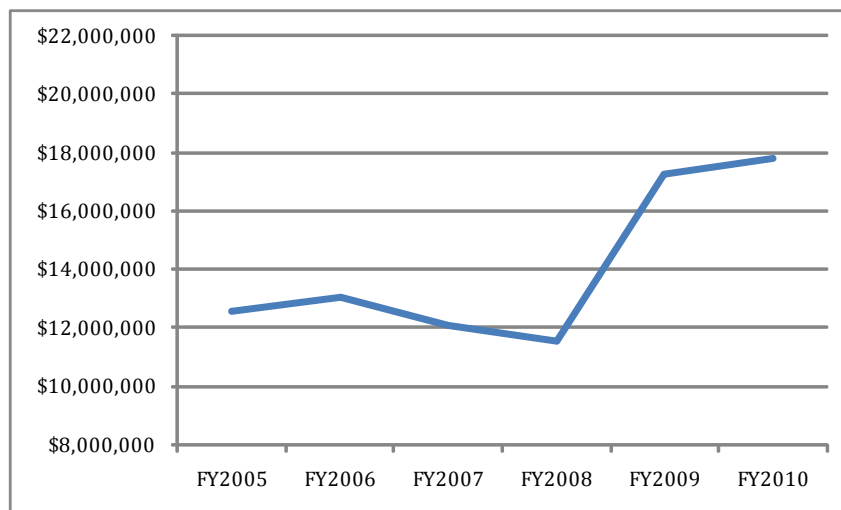
With the ARRA money excluded, the largest programs the District operates with federal funding are IDEA, Title I, Improving Teacher Quality, 21st Century Community Learning Centers and the school lunch program. These five programs make up roughly 75% of all the federal grants the District receives. The District won't know if it has been funded for several of the federal grants it has applied for until midway through FY 2009-10.

**“For FY 2009-10, it's anticipated that the District will receive just over \$20 million in federal support, a dramatic increase when compared to prior years.”**

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 2004-05 - FY 2009-10 (projected)



## Major Revenue Sources

### Federal Sources

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#### Description of Largest Federal Programs Operated by the District

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

The following five programs make up approximately 75% of all District federal grants for FY 2009-10 (excluding federal ARRA money, which is discussed in greater detail on the next page). 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. With the exception of the Federal Food program, each of these programs is governed by the *No Child Left Behind Act*, which was implemented by the U.S. Department of Education to provide



“Stronger Accountability for Results, More Freedom for States and Communities, Proven Education Methods, and More Choices for Parents.” (source: U.S. Dept. of Education)

#### Federal Food Programs

The District receives approximately \$2.8 million 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 amount of low-income students in the District. The District is projected to receive approximately \$2.7 million in Title I funding in FY 2009-10.

#### Individuals with Disabilities Education Act (IDEA)

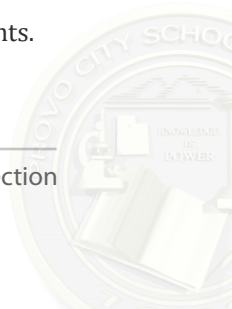
In terms of funding amount, this grant is similar in size to Title I. It too is part of No Child Left Behind. It is designed to help disabled individuals receive improved opportunities for success, with a substantial focus on technology to meet this goal. The District anticipates receiving \$2.6 million from this grant in FY 2009-10.

#### 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 approximately \$700,000 from this grant in FY 2009-10.

#### 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 amount of low-income students enrolled. Schools without substantial low-income enrollments typically aren't considered for these grants. All combined, the District anticipates receiving \$600,000 in 21st Century grants for FY 2009-10.



## Major Revenue Sources

### Federal Sources - American Recovery and Reinvestment Act of 2009 (ARRA)

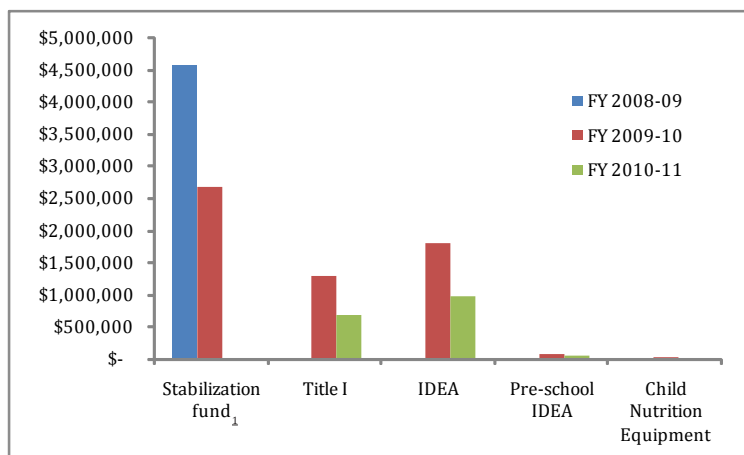
In February 2009, the federal government passed the American Recovery and Reinvestment Act (ARRA). The intent of this effort is to stimulate the economy through strategic and significant investment. Under the Act, Utah will receive up to \$1.6 billion in formula funding and even more through competitive grants.

The District stands to receive over \$12 million in ARRA funds, beginning in late FY 2008-09 and ending in early FY 2010-11. ARRA funds come to the District for a variety of programs. Some of the funds are restricted for specific use (e.g. Title I), while some funds are available for the District to use to stabilize general budgets. ARRA funds are considered non-recurring, so no ongoing, year-to-year expenditures will be built into these budgets in future years. The table below shows the District's ARRA distribution:



### ARRA Distribution by Program

Program	FY 2008-09	FY 2009-10	FY 2010-11	Total
Stabilization fund <sup>1</sup>	\$ 4,566,168	\$ 2,677,744	\$ -	\$ 7,243,912
Title I	-	1,281,358	689,962	1,971,320
IDEA	-	1,802,257	970,446	2,772,703
Pre-school IDEA	-	68,730	37,008	105,738
Child Nutrition Equipment	-	23,000	-	23,000
<b>Total</b>	<b>\$ 4,566,168</b>	<b>\$ 5,853,089</b>	<b>\$ 1,697,416</b>	<b>\$ 12,116,673</b>



<sup>1</sup>Money received as "stabilization funds" results in no net increase in revenue because state revenue is decreased by the same amount. For example, in FY 2008-09, the District received \$4.5 million in ARRA stabilization funds. However, revenue from state sources was decreased by the same amount, meaning no new funds for the District. The same decrease in state revenue will occur in FY 2009-10 when the District receives \$2.6 million in ARRA funds.

For more information regarding the American Recovery and Reinvestment Act of 2009 (ARRA), please visit:

<http://www.recovery.gov/>

-or-

<http://www.recovery.utah.gov/>



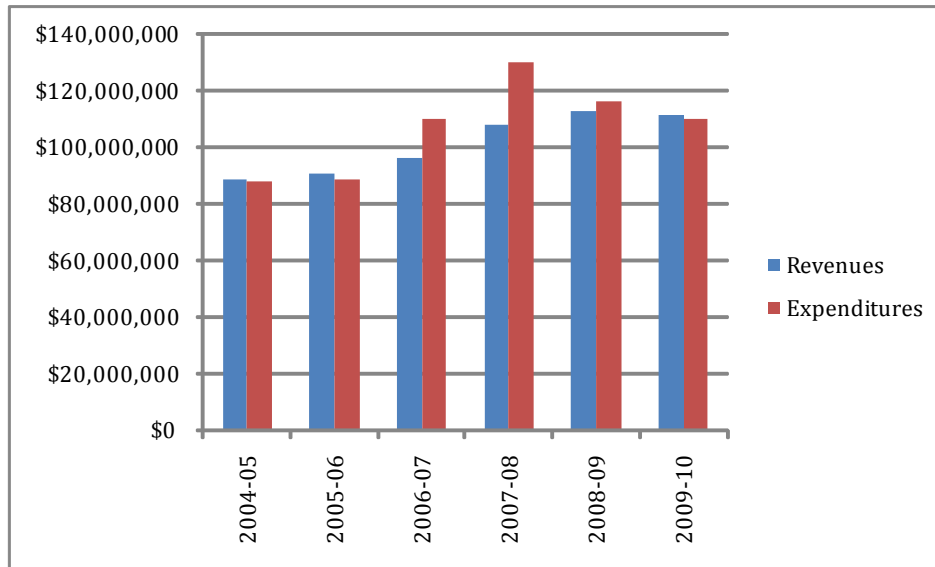


# Financial Schedules and Charts

## Including Supplementary Financial Information

### Revenue and Expenditures - All Funds

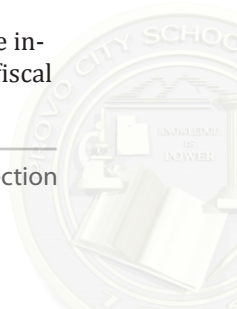
FY 2004-05 to FY 2009-10



Fiscal Year	Revenues	Expenditures
2004-05	\$ 88,974,245	\$ 88,000,440
2005-06	91,066,878	88,723,373
2006-07	96,831,914	110,249,504
2007-08	108,457,783	130,329,831
2008-09	113,237,128	116,741,487
2009-10	111,984,568	110,402,649

FY 2004-05 through FY 2007-08 are actual audited revenue and expenditures. FY 2008-09 and FY 2009-10 are based on budgeted amounts.

Revenues and expenditures from the "Supplemental Programs Fund," no longer used by the District, are included on this schedule for fiscal years 2004-05 through 2006-07. This fund was discontinued during fiscal year 2006-07. It is not included in the budgets broken out by fund found on subsequent pages.



## Provo City School District

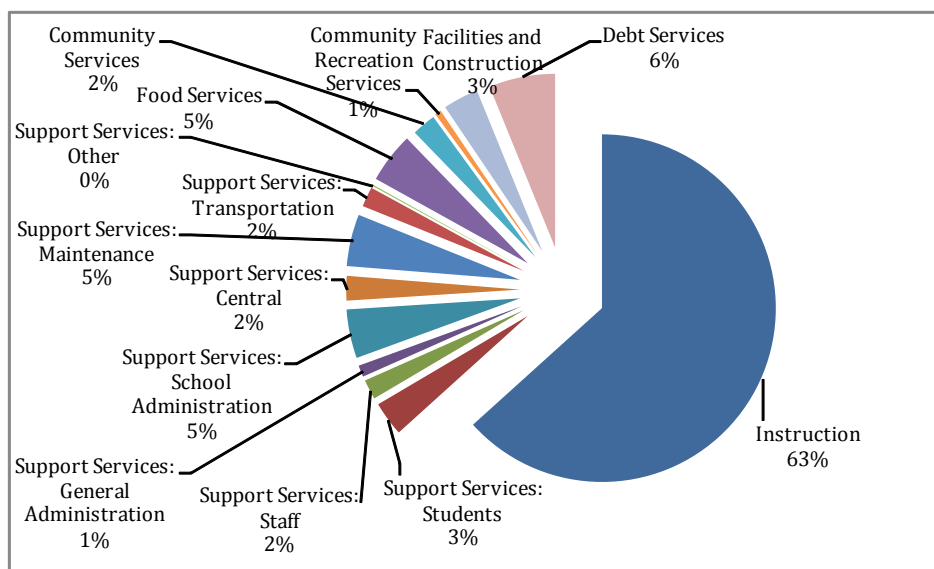
Expenditure Comparison by Function - All Funds  
FY 2008-09 to FY 2009-10

Function	Final Budget FY 2008-09	Original Budget FY 2009-10	% Change
Instruction	\$ 70,270,343	\$ 69,899,869	-1%
Support Services: Students	3,502,708	3,543,578	1%
Support Services: Staff	2,484,079	2,031,390	-18%
Support Services: General Administration	1,189,113	1,192,971	0%
Support Services: School Administration	4,985,684	5,015,982	1%
Support Services: Central	2,729,177	2,525,072	-7%
Support Services: Maintenance	5,435,494	5,323,515	-2%
Support Services: Transportation	2,085,943	2,047,224	-2%
Support Services: Other	211,378	127,631	-40%
Food Services	5,139,358	5,177,110	1%
Community Services	3,315,575	2,448,724	-26%
Community Recreation Services	1,562,203	647,143	-59%
Facilities and Construction	7,105,032	3,622,437	-49%
<u>Debt Services</u>	<u>6,725,400</u>	<u>6,800,000</u>	<u>1%</u>
<b><u>Grand Total</u></b>	<b><u>\$ 116,741,487</u></b>	<b><u>\$ 110,402,646</u></b>	<b><u>-5%</u></b>

Figures may vary slightly due to rounding.

### Expenditures by Function

All Funds  
FY 2009-10



**Provo City School District**  
 Summary of Budgets by Fund and Function  
 FY 2009-10

	General Fund	Debt Service Fund	Capital Projects	Other Governmental Funds	Total - All Funds
<b>Revenues by Source</b>					
Property Taxes	\$ 15,459,000	\$ 6,500,000	\$ 9,647,496	\$ 657,504	\$ 32,264,000
Earnings on Investments	490,000				490,000
Other Local Revenue	2,457,158		220,000	5,753,054	8,430,212
State Sources	51,904,487			1,079,309	52,983,796
Federal Sources	8,508,047			3,455,424	11,963,471
Federal Sources - ARRA	5,789,724			63,365	5,853,089
<b>Total Revenues</b>	<b>\$ 84,608,416</b>	<b>\$ 6,500,000</b>	<b>\$ 9,867,496</b>	<b>\$ 11,008,656</b>	<b>\$ 111,984,568</b>
<b>Expenditures by Function</b>					
Function					
Instruction	\$ 66,421,679	\$ -	\$ -	\$ 3,478,190	\$ 69,899,869
Student Support Services	3,543,578	-	-	-	3,543,578
Instructional Support Services (staff)	2,031,390	-	-	-	2,031,390
General Admin. Support Services	1,192,971	-	-	-	1,192,971
School Admin. Support Services	5,015,982	-	-	-	5,015,982
Central Support Services	2,525,072	-	-	-	2,525,072
Operation and Maintenance Services	1,584,045	-	3,739,470	-	5,323,515
Student Transportation Services	2,047,224	-	-	-	2,047,224
Other Support Services	127,631	-	-	-	127,631
School Food Services	-	-	-	5,177,110	5,177,110
Community Services	-	-	-	2,448,724	2,448,724
Recreation Services	-	-	-	647,143	647,143
Facilities and Construction	-	-	3,222,437	400,000	3,622,437
Debt Service	-	6,500,000	300,000	-	6,800,000
<b>Total Expenditures</b>	<b>\$ 84,489,572</b>	<b>\$ 6,500,000</b>	<b>\$ 7,261,907</b>	<b>\$ 12,151,167</b>	<b>\$ 110,402,646</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	118,844	-	2,605,589	(1,142,511)	1,581,922
Other Financing Sources (Uses) and Other Items:	1,000	-	(2,000,000)	12,001,000	10,001,000
<b>Net Change in Fund Balances:</b>	<b>\$ 118,844</b>	<b>\$ -</b>	<b>\$ 605,589</b>	<b>\$ 10,858,489</b>	<b>\$ 11,582,922</b>

Figures may vary slightly due to rounding.



**Provo City School District**  
 Expenditures by Fund and Object  
 FY 2009-10

Object	Fund			
	General	Student Activities	Non K-12	Debt Service
Salaries	\$ 52,579,031	\$ -	\$ 2,117,732	\$ -
Benefits	21,529,921	-	626,383	-
Purchased/Professional Services	2,063,805	306,302	43,251	-
Purchased Property Services	385,035	50,913	19,477	-
Other Purchased Services	868,626	606,550	26,606	-
Supplies	4,497,598	1,783,461	191,898	-
Equipment	3,050,496	39,728	21,150	-
Other Objects	(484,938)	691,236	49,370	6,500,000
<b>Total:</b>	<b>\$ 84,489,574</b>	<b>\$ 3,478,190</b>	<b>\$ 3,095,867</b>	<b>\$ 6,500,000</b>

Object	Fund		
	Capital Projects	Building Reserve	Food Services
Salaries	\$ 1,208,338	\$ -	\$ 1,705,496
Benefits	397,986	-	619,724
Purchased/Professional Services	18,000	-	11,000
Purchased Property Services	2,536,500	200,000	71,740
Other Purchased Services	-	-	4,306
Supplies	2,515,036	-	1,814,222
Equipment	286,047	-	460,000
Other Objects	300,000	200,000	490,622
<b>Total:</b>	<b>\$ 7,261,907</b>	<b>\$ 400,000</b>	<b>\$ 5,177,110</b>

Figures may vary slightly due to rounding.



**Provo City School District**  
 Summary of Budgets  
 All Funds  
 FY 2005-06 to FY 2009-10

REVENUES BY SOURCE	ACTUAL FY 2005-06	ACTUAL FY 2006-07	ACTUAL 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
Total Local	\$ 28,291,821	\$ 32,104,010	\$ 36,675,195	\$ 40,133,967	\$ 40,526,709
Total State	49,629,417	52,642,012	59,138,786	55,803,867	53,641,300
Total Federal	<u>12,599,384</u>	<u>12,085,892</u>	<u>11,556,049</u>	<u>17,299,294</u>	<u>17,816,559</u>
<b>TOTAL REVENUES</b>	<u>90,520,622</u>	<u>96,831,914</u>	<u>107,370,030</u>	<u>113,237,128</u>	<u>111,984,568</u>
<b>EXPENDITURES BY OBJECT</b>					
Salaries	49,163,786	51,056,405	55,407,669	59,630,281	57,610,598
Employee Benefits	18,262,016	23,529,082	23,615,892	23,545,133	23,174,017
Purchased Professional and Technical Services	2,244,577	1,902,206	2,847,450	2,758,962	2,442,358
Purchased Property Services	1,675,263	14,440,742	21,619,323	6,803,118	3,263,665
Other Purchased Services	1,166,799	1,146,786	2,062,948	2,104,846	1,506,088
Supplies	7,909,930	8,267,967	10,755,051	11,240,821	10,802,212
Property	2,730,899	3,193,254	4,182,886	2,941,190	3,857,421
Other Objects	<u>4,923,870</u>	<u>6,713,062</u>	<u>7,460,751</u>	<u>7,717,136</u>	<u>7,746,290</u>
<b>TOTAL EXPENDITURES</b>	<u>88,077,140</u>	<u>110,249,504</u>	<u>127,951,970</u>	<u>116,741,487</u>	<u>110,402,649</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,443,482</u>	<u>(13,417,590)</u>	<u>(20,581,940)</u>	<u>(3,504,359)</u>	<u>1,581,919</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>862,633</u>	<u>41,083,156</u>	<u>1,225,296</u>	<u>-</u>	<u>10,001,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>3,306,115</u>	<u>27,665,566</u>	<u>(19,356,644)</u>	<u>(3,504,359)</u>	<u>11,582,919</u>
NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)	<u>10,810,723</u>	<u>14,116,838</u>	<u>41,782,401</u>	<u>24,273,609</u>	<u>20,769,250</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	<u>-</u>	<u>-</u>	<u>1,847,853</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS / FUND BALANCE - ENDING</b>	<u>\$ 14,116,838</u>	<u>\$ 41,782,401</u>	<u>\$ 24,273,610</u>	<u>\$ 20,769,250</u>	<u>\$ 32,352,169</u>

Notes: For FY 2005-06, all purchased services expenditures were combined into the "Purchased Professional and Technical Services" category.

Revenues and expenditures from the "Supplemental Programs Fund," no longer used by the District, are included on this schedule for fiscal years 2005-06 through 2006-07. This fund was discontinued during fiscal year 2006-07. It is not included in the budgets broken out by fund found on subsequent pages.

Figures may vary slightly due to rounding.



## Provo City School District

### Summary of Budgets

#### General Fund

FY 2005-06 to FY 2009-10

#### REVENUES BY SOURCE

	ACTUAL FY 2005-06	ACTUAL FY 2006-07	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
Total Local	\$ 14,891,235	\$ 16,305,166	\$ 16,505,936	\$ 17,777,914	\$ 18,406,158
Total State	46,639,740	49,313,718	56,943,212	53,405,897	51,904,487
Total Federal	<u>8,379,547</u>	<u>8,600,968</u>	<u>8,173,955</u>	<u>13,786,559</u>	<u>14,297,769</u>
<b>TOTAL REVENUES</b>	<u>69,910,522</u>	<u>74,219,852</u>	<u>81,623,103</u>	<u>84,970,370</u>	<u>84,608,414</u>

#### EXPENDITURES BY OBJECT

Salaries	43,689,458	45,384,027	50,205,668	53,902,526	52,579,031
Employee Benefits	16,634,036	21,819,072	22,009,698	21,681,917	21,529,921
Purchased Professional and Technical Services	3,318,307	1,539,960	2,259,631	2,314,863	2,063,805
Purchased Property Services	-	358,965	401,327	382,147	385,035
Other Purchased Services	-	1,047,868	1,042,761	1,096,751	868,626
Supplies	3,722,082	3,568,411	3,841,927	4,384,730	4,497,597
Property	1,232,122	1,249,787	2,301,732	1,295,035	3,050,496
Other Objects	<u>(527,236)</u>	<u>(423,567)</u>	<u>490,451</u>	<u>(120,299)</u>	<u>(484,938)</u>
<b>TOTAL EXPENDITURES</b>	<u>68,068,769</u>	<u>74,544,523</u>	<u>82,553,195</u>	<u>84,937,670</u>	<u>84,489,573</u>

EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,841,753</u>	<u>(324,671)</u>	<u>(930,092)</u>	<u>32,700</u>	<u>118,841</u>
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OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>-</u>	<u>3,955</u>	<u>1,225,296</u>	<u>-</u>	<u>1,000</u>
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NET CHANGE IN FUND BALANCE	<u>1,841,753</u>	<u>(320,716)</u>	<u>295,204</u>	<u>32,700</u>	<u>119,841</u>
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FUND BALANCE - BEGINNING (From Prior Year)	<u>3,224,170</u>	<u>5,053,949</u>	<u>4,733,233</u>	<u>5,652,827</u>	<u>5,685,527</u>
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Adjustments to Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>624,390</u>	<u>-</u>	<u>-</u>
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FUND BALANCE - ENDING	<u>\$ 5,053,949</u>	<u>\$ 4,733,233</u>	<u>\$ 5,652,827</u>	<u>\$ 5,685,527</u>	<u>\$ 5,805,368</u>
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Notes: For FY 2005-06, all purchased services expenditures were combined into the "Purchased Professional and Technical Services" category.

Figures may vary slightly due to rounding.



**Provo City School District**  
 Summary of Budgets  
 Capital Projects Fund  
 FY 2005-06 to FY 2009-10

REVENUES BY SOURCE

	ACTUAL FY2005-06	ACTUAL FY 2006-07	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
Total Local	\$ 6,566,309	\$ 7,114,988	\$ 7,721,930	\$ 9,085,572	\$ 9,867,496
Total State	34,896	-	-	-	-
Total Federal	-	-	-	-	-
<b>TOTAL REVENUES:</b>	<u>6,601,205</u>	<u>7,114,988</u>	<u>7,721,930</u>	<u>9,085,572</u>	<u>9,867,496</u>

EXPENDITURES BY OBJECT

Salaries	960,036	1,056,382	1,119,213	1,178,380	1,208,338
Employee Benefits	324,732	328,223	354,632	386,695	397,986
Purchased Professional and Technical Services	986,796	50,908	193,875	43,282	18,000
Purchased Property Services	-	13,566,870	20,586,449	5,587,255	2,536,500
Other Purchased Services	-	42,736	16,786	10,550	-
Supplies	2,324,299	2,509,621	3,013,995	2,782,700	2,515,036
Property	1,319,939	1,753,014	1,635,849	1,160,728	286,047
Other Objects	<u>942,325</u>	<u>2,137,285</u>	<u>178,995</u>	<u>300,000</u>	<u>300,000</u>
<b>TOTAL EXPENDITURES</b>	<u>6,858,127</u>	<u>21,445,039</u>	<u>27,099,794</u>	<u>11,449,590</u>	<u>7,261,907</u>

EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(256,922)</u>	<u>(14,330,051)</u>	<u>(19,377,864)</u>	<u>(2,364,018)</u>	<u>2,605,589</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>862,634</u>	<u>40,944,201</u>	<u>-</u>	<u>(1,940,240)</u>	<u>(2,000,000)</u>
NET CHANGE IN FUND BALANCE	<u>605,712</u>	<u>26,614,150</u>	<u>(19,377,864)</u>	<u>(4,304,258)</u>	<u>605,589</u>
FUND BALANCE - BEGINNING (From Prior Year)	<u>5,027,562</u>	<u>5,633,274</u>	<u>32,247,424</u>	<u>12,869,560</u>	<u>8,565,302</u>
Adjustment to Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 5,633,274</u>	<u>\$ 32,247,424</u>	<u>\$ 12,869,560</u>	<u>\$ 8,565,302</u>	<u>\$ 9,170,891</u>

Notes: For FY 2005-06, all purchased services expenditures were combined into the "Purchased Professional and Technical Services" category.

Figures may vary slightly due to rounding.



**Provo City School District**  
 Summary of Budgets  
 Debt Service Fund  
 FY 2005-06 to FY 2009-10

	ACTUAL FY 2005-06	ACTUAL FY 2006-07	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
<b>REVENUES BY SOURCE</b>					
Total Local	\$ 4,044,078	\$ 5,000,512	\$ 5,144,875	\$ 6,322,282	\$ 6,500,000
Total State	-	-	-	-	-
<b>TOTAL REVENUES</b>	<u>4,044,078</u>	<u>5,000,512</u>	<u>5,144,875</u>	<u>6,322,282</u>	<u>6,500,000</u>
<b>EXPENDITURES BY OBJECT</b>					
Other Objects	<u>3,778,104</u>	<u>4,668,945</u>	<u>5,879,403</u>	<u>6,425,400</u>	<u>6,500,000</u>
<b>TOTAL EXPENDITURES</b>	<u>3,778,104</u>	<u>4,668,945</u>	<u>5,879,403</u>	<u>6,425,400</u>	<u>6,500,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>265,974</u>	<u>331,567</u>	<u>(734,528)</u>	<u>(103,118)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>-</u>	<u>135,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>265,974</u>	<u>466,567</u>	<u>(734,528)</u>	<u>(103,118)</u>	<u>-</u>
<b>FUND BALANCE - BEGINNING (From Prior Year)</b>	<u>974,828</u>	<u>1,240,802</u>	<u>1,707,369</u>	<u>972,841</u>	<u>869,723</u>
<b>Adjustment to Beginning Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 1,240,802</u>	<u>\$ 1,707,369</u>	<u>\$ 972,841</u>	<u>\$ 869,723</u>	<u>\$ 869,723</u>

Figures may vary slightly due to rounding.





**Provo City School District**

Summary of Budgets  
 Student Activities Fund  
 FY 2007-08 to FY 2009-10

	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
<b>REVENUES BY SOURCE</b>			
Total Local	\$ 4,213,824	\$ 3,792,097	\$ 3,349,500
Total State	-	-	-
Total Federal	-	-	-
<b>TOTAL REVENUES</b>	<u>4,213,824</u>	<u>3,792,097</u>	<u>3,349,500</u>
<b>EXPENDITURES BY OBJECT</b>			
Salaries	-	-	-
Employee Benefits	-	-	-
Purchased Professional and Technical Services	312,522	318,873	306,302
Purchased Property Services	69,073	67,196	50,913
Other Purchased Services	944,764	921,636	606,550
Supplies	1,956,386	1,807,152	1,783,461
Property	46,694	58,270	39,728
Other Objects	<u>711,752</u>	<u>738,564</u>	<u>691,236</u>
<b>TOTAL EXPENDITURES</b>	<u>4,041,191</u>	<u>3,911,691</u>	<u>3,478,190</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>172,633</u>	<u>(119,594)</u>	<u>(128,690)</u>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>172,633</u>	<u>(119,594)</u>	<u>(128,690)</u>
<b>FUND BALANCE - BEGINNING (From Prior Year)</b>	<u>1,835,600</u>	<u>2,008,233</u>	<u>1,888,639</u>
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-
<b>FUND BALANCE - ENDING</b>	<u>\$ 2,008,233</u>	<u>\$ 1,888,639</u>	<u>\$ 1,759,949</u>

Notes: The Student Activities Fund is a new fund, and the District was not required to report actual or budgeted revenues or expenditures until FY 2007-08. There were no revenues or expenditures prior to FY 2007-08.

Figures may vary slightly due to rounding.



**Provo City School District**

Summary of Budgets

Non K-12 Fund

FY 2005-06 to FY 2009-10

REVENUES BY SOURCE	ACTUAL FY 2005-06	ACTUAL FY 2006-07	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
Total Local	\$ 1,365,178	\$ 1,434,593	\$ 1,720,443	\$ 1,834,547	\$ 1,199,658
Total State	1,333,567	1,508,941	1,635,706	1,847,970	1,186,813
Total Federal	402,158	300,219	797,600	855,935	764,490
<b>TOTAL REVENUES</b>	<u>3,100,903</u>	<u>3,243,753</u>	<u>4,153,749</u>	<u>4,538,452</u>	<u>3,150,961</u>
<b>EXPENDITURES BY OBJECT</b>					
Salaries	1,699,560	1,709,917	2,447,062	2,802,909	2,117,733
Employee Benefits	465,251	454,862	686,879	797,174	626,384
Purchased Professional and Technical Services	418,585	75,562	66,104	68,762	43,251
Purchased Property Services	-	435,132	500,856	663,645	19,477
Other Purchased Services	-	35,077	54,407	70,649	26,606
Supplies	312,963	223,943	269,720	327,915	191,898
Property	97,332	51,363	20,940	91,287	21,150
Other Objects	42,452	46,538	38,967	55,437	49,370
<b>TOTAL EXPENDITURES</b>	<u>3,036,143</u>	<u>3,032,394</u>	<u>4,084,935</u>	<u>4,877,778</u>	<u>3,095,869</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>64,760</u>	<u>211,359</u>	<u>68,814</u>	<u>(339,326)</u>	<u>55,092</u>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>64,760</u>	<u>211,359</u>	<u>68,814</u>	<u>(339,326)</u>	<u>55,092</u>
<b>FUND BALANCE - BEGINNING (From Prior Year)</b>	<u>186,168</u>	<u>250,928</u>	<u>462,287</u>	<u>570,375</u>	<u>231,049</u>
<b>Adjustment to Beginning Fund Balance (Add Explanation)</b>	<u>-</u>	<u>-</u>	<u>39,274</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 250,928</u>	<u>\$ 462,287</u>	<u>\$ 570,375</u>	<u>\$ 231,049</u>	<u>\$ 286,141</u>

Notes: For FY 2005-06, all purchased services expenditures were combined into the "Purchased Professional and Technical Services" category.

Figures may vary slightly due to rounding.



**Provo City School District**

Summary of Budgets

Building Reserve Fund

FY 2007-08 to FY 2009-10

	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 200-10
<b>REVENUES BY SOURCE</b>			
Total Local	\$ -	\$ -	\$ -
Total State	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES BY OBJECT</b>			
Salaries	-	-	-
Employee Benefits	-	-	-
Purchased Professional and Technical Services	-	-	-
Purchased Property Services	-	-	200,000
Property	-	-	-
Other Objects	<u>-</u>	<u>-</u>	<u>200,000</u>
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>400,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>(400,000)</u>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>-</u>	<u>1,940,240</u>	<u>12,000,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>-</u>	<u>1,940,240</u>	<u>11,600,000</u>
<b>FUND BALANCE - BEGINNING (From Prior Year)</b>	<u>-</u>	<u>-</u>	<u>1,940,240</u>
Adjustment to Beginning Fund Balance (Add Explanation)	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ -</u>	<u>\$ 1,940,240</u>	<u>\$ 13,540,240</u>

Notes: The Building Reserve fund was not used by the District until FY 2008-09.

Figures may vary slightly due to rounding.



**Provo City School District**  
 Summary of Budgets  
 Food Services Fund  
 FY 2005-06 to FY 2009-10

REVENUES BY SOURCE	ACTUAL FY 2005-06	ACTUAL FY 2006-07	ACTUAL FY 2007-08	ORIGINAL BUDGET FY 2008-09	FINAL BUDGET FY 2009-10
Total Local	\$ 1,121,538	\$ 1,471,322	\$ 1,368,187	\$ 1,321,555	\$ 1,203,897
Total State	455,868	537,438	559,868	550,000	550,000
Total Federal	<u>2,597,149</u>	<u>2,630,426</u>	<u>2,584,494</u>	<u>2,656,800</u>	<u>2,754,300</u>
<b>TOTAL REVENUES</b>	<u>4,174,555</u>	<u>4,639,186</u>	<u>4,512,549</u>	<u>4,528,355</u>	<u>4,508,197</u>
<b>EXPENDITURES BY OBJECT</b>					
Salaries	1,453,899	1,530,364	1,635,726	1,746,466	1,705,496
Employee Benefits	456,948	487,941	564,683	679,347	619,726
Purchased Professional and Technical Services	93,935	49,681	15,318	13,182	11,000
Purchased Property Services	-	74,501	61,618	102,875	71,740
Other Purchased Services	-	4,728	4,230	5,260	4,306
Supplies <sup>1</sup>	1,411,960	1,726,592	1,673,023	1,938,324	1,814,220
Property	49,859	96,978	177,671	335,870	460,000
Other Objects	<u>311,534</u>	<u>209,785</u>	<u>161,183</u>	<u>318,034</u>	<u>490,622</u>
<b>TOTAL EXPENDITURES</b>	<u>3,778,135</u>	<u>4,180,570</u>	<u>4,293,452</u>	<u>5,139,358</u>	<u>5,177,110</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>396,420</u>	<u>458,616</u>	<u>219,097</u>	<u>(611,003)</u>	<u>(668,913)</u>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>396,420</u>	<u>458,616</u>	<u>219,097</u>	<u>(611,003)</u>	<u>(668,913)</u>
<b>NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)</b>	<u>1,125,641</u>	<u>1,522,061</u>	<u>1,980,677</u>	<u>2,199,773</u>	<u>1,588,770</u>
<b>Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS / FUND BALANCE - ENDING</b>	<u>\$ 1,522,061</u>	<u>\$ 1,980,677</u>	<u>\$ 2,199,774</u>	<u>\$ 1,588,770</u>	<u>\$ 919,857</u>

Notes: For FY 2005-06, all purchased services expenditures were combined into the "Purchased Professional and Technical Services" category.

Figures may vary slightly due to rounding.

<sup>1</sup>Food is included in the supplies object in this report. A detailed analysis of food costs for the Food Services fund is provided in the statistical section of this document. Food costs account for 89% of the overall Food Services supplies budget for FY 2009-10.



## Fund Balance Definition

Fund balance is defined as the difference between the *assets* and *liabilities* of a fund. 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 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 undesignated amount in the General fund to no more than 5% of the total expense budget of that fund.

## Schedule of Changes in Fund Balance

FY 2008-09 to FY 2009-10

<i>Major Funds</i>	FY 2008-09			FY 2009-10		
	Beginning Balance	Net Change in Fund Balance	Ending Balance	Beginning Balance	Net Change in Fund Balance	Ending Balance
General	\$ 5,652,827	\$ 32,700	\$ 5,685,527	\$ 5,685,527	\$ 119,841	\$ 5,805,368
Capital Projects	12,869,560	(4,304,258)	8,565,302	8,565,302	605,589	9,170,891
Debt Service	<u>972,841</u>	<u>(103,118)</u>	<u>869,723</u>	<u>869,723</u>	<u>-</u>	<u>869,723</u>
Total Major Funds	<u>19,495,228</u>	<u>(4,374,676)</u>	<u>15,120,552</u>	<u>15,120,552</u>	<u>725,430</u>	<u>15,845,982</u>
<i>Non-major Funds</i>						
Student Activities	2,008,233	(119,594)	1,888,639	1,888,639	(128,690)	1,759,949
Non K-12	570,375	(339,326)	231,049	231,049	55,092	286,141
Building Reserve	-	1,940,240	1,940,240	1,940,240	11,600,000	13,540,240
Food Services	<u>2,199,773</u>	<u>(611,003)</u>	<u>1,588,770</u>	<u>1,588,770</u>	<u>(668,913)</u>	<u>919,857</u>
Total Non-major Funds	<u>4,778,381</u>	<u>870,317</u>	<u>5,648,698</u>	<u>5,648,698</u>	<u>10,857,489</u>	<u>16,506,187</u>
Total All Funds	<u>\$ 24,273,609</u>	<u>\$ (3,504,359)</u>	<u>\$ 20,769,250</u>	<u>\$ 20,769,250</u>	<u>\$ 11,582,919</u>	<u>\$ 32,352,169</u>

Figures may vary slightly due to rounding.



## Statement on Changes to Fund Balance

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For FY 2009-10, the District is projecting the following increases (decreases) to fund balances:

General fund: \$119,841

The District is projecting a minor change to its General fund balance for FY 2008-09, as it has been able to meet its short-term budget initiatives while keeping property tax rates as low as possible for FY 2009-10. This did, however, come at a substantial cost to the District in the form of layoffs, furloughs, and overall program cuts. As the general operating fund of the District, this fund was impacted by the current recession more heavily than the other funds.

Capital Projects fund: \$605,581

The Capital Projects fund balance is projected to increase \$605,000 in FY 2009-10. The major reason for this increase can be explained by a one-time \$500,000 cut in spending in this fund.

Debt Service Fund: \$0

There is no projected change to the Debt Service fund balance in FY 2009-10.

Student Activities fund: (\$128,690)

This fund is projected to have a substantial decrease to its fund balance in FY 2009-10, as poor economic conditions mean less donations and less overall cash flow for the schools. This fund represents the checking and savings accounts of individual schools.

Non K-12 fund: \$55,092

The Non K-12 fund balance is projected to decrease by \$55,092 in FY 2009-10. The major reason for this decrease is due to restricted programs that don't relate to regular education spending down current fund balances for one-time, non-routine items. Changes to this fund have little material effect on regular operations.



Building Reserve fund: \$11,600,000

This special revenue fund is authorized by Utah state law and is used to accumulate funds to meet future capital project needs. The increase of \$11,600,000 is two-fold: the first component is \$2,000,000 in property taxes transferred from the Capital Projects fund. This is a multi-year levy designed to provide the District the flexibility of replacing an elementary school in the near-term without issuing traditional bonds.

The second factor is related to money that comes from the federal stimulus package. There are opportunities for school districts to borrow money at extremely low interest rates from the federal government through their respective states. In fact, with rates as low as they currently are (May 2009), this would basically amount to an interest-free loan. To take advantage of extremely low construction costs, the District could apply through the State of Utah to issue special bonds (referred to as Qualified School Construction Bonds, or QSCB) to build a new school in the next year, rather than waiting for the Building Reserve fund to accrue enough revenue to do so. The bond would then be repaid by proceeds from the Building Reserve fund. This option has the potential of saving Provo taxpayers \$1-2 million dollars due to the low construction costs and historically low interest rates. In the long-term, the District would not be assuming any more debt than was originally planned for in the 2005 Master Plan.

Food Services fund: (\$668,913)

The decrease in the Food Services fund balance is the result of two main factors. First, the District's food service equipment replacement plan dictates the need for approximately \$430,000 in non-routine equipment upgrades for FY 2009-10. The District's policy is always to use fund balance to pay for non-routine one-time needs and never for regular operations.

Second, revenue from students (local revenue) is expected to be down in FY 2009-10 due to economic conditions. During a recession, it is typical for more students to bring a lunch from home. It's unclear at this time whether federal revenue will make up for the shortfall in local revenue.

**Summary of Fund Balances**

Due to substantial budget cuts, most District funds are projected to break even or add to fund balance by the end of FY 2009-10. Two exceptions are the Student Activities fund and the Food Services fund. The fund balance decrease in the Student Activities fund is due mainly to declining donations at the school level. It is anticipated that schools will be able to bring budgets back in line as the recession eases. The Food Services fund balance decrease is a planned spend-down. Expenditures are budgeted to increase for equipment and other non-recurring items to take advantage of low prices in the current economy. This fund has reserves to be able to handle the fund balance decrease for FY 2009-10.



# Major Revenues and Expenditures by Fund

## Major Funds

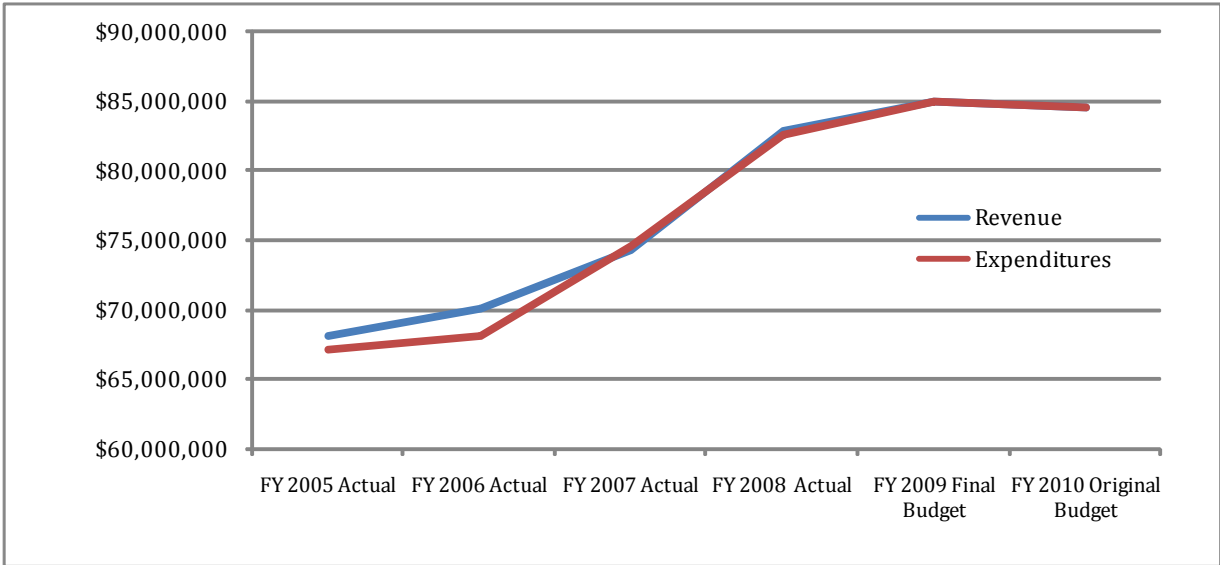




## General Fund

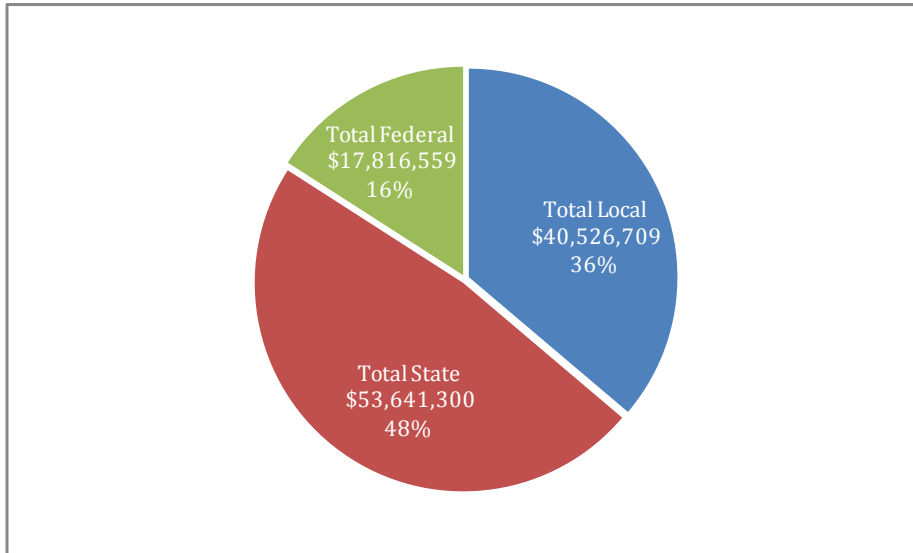
The General Fund is the chief operating and largest fund of the District. It is used to account for all financial resources of the school district except those required to be accounted for in another fund. By law, the District may have only one general fund. The majority of expenditures coming from local, state and federal revenue sources are classified in this fund.

### General Fund Revenue vs. Expenditures Comparison FY 2004-05 through FY 2009-10



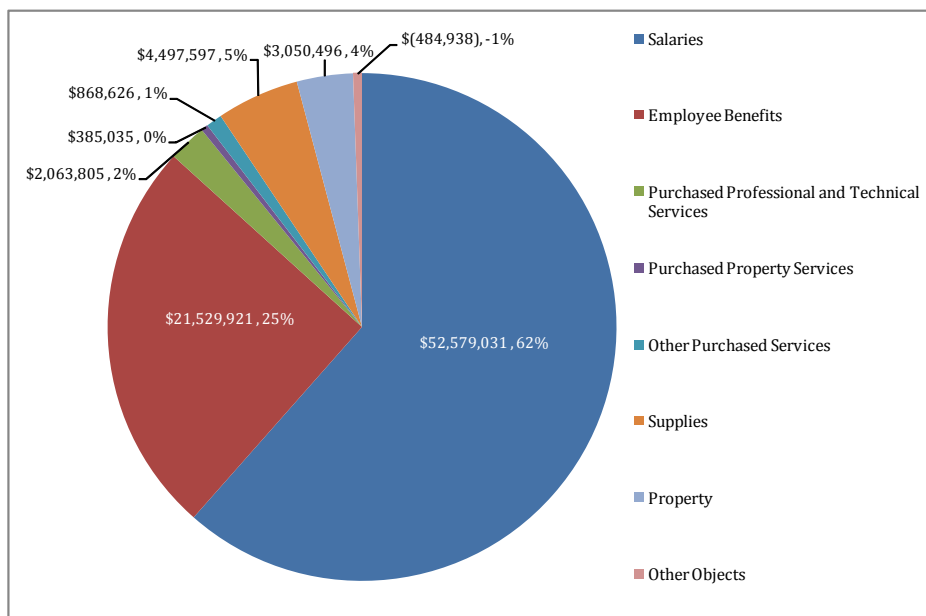
**Provo City School District**  
 General Fund Revenues by Source  
 FY 2009-10

**FY 2009-10 General Fund Revenues by Source**



Total FY 2009-10 Revenues, General Fund: \$84,608,414

**FY 2009-10 General Fund Expenditures by Object**



Total FY 2009-10 Expenditures, General Fund: \$84,489,573



**Provo City School District**

General Fund Major Revenue Sources: State  
 FY 2007-08 through FY 2009-10

	<u>Actual FY 2008</u>	<u>Final Budget FY 2008-09</u>	<u>Original Budget FY 2009-10</u>
<u>Regular Basic Programs</u>			
Regular School Program K-12	\$ 23,436,125	\$ 19,833,832	\$ 24,400,000
Professional Staff	2,476,825	2,538,345	2,589,112
Administrative Costs	62,850	64,425	64,425
<u>Restricted Basic Programs</u>			
Special Education -- Add-On	3,752,364	3,881,453	3,994,158
Special Education -- Self-Contained	1,294,192	1,580,631	1,661,951
Extended Year Program -- Severely Disabled	24,718	24,233	25,148
Special Education -- State Programs	99,986	99,986	102,446
Applied Technology -- Add-On	2,034,704	2,096,749	2,245,392
Applied Technology -- Set-Aside	77,058	59,980	-
Class Size Reduction (State Funds)	1,926,092	1,980,042	2,014,119
Total Basic School Program	<u>35,184,914</u>	<u>32,159,676</u>	<u>37,096,751</u>
<u>Other Minimum School Programs</u>			
Gifted and Talented	52,766	54,635	45,207
Advanced Placement	48,705	58,348	48,203
Concurrent Enrollment	201,111	126,786	97,427
At-Risk -- Regular Program	207,971	225,289	184,312
At-Risk -- Homeless and Minority	76,706	61,922	55,730
At-Risk -- MESA	12,000	10,000	-
At-Risk -- Gang Prevention	62,000	71,300	64,170
At-Risk -- Youth-in-Custody	1,343,502	1,341,193	1,207,074
Quality Teaching Block Grant	1,858,314	1,936,494-	
Local Discretionary Block Grant	517,792	342,699-	
Interventions for Student Success Block Grant	559,197	590,639	471,329
Social Security and Retirement	7,990,011	7,124,000	4,403,613
Pupil Transportation	1,550,187	1,539,943	1,346,590
Highly Impacted Schools	276,901	375,601	338,316
School Land Trust Program	640,360	661,058	483,416
K-3 Reading Achievement	445,017	424,414	399,320
Charter School Local Replacement	-	(172,619)	(200,000)
Total Minimum School Program	<u>51,027,454</u>	<u>46,931,378</u>	<u>46,041,458</u>
<u>Other State Sources</u>			
Other Revenues From State Sources (Non-MSP)	1,964,347	1,757,902	1,519,287
Driver Education (Behind-the-Wheel)	126,487	104,765	104,765
Supplementals / Other Bills	3,816,624	4,497,378	4,164,092
Revenues From Other State Agencies	8,300	114,474	74,885
Total Revenues from State Sources	<u>\$ 56,943,212</u>	<u>\$ 53,405,897</u>	<u>\$ 51,904,487</u>



**Provo City School District**

General Fund Major Revenue Sources: Local and Federal  
 FY 2007-08 through FY 2009-10

<u>Revenues from Local Sources</u>	<u>Actual FY 2007- 08</u>	<u>Final Budget FY 2008-09</u>	<u>Original Budget FY 2009-10</u>
Property Taxes	\$ 13,559,626	\$ 14,997,111	\$ 15,459,000
Tuition From Pupils or Parents	12,131	14,275	5,000
Tuition From Other LEAs Outside the State	5,258	10,000	8,000
Transportation Fees From Pupils or Parents	113,095	107,000	107,000
Earnings on Investments	910,705	595,000	490,000
Student Activities	115,702	75,000	40,000
Other Revenues From Local Sources	1,409,052	1,711,964	2,029,594
Rentals	2,460	-	-
Contributions and Donations from Private Sources/Foundation	363,770	262,064	262,064
Other Revenues From Other School Districts	2,497	5,000	5,000
Other Revenues from Other Local Governments	(552)	500	500
Miscellaneous	12,192	-	-
Total Revenues from Local Sources	<u>\$ 16,505,936</u>	<u>\$ 17,777,914</u>	<u>\$ 18,406,158</u>
 Revenues from Federal Sources			
Restricted Revenue Direct From Federal	\$ 40,191	\$ 364,485	\$ 362,779
Restricted Federal Through State	117,545	117,392	-
Programs for the Disabled (IDEA)	2,476,974	2,459,173	2,554,289
Applied Technology Education	298,896	334,737	290,000
Other Restricted Federal Through State	-	4,568,668	5,789,722
Federal Received Through Other Agencies	507,480	790,764	836,000
No Child Left Behind (NCLB)	4,732,869	5,151,340	4,464,979
Total Revenues from Federal Sources	<u>\$ 8,173,955</u>	<u>\$ 13,786,559</u>	<u>\$ 14,297,769</u>
 TOTAL REVENUES, GENERAL FUND	 <u>\$ 81,623,103</u>	 <u>\$ 84,970,370</u>	 <u>\$ 84,608,414</u>

Figures may vary slightly due to rounding.



**Provo City School District**  
 General Fund Major Expenditures  
 FY 2007-08 through FY 2009-10

	FY 2007-08 Actual	FY 2008-09 Final Budget	FY 2009-10 Original Budget
<u>INSTRUCTION</u>			
Salaries - Teachers	\$ 33,401,538	\$ 36,086,431	\$ 35,083,244
Salaries - Substitute Teachers	477	-	-
Salaries - Teacher Aides and Paraprofessionals	5,137,277	5,722,822	6,073,657
Salaries - All Other	449,864	290,319	173,145
Retirement	5,562,587	6,095,252	5,930,912
Social Security	2,820,628	3,133,497	3,112,394
Insurance (Health/Dental/Life)	5,747,807	6,215,210	6,414,706
Other Benefits	4,040,349	2,069,482	2,016,313
Purchased Professional and Technical Services	1,451,451	1,648,079	1,477,747
Purchased Property Services	31,261	187,777	178,165
Other Purchased Services	476,686	534,056	417,782
Tuition to Other School Districts Within the State	91,614	14,408	-
Supplies	2,636,004	3,184,572	3,046,462
Textbooks	95,805	81,544	44,535
Property (Instructional Equipment)	1,917,337	1,295,035	3,050,496
Other Objects	345,612	(213,585)	(609,466)
Dues and Fees	10,315	13,753	11,585
<b>TOTAL INSTRUCTION</b>	<b>\$ 64,216,612</b>	<b>\$ 66,358,652</b>	<b>\$ 66,421,677</b>
<u>SUPPORT SERVICES - STUDENTS</u>			
Salaries - Attendance and Social Work Personnel	\$ 262,603	\$ 285,060	\$ 235,572
Salaries - Guidance Personnel	820,513	889,268	835,556
Salaries - Health Services Personnel	14,269	37,268	37,268
Salaries - Psychological Personnel	553,055	596,842	586,902
Salaries - Secretarial and Clerical	188,707	195,615	193,071
Salaries - All Other	424,972	382,596	544,563
Retirement	338,574	348,230	362,694
Social Security	162,607	175,191	179,821
Insurance (Health/Dental/Life)	289,167	332,426	337,391
Other Benefits	22,105	22,682	23,247
Purchased Professional and Technical Services	179,152	195,941	150,666
Purchased Property Services	117	-	-
Other Purchased Services	8,353	8,349	6,520
Supplies	18,563	23,554	21,350
Other Objects	16,894	9,686	28,957
<b>TOTAL SUPPORT SERVICES - STUDENTS</b>	<b>\$ 3,299,651</b>	<b>\$ 3,502,708</b>	<b>\$ 3,543,578</b>

Figures may vary slightly due to rounding.



## Provo City School District

General Fund Major Expenditures  
FY 2007-08 through FY 2009-10

	FY 2007-08 Actual	FY 2008-09 Final Budget	FY 2009-10 Original Budget
<u>SUPPORT SERVICES - STAFF</u>			
Salaries - Supervisors & Directors	\$ 16,033	\$ -	\$ -
Salaries - Media Personnel - Certificated	277,195	242,024	217,935
Salaries - Secretarial and Clerical	302,221	363,222	332,451
Salaries - Media Personnel - Non-certificated.	288,634	328,110	313,339
Salaries - All Other	182,603	658,721	431,456
Retirement	142,288	229,586	186,781
Social Security	76,684	124,028	99,759
Insurance (Health/Dental/Life)	91,320	147,536	156,512
Other Benefits	10,290	15,148	12,689
Purchased Professional and Technical Services	434	-	-
Purchased Property Services	208	25,430	25,430
Other Purchased Services	13,635	68,283	23,161
Supplies	60,197	247,040	220,139
Library Books	54,060	32,400	9,721
Periodicals	1,684	2,459	1,924
Audio Visual Materials	1,258	92	92
Other Objects	796	-	-
Total Support Services - Staff	<u>\$ 1,519,540</u>	<u>\$ 2,484,079</u>	<u>\$ 2,031,389</u>
<u>SUPPORT SERVICES GENERAL ADMINISTRATION</u>			
Salaries - District Board and Administration	\$ 259,655	\$ 244,486	\$ 243,356
Salaries - Supervisors and Directors	290,039	296,736	294,536
Salaries - Secretarial and Clerical	175,483	174,833	166,784
Salaries - All Other	33,204	23,429	23,429
Retirement	122,304	117,993	120,842
Social Security	53,110	55,227	54,687
Insurance (Health/Dental/Life)	107,475	105,699	109,331
Other Benefits	7,506	7,398	7,242
Purchased Professional and Technical Services	98,050	41,137	41,137
Purchased Property Services	660	-	-
Other Purchased Services	37,319	32,825	32,825
Supplies	37,732	69,510	67,210
Other Objects	6,729	1,500	13,252
Dues and Fees	7,298	18,340	18,340
TOTAL SUPPORT SERVICES - GEN. ADMIN.	<u>\$ 1,236,564</u>	<u>\$ 1,189,113</u>	<u>\$ 1,192,971</u>

Figures may vary slightly due to rounding.



## Provo City School District

General Fund Major Expenditures  
FY 2007-08 through FY 2009-10

	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
<u>SUPPORT SERVICES - SCHOOL ADMINISTRATION</u>			
Salaries - Principals and Assistants	\$ 2,263,408	\$ 2,413,336	\$ 2,498,402
Salaries - Secretarial and Clerical	1,167,596	1,247,574	1,167,767
Salaries - All Other	44,903	42,591	44,185
Retirement	557,331	555,448	565,021
Social Security	250,708	280,068	280,671
Insurance (Health/Dental/Life)	363,204	388,615	401,729
Other Benefits	34,312	36,973	37,503
Other Purchased Services	18,412	13,489	14,581
Supplies	-	1,352	-
Dues and Fees	5,400	6,238	6,125
TOTAL SCHOOL ADMINISTRATION	<u>\$ 4,705,274</u>	<u>\$ 4,985,684</u>	<u>\$ 5,015,984</u>
<u>SUPPORT SERVICES - CENTRAL</u>			
Salaries	\$ 1,140,810	\$ 1,296,251	\$ 1,170,208
Retirement	180,544	194,653	179,863
Social Security	81,540	98,317	89,300
Insurance (Health/Dental/Life)	141,477	153,668	131,410
Other Benefits	12,353	12,883	11,075
Purchased Professional and Technical Services	379,487	359,801	348,350
Purchased Property Services	41,541	58,000	44,000
Other Purchased Services	295,517	294,686	295,750
Supplies	209,947	223,649	218,949
Other Objects	74,780	23,169	23,169
Dues and Fees	16,491	14,100	13,000
TOTAL CENTRAL	<u>\$ 2,574,487</u>	<u>\$ 2,729,177</u>	<u>\$ 2,525,074</u>
<u>SUPPORT SERVICES - OPERATION AND MAINTENANCE OF FACILITIES</u>			
Salaries - Operation and Maintenance	\$ 848,961	\$ 828,893	\$ 739,901
Salaries - All Other	12,968	16,225	16,225
Retirement	105,125	114,133	98,477
Social Security	61,811	78,764	71,620
Insurance (Health/Dental/Life)	107,118	193,728	204,186
Other Benefits	8,618	(62,611)	(64,113)
Purchased Professional and Technical Services	48,914	21,200	(2,800)
Purchased Property Services	203,407	47,440	47,440
Other Purchased Services	63,921	113,321	73,577
Supplies	66	39,843	399,531
TOTAL OPERATION AND MAINTENANCE OF FACILITIES	<u>\$ 1,460,909</u>	<u>\$ 1,390,936</u>	<u>\$ 1,584,044</u>

Figures may vary slightly due to rounding.

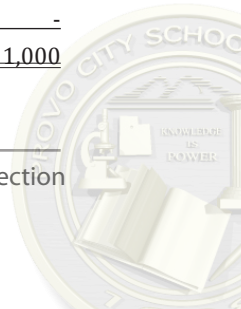


**Provo City School District**

General Fund Major Expenditures  
FY 2007-08 through FY 2009-10

	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
<u>SUPPORT SERVICES - STUDENT TRANSPORTATION</u>			
Salaries - Secretarial and Clerical	\$ 31,339	\$ 34,211	\$ 33,414
Salaries - Supervisors	73,372	60,351	70,000
Salaries - Bus Drivers	925,858	834,317	832,899
Salaries - Mechanics and Other Garage Employees	152,330	215,567	168,899
Retirement	116,492	143,327	122,998
Social Security	85,640	94,057	85,353
Insurance (Health / Accident / Life)	130,289	153,729	149,026
Other Benefits	11,754	12,700	13,052
Purchased Property Services	87,087	63,500	90,000
Commercial		2,000	
Payments in Lieu of Transportation - Subsistence	5,589	2,000	
Communications (Telephone and Other)	552	500	500
Travel / Per Diem	4,046	4,000	3,300
Motor Fuel	310,325	280,000	300,000
Other Supplies	177,407	179,184	167,684
School Buses	282,663	-	-
Miscellaneous Expenditures	3,979	3,000	3,100
Training	<u>1,507</u>	<u>3,500</u>	<u>7,000</u>
TOTAL STUDENT TRANSPORTATION	<u>\$ 2,400,229</u>	<u>\$ 2,085,943</u>	<u>\$ 2,047,225</u>
<u>OTHER SUPPORT SERVICES</u>			
Salaries	\$ 465,781	\$ 95,428	\$ 50,867
Retirement	65,777	11,669	5,821
Social Security	34,091	8,716	5,242
Insurance (Health / Accident / Life)	62,248	17,739	15,997
Other Benefits	4,465	756	369
Purchased Professional and Technical Services	102,143	48,705	48,705
Purchased Property Services	37,046	-	-
Other Purchased Services	27,117	8,834	630
Supplies	238,879	19,531	-
Property	101,732	-	-
Other Objects	650	-	-
Dues and Fees	-	-	-
TOTAL OTHER SUPPORT	<u>\$ 1,139,929</u>	<u>\$ 211,378</u>	<u>\$ 127,631</u>
TOTAL EXPENDITURES, GENERAL FUND	<u>\$ 82,553,195</u>	<u>\$ 84,937,670</u>	<u>\$ 84,489,573</u>
<u>OTHER FINANCING SOURCES</u>			
Transfers In from Other Funds	\$ -	\$ -	\$ -
Transfers Out to Other Funds	-	-	-
Proceeds From Sale of Capital Assets	76,952	-	1,000
Loan Proceeds	-	-	-
Capital Lease Proceeds	1,148,344	-	-
Other Financing Sources (Uses)	-	-	-
Capital Contributions	-	-	-
Special Items	-	-	-
Extraordinary Items	-	-	-
TOTAL OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>\$ 1,225,296</u>	<u>\$ -</u>	<u>\$ 1,000</u>

Figures may vary slightly due to rounding.





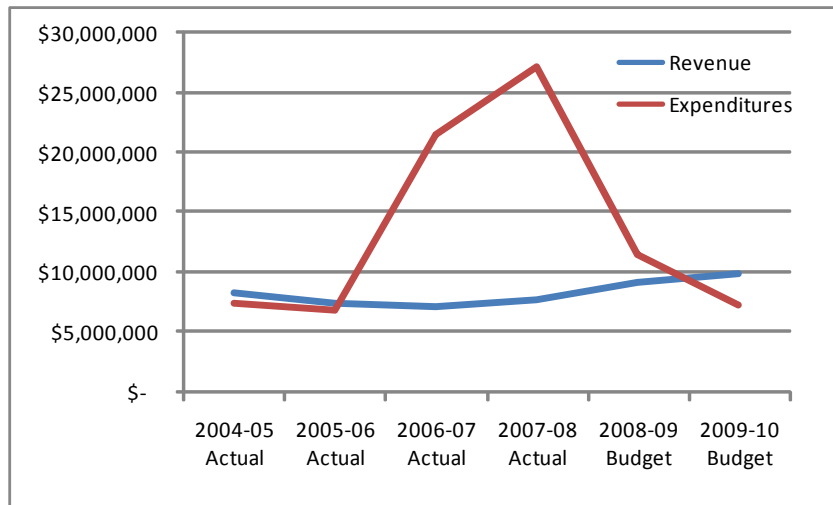
## Capital Projects Fund

This fund is used to account for resources and payments for the acquisition of capital facilities and equipment. It's important to note that revenue for bond projects is accounted for as "Other Financing Sources," and as such is not included in the graph below. However, expenditures are included. This is why the expenditures for FY 2006-07 through FY 2008-09 are substantially higher than revenues.

For 2009-10, budgeted revenues are higher than budgeted expenditures because of \$2 million in property taxes that is transferred to the Building Reserve fund. In this case, the revenue is included but the transfer to the Building Reserve fund does not show up as an expenditure.

### Capital Projects Fund Revenue vs. Expenditures Comparison

FY 2004-05 through FY 2009-10

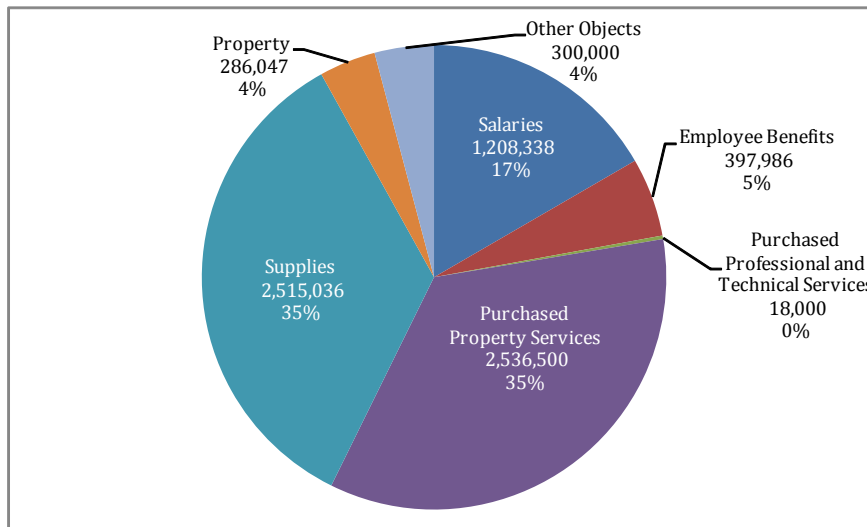


## FY 2009-10 Capital Projects Fund Revenues by Source

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All revenue in the Capital Projects Fund comes from local sources - most notably property taxes. Total FY 2009-10 revenues for this fund are \$9,867,496 - \$2 million of which goes to the Building Reserve fund.

## FY 2009-10 Capital Projects Fund Expenditures by Object



Total FY 2009-10 Expenditures, Capital Projects Fund: \$7,261,907



**Provo City School District**  
 Capital Projects Fund Major Revenue Sources  
 FY 2007-08 through FY 2009-10

	ACTUAL FY 2008	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
<b>REVENUES FROM LOCAL SOURCES</b>			
Property Taxes	\$ 6,479,105	\$ 8,715,572	\$ 9,647,496
Earnings on Investments	1,231,373	150,000	
Other Revenues From Local Sources	<u>11,452</u>	<u>220,000</u>	<u>220,000</u>
<b>TOTAL REVENUES, LOCAL SOURCES</b>	<u>7,721,930</u>	<u>9,085,572</u>	<u>9,867,496</u>
<b>REVENUES FROM STATE SOURCES</b>			
Other State Revenues	-	-	-
Capital Outlay Foundation	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES, STATE SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>REVENUES FROM FEDERAL SOURCES</b>			
Revenues from Federal Sources	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES, FEDERAL SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES, CAPITAL PROJECTS FUND</b>	<u>\$ 7,721,930</u>	<u>\$ 9,085,572</u>	<u>\$ 9,867,496</u>



## Provo City School District

### Capital Projects Fund Major Expenditures FY 2007-08 through FY 2009-10

OPERATION AND MAINTENANCE OF FACILITIES	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
Salaries	\$ 584,883	\$ 712,334	\$ 710,000
Retirement	74,075	104,000	111,683
Social Security	42,418	52,520	54,315
Insurance (Health/Dental/Life)	70,295	46,703	55,289
Other Benefits	5,848	24,809	7,100
Purchased Professional and Technical Services	17,522	3,282	-
Purchased Property Services	15,931	-	-
Other Purchased Services	14,460	-	-
Supplies	2,477,902	2,782,700	2,515,036
Property	385,630	318,210	286,047
Dues and Fees	150	-	-
<b>TOTAL OPERATION AND MAINTENANCE OF FACILITIES</b>	<b>825,582</b>	<b>963,898</b>	<b>968,387</b>
<b>INSTRUCTION</b>			
Supplies	323,067	-	-
Textbooks	205,205	-	-
<b>TOTAL INSTRUCTION</b>	<b>528,272</b>	<b>-</b>	<b>-</b>
<b>5000 DEBT SERVICES</b>			
Other Objects			
Interest	8,919	22,028	22,028
Redemption of Principal	169,926	277,972	277,972
<b>TOTAL DEBT SERVICE</b>	<b>178,845</b>	<b>300,000</b>	<b>300,000</b>
<b>BUILDING ACQUISITION AND CONSTRUCTION</b>			
Salaries	534,330	466,046	498,338
Retirement	64,938	67,768	68,462
Social Security	39,649	35,652	38,090
Insurance (Health/Dental/Life)	52,061	50,583	58,033
Other Benefits	5,348	4,660	5,014
Purchased Professional and Technical Services	176,353	40,000	18,000
Purchased Property Services	824,610	566,000	700,000
Construction and Remodeling	19,745,908	5,021,255	1,836,500
Other Purchased Services	2,326	10,550	-
Supplies - New Buildings	7,821	-	-
Land and Improvements	421,414	420,000	-
Buildings	388,434	122,518	-
Furniture and Fixtures	318,317	300,000	-
Other Equipment	122,054	-	-
<b>TOTAL BUILDING ACQUISITION AND CONSTRUCTION</b>	<b>21,879,461</b>	<b>6,012,514</b>	<b>1,521,437</b>
<b>TOTAL EXPENDITURES, 32 CAPITAL PROJECTS FUND</b>	<b>\$ 27,099,794</b>	<b>\$ 11,449,590</b>	<b>\$ 7,261,907</b>

Figures may vary slightly due to rounding.



## Provo City School District

### Capital Projects Fund Major Expenditures FY 2007-08 through FY 2009-10

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#### OTHER FINANCING SOURCES (USES)

	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
Face Amount of Bonds Issued	\$ -	\$ -	\$ -
Premium or Discount on the Issuance of Bonds	-	-	-
Transfers In from Other Funds	-	-	-
Transfers Out to Other Funds	-	(1,940,240)	(2,000,000)
Loan Proceeds	-	-	-
Proceeds From Sale of Capital Assets	-	-	-
Capital Lease Proceeds	-	-	-
Other Financing Sources (Uses) (Add Explanation)	-	-	-
Capital Contributions	-	-	-
Special Items	-	-	-
Extraordinary Items	-	-	-
TOTAL OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>\$ -</u>	<u>\$ (1,940,240)</u>	<u>\$ (2,000,000)</u>

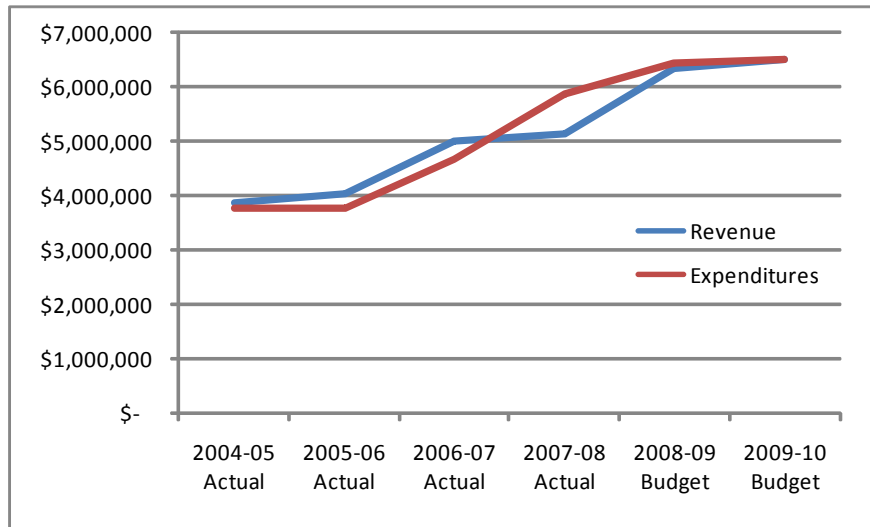


## Debt Service Fund

This major fund, which is used to account for the accumulation of resources for long-term capital projects and the payment of long-term debt principal and interest, has grown over the past few years as the District has begun paying for several large bond projects.

### Debt Service Fund Revenue vs. Expenditures Comparison

FY 2004-05 through FY 2009-10



**Provo City School District**

Debt Services Fund Major Revenue Sources  
FY 2007-08 through FY 2009-10

---

	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
REVENUES FROM LOCAL SOURCES			
Property Taxes	\$ 5,144,875	\$ 6,322,282	\$ 6,500,000
Earnings on Investments	-	-	-
Other Revenues From Local Sources	-	-	-
TOTAL REVENUES FROM LOCAL SOURCES	<u>5,144,875</u>	<u>6,322,282</u>	<u>6,500,000</u>
REVENUES FROM STATE SOURCES			
Capital Outlay Foundation	-	-	-
TOTAL REVENUES FROM STATE SOURCES	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES, 31 DEBT SERVICE FUND	<u>\$ 5,144,875</u>	<u>\$ 6,322,282</u>	<u>\$ 6,500,000</u>

Figures may vary slightly due to rounding.



**Provo City School District**  
 Debt Services Fund Major Expenditures  
 FY 2007-08 through FY 2009-10

	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
<b>EXPENDITURES, DEBT SERVICE</b>			
Interest	\$ 2,758,892	\$ 2,565,400	\$ 2,403,000
Redemption of Principal	3,117,000	3,850,000	4,016,000
Debt Issuance Costs on Refundings	-	-	-
Miscellaneous Expenditures	<u>3,511</u>	<u>10,000</u>	<u>81,000</u>
<b>TOTAL EXPENDITURES, DEBT SERVICE FUND</b>	<u>5,879,403</u>	<u>6,425,400</u>	<u>6,500,000</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Premium or Discount on the Issuance of Refunding Bonds	-	-	-
Issuance of Refunding Bonds	-	-	-
Payment to Refunded Bonds Escrow	-	-	-
Transfers In from Other Funds	-	-	-
Transfers Out to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses) (Attach Detail)	<u>-</u>	<u>-</u>	<u>-</u>
Special Items	-	-	-
Extraordinary Items	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Figures may vary slightly due to rounding.





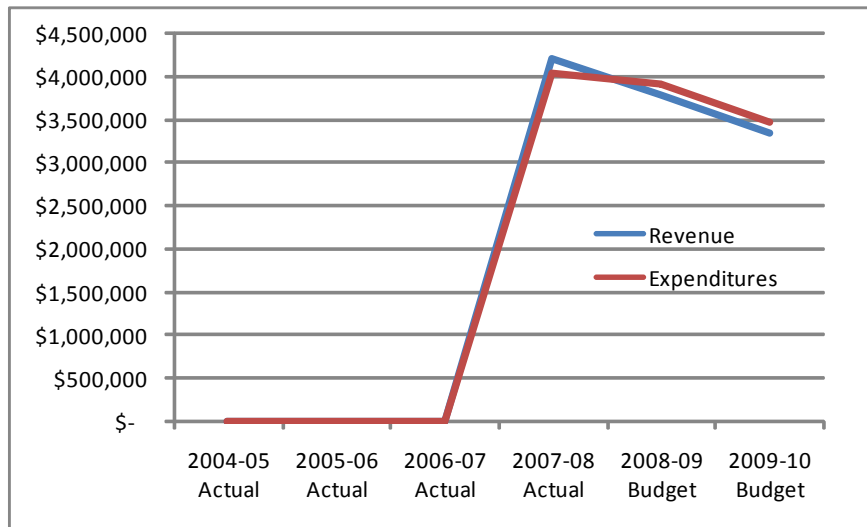
# Major Revenues and Expenditures by Fund

## Non-major Funds



## Student Activities Fund

### Student Activities Fund Revenue vs. Expenditures Comparison FY 2008-09 to FY 2009-10



This non-major fund was not used by the District until FY 2007-08.



**Provo City School District**

Student Activities Fund Major Revenue Sources  
 FY 2007-08 through FY 2009-10

	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
<b>REVENUES FROM LOCAL SOURCES</b>			
Tuition from Pupils or Parents	\$ -	\$ -	\$ -
Tuition from Other LEAs Within the State	-	-	-
Tuition from Other LEAs Outside the State	-	-	-
Transportation Fees	-	-	-
Earnings on Investments	55,750	-	-
Student Fees	697,498	787,525	718,303
School Vending	72,135	41,878	31,854
Community Services Activities	938,094	836,590	789,509
Other Revenues From Local Sources	2,450,347	2,126,104	1,809,834
Textbooks (Sales and Rentals)	-	-	-
<b>TOTAL REVENUES FROM, LOCAL SOURCES</b>	<u><b>4,213,824</b></u>	<u><b>3,792,097</b></u>	<u><b>3,349,500</b></u>
<b>REVENUES FROM STATE SOURCES</b>			
Teacher Supply	-	-	-
School Trust Land	-	-	-
Social Security and Retirement	-	-	-
Revenues from Other State Agencies	-	-	-
<b>TOTAL REVENUES FROM STATE SOURCES</b>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>REVENUES FROM FEDERAL SOURCES</b>			
Other Revenues From Federal Sources	-	-	-
<b>TOTAL REVENUES FROM FEDERAL SOURCES</b>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>TOTAL REVENUES, STUDENT ACTIVITY FUND</b>	<u><b>\$ 4,213,824</b></u>	<u><b>\$ 3,792,097</b></u>	<u><b>\$ 3,349,500</b></u>

Figures may vary slightly due to rounding.



**Provo City School District**

Student Activities Fund Major Expenditures  
FY 2007-08 through FY 2009-10

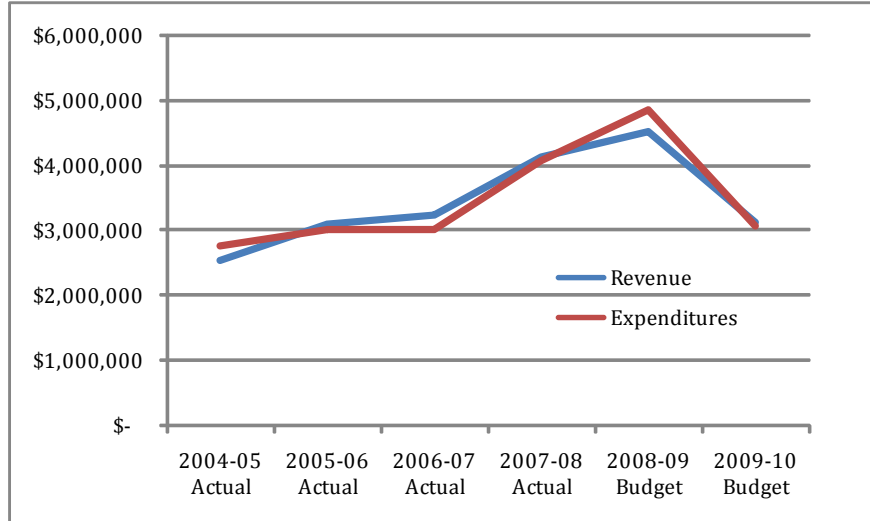
	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
<b>INSTRUCTIONAL</b>			
Salaries	\$ -	\$ -	\$ -
Retirement	-	-	-
Social Security	-	-	-
Insurance (Health/Dental/Life)	-	-	-
Other Benefits	-	-	-
Total Benefits	-	-	-
Purchased Professional and Technical Services	312,522	318,873	306,302
Purchased Property Services	69,073	67,196	50,913
Other Purchased Services	944,764	921,636	606,550
Supplies	1,956,386	1,807,152	1,783,461
Property	46,694	58,270	39,728
Other Objects	704,610	738,564	691,236
Dues and Fees	7,142	-	-
Total Other Objects	<u>711,752</u>	<u>738,564</u>	<u>691,236</u>
<b>TOTAL INSTRUCTIONAL SERVICES</b>	<u>4,041,191</u>	<u>3,911,691</u>	<u>3,478,190</u>
<b>TOTAL EXPENDITURES, STUDENT ACTIVITY FUND</b>	<u>\$ 4,041,191</u>	<u>\$ 3,911,691</u>	<u>\$ 3,478,190</u>
<b>OTHER FINANCING SOURCES (USES)</b>	-	-	-
Transfers In from Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
Proceeds From Sale of Capital Assets	-	-	-
Loan Proceeds	-	-	-
Capital Lease Proceeds	-	-	-
Other Financing Sources (Uses)	-	-	-
Capital Contributions	-	-	-
Special Items	-	-	-
Extraordinary Items	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## Non K-12 Fund

This non-major fund grew dramatically in FY 2007-08 as Central Utah Enterprises, a District-operated entity, was moved to this fund from the now-defunct Supplemental Programs fund. Normally, this fund is expected to have revenue and expenditures roughly equal to each other. Revenues and expenditures are expected down in FY 2009-10 due to less state funding and a one-time shift in property taxes and expenses from this fund to the Capital Projects fund.

### Non K-12 Fund Revenue vs. Expenditures Comparison FY 2004-05 through FY 2009-10



## Provo City School District

Non K-12 Fund Major Revenue Sources  
FY 2007-08 through FY 2009-10

	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
<b>REVENUES FROM LOCAL SOURCES</b>			
Property Taxes	\$ 1,293,800	\$ 1,265,038	\$ 657,504
Local Governmental Units Other Than LEAs	-	-	-
Tuition from Pupils or Parents	65,906	56,198	58,843
Tuition from Other LEAs Within the State	-	-	-
Tuition from Other LEAs Outside the State	-	-	-
Transportation Fees	-	-	-
Earnings on Investments	-	-	-
Community Services Activities	-	-	-
Other Revenues From Local Sources	360,737	513,311	483,311
Textbooks (Sales and Rentals)	-	-	-
<b>TOTAL REVENUES FROM, LOCAL SOURCES</b>	<u>1,720,443</u>	<u>1,834,547</u>	<u>1,199,658</u>
<b>REVENUES FROM STATE SOURCES</b>			
Preschool-Handicapped	672,541	667,034	700,570
Adult High School	195,958	271,083	302,813
Adult Basic Skills	-	-	-
Social Security and Retirement	115,981	110,897	67,397
Revenues from Other State Agencies	<u>651,226</u>	<u>798,956</u>	<u>116,033</u>
<b>TOTAL REVENUES FROM STATE SOURCES</b>	<u>1,635,706</u>	<u>1,847,970</u>	<u>1,186,813</u>
<b>REVENUES FROM FEDERAL SOURCES</b>			
Preschool	103,090	100,194	100,194
Adult Education	96,498	94,769	89,470
Other Revenues From Federal Sources	<u>598,012</u>	<u>660,972</u>	<u>574,826</u>
<b>TOTAL REVENUES FROM FEDERAL SOURCES</b>	<u>797,600</u>	<u>855,935</u>	<u>764,490</u>
<b>TOTAL REVENUES, NON K-12 PROGRAMS FUND</b>	<u>\$ 4,153,749</u>	<u>\$ 4,538,452</u>	<u>\$ 3,150,961</u>

Figures may vary slightly due to rounding.



## Provo City School District

Non K-12 Fund Major Expenditures  
FY 2007-08 through FY 2009-10

	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
<b>OTHER SERVICES</b>			
Salaries	\$ 588,034	\$ 603,474	\$ 484,292
Retirement	62,228	46,811	34,332
Social Security	43,089	32,058	23,829
Insurance (Health/Dental/Life)	34,506	12,944	4,941
Other Benefits	5,847	59,602	58,438
Purchased Professional and Technical Services	16,145	21,070	2,800
Purchased Property Services	485,033	643,678	7,510
Other Purchased Services	7,876	2,960	4,829
Supplies	75,412	74,569	26,174
Property	6,400	65,037	-
Other Objects	-	-	-
Dues and Fees	-	-	-
<b>TOTAL OTHER SERVICES (3200)</b>	<u>1,324,570</u>	<u>1,562,203</u>	<u>647,145</u>
<b>COMMUNITY SERVICES</b>			
Salaries	1,859,028	2,199,435	1,633,441
Retirement	233,322	288,138	216,749
Social Security	137,127	163,841	124,036
Insurance (Health/Dental/Life)	152,329	172,268	147,905
Other Benefits	18,431	21,512	16,154
Purchased Professional and Technical Services	49,959	47,692	40,451
Purchased Property Services	15,823	19,967	11,967
Other Purchased Services	46,531	67,689	21,777
Supplies	194,308	253,346	165,724
Property	14,540	26,250	21,150
Other Objects	38,522	53,627	48,410
Dues and Fees	445	1,810	960
<b>TOTAL COMMUNITY SERVICES</b>	<u>2,760,365</u>	<u>3,315,575</u>	<u>2,448,724</u>
<b>TOTAL EXPENDITURES, NON K-12 PROGRAMS FUND</b>	<u>\$ 4,084,935</u>	<u>\$ 4,877,778</u>	<u>\$ 3,095,869</u>
<b>OTHER FINANCING</b>			
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In from Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
Proceeds From Sale of Capital Assets	-	-	-
Loan Proceeds	-	-	-
Capital Lease Proceeds	-	-	-
Other Financing Sources (Uses)	-	-	-
Capital Contributions	-	-	-
Special Items	-	-	-
Extraordinary Items	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Figures may vary slightly due to rounding.



## Building Reserve Fund

There will be no revenue in this fund for FY 2009-10. The \$400,000 of expenditures are fees that would be incurred if the District proceeds with a low-interest Quality School Construction Bond (QSCB), which is part of the federal American Recovery and Reinvestment Act (ARRA).

In the "Other Financing Sources" section of this schedule, \$2,000,000 is a transfer from the capital projects fund, which is an annual transfer to fund future District building needs without the need to issue bonds. The amount is \$1,940,240 for FY 2008-09 due to decreased property tax collections. The \$10,000,000 component is the amount the District could apply for under the QSCB option under ARRA.

	ACTUAL FY 2007-08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009-10
<b>FACILITIES ACQUISITION AND CONSTRUCTION</b>			
Salaries	\$ -	\$ -	\$ -
Retirement	-	-	-
Social Security	-	-	-
Insurance (Health/Dental/Life)	-	-	-
Other Benefits	-	-	-
Purchased Professional and Technical Services	-	-	-
Purchased Property Services	-	-	200,000
Property	-	-	-
Other Objects	-	-	200,000
<b>TOTAL EXPENDITURES, BUILDING RESERVE FUND</b>	<u>-</u>	<u>-</u>	<u>400,000</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In from Other Funds	-	1,940,240	2,000,000
Other Financing Sources (Uses)	-	-	10,000,000
Capital Contributions	-	-	-
Special Items	-	-	-
Extraordinary Items	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>\$ -</u>	<u>\$ 1,940,240</u>	<u>\$ 12,000,000</u>





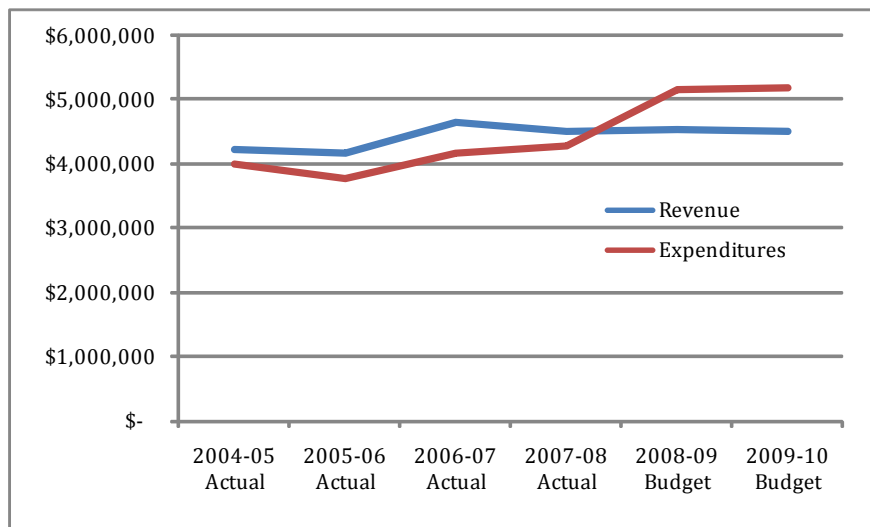
## Food Services Fund

The Food Services fund has been impacted substantially by inflationary pressures over the past two years. Soaring food and energy prices have helped fuel a projected 21% increase in expenditures from FY 2007-08 to FY 2009-10. During the same period, revenues are projected to show only modest gains. To help offset this, the District raised school meal prices for the first time in seven years, effective for FY 2008-09.

Some of the FY 2009-10 increases in expenditures to this fund are also due to several one-time, large equipment purchases in the warehouse and kitchens district-wide.

### Food Services Fund Revenues vs. Expenditures Comparison

FY 2004-05 through FY 2009-10



## Provo City School District

### Food Services Fund Major Revenue Sources FY 2007-08 through FY 2009-10

	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
<b>REVENUES FROM LOCAL SOURCES</b>			
Sales to Students	\$ 1,102,603	\$ 1,186,890	\$ 1,075,670
Sales to Adults	99,892	102,665	100,700
Other Revenues From Local Sources	165,692	32,000	26,027
Gains (Losses) From Sale of Capital Assets - Enterprise Funds	-	-	1,500
<b>TOTAL REVENUES, LOCAL SOURCES</b>	<u>1,368,187</u>	<u>1,321,555</u>	<u>1,203,897</u>
<b>REVENUES FROM STATE SOURCES</b>			
Miscellaneous State Revenues			
School Lunch	<u>559,868</u>	<u>550,000</u>	<u>550,000</u>
<b>TOTAL REVENUES, STATE SOURCES</b>	<u>559,868</u>	<u>550,000</u>	<u>550,000</u>
<b>REVENUES FROM FEDERAL SOURCES</b>			
Lunch Reimbursement	317,930	321,500	330,000
Lunch Reimbursement (Free and Reduced Meals)	1,580,501	1,595,000	1,624,000
Special Milk Reimbursement	212	300	300
Breakfast Reimbursement	426,421	432,000	452,000
Child and Adult Care Food Program	71,027	73,000	75,000
Other Child Nutrition Program Revenue	<u>188,403</u>	<u>235,000</u>	<u>273,000</u>
<b>TOTAL REVENUES, FEDERAL SOURCES</b>	<u>2,584,494</u>	<u>2,656,800</u>	<u>2,754,300</u>
<b>TOTAL REVENUES, FOOD SERVICE FUND</b>	<u>\$ 4,512,549</u>	<u>\$ 4,528,355</u>	<u>\$ 4,508,197</u>

Figures may vary slightly due to rounding.



**Provo City School District**

Food Services Fund Major Expenditures  
FY 2007-08 through FY 2009-10

	ACTUAL FY 2007- 08	FINAL BUDGET FY 2008-09	ORIGINAL BUDGET FY 2009- 10
<b>FOOD SERVICES</b>			
Salaries	\$ 1,635,726	\$ 1,746,466	\$ 1,705,496
Retirement	235,017	336,674	214,064
Social Security	120,067	132,696	128,252
Insurance (Health/Dental/Life)	193,386	192,216	200,866
Other Benefits	16,213	17,761	76,544
Purchased Professional and Technical Services	15,318	13,182	11,000
Purchased Property Services	61,618	102,875	71,740
Other Purchased Services	4,230	5,260	4,306
Non-Food Supplies	177,665	219,870	213,263
Food	1,495,358	1,718,454	1,600,957
Property	177,671	335,870	460,000
Other Objects	<u>160,949</u>	<u>317,354</u>	<u>488,262</u>
Dues and Fees	<u>234</u>	<u>680</u>	<u>2,360</u>
<b>TOTAL EXPENDITURES, FOOD SERVICE FUND</b>	<u><u>4,293,452</u></u>	<u><u>5,139,358</u></u>	<u><u>5,177,110</u></u>
<b>OTHER FINANCING SOURCES (USES)</b>	-	-	-
Transfers In from Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
Other Financing Sources (Uses)	-	-	-
Capital Contributions	-	-	-
Special Items	-	-	-
Extraordinary Items	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Figures may vary slightly due to rounding.



# Capital Projects and Debt Service Supplementary Information



## Definition of Capital Expenditures

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 \$5,000.*” Examples of capital expenditures include buildings, copy machines, buses, and computer/information technology equipment. Capital expenditures can occur in any fund but Debt Service. However, the vast majority occur in the Capital Projects fund.

## Significant Non-routine Capital Expenditures

The majority of the District’s non-routine capital expenditures are included on the Capital Projects list found on page 109. Other major non-routine capital expenditures were associated with the bond voters approved in 2006. All bond projects were complete by January 2009, and a table showing the final expenditures by project is listed below.

There are also significant non-routine capital expenditures in the General fund for FY 2009-10 resulting from the American Recovery and Reinvestment Act (ARRA) money made available to the District.

### Bond Project Final Expenditures

FY 2006-07 to FY 2008-09

Location/Project Description	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Actual	Total
Canyon Crest	\$1,552	\$51,902	\$19,605	\$73,059
Edgemont	24,407	190,329	-	214,736
Farrer	-	-	78,890	78,890
Lakeview	4,186,951	8,005,055	125,612	12,317,617
Provost	1,350,259	16,237	-	1,366,496
Sunset View	2,293,542	523,431	33,104	2,850,077
Timpanogos	1,737,049	8,358,558	2,080,168	12,175,774
Wasatch	410,418	10,294	-	420,712
Westridge	17,348	-	66,732	84,080
Centennial	2,931,767	1,302,206	-	4,233,973
Provo	238,846	884,722	961,681	2,085,249
Maintenance/Site Manager/ Moving/Seismic	<u>521,862</u>	<u>299,420</u>	<u>109,411</u>	<u>930,694</u>
Total:	<u>\$13,714,001</u>	<u>\$19,642,153</u>	<u>\$3,475,203</u>	<u>\$36,831,357</u>



## Other Significant Non-routine Capital Expenditures

The capital improvement list on page 109 includes other significant non-routine capital expenditures. Due to their specific size and nature, not all expenditures in the Capital Projects fund are identified with specific projects on the capital improvement list, so the fund and list totals do not match each other. These expenditures are voted on by the Board of Education in February for the coming fiscal year. These expenditures are determined based on recommendations from District staff. Public comment is sought each year on the proposed capital projects, and a detailed budget for each specific project is available for public review.

For FY 2009-10, the Capital Improvement list includes projects totaling \$2,536,500, which is nearly \$1 million less than FY 2008-09. This decrease can be accounted for by the final payment for the Oakridge property of \$420,000 being in FY 2008-09, and a \$500,000 overall decrease to the Capital Projects fund due to current economic conditions. The rest of the decrease is the result of minor program adjustments.

## Effect on Operations of Major Capital Projects

### Financial

There is no material financial impact on operations resulting from the FY 2009-10 capital improvement list. This is due to the fact the District isn't growing, and any new buildings or square footage will result in the closing of old buildings. Over the next five years, there will be a minor impact to operational costs as a result of energy efficiency gains. Over the long-term, there could be significant operational savings as new schools are built larger, meaning other schools could close when a rebuilt school opens. Increased utility costs due to larger buildings would be offset by school closures and more energy efficiency at the new building. It is difficult to project costs more than five years into the future, but in 2008-09 dollars closing one elementary school could result in \$500,000 of ongoing operational savings. While teacher costs are variable based on student enrollment, savings to fixed costs such as administration, custodial, transportation and utilities could be realized.

### Ongoing Annual Operational Savings from Capital Improvement Projects

Time Range <sup>1</sup>	Compensation	Maintenance/ Utilities	Other Non- compensation	Total
FY 2009-10	\$ -	\$ -	\$ -	\$ -
Short-term (2-5 years)	-	50,000	-	50,000
Long-term (5+ years) <sup>2</sup>	450,000	250,000	120,000	820,000

<sup>1</sup>All savings are annual and are reflected in FY 2008-09 dollars; in other words, no adjustment for inflation is shown.

<sup>2</sup>Long-term savings include \$500,000 in ongoing savings from closing one elementary school and additional district-wide utilities savings resulting from HVAC and energy efficiency projects.

### Non-financial

The capital projects referenced on page 109 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:

- 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



## Provo City School District Capital Improvement Plan

The District continues its targeted and aggressive capital improvement schedule, which is part of the master plan of 2003. Capital improvements are funded through two major sources: the capital outlay tax levy, 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 in FY 2006-07, the projects were completed by January 30, 2009.

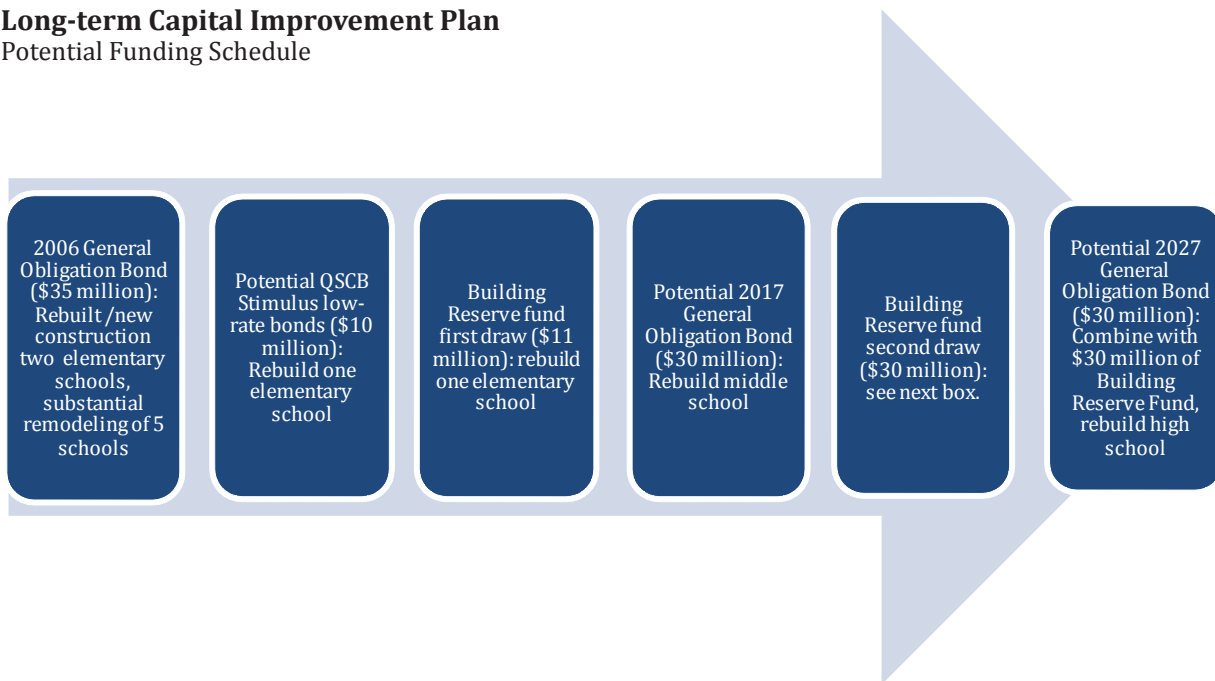
The District planned to increase its capital improvement spending by \$200,000 per year through 2010, in an effort to modernize and improve the safety at each school. However, the nationwide recession substantially cut into the District's revenues, making it impossible to continue this in the near-term. For FY 2009-10, the District's capital improvement and maintenance budget is \$500,000 less than it was in FY 2008-09. The expired bond budget is not included in this amount.

**“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. A study developed to guide the plan is found on the next page. Part of this long-term plan was the passing of the bond in 2006. However, the District doesn't anticipate the need to use further bond issuance for buildings until 2017, with the possible exception of special QSCB bonds, which were described on page 75.

A detailed capital improvement list for FY 2009-10 can be found on page 109. The 2009-10 projects will start on or around July 1, 2009, and, with a few possible exceptions, be completed by June 30, 2010. These projects are meant to support the District's long-range capital improvement plan.

### Long-term Capital Improvement Plan Potential Funding Schedule



**Provo City School District**  
 Long-term Capital Improvement Study  
 2008

A joint effort with Brigham Young University, this long-term capital improvement study shows the cost to renovate District buildings as a percentage of the cost to replace the buildings entirely. Buildings with the highest replacement costs should be replaced first, rather than renovated. A renovate/replacement ratio of greater than 80% indicates District replacement priorities.

	Current		Current				% of
	SQ FT	Age in Years	Replacement Cost	10 YR Investment	Seismic	Total Investment	Replacement Cost
<u>Elementary</u>							
Amelia Earhart	69,733	10	\$ 11,505,945	\$ 1,028,200	\$ 104,600	\$ 1,132,800	10%
Canyon Crest	67,247	25	11,095,755	4,059,200	319,550	4,378,750	39%
Edgemont	47,200	53	7,788,000	5,077,200	1,525,398	6,602,598	85%
Farrer	88,962		14,678,730	9,852,500	3,160,805	13,013,305	89%
Franklin	75,801	14	12,507,165	1,466,900	230,000	1,696,900	14%
Grandview/CAS	27,908	59	4,604,820	456,500	41,900	498,400	11%
Joaquin	-		-	-	-	-	N/A
Lakeview	77,480	-	12,784,200	501,900	116,220	618,120	5%
Maesar	-		-	-	-	-	N/A
Oakridge	43,992	28	7,258,680	687,500	66,000	753,500	10%
Provost	58,479	59	9,649,035	5,616,400	2,183,091	7,799,491	81%
Rock Canyon	69,883	44	11,530,695	7,561,300	2,024,825	9,586,125	83%
Spring Creek	70,720	6	11,668,800	502,800	106,080	608,880	5%
Sunset View	69,305	49	11,435,325	5,814,300	2,147,184	7,961,484	70%
Timpanogos	69,247	-	11,425,755	501,900	103,870	605,770	5%
Wasatch	45,702	59	7,540,830	4,971,200	2,303,304	7,274,504	96%
Westridge	68,888	28	11,366,520	5,298,800	319,550	5,618,350	49%
<u>Middle School</u>							
			175				
Centennial	144,795	12	25,339,125	999,400	217,200	1,216,600	5%
Dixon	124,276	77	21,748,300	7,361,900	3,838,139	11,200,039	51%
<u>High School</u>							
Independence	46,385	11	8,117,375	1,239,900	927,700	2,167,600	27%
Provo	322,482	52	56,434,350	21,234,700	10,124,675	31,359,375	56%
Timpview	409,803	31	71,715,525	10,710,600	1,705,220	12,415,820	17%
<b>Total</b>	<b>1,998,288</b>		<b>\$ 340,195,280</b>	<b>\$ 94,943,100</b>	<b>\$ 31,565,311</b>	<b>\$ 126,508,411</b>	





**Provo City School District**  
Short-term Capital Improvement List  
FY 2009-10

<b>Location</b>	<b>Description</b>	<b>Amount</b>
Amelia	HVAC controls	\$ 20,000
Canyon Crest	HVAC controls	45,000
Edgemont	Kindergarten HVAC	30,000
Farrer	Restrooms	23,000
	Front entrance	20,000
Franklin	Roof old hallway	42,000
	Boiler controls	70,000
	Seismic	32,000
Lakeview	Path play field	38,000
Provost	HVAC controls	22,000
Rock Canyon	Sprinkle building lunchroom, gym, stage & basic pipework	150,000
	Fire alarm	56,000
	Seismic--carbon wrap	100,000
Sunset View	Seismic--carbon wrap	100,000
Timpanogos	Mill work--office	12,000
Wasatch	Resurface blacktop	49,000
Oakridge	Bells/sound system	8,000
	Fire alarm	16,500
	HVAC controls	20,000
Westridge	Resurface playground	59,000
	HVAC-4 units	60,000
Centennial	Gym floor	10,000
Dixon	Façade	39,000
	Doors	11,000
	Seismic--gym	100,000
Provo High	Fire alarm--C wing	28,000
	Fire alarm--commons	14,000
	Seismic--auditorium	70,000
	Roof--C wing	72,000
Timpview High	Kitchen Ceiling	9,000
	New outside truck	10,000
	Seismic--south gym	64,000
Independence	HVAC	25,000
District Office	Restrooms--ADA	62,000
General District	Projects under \$5,000	350,000
	Operations	700,000
Total Capital Projects		<u>\$ 2,536,500</u>

Projects on this list are scheduled to begin on or after July 1, 2009, and, with a few possible exceptions, are anticipated being completed by June 30, 2010.



**Provo City School District**  
Debt Obligations as of June 30, 2009

Governmental activities:	Beginning Balance	Additions	Reductions	Ending Balance	Noncurrent Liabilities Due Within One Year
General obligation bonds	\$ 60,234,000	\$ -	\$ 3,850,000	\$ 56,384,000	\$ 4,016,000
Lease Revenue Bonds	-	-	-	-	-
Obligations under lease agreements	563,100	-	277,972	285,128	285,128
Accrued vacation payable <sup>1</sup>	867,256	139,423	103,378	903,301	903,301
Early retirement payable <sup>1</sup>	6,207,635	1,227,030	2,086,158	5,348,507	2,208,184
<b>Total governmental activities</b>	<b>\$ 67,871,991</b>	<b>\$ 1,366,453</b>	<b>\$ 6,317,507</b>	<b>\$ 62,920,937</b>	<b>\$ 7,412,613</b>

<sup>1</sup>Preliminary estimates; final figures unavailable until after FY 2008-09 year-end close.

**Principal and Interest Payments by Fund**  
FY 2009-10

Fund	Principal	Interest	Total Principal and Interest
General Fund	\$ 134,942	\$ -	\$ 134,942
Debt Service Funds	4,016,000	2,403,000	6,419,000
Capital Projects	<u>277,972</u>	<u>22,028</u>	<u>300,000</u>
	<u>\$ 4,428,914</u>	<u>\$ 2,425,028</u>	<u>\$ 6,853,942</u>

**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.

Note: Provo City School District's general obligation debt level as of June 30, 2009 was 1.15% of the market value of taxable property within its boundaries (based on 2008-09 assessed valuations) - substantially below the 4% allowed by Utah State law.



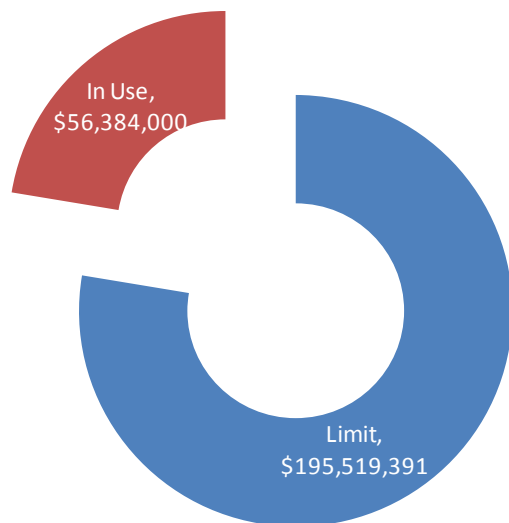
## Relationship of Debt Levels to Legal Debt Limit

The approximate assessed value of taxable properties in Provo is \$4.88 billion, meaning the District's general obligation debt limit is approximately \$195 million ( $\$4.88 \text{ billion} \times 4\%$ ). It was noted previously that the District's general obligation debt is at 1.15% of the assessed market value of Provo. This means the District's long-term debt level is less than 1/3 of 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.

**“Although it is conservative in its debt practices and avoids excessive, unnecessary debt, the District still must ensure buildings are safe and properly maintained.”**

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. The District doesn't anticipate the need to use bond issuance for buildings until 2017 as part of this plan, unless it is determined that federal Quality School Construction Bonds (QSCB) are available. These extremely low rate bonds (discussed previously on page 75), introduced by the federal government as part of the American Recovery and Reinvestment Act (ARRA), are attractive for districts that intend to build or re-build schools in the near future. Not only are the rates low (currently, after adjustments the District would be able to issue the bonds at or around 0%), but construction costs are substantially lower than they have been in the recent past.



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.

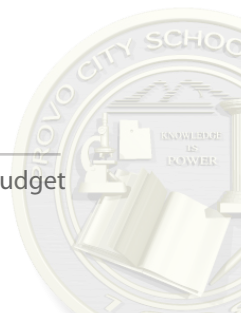
## Impact of Debt on Operations

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 long-term debt is funded through a separate tax levy than that of 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.

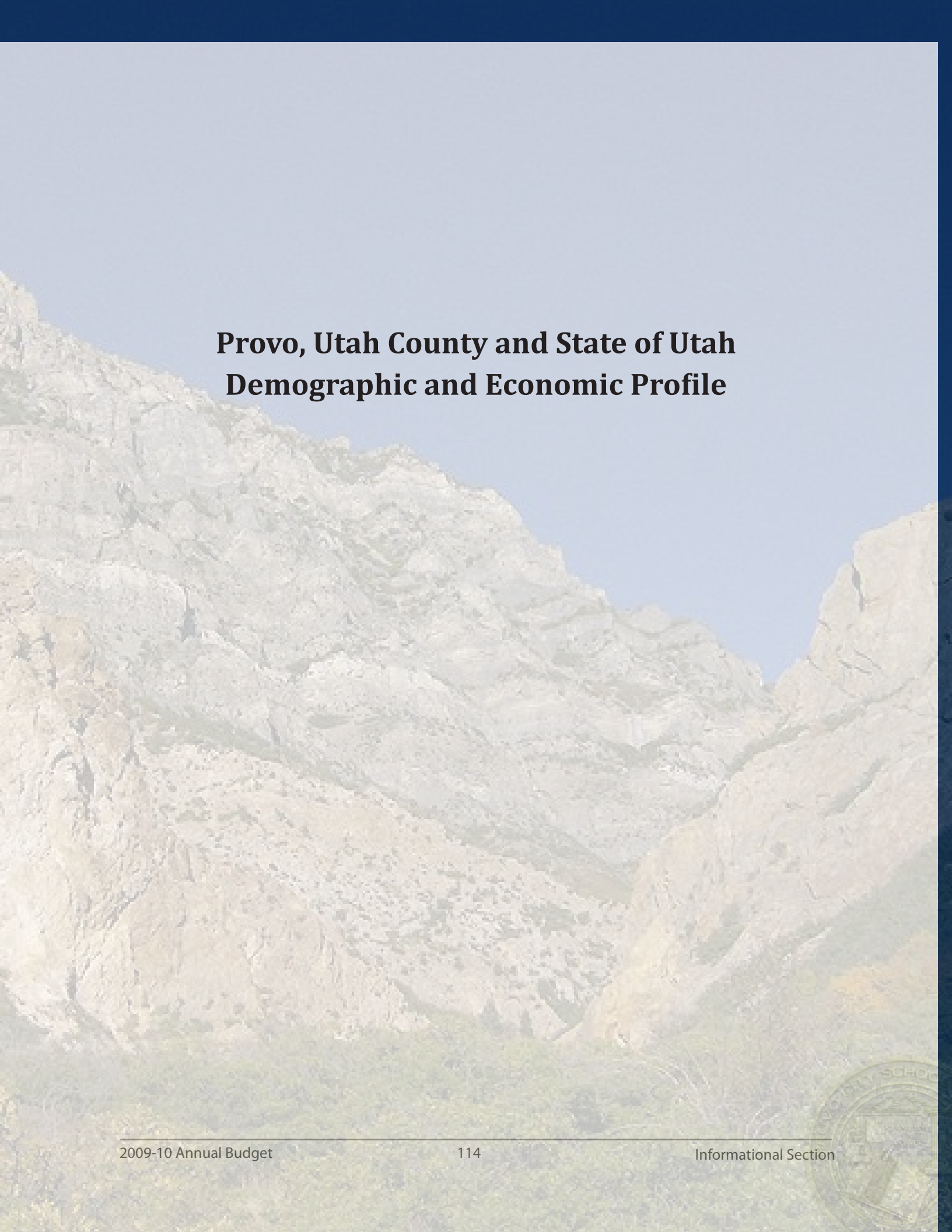


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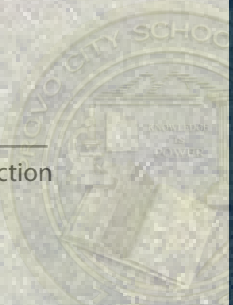


# INFORMATIONAL SECTION





# **Provo, Utah County and State of Utah Demographic and Economic Profile**



## 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 attain 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 122,000 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 122,000 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.

Source: State of Utah (Utah.gov); District data



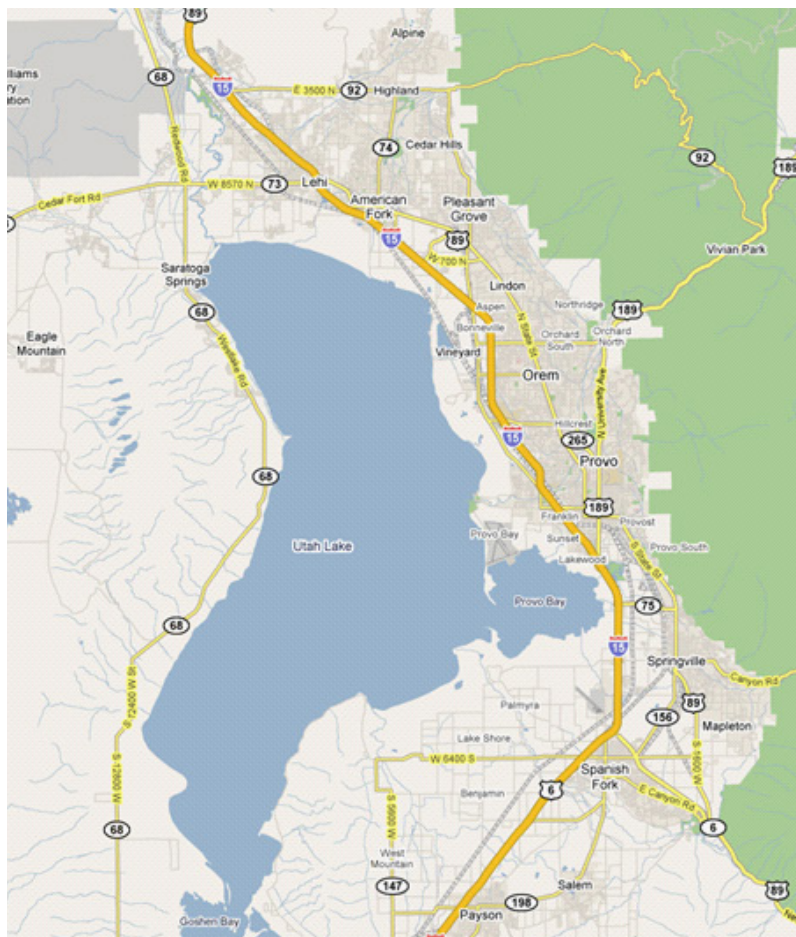
Provo is located in north-central Utah, approximately 45 miles south of Salt Lake City, and is the county seat of Utah County, which has seen explosive growth in recent years. In 2000, the U.S. Census Bureau counted Utah County's population at 368,536. In July 2008, the Bureau estimated that Utah County's population had grown to 530,837.

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 2.1 million residents, the Wasatch Front accounts for 77% of Utah's population.

Source: District data; U.S. Census Bureau

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 29% of the county population. But in 2008, Provo made up approximately 23% 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 11 out of every 100 Provo residents is a student in the Provo School District, compared with 22 out of 100 in Alpine School District.

### Map of Utah County Area



Source: Google Maps

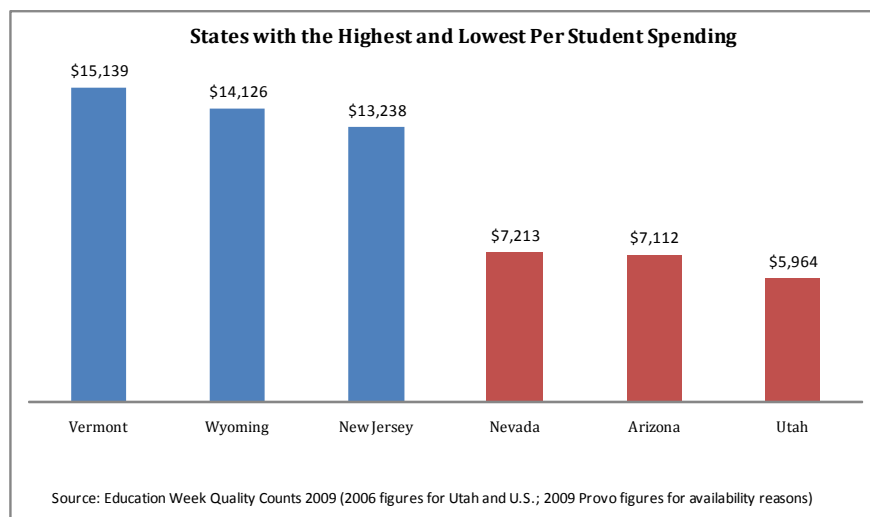




## Utah Economic Environment

The economic outlook of the District is heavily dependent on state aid, which for FY 2009-10 will provide approximately 46% of total revenues, and 59% 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.



As evidenced by the graphic above, 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. As the economy improves, it's anticipated that Utah will once again continue to increase its investment in Utah public education.

**Overview of the Economy** - Utah's economy slowed during 2008. Employment growth fell from 4.0% in 2007 to 0.3% in 2008. Further, the unemployment rate was a post-World War II low of 2.7% in 2007; it rose to 3.7% in 2008. Construction was the hardest hit sector in 2008, with an employment decline of 12.0%. Housing permits fell 9,900 or 48% from 2007.

**Outlook 2009** - Utah's economy is expected to further weaken in 2009. Employment growth is forecast to contract 2.5% during 2009. Construction is forecast to have an additional employment decline of 17.9% in 2009. Housing permits are forecast to remain near historic lows throughout 2009. Falling consumer confidence, the housing downturn, reduced credit, and lower stock prices will weaken the economy during 2009. Unemployment is expected to increase from 3.7% in 2008 to 5.8% in 2009.

### Significant Utah Rankings (Place among 50 U.S. States)

Population growth	1st
Unemployment Rate	5th
Employment Change	22nd
Median Household Income	13th
Average Wage	35th
Per Capita Personal Income	50th
Total Personal Income (% Change)	32nd

Rank is most favorable to least favorable.

Source: 2009 Economic Outlook, State of Utah Governor's Office



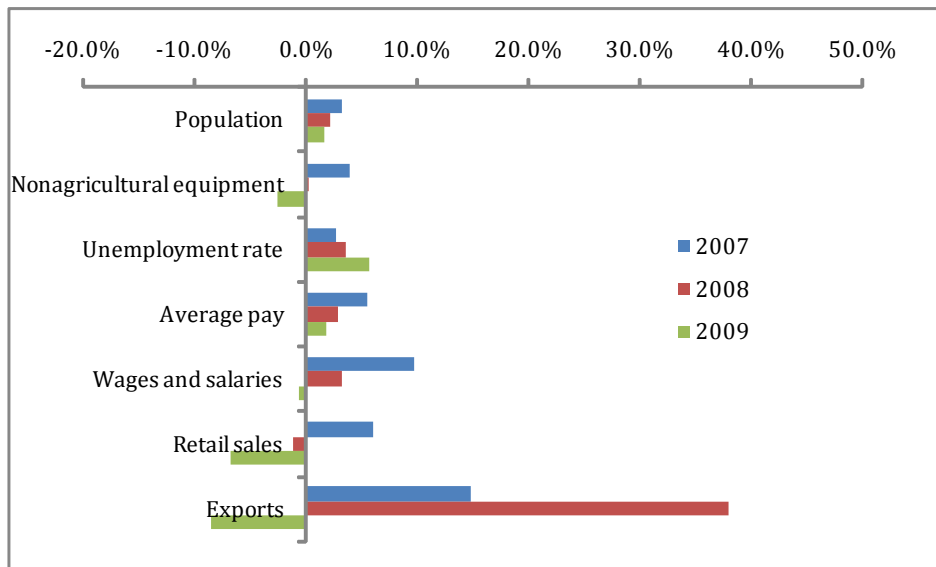
**Population:** The state’s official July 1, 2008 population was estimated to be 2.76 million, an increase of 2.2% from 2007. Natural increase made up 71% of this increase.

**Rate of Growth:** The U.S. Census Bureau ranked Utah third among states with a population growth rate of 2.6% from 2006 to 2007. The U.S. rate of growth was 1.0%.

**Long-Term Projections:** The state’s population is projected to reach 2.9 million in 2010, 3.6 million in 2020, 4.4 million in 2030, 5.2 million in 2040, 6.0 million in 2050, and 6.8 million in 2060.

**School Enrollment:** In 2008, an estimated 551,013 students were in Utah’s public education system; an increase of 13,360 students, or 2.5%, over 2007.

**Utah Economic Indicators: 2007-2009**



Source: 2009 Economic Outlook, State of Utah Governor’s Office

**Notes on Economic Indicators**

Because the District operates on tax revenues, it’s important to note that the indicators in the chart above affect the District heavily. For instance, the District’s largest funding source is the State of Utah. When retail sales decrease, the amount of sales tax received also decreases, limiting the amount of money available to the District from the State.

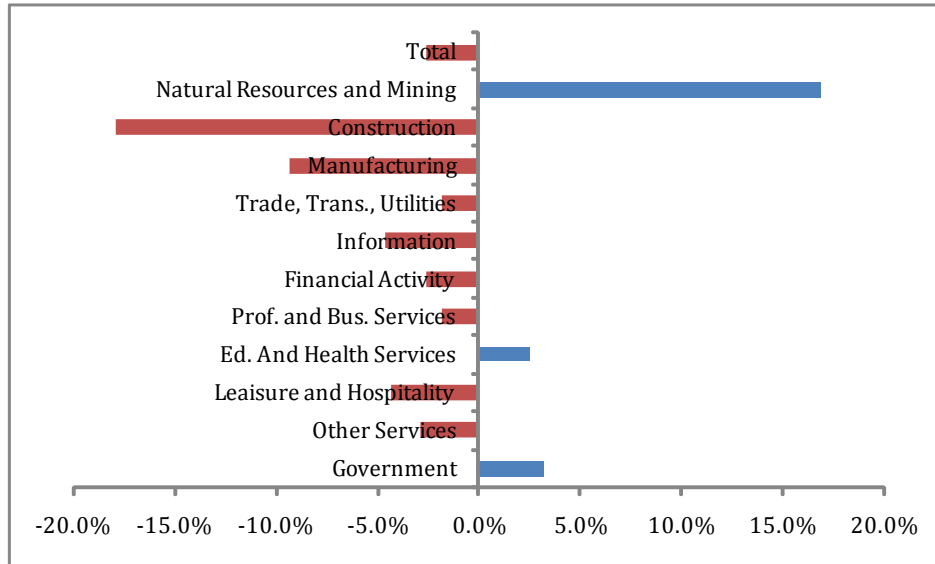
Source: Education Week Quality Counts 2009 (2006 figures for Utah and U.S.; 2009 Provo figures for availability reasons)



**Employment Growth** – Utah’s non-agricultural employment declined an estimated 2.6%, or 32,800 jobs, between March 2008 and March 2009. Nationally, employment contracted 3.6%, or 4.1 million jobs, over the same period.

**Unemployment** – Utah’s unemployment rate increased slightly from 5.1% in February to 5.2% in March. The national unemployment rate increased from 8.1% in February to 8.5% in March.

**Percent Change in Utah Employment by Industry: March 2008-2009**



Source: 2008 Economic Outlook, State of Utah Governor’s Office

**Notes Regarding Percent Change in Utah Employment by Industry**

Total employment in Utah decreased 2.7% from March 2008 to March 2009 as the overall economy contracted due to the worldwide recession. Of particular concern is the dramatic decline in construction employment, caused by the nationwide housing crisis. This impacts the District’s property taxes. Generally speaking, less homes being built means higher tax rates overall as the tax burden is spread around less homes (the District will NOT be increasing tax rates for FY 2009-10). However, because Provo has far more apartments and other multi-family dwellings than surrounding districts, it’s possible the District could see an increase in students as more families are forced to rent rather than buy homes.

Sector	Change %
Government	3.2%
Other Services	-2.9%
Leisure and Hospitality	-4.3%
Ed. And Health Services	2.5%
Prof. and Bus. Services	-1.8%
Financial Activity	-2.6%
Information	-4.6%
Trade, Trans., Utilities	-1.8%
Manufacturing	-9.3%
Construction	-17.9%
Natural Resources and Mining	16.8%
Total	-2.7%

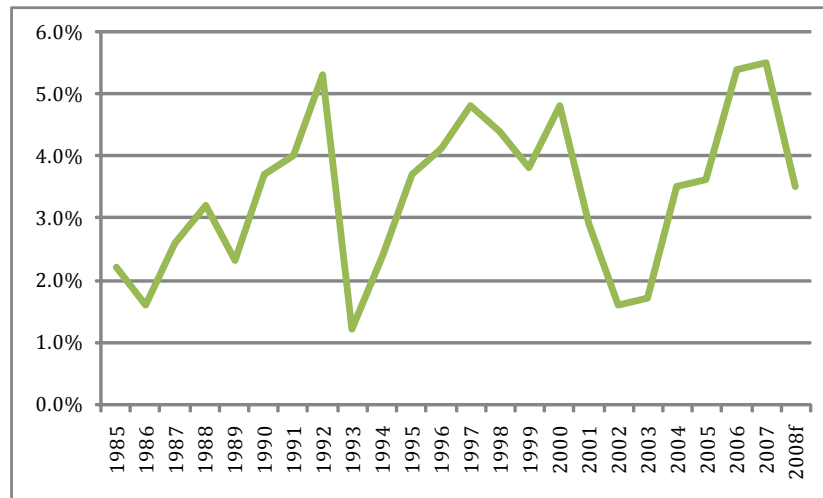
Figures may not total due to rounding.



**Total Personal Income** – Utah’s total personal income reached \$83.1 billion in the fourth quarter of 2008. Annual growth in this quarter of 2.3% was 32nd in the nation. National growth in personal income over the same period was 2.4%, similar to Utah.

**Average Annual Pay** – Utah’s average annual pay grew 2.9% to reach \$37,582 in 2008. Annual pay is forecast to increase 1.9% to \$38,308 in 2009. Average annual pay for the nation in 2008 was \$45,908 and is forecast to be \$47,147 in 2009, an increase of 2.7%.

### Growth Rates for Utah Average Annual Pay



f = forecast

**Home Prices** – According to the Federal Housing Finance Agency (FHFA) House Price Appreciation Ranking, Utah’s house prices were down 6.6% in the fourth quarter of 2008 from fourth quarter of 2007. This ranks Utah 36th in the nation.

### Existing Home Prices

Fourth Quarter 2007 Over Fourth Quarter 2008

MSA	Home Price	Percent Change
Cache/Logan	\$ 138,007	-8.2%
Salt Lake City	\$ 226,542	-1.5%
Ogden-Clearfield	\$ 156,273	-11.3%
<b>Provo</b>	<b>\$ 176,482</b>	<b>-14.0%</b>
Washington/St. George	\$ 171,143	-21.9%
State of Utah	\$ 183,622	-6.6%
United States	\$ 201,070	-15.7%

Source: 2009 Economic Outlook, State of Utah Governor’s Office



## Utah County is State's Fastest Growing County

"Utah County has surpassed Washington County as the state's fastest-growing area, according to population estimates released (today) by the Utah Population Estimates Committee. Utah County saw a growth rate of 5.5 percent as it gained just over 26,000 people."

Source: *Deseret Morning News*, "Utah County is the State's Fastest-Growing," Deborah Bulkely, November 15, 2007

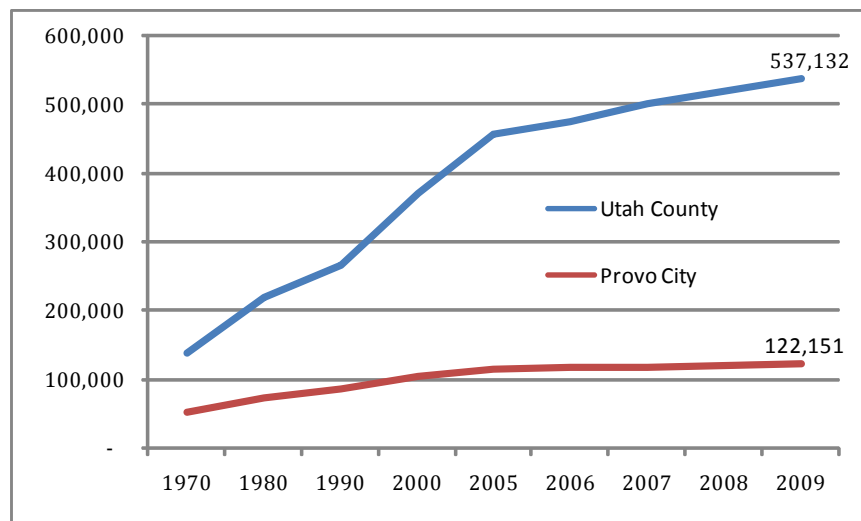
With a population of over 530,000, Utah County is the second largest county in the State of Utah. Provo is the county seat and largest city in Utah County.

### Historical Utah County and Provo City Population

1970-2009

Population		
Year	Utah County	Provo City
1970	139,300	53,131
1980	220,000	74,111
1990	265,766	86,835
2000	371,894	105,439
2005	456,073	115,135
2006	475,425	116,217
2007	501,447	117,592
2008	530,837	122,000
2009 <sup>1</sup>	537,132	122,151

<sup>1</sup>Projected



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.



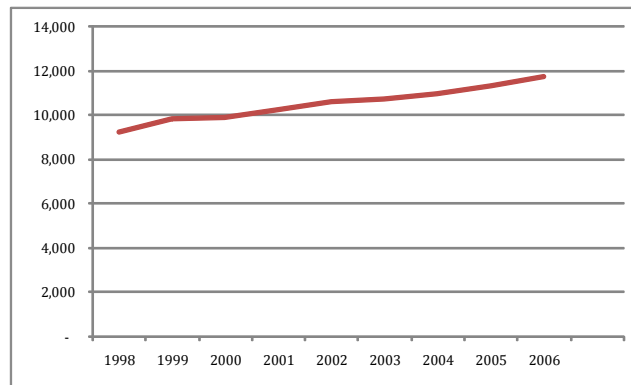
## Utah County Birth Rates

1998-2007 (most recent year reported)

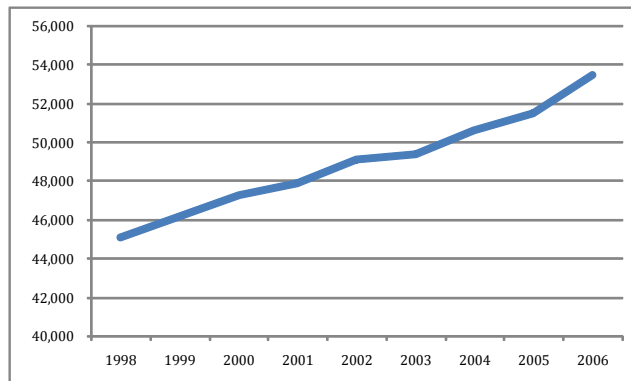
According to the United States Census Bureau, Utah has the highest birthrate in the United States. Utah County has one of the highest birthrates in Utah, with 22% of total births in the state for 2006.

Year	Utah County	State of Utah	Utah County % of Total
1998	9,232	45,128	20%
1999	9,807	46,243	21%
2000	9,864	47,331	21%
2001	10,234	47,915	21%
2002	10,588	49,140	22%
2003	10,742	49,384	22%
2004	10,954	50,653	22%
2005	11,314	51,517	22%
2006	11,726	53,475	22%
2007	12,284	55,063	22%

### Utah County



### State of Utah



Sources: Utah Department of Health, "Utah's Vital Statistics: Births and Deaths, 2007"; U.S. Census Bureau; "States: Live Births and Birth Rates"



## 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.

Source: [www.city-data.com](http://www.city-data.com)

## Provo Recreation and Culture Opportunities

### 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

### Points of Interest and Special Events

A family celebration of the holidays including First Night  
America's Freedom Festival at Provo  
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 Uintas mountain range  
Sundance Ski Resort and Summer Theater  
WinterFest in Downtown Provo

Source: Provo City ([www.provo.org](http://www.provo.org))



## Largest Employers in Provo City 2008

<u>Company Name</u>	<u>Employees<sub>1</sub></u>	<u>Type of Company</u>
Brigham Young University	15,000-19,999	Education
Utah Valley Regional Medical Center	2,000-2,999	Health Care
Novell	1,000-1,999	Information
Provo School District	1,000-1,999	Educational Services
Utah County	500-999	Government
The Generations Network	500-999	Information
Nuskin International	500-999	Wholesale Nutraceutical
Provo City	500-999	Government
Utah State Hospital	500-999	Health Care
Central Utah Medical Center	250-499	Health Care

<sup>1</sup>Employment statistics for major employers in Utah are typically tracked by Utah Department of Workforce Services, which lists major employers using a range.

Source: Provo City ([www.provo.org](http://www.provo.org))

## Largest Taxpayers in Utah County 2007 (last year available)

<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percent of District's Total Taxable Value (1)</u>
Micron Technology Inc.	162,088,614	1	3.44%
Pacificorp	154,055,407	2	3.27%
Kern River Transmission Co.	101,057,476	3	2.14%
Qwest Communications	80,195,236	4	1.70%
Questar Gas	72,122,754	5	1.53%
Novell	67,000,000	6	1.42%
University Mall Shopping Center	55,649,327	7	1.18%
Anderson Geneva LLC Et Al	44,564,400	8	0.94%
Wal-Mart	41,924,953	9	0.89%
Cabela's Retail Inc.	38,157,004	10	0.81%

Excludes motor vehicles

Source: Utah County Assessor's Office and State Tax Commission





## Utah County Employment Statistics

1990 to May 2009

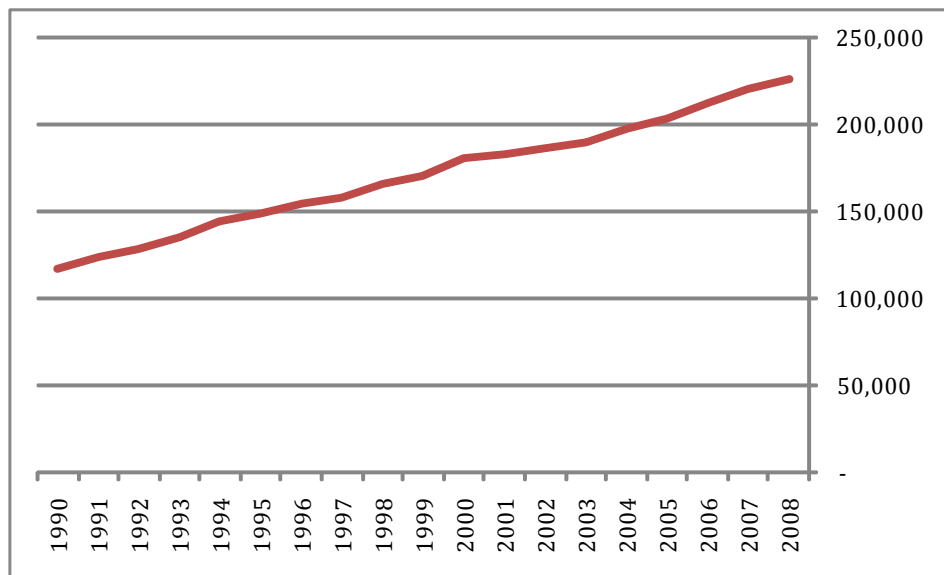
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2009	Unavailable	Unavailable	Unavailable	4.90%
2008	225,889	218,981	6,908	3.06
2007	220,138	214,747	5,391	2.45
2006	212,422	206,498	5,924	2.78
2005	203,741	195,690	8,050	3.96
2004	196,983	187,599	9,384	4.78
2003	189,181	179,388	9,792	5.17
2002	185,759	175,179	10,580	5.71
2001	182,734	175,283	7,451	4.08
2000	180,176	174,879	5,297	2.94
1999	170,218	165,106	5,112	3.02
1998	165,439	160,346	5,093	3.08
1997	157,859	153,683	4,175	2.64
1996	154,052	149,541	4,512	2.93
1995	149,301	145,037	4,264	2.88
1994	144,291	139,658	4,633	3.22
1993	135,425	130,440	4,985	3.69
1992	128,255	122,824	5,430	4.24
1991	123,687	118,197	5,490	4.43
1990	116,996	111,760	5,237	4.48

Not seasonally adjusted  
Annual rate calculated from average of each month

Source: Utah Dept. of Workforce Services  
<http://jobs.utah.gov/jsp/wi/utalmis/countyhistdata.do#export>

### Utah County Labor Force

1990 to May 2008 (last year available)



## Selected Demographics

Provo City - Utah - United States

	<u>Provo</u>	<u>Utah</u>	<u>United States</u>
<u>Housing Characteristics</u>			
Owner Occupied	39.8%	72.0%	67.3%
Renter Occupied	60.2%	28.0%	32.7%
Vacant Housing Units	5.8%	9.7%	11.6%
<u>Social Characteristics</u>			
Average Household Size	3.3	3.1	2.6
Average Family Size	3.40	3.6	3.2
High School Graduate or Higher	91.3%	90.2%	84.1%
Bachelor's Degree or Higher	40.1%	28.6%	27.0%
<u>Economic Characteristics</u>			
Median Household Income	34,211	51,309	48,451
Per Capita Income	14,773	21,016	25,267
Mean Travel Time to Work (in minutes)	17	21	25
<u>Demographic Characteristics</u>			
Median Age	23.2	28.4	36.4

<u>Age Group</u>	<u>% of Population</u>
Under 5 years	9.7%
5 to 9 years	4.7%
10 to 14 years	4.8%
15 to 19 years	13.2%
20 to 24 years	28.5%
25 to 34 years	18.1%
35 to 44 years	5.7%
45 to 54 years	6.1%
55 to 59 years	2.6%
60 to 64 years	2.1%
65 to 74 years	2.1%
75 to 84 years	1.9%
85 years and over	0.5%

Source: U.S. Census Bureau, 2006 American Community Survey



## Provo City

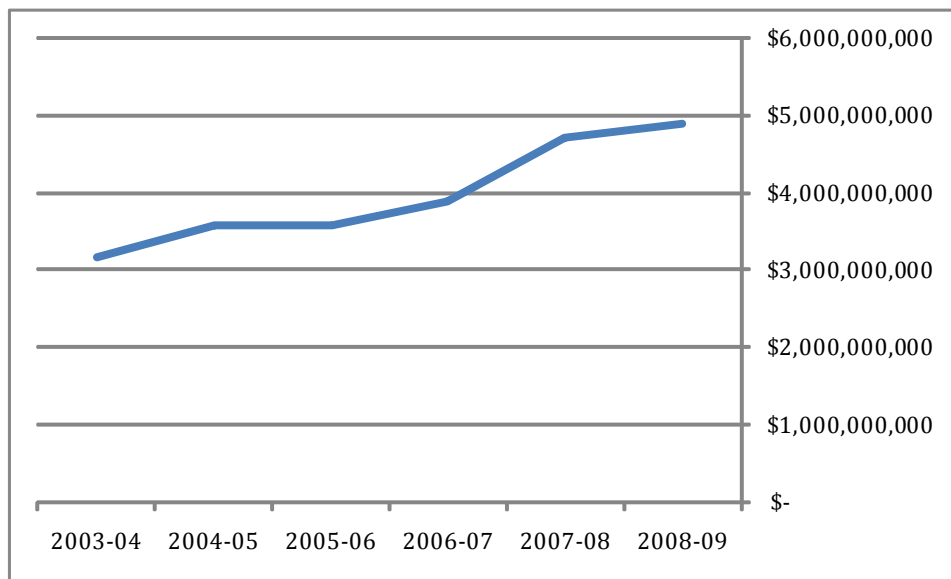
### Assessed Market Value of Property

2003-04 to 2008-09 (estimate, 2009-10 figures not yet available)

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<u>Year</u>	<u>Assessed Valuation</u>	<u>Percentage Growth</u>
2009-10	Unknown	Unknown
2008-09	\$ 4,887,984,782	3.6%
2007-08	4,717,762,297	21.5%
2006-07	3,883,034,322	8.6%
2005-06	3,573,893,056	-0.2%
2004-05	3,579,680,617	13.3%
2003-04	3,158,130,838	n/a

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Source: Utah County Auditor's Office

### Explanation of Property Tax Schedules on Following Pages

The detailed property tax schedules on the following two 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 two pages. The first page contains tax rates and actual receipts for the fiscal years of 2004-05, 2005-06, and 2006-07. The second page contains tax rates and anticipated and/or budgeted amounts for fiscal years 2007-08, 2008-09 and 2009-10. Revenue received from various fees and redemptions are reported on this schedule but are not subject to a tax rate.

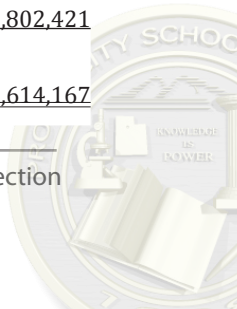
Property taxes are determined by multiplying home value by the tax rate. However, it should be noted that residential properties receive a 45% exemption, meaning homeowners pay taxes based on a home value 55% of the actual value of the home. Businesses do not receive this exemption. More information on this can be found on page 130.



**Provo City School District**

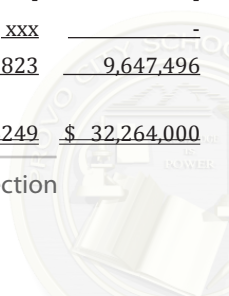
Detailed Schedule of Property Tax  
2004-05 to 2006-07

	<u>2004-2005</u>		<u>2005-2006</u>		<u>2006-2007</u>	
	<u>TAX RATE</u>	<u>ACTUAL REVENUE</u>	<u>TAX RATE</u>	<u>ACTUAL REVENUE</u>	<u>TAX RATE</u>	<u>ACTUAL REVENUE</u>
<b>GENERAL FUND</b>						
Basic Program (53A-17a-135)	.001800	6,469,341	.001720	5,768,256	.001515	5,623,849
Voted Leeway (53A-17a-133)	.000903	3,245,452	.000860	2,883,627	.001034	3,655,014
Board Leeway (53A-17a-134) (Class Size Reduction)	.000269	994,178	.000400	1,612,588	.000400	1,358,300
Board Leeway (53A-17a-151) (Reading Program)	.000000	-	.000000	-	.000000	-
Transportation (53A-17a-127)	.000112	425,902	.000120	402,646	.000113	383,752
Tort Liability (63-30-27)	.000048	181,759	.000075	251,403	.000071	241,141
Redemptions - Basic Levy	-	-	-	426,685	-	413,193
Redemptions - Voted Leeway	-	-	-	213,342	-	538,662
Redemptions - Board Leeway	-	-	-	-	-	-
Redemptions - Special Transportation	-	-	-	30,048	-	54,473
Redemptions - Tort Liability	-	-	-	19,031	-	32,522
Redemptions - Reading Levy	-	-	-	-	-	-
Vehicle Fees in Lieu of Tax (59-2-405) - Basic	-	1,151,866	-	740,188	-	662,428
Vehicle Fees in Lieu of Tax Board Leeway	-	-	-	-	-	-
Vehicle Fees in Lieu of Tax - Voted Leeway	-	-	-	369,593	-	429,873
Vehicle Fees in Lieu of Tax (59-2-405) - Sp. Trans.	-	50,499	-	52,084	-	49,575
Vehicle Fees in Lieu of Tax (59-2-405) - Tort Liab.	-	21,551	-	32,051	-	30,737
Vehicle Fees in Lieu of Tax - Reading	-	-	-	-	-	-
<b>TOTAL GENERAL FUND</b>	<u>.003132</u>	<u>12,540,548</u>	<u>.003175</u>	<u>12,801,542</u>	<u>.003133</u>	<u>13,473,519</u>
<b>NON K-12 PROGRAMS FUND</b>						
Recreation (11-2-7)	.000196	660,965	.000320	1,073,691	.000302	1,061,800
Vehicle Fees in Lieu of Tax (59-2-405)	-	78,371	-	137,344	-	199,813
Tax Sales and Redemptions & Other	-	-	-	79,199	-	76,102
<b>TOTAL NON K-12 FUND</b>	<u>.000196</u>	<u>739,336</u>	<u>.000320</u>	<u>32,051</u>	<u>.000302</u>	<u>1,337,715</u>
<b>DEBT SERVICE FUND</b>						
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	.000999	3,461,018	.001003	3,363,888	.001201	4,198,811
Vehicle Fees in Lieu of Tax (59-2-405)	-	410,367	-	431,756	-	516,932
Tax Sales and Redemptions & Other	-	-	-	248,434	-	284,769
<b>TOTAL DEBT SERVICE FUND</b>	<u>.000999</u>	<u>3,871,385</u>	<u>.001003</u>	<u>216,543</u>	<u>.001201</u>	<u>5,000,512</u>
<b>CAPITAL PROJECTS FUND</b>						
Capital Outlay Foundation (53A-21-101 thru 105)	.000633	2,198,433	.000568	1,957,564	.000435	1,530,001
10% of Basic (53A-17a-145)	.001274	4,424,651	.001058	3,505,937	.001076	3,784,555
Vehicle Fees in Lieu of Tax (59-2-405) Cap Found	-	785,287	-	234,391	-	256,440
Vehicle Fees in Lieu of Tax (59-2-405) 10% Basic	-	-	-	458,851	-	445,766
Tax Sales and Redemptions Cap Foundation	-	-	-	135,073	-	536,899
Tax Sales and Redemptions 10% of Basic	-	-	-	264,186	-	248,760
<b>TOTAL CAPITAL PROJECTS FUND</b>	<u>.001907</u>	<u>7,408,371</u>	<u>.001626</u>	<u>6,556,002</u>	<u>.001511</u>	<u>6,802,421</u>
<b>TOTAL - ALL FUNDS</b>	<u>0.006234</u>	<u>24,559,640</u>	<u>0.006124</u>	<u>19,606,138</u>	<u>.006147</u>	<u>26,614,167</u>



**Provo City School District**  
 Detailed Schedule of Property Tax  
 2007-08 to 2009-10

	<u>2007-2008</u>		<u>2008-2009</u>		<u>2009-2010</u>	
	<u>TAX RATE</u>	<u>ACTUAL REVENUE</u>	<u>TAX RATE</u>	<u>AMOUNT BUDGETED</u>	<u>TAX RATE</u>	<u>AMOUNT ANTICIPATED</u>
<b>GENERAL FUND</b>						
Basic Program (53A-17a-135)	0.001311	\$ 5,353,161	0.001250	\$ 5,177,538	0.001250	\$ 5,337,000
Voted Leeway (53A-17a-133)	0.000877	3,581,024	0.001275	5,550,065	0.001275	5,721,000
Board Leeway (53A-17a-134) (Class Size Reduction)	0.000339	1,656,900	0.000214	931,317	0.000214	960,000
Board Leeway (53A-17a-151) (Reading Program)	-	-	0.000121	501,553	0.000121	517,000
P.L. 81-874 (53A-17a-143)	-	-	-	-	-	-
Transportation (53A-17a-127)	0.000096	388,651	0.000093	405,511	0.000093	418,000
Tort Liability (63-30-27)	0.000060	242,866	0.000058	253,202	0.000058	261,000
Redemptions - Basic Levy	-	399,913	-	307,529	-	317,000
Redemptions - Voted Leeway	-	370,933	-	329,841	-	340,000
Redemptions - Board Leeway	-	-	-	55,297	-	57,000
Redemptions - Special Transportation	-	29,035	-	24,253	-	25,000
Redemptions - Tort Liability	-	18,144	-	15,522	-	16,000
Redemptions - Reading Levy	-	-	-	30,074	-	31,000
Vehicle Fees in Lieu of Tax (59-2-405) - Basic	-	742,603	-	571,402	-	589,000
Vehicle Fees in Lieu of Tax Board Leeway	-	-	-	102,833	-	106,000
Vehicle Fees in Lieu of Tax - Voted Leeway	-	688,791	-	613,117	-	632,000
Vehicle Fees in Lieu of Tax (59-2-405) - Sp. Trans.	-	53,914	-	44,626	-	46,000
Vehicle Fees in Lieu of Tax (59-2-405) - Tort Liab.	-	33,691	-	28,134	-	29,000
Vehicle Fees in Lieu of Tax - Reading	-	-	-	55,297	-	57,000
Judgement Recovery (59-2-1328)	-	-	-	-	-	-
Tax Refunds	xxx	-	xxx	-	xxx	-
<b>TOTAL GENERAL FUND</b>	<b>0.002683</b>	<b>13,559,626</b>	<b>0.003011</b>	<b>14,997,111</b>	<b>0.003011</b>	<b>15,459,000</b>
<b>NON K-12 PROGRAMS FUND</b>						
Recreation (11-2-7)	0.000256	1,066,236	0.000249	1,081,685	0.000138	562,206
Vehicle Fees in Lieu of Tax (59-2-405)	-	79,654	-	119,325	-	62,019
Tax Sales and Redemptions & Other	xxx	147,910	xxx	64,028	xxx	33,279
Judgement Recovery (59-2-1328)	-	-	-	-	-	-
Tax Refunds	xxx	-	xxx	-	xxx	-
<b>TOTAL NON K-12 FUND</b>	<b>0.000256</b>	<b>1,293,800</b>	<b>0.000249</b>	<b>1,265,038</b>	<b>0.000138</b>	<b>657,504</b>
<b>DEBT SERVICE FUND</b>						
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.001018	4,239,950	0.001242	5,404,547	0.001277	5,556,468
Vehicle Fees in Lieu of Tax (59-2-405)	-	316,749	-	596,625	-	613,396
Tax Sales and Redemptions & Other	xxx	588,176	xxx	321,110	xxx	330,136
Judgement Recovery (59-2-1328)	-	-	-	-	-	-
Tax Refunds	xxx	-	xxx	-	xxx	-
<b>TOTAL DEBT SERVICE FUND</b>	<b>0.001018</b>	<b>5,144,875</b>	<b>0.001242</b>	<b>6,322,282</b>	<b>0.001277</b>	<b>6,500,000</b>
<b>CAPITAL PROJECTS FUND</b>						
Capital Outlay Foundation (53A-21-101 thru 105)	0.000369	1,536,878	0.000828	3,602,061	0.000939	4,186,193
10% of Basic (53A-17a-145)	0.000913	3,802,626	0.000884	3,848,472	0.000884	4,061,000
Voted Capital (53A-16-110)	-	-	-	-	-	-
Vehicle Fees in Lieu of Tax (59-2-405) Cap Found	-	213,199	-	365,736	-	404,842
Vehicle Fees in Lieu of Tax (59-2-405) 10% Basic	-	527,509	-	456,927	-	505,784
Tax Sales and Redemptions Cap Foundation	xxx	114,814	xxx	196,935	xxx	217,992
Tax Sales and Redemptions 10% of Basic	-	284,079	-	245,441	-	271,685
Judgement Recovery (59-2-1328)	-	-	-	-	-	-
Tax Refunds	xxx	-	xxx	-	xxx	-
<b>TOTAL CAPITAL PROJECTS FUND</b>	<b>0.001282</b>	<b>6,479,105</b>	<b>0.001712</b>	<b>8,715,572</b>	<b>0.001823</b>	<b>9,647,496</b>
<b>TOTAL - ALL FUNDS</b>	<b>0.005239</b>	<b>\$ 26,477,406</b>	<b>0.006214</b>	<b>\$ 31,300,003</b>	<b>0.006249</b>	<b>\$ 32,264,000</b>



**Provo City School District**  
 Impact of Property Taxes on Taxpayers  
 2004-05 to 2009-10

<b>Residential</b>						
Year	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
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
Provo School District Total Tax Rate	0.006234	0.006124	0.006147	0.005239	0.006214	0.006249
Provo School District Property Taxes	\$857	\$842	\$845	\$720	\$854	\$859
Taxes per \$1,000 of value:	\$3.43	\$3.37	\$3.38	\$2.88	\$3.42	\$3.44

<b>Business</b>						
Year	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Home Value	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	250,000
Residential Exemption	-	-	-	-	-	-
Assessed Value	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Provo School District Total Tax Rate	0.006234	0.006124	0.006147	0.005239	0.006214	0.006249
Provo School District Property Taxes	\$1,559	\$1,531	\$1,537	\$1,310	\$1,554	\$1,562
Taxes per \$1,000 of value:	\$6.24	\$6.12	\$6.15	\$5.24	\$6.22	\$6.25

Note: For comparability purposes, \$250,000 is used as the home and business value for all five years, as this is the value used by Utah County as average. In 2007-08, assessed values rose 21.5%, and the District lowered tax rates 15% to account for this dramatic increase. Provo City's overall assessed value typically increases each year, but 2007-08 was much higher than normal. For 2008-09, assessed values continued to rise, while for FY 2009-10, preliminary figures indicate assessed values will decrease by approximately \$53 million citywide.

**Quick Property Tax Determination**

**Residential: Assessed Home Value x 0.55 x Tax Rate**

So, on a \$250,000 home, 2009-10 property tax attributable to the District would be: **\$250,000 x 0.55 x .006249, or \$859**, an increase of \$5 when compared to 2008-09 (see table above).

**Business: Assessed Business Value x Tax Rate**

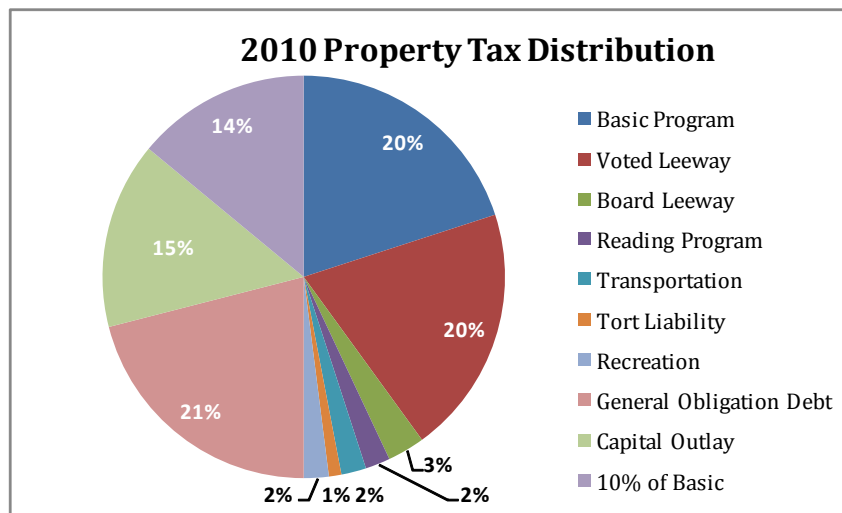
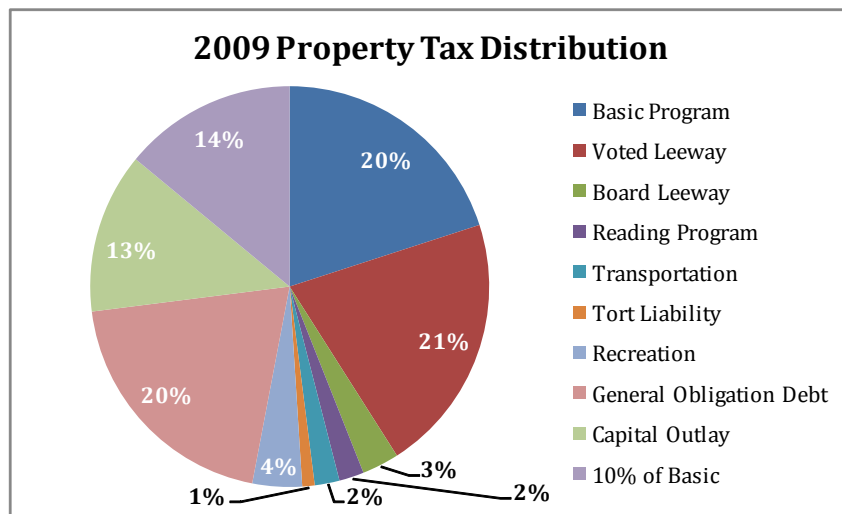
So, on a \$250,000 business, 2009-10 property tax attributable to the District would be: **\$250,000 x .006249, or \$1,562**, an increase of \$8 when compared to 2008-09 (see table above).



**Major Revenue Sources**  
Property Tax Rate Comparison

The majority of local funding consists of revenue from 13 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 Tax Distribution by Levy**  
FY 2008-09 to FY 2009-10

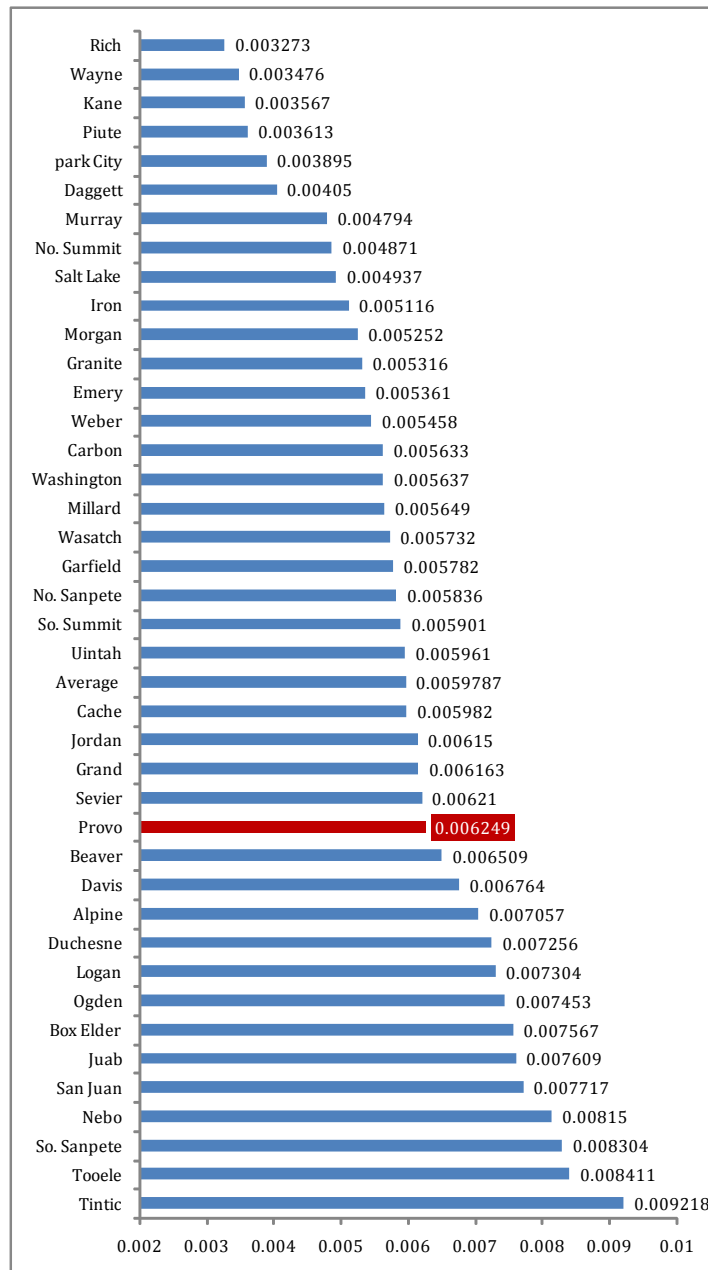


## Provo City School District Property Tax Rate Comparison

### 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).

### Property Tax Comparison by District 2008-09 (all districts but Provo) to 2009-10 (Provo only)



#### A note regarding property tax rates:

The property tax rate comparison above shows Provo City School District's proposed property tax rates for 2009-10 compared to the 2008-09 rates of other districts because it's unknown what their rates will be until after the publish date of this book. In fact, it is likely Provo's rates could change slightly as well once final assessed property valuations in Provo are known. The important thing to keep in mind is that the District is not budgeting for property tax revenues to be any higher than the amount originally budgeted for 2008-09.





## Provo City School District

### Statewide Comparison of Assessed Values

#### Assessed Valuation per Student in Fall Enrollment, FY 2007-08\*

Rank	District	FY 2008 Adjusted Assessed	Oct 1, 2007 Enrollment	Assessed Valuation per Pupil
1	PARK CITY	10,392,091,628	4,443	\$2,338,981
2	DAGGETT	223,285,666	134	1,666,311
3	RICH	642,486,973	431	1,490,689
4	KANE	1,497,088,800	1,178	1,270,873
5	S SUMMIT	1,598,969,083	1,374	1,163,733
6	N SUMMIT	1,116,220,484	1,000	1,116,220
7	SALT LAKE	18,895,641,316	23,536	802,840
8	WASATCH	3,614,674,369	4,588	787,854
9	EMERY	1,644,709,126	2,262	727,104
10	GRAND	1,036,803,063	1,486	697,714
11	MILLARD	1,865,104,888	2,852	653,964
12	CARBON	2,235,176,873	3,562	627,506
13	UINTAH	3,510,534,237	5,952	589,807
14	GARFIELD	518,124,847	933	555,332
15	WASHINGTON	13,267,894,972	25,295	524,526
16	MURRAY	3,300,234,828	6,426	513,575
17	IRON	4,131,523,199	8,643	478,020
18	JORDAN	31,300,321,534	80,187	390,342
19	WAYNE	213,790,263	548	390,128
20	<b>PROVO</b>	<b>4,934,111,947</b>	<b>13,083</b>	<b>377,139</b>
	<i>STATEWIDE TOTAL</i>	<i>194,388,821,280</i>	<i>515,457</i>	<i>377,119</i>
21	MORGAN	805,974,858	2,183	369,205
22	BEAVER	574,980,125	1,562	368,105
23	GRANITE	24,075,048,177	67,948	354,316
24	DUCHESNE	1,400,050,766	4,224	331,451
25	JUAB	698,682,750	2,147	325,423
26	LOGAN	1,804,204,111	5,755	313,502
27	ALPINE	16,011,698,468	58,665	272,934
28	PIUTE	81,330,481	300	271,102
29	SAN JUAN	728,468,466	2,844	256,142
30	WEBER	7,693,710,566	30,097	255,630
31	SEVIER	1,122,786,534	4,475	250,902
32	OGDEN	3,101,101,431	12,603	246,061
33	N SANPETE	570,756,533	2,340	243,913
34	BOX ELDER	\$2,654,576,147	10,931	242,848
35	DAVIS	15,272,741,587	64,551	236,600
36	NEBO	5,866,618,743	26,588	220,649
37	CACHE	2,937,430,086	14,194	206,949
38	TOOELE	2,538,749,573	12,988	195,469
39	S SANPETE	479,267,390	2,911	164,640
40	TINTIC	31,856,392	238	133,850

\*Most recent year available

Source: Utah State Office of Education



The following pages contain original budgets for FY 2009-10 (budgets that have been approved by the Board of Education), and projected budgets for FY 2010-11 through FY 2012-13. 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.

## Revenue

### Local Sources

For FY 2009-10, the District anticipates receiving the same amount in property tax as was originally budgeted in FY 2008-09. The final FY 2008-09 budget figures are down due to less collections at the county level. After FY 2009-10, the District projects slight to moderate increases in property tax revenues, resulting from the possibility of an increase to the District's *certified tax rate*. Assessed property values are not anticipated to increase until around 2011-12, but due to the volatility of the housing market it's difficult to make any realistic projections regarding property values at this time. Another component of local revenue, return on investments, is heavily dependent on market interest rates. Those rates are projected to remain low for early FY 2009-10, with slight to moderate increases coming thereafter.

### State Sources

Revenue from state sources is projected to be down over \$2 million in FY 2009-10 compared to FY 2008-09 levels. An additional decrease of \$2.5 million is projected for FY 2010-11, although at the current time it's unknown what will actually happen in the legislature regarding education funding in the State. Education has been a top priority among state leaders, so anticipated state funds hinge mainly on available revenue, which won't be known until closer to the legislative session in January 2010.

**“Revenue from state sources is projected to be down over \$2 million in FY 2009-10 compared to FY 2008-09 levels.”**

To balance the FY 2008-09 and FY 2009-10 budgets, the legislature made several shifts between various state programs, but the end result was an overall decrease in funding. These program shifts are expected to continue in the near future, which means some state programs might be completely eliminated, while others won't be affected. By FY 2011-12, Provo City School District projects revenue from state sources to begin increasing again, although it should be stressed this is only a projection.

### Federal Sources

The vast majority of the District's federal revenues are included in the General fund, although there are a few federally-funded programs in the Non K-12 and Food Services funds. Federal ARRA money, discussed in some detail previously in this document, accounts for the majority of increases in revenue from federal sources for FY 2009-10. Some of the ARRA money will likely be available to be carried over into FY 2010-11, but the majority of it will be spent before then. The District also projects an overall non-ARRA increase in federal spending in the near future, especially in large programs such as Title I and IDEA, so the District will likely see slight to moderate funding increases in these programs. The Food Services fund could also benefit from increases in federal spending.



## **Expenditures**

### **Compensation**

Expenditures are based upon available funding. With projections indicating that available funding will decrease in FY 2009-10, expenditures will decrease, especially in salaries and benefits. 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.

### **Other Expenditures**

After the federal ARRA money runs out, supplies and property expenditures will decrease dramatically in the General fund, beginning in FY 2010-11. For other funds, supplies and property will be relatively flat, with some increases. For instance, costs for food are projected to continue to rise due to inflation, so the Food Services fund budget projection shows a slight but steady increase in supplies budgets for future years.

**“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.”**

One notable budget increase in property results from the possibility of the District issuing Qualified School Construction Bonds (QSCB). There are some associated fees associated with issuing these special bonds, which are included in the FY 2009-10 budget. If the bond issuance and construction timeline goes as planned, the actual construction will occur in FY 2010-11.

Purchased services and other objects are projected to be roughly flat with some exceptions. The Capital Projects fund purchased services budgets will increase \$500,000 for FY 2010-11, because that amount was decreased for FY 2009-10 in an effort to conserve during lean times. After that amount is restored to the budget (based on available revenues), \$200,000 will be added annually in the near future to keep a commitment made by the Board of Education to improve the appearance and safety of District buildings.



**Provo City School District**  
 Budget Forecast  
 General Fund  
 FY 2009-10 to FY 2012-13

REVENUES BY SOURCE	FY 2009-10	FY 2010-11	FY 2011-12	2012-13
Total Local	\$ 18,406,158	\$ 19,206,158	\$ 20,156,200	\$ 20,631,200
Total State	51,904,487	49,400,000	50,264,500	51,395,451
Total Federal	<u>14,297,768</u>	<u>8,667,723</u>	<u>8,841,078</u>	<u>9,017,899</u>
<b>TOTAL REVENUES</b>	<u>84,608,413</u>	<u>77,273,881</u>	<u>79,261,778</u>	<u>81,044,551</u>
<b>EXPENDITURES BY OBJECT</b>				
Salaries	52,579,031	50,649,176	51,408,914	52,437,092
Employee Benefits	21,529,921	20,512,916	20,820,610	21,237,022
Purchased Professional and Technical Services	2,063,805	1,815,300	1,850,000	1,868,000
Purchased Property Services	385,035	365,000	365,000	380,000
Other Purchased Services	868,626	820,000	820,000	845,000
Supplies	4,497,597	3,200,000	3,264,000	3,329,280
Property	3,050,496	1,275,000	1,300,500	1,326,510
Other Objects	<u>(484,938)</u>	<u>(400,000)</u>	<u>(420,000)</u>	<u>(427,000)</u>
<b>TOTAL EXPENDITURES</b>	<u>84,489,573</u>	<u>78,237,392</u>	<u>79,409,024</u>	<u>80,995,904</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>118,840</u>	<u>(963,511)</u>	<u>(147,246)</u>	<u>48,646</u>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>118,840</u>	<u>(963,511)</u>	<u>(147,246)</u>	<u>48,646</u>
<b>FUND BALANCE - BEGINNING (From Prior Year)</b>	<u>5,685,527</u>	<u>5,804,367</u>	<u>4,840,856</u>	<u>4,693,610</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 5,804,367</u>	<u>\$ 4,840,856</u>	<u>\$ 4,693,610</u>	<u>\$ 4,742,257</u>



**Provo City School District**  
 Budget Forecast  
 Capital Projects Fund  
 FY 2009-10 to FY 2012-13

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REVENUES BY SOURCE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Total Local	\$ 9,867,496	\$ 10,145,520	\$ 10,345,520	\$ 10,485,520
Total State	-	-	-	-
Total Federal	-	-	-	-
<b>TOTAL REVENUES</b>	<u>9,867,496</u>	<u>10,145,520</u>	<u>10,345,520</u>	<u>10,485,520</u>
 EXPENDITURES BY OBJECT				
Salaries	1,208,338	1,208,338	1,232,505	1,263,317
Employee Benefits	397,986	409,926	434,521	449,729
Purchased Professional and Technical Services	18,000	18,360	18,819	19,289
Purchased Property Services	2,536,500	3,036,500	3,236,500	3,436,500
Supplies	2,515,036	2,565,337	2,629,470	2,695,207
Property	286,047	291,768	299,062	306,539
Other Objects	<u>300,000</u>	<u>305,000</u>	<u>305,000</u>	<u>312,200</u>
<b>TOTAL EXPENDITURES</b>	<u>7,261,907</u>	<u>7,835,228</u>	<u>8,155,877</u>	<u>8,482,782</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,605,589</u>	<u>2,310,292</u>	<u>2,189,643</u>	<u>2,002,738</u>
 OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>
 NET CHANGE IN FUND BALANCE	<u>605,589</u>	<u>310,292</u>	<u>189,643</u>	<u>2,738</u>
 FUND BALANCE - BEGINNING (From Prior Year)	<u>8,565,302</u>	<u>9,170,891</u>	<u>9,481,183</u>	<u>9,670,826</u>
 FUND BALANCE - ENDING	<u>\$ 9,170,891</u>	<u>\$ 9,481,183</u>	<u>\$ 9,670,826</u>	<u>\$ 9,673,564</u>



**Provo City School District**  
 Budget Forecast  
 Debt Service Fund  
 FY 2009-10 to FY 2012-13

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REVENUES BY SOURCE	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>
Total Local	\$ 6,500,000	\$ 6,517,000	\$ 6,582,170	\$ 6,590,000
Total State	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>6,500,000</u>	<u>6,517,000</u>	<u>6,582,170</u>	<u>6,590,000</u>
EXPENDITURES BY OBJECT				
Other Objects	<u>6,500,000</u>	<u>6,515,000</u>	<u>6,572,000</u>	<u>6,594,000</u>
<b>TOTAL EXPENDITURES</b>	<u>6,500,000</u>	<u>6,515,000</u>	<u>6,572,000</u>	<u>6,594,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>2,000</u>	<u>10,170</u>	<u>(4,000)</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>2,000</u>	<u>10,170</u>	<u>(4,000)</u>
FUND BALANCE - BEGINNING (From Prior Year)	<u>869,723</u>	<u>869,723</u>	<u>871,723</u>	<u>881,893</u>
FUND BALANCE - ENDING	<u>\$ 869,723</u>	<u>\$ 871,723</u>	<u>\$ 881,893</u>	<u>\$ 877,893</u>



**Provo City School District**

Budget Forecast

Student Activities Fund

FY 2009-10 to FY 2012-13

REVENUES BY SOURCE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Total Local	\$ 3,349,500	\$ 3,700,000	\$ 3,980,000	\$ 4,015,000
Total State	-	-	-	-
Total Federal	-	-	-	-
<b>TOTAL REVENUES</b>	<u>3,349,500</u>	<u>3,700,000</u>	<u>3,980,000</u>	<u>4,015,000</u>
EXPENDITURES BY OBJECT				
Salaries	-	-	-	-
Employee Benefits	-	-	-	-
Purchased Professional and Technical Services	306,302	325,000	326,200	327,000
Purchased Property Services	50,913	52,000	68,547	69,300
Other Purchased Services	606,550	700,000	858,553	860,000
Supplies	1,783,461	1,825,224	1,843,476	1,855,220
Property	39,728	200,000	355,270	355,270
Other Objects	<u>691,236</u>	<u>690,000</u>	<u>650,000</u>	<u>650,000</u>
<b>TOTAL EXPENDITURES</b>	<u>3,478,190</u>	<u>3,792,224</u>	<u>4,102,046</u>	<u>4,116,790</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(128,690)</u>	<u>(28,963)</u>	<u>11,063</u>	<u>11,240</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>(128,690)</u>	<u>(28,963)</u>	<u>11,063</u>	<u>11,240</u>
FUND BALANCE - BEGINNING (From Prior Year)	<u>1,888,639</u>	<u>1,759,949</u>	<u>1,730,986</u>	<u>1,742,049</u>
FUND BALANCE - ENDING	<u>\$ 1,759,949</u>	<u>\$ 1,730,986</u>	<u>\$ 1,742,049</u>	<u>\$ 1,753,289</u>



## Provo City School District

Budget Forecast

Non K-12 Fund

FY 2009-10 to FY 2012-13

REVENUES BY SOURCE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Total Local	\$ 1,199,658	\$ 1,224,658	\$ 1,249,658	\$ 1,270,658
Total State	1,186,813	1,089,340	1,122,021	1,155,681
Total Federal	<u>764,490</u>	<u>709,490</u>	<u>734,322</u>	<u>756,352</u>
TOTAL REVENUES	<u>3,150,961</u>	<u>3,023,488</u>	<u>3,106,001</u>	<u>3,182,691</u>
EXPENDITURES BY OBJECT				
Salaries	2,117,733	2,054,201	2,085,014	2,137,139
Employee Benefits	626,384	636,802	646,354	662,513
Purchased Professional and Technical Services	43,251	44,000	45,500	46,200
Purchased Property Services	19,477	20,000	20,400	20,400
Other Purchased Services	26,606	28,000	29,000	29,000
Supplies	191,898	195,736	199,651	203,644
Property	21,150	21,573	22,004	22,445
Other Objects	<u>49,370</u>	<u>51,000</u>	<u>52,450</u>	<u>55,000</u>
TOTAL EXPENDITURES	<u>3,095,869</u>	<u>3,051,312</u>	<u>3,100,374</u>	<u>3,176,341</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>55,092</u>	<u>(27,824)</u>	<u>5,627</u>	<u>6,350</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>55,092</u>	<u>(27,824)</u>	<u>5,627</u>	<u>6,350</u>
FUND BALANCE - BEGINNING (From Prior Year)	<u>231,049</u>	<u>286,141</u>	<u>195,400</u>	<u>637,591</u>
FUND BALANCE - ENDING	<u>\$ 286,141</u>	<u>\$ 258,317</u>	<u>\$ 201,027</u>	<u>\$ 643,941</u>





**Provo City School District**  
 Budget Forecast  
 Building Reserve Fund  
 FY 2009-10 to FY 2012-13

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Total Local	\$ -	\$ -	\$ -	\$ -
Total State	-	-	-	-
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES BY OBJECT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Salaries	-	-	-	-
Employee Benefits	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-
Purchased Property Services	200,000	11,000,000	-	-
Property	-	500,000	-	-
Other Objects	<u>200,000</u>	-	-	-
<b>TOTAL EXPENDITURES</b>	<b><u>400,000</u></b>	<b><u>11,500,000</u></b>	<b>-</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b><u>(400,000)</u></b>	<b><u>(11,500,000)</u></b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<b><u>12,000,000</u></b>	<b><u>2,000,000</u></b>	<b><u>2,000,000</u></b>	<b><u>2,000,000</u></b>
<b>NET CHANGE IN FUND BALANCE</b>	<b><u>11,600,000</u></b>	<b><u>(9,500,000)</u></b>	<b><u>2,000,000</u></b>	<b><u>2,000,000</u></b>
<b>FUND BALANCE - BEGINNING (From Prior Year)</b>	<b><u>1,940,000</u></b>	<b><u>13,540,000</u></b>	<b><u>4,040,000</u></b>	<b><u>6,040,000</u></b>
<b>FUND BALANCE - ENDING</b>	<b><u>\$ 13,540,000</u></b>	<b><u>\$ 4,040,000</u></b>	<b><u>\$ 6,040,000</u></b>	<b><u>\$ 8,040,000</u></b>



**Provo City School District**

Budget Forecast

Food Services Fund

FY 2009-10 to FY 2012-13

REVENUES BY SOURCE	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Total Local	\$ 1,203,897	\$ 1,230,000	\$ 1,325,000	\$ 1,415,000
Total State	550,000	530,000	560,000	575,000
Total Federal	<u>2,754,300</u>	<u>2,836,929</u>	<u>2,927,711</u>	<u>3,030,181</u>
<b>TOTAL REVENUES</b>	<u><b>4,508,197</b></u>	<u><b>4,596,929</b></u>	<u><b>4,812,711</b></u>	<u><b>5,020,181</b></u>
EXPENDITURES BY OBJECT				
Salaries	1,705,496	1,590,000	1,613,850	1,646,127
Employee Benefits	619,726	577,758	586,425	617,298
Purchased Professional and Technical Services	11,000	11,000	6,000	6,200
Purchased Property Services	71,740	73,000	60,000	61,500
Other Purchased Services	4,306	4,306	4,000	3,800
Supplies	1,814,220	1,886,789	1,962,260	2,040,751
Property	460,000	120,000	120,000	125,000
Other Objects	<u>490,622</u>	<u>490,000</u>	<u>495,000</u>	<u>495,000</u>
<b>TOTAL EXPENDITURES</b>	<u><b>5,177,110</b></u>	<u><b>4,752,853</b></u>	<u><b>4,847,535</b></u>	<u><b>4,995,675</b></u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(668,913)</u>	<u>(155,924)</u>	<u>(34,824)</u>	<u>24,505</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(668,913)</u>	<u>(155,924)</u>	<u>(34,824)</u>	<u>24,505</u>
NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)	<u>1,588,770</u>	<u>919,857</u>	<u>763,933</u>	<u>729,109</u>
NET ASSETS / FUND BALANCE - ENDING	<u><u>\$ 919,857</u></u>	<u><u>\$ 763,933</u></u>	<u><u>\$ 729,109</u></u>	<u><u>\$ 753,614</u></u>



**Provo City School District**  
 General Obligation Bonds and Amortization Schedule

**General Obligation Bonds**

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
1998 Series G.O. Refunding Bonds	Bond Refunding	4,950,000	3.40% to 4.15%	June 15, 2013	1,950,000
2004 Series G.O. Refunding Bonds	Bond Refunding	18,690,000	2.0% to 5.0 %	June 15, 2017	15,645,000
2006 Series G.O. Bonds	School Building	9,400,000	4%	June 15, 2026	8,325,000
2007A Series G.O. Refunding Bonds	Bond Refunding	8,220,000	3.807%	June 15, 2015	6,064,000
2007B Series G.O. Bonds	School Building	<u>25,600,000</u>	<u>4.00% to 4.50%</u>	<u>June 15, 2027</u>	<u>24,400,000</u>

Total General Obligation Bonds Payable as of June 30, 2009: \$ 56,384,000

**Combined G.O Bond Summarized Amortization Schedule**

Year Ending June 30	Principal	Interest	Debt Service Fund
2009	\$ 3,850,000	\$ 2,565,403	\$ 6,415,403
2010	4,016,000	2,402,449	6,418,449
2011	4,186,000	2,232,035	6,418,035
2012	4,339,000	2,078,522	6,417,522
2013	4,516,000	1,906,752	6,422,752
2014-2018	20,277,000	6,467,837	26,744,837
2019-2023	10,100,000	3,216,063	13,316,063
2024-2027	<u>8,950,000</u>	<u>918,063</u>	<u>9,868,063</u>
	<u>\$ 60,234,000</u>	<u>\$ 21,787,122</u>	<u>\$ 82,021,122</u>



# Provo City School District

## Trends and Statistics



## Provo City School District

### Personnel Resource Allocation - FTE Comparison of Staffing Levels by Function FY 2004-05 to 2009-10

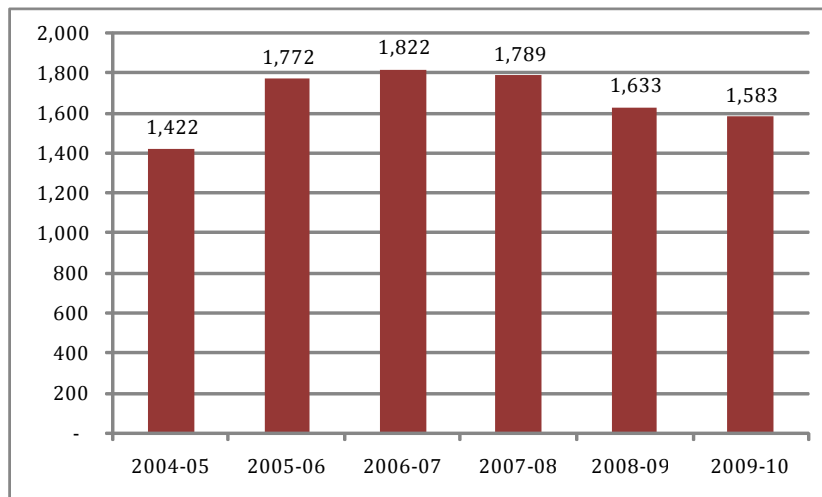
	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>Proposed 2009-10</u>
Instruction	980.7	1,117.4	1,141.4	1,148.4	999.71	968.6
Support Services						
Students	49.6	58.6	53.9	52.3	51.8	50.2
Instructional Staff	39.6	35.5	32.6	38.1	40.0	38.8
General Administration	9.2	24.1	23.9	19.8	16.3	14.8
School Administration	75.0	78.7	79.8	73.7	74.0	74.0
Business and Central	22.1	23.5	24.8	22.1	19.9	18.8
Operation and Maintenance	84.7	118.6	152.0	138.9	148.09	143.5
Transportation	38.6	46.6	49.9	60.0	44.3	42.9
Other Support	-	-	-	10.6 <sup>1</sup>	1.0	1.0
Food Services	57.7	83.2	90.8	90.4	91.5	88.7
Community Services	<u>64.7</u>	<u>185.6</u>	<u>172.5</u>	<u>135.2</u> <sup>2</sup>	<u>146.2</u>	<u>141.7</u>
Total full-time equivalent positions:	<u>1,421.7</u>	<u>1,771.6</u>	<u>1,821.6</u>	<u>1,789.4</u>	<u>1,633.8</u>	<u>1,582.8</u>

<sup>1</sup>Classified among various other functions prior to FY 2007-08

<sup>2</sup>Community and Recreation Services functions combined

### Full-time Equivalent (FTE) Staffing Levels

FY 2004-04 to 2009-10



## Where Provo City School District Fits In

Utah is made up of 40 school districts. The total enrollment of K-12 students for Fall 2008, including charter schools, was 551,000. At nearly 13,300 students, Provo City School District makes up about 2.4% of this total. This makes Provo the 11<sup>th</sup> largest school district in the state.

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 grow on. 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.

### Top 15 School Districts in Utah for 2008-09 by Enrollment

Rank	District	Fall 2008 Enrollment	Projected Fall 2009 Enrollment
1	Jordan <sup>1</sup>	81,017	47,831
2	Granite	68,403	68,671
3	Davis	65,014	64,860
4	Alpine	61,223	63,672
5	Weber	29,879	30,135
6	Nebo	27,592	28,402
7	Washington	25,775	26,126
8	Salt Lake	23,678	23,793
9	Cache	14,579	14,900
10	Tooele	13,406	13,240
11	Provo	13,288	13,260
12	Ogden	12,884	12,938
13	Box Elder	11,132	11,246
14	Iron	8,344	8,423
15	Murray	6,458	6,490

<sup>1</sup>Jordan School District will split into two districts on July 1, 2009. The new district, Canyons, is projected to have approximately 32,800 students in October, 2009.

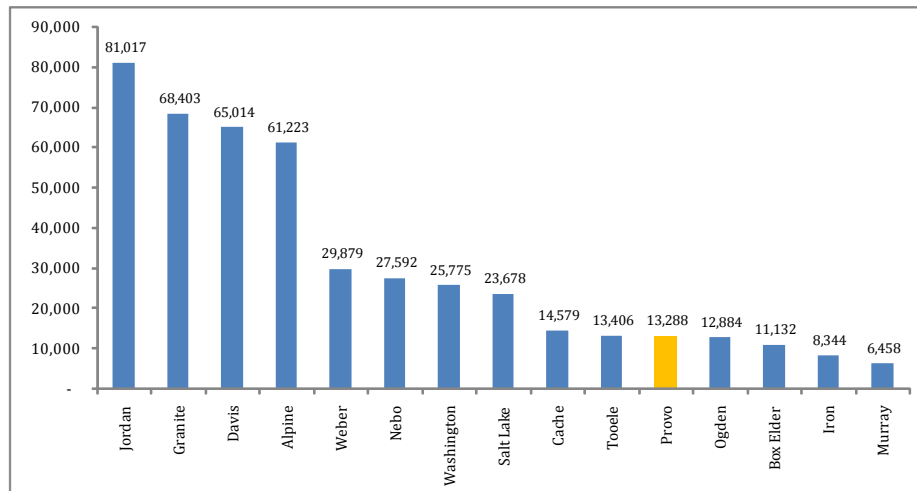
Source: Utah State Office of Education

Provo City School District 2009 projected enrollment is based on Provo figures, not USOE.

### Utah's Largest 15 School Districts by Enrollment

Full Enrollment (includes self-contained special needs students)

Fall 2008



**Provo City School District**

Enrollment Trends

Full Enrollment - Includes Self-contained Special Needs Students  
 October 1 Enrollment 1992-2008; 2009-2012 Projections

**Enrollment Projection Methodology**

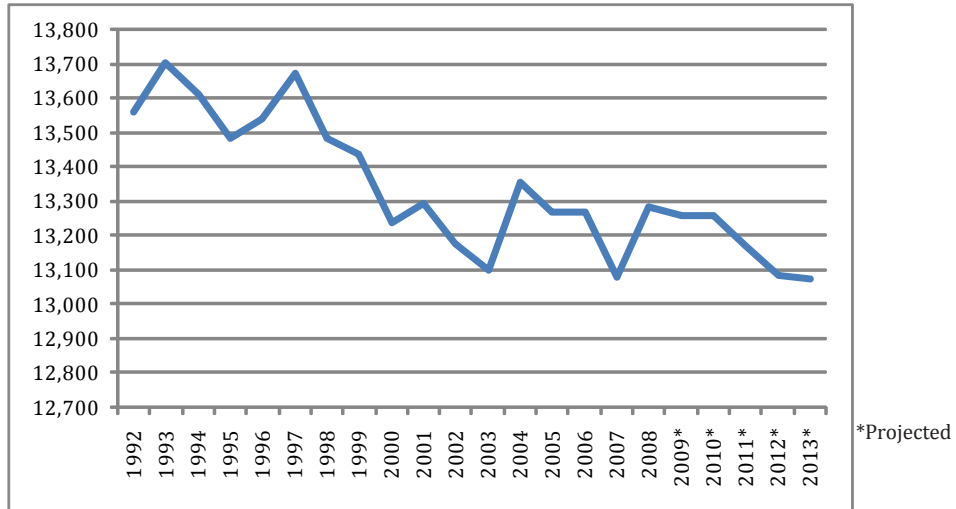
These enrollment figures are taken from data gathered from October 1 enrollment reports each year. Projections for future years are made using simple regression analysis to forecast general expected student enrollment for future years. A more detailed approach, using migration patterns, birth rates, and what is referred to as survival rates, is 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.

<u>Year</u>	<u>Enrollment</u>	<u>Year</u>	<u>Enrollment</u>
1992	13,565	2003	13,103
1993	13,706	2004	13,359
1994	13,616	2005	13,273
1995	13,487	2006	13,272
1996	13,544	2007	13,083
1997	13,674	2008	13,288
1998	13,486	2009	13,260
1999	13,438	2010	13,260
2000	13,241	2011	13,174
2001	13,298	2012	13,086
2002	13,177	2013	13,077

Projected

**District Fall Enrollment Trend**

Full Enrollment (includes self-contained special needs students)



Source: District data



## Provo City School District

Fall Enrollment Report by School

2000-04 to 2009-10 (Projected)

Full Enrollment - Includes Self-contained Special Needs Students

School	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10 Projected
Amelia Earhart Elementary	643	645	600	598	537	549	546
Canyon Crest Elementary	566	557	549	524	519	497	511
Edgemont Elementary	446	494	499	464	467	455	464
Farrer Elementary	-	425	422	433	468	439	456
Franklin Elementary	540	532	528	509	575	571	576
Grandview Elementary <sup>1</sup>	537	525	480	432	-	-	-
Lakeview Elementary <sup>2</sup>	-	-	-	-	694	684	692
Provost Elementary	460	442	435	420	421	428	427
Rock Canyon Elementary	604	583	613	602	600	635	621
Spring Creek Elementary	547	555	625	661	632	523	580
Sunset View Elementary	658	634	655	621	604	572	591
Timpanogos Elementary	577	529	608	541	588	601	597
Wasatch Elementary	542	587	615	621	635	644	643
Westridge Elementary	801	802	791	838	748	851	803
Centennial Middle	763	972	956	998	995	1,050	1,027
Dixon Middle	651	938	923	820	844	830	841
Provo High	1,847	1,936	1,935	1,858	1,716	1,745	1,737
Timpview High	1,663	1,715	1,715	1,800	1,732	1,826	1,786
Independence High	301	273	300	302	288	324	300
Center for High School Studies	27	21	23	41	41	44	44
Central Utah Enterprises	-	-	-	-	-	20	20
Total:	13,218	13,165	13,272	13,083	13,104	13,288	13,260

<sup>1</sup>Grandview closed at the end of the 2007-08 school year.

<sup>2</sup>Lakeview opened at the beginning of the 2008-09 school year.

Source: District data





## Provo City School District

October 1, 2008 Enrollment Report (Fall Enrollment) by School and Grade

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	K	1	2	3	4	5	6	Total
Amelia Earhart	63	92	90	82	72	79	71	549
Canyon Crest	66	54	73	70	84	69	81	497
Edgemont	49	65	58	88	61	65	69	455
Farrer	102	65	66	57	55	51	43	439
Franklin	85	76	83	75	81	82	89	571
Lakeview	109	108	107	97	85	104	74	684
Provost	68	78	76	52	57	55	42	428
Rock Canyon	101	87	97	88	75	88	99	635
Spring Creek	73	79	77	84	76	71	63	523
Sunset View	88	86	78	86	92	75	67	572
Timpanogos	102	96	110	70	78	71	74	601
Wasatch	122	100	85	92	82	91	72	644
Westridge	114	120	95	116	143	143	120	851
<b>Total Elementary</b>	<b>1,142</b>	<b>1,106</b>	<b>1,095</b>	<b>1,057</b>	<b>1,041</b>	<b>1,044</b>	<b>964</b>	<b>7,449</b>

School	7	8	9	10	11	12	Other	Total
Centennial Middle	529	521						1,050
Dixon Middle	409	421						830
Provo High			426	444	437	438		1,745
Timpview High			440	454	462	470		1,826
Independence High			66	69	104	85		324
Center for HS Studies			1	4	15	24		44
Central Utah Enterprises							20	20
<b>Total Secondary:</b>	<b>938</b>	<b>942</b>	<b>933</b>	<b>971</b>	<b>1,018</b>	<b>1,017</b>	<b>20</b>	<b>5,839</b>

**Total Enrollment: 13,288<sup>1</sup>**

<sup>1</sup>Self-contained Special Education enrollment figures are included in figures above for the purposes of this report. For further dis-aggregating of these data, please see the District's complete Fall Enrollment report, available from the District or the Utah State Office of Education.

Source: District data; audited enrollment reports submitted to State



## Provo City School District

### Average Daily Membership

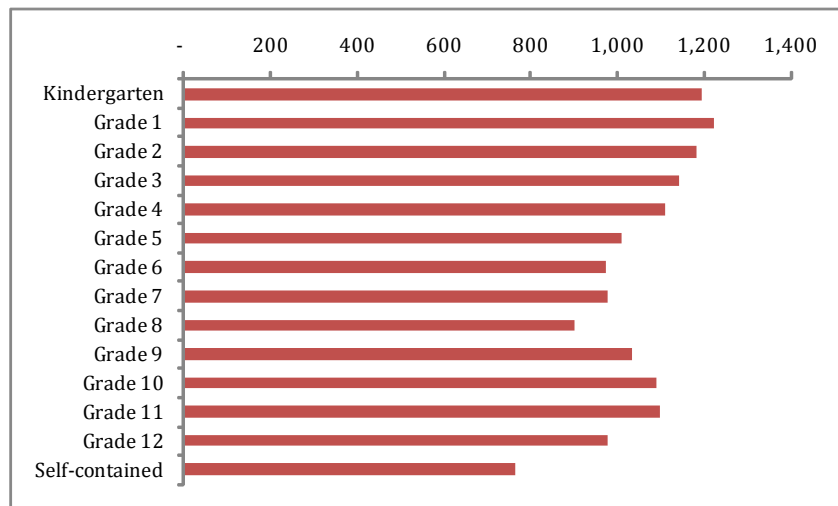
2007-08 School Year (as of June 30, 2008; 2008-09 unavailable as of budget deadline)

Average Daily Membership (ADM) is a different way of tracking student enrollment than the Fall Enrollment Report. ADM is the aggregate of 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.

Grade	Cumulative Count
Kindergarten	1,195
Grade 1	1,225
Grade 2	1,183
Grade 3	1,141
Grade 4	1,112
Grade 5	1,011
Grade 6	972
Grade 7	976
Grade 8	900
Grade 9	1,033
Grade 10	1,092
Grade 11	1,098
Grade 12	976
Regular Subtotal	13,914
Self-contained	765
Total	14,679

### Average Daily Membership by Grade

2007-08 School Year



**Provo City School District**  
 Building Information

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<b>Location/Site</b>	<b>Year Built/ Renovated Substantially</b>	<b>Square Footage</b>
<b>Elementary Schools:</b>		
Amelia Earhart	1999	69,733
Canyon Crest	1982	68,240
Edgemont	1955	47,200
Farrer	1931	86,946
Franklin	1994	75,801
Center for Accelerated Studies <sup>1</sup>	1949	69,546
Lakeview	2007	77,480
Provost	1949	56,799
Rock Canyon	1964	69,883
Spring Creek	2002	70,720
Sunset View	2007	69,305
Timpanogos	2008	69,247
Wasatch	1949	45,326
Westridge	1979	73,928
<b>Secondary Schools:</b>		
Centennial M.S.	1996	144,795
Dixon M.S.	1931	124,276
Provo H.S.	1956	325,842
Timpview H.S.	1974	409,803
Independence H.S.	1992	48,121
<b>Other:</b>		
Center for H.S. Studies	1984	4,000
Oakridge	1979	43,992
District Office	1965	28,875

<sup>1</sup>Originally Grandview Elementary building. Structure substantially demolished in 2008. Part of school kept intact and remodeled into current form as Center for Accelerated Studies.



## Elementary Schools

### Amelia Earhart

Address: 2585 West 200 South  
Year built or substantially renovated: 1999  
Square footage: 69,733  
Projected 2009-10 enrollment: 546



### Canyon Crest

Address: 4664 N Canyon Road  
Year built or substantially renovated: 1982  
Square footage: 68,240  
Projected 2009-10 enrollment: 511



### Edgemont

Address: 566 East 3650 North  
Year built or substantially renovated: 1955  
Square footage: 47,200  
Projected 2009-10 enrollment: 464



### Farrer

Address: 100 North 600 East  
Year built or substantially renovated: 1931  
Square footage: 86,946  
Projected 2009-10 enrollment: 456



### Franklin

Address: 350 South 600 West  
Year built or substantially renovated: 1994  
Square footage: 75,801  
Projected 2009-10 enrollment: 576



### **Lakeview**

Address: 2899 West 1390 North  
Year built or substantially renovated: 2007  
Square footage: 77,480  
Projected 2009-10 enrollment: 692



### **Provost**

Address: 629 South 1000 East  
Year built or substantially renovated: 1949  
Square footage: 56,799  
Projected 2009-10 enrollment: 427



### **Rock Canyon**

Address: 2495 North 650 East  
Year built or substantially renovated: 1964  
Square footage: 69,883  
Projected 2009-10 enrollment: 621



### **Spring Creek**

Address: 1740 South Nevada Avenue  
Year built or substantially renovated: 2002  
Square footage: 70,720  
Projected 2009-10 enrollment: 580



### **Sunset View**

Address: 525 South 1600 West  
Year built or substantially renovated: 2007  
Square footage: 69,305  
Projected 2009-10 enrollment: 591



### **Timpanogos**

Address: 449 North 500 West  
Year built or substantially renovated: 2008  
Square footage: 69,733  
Projected 2009-10 enrollment: 597



### **Wasatch**

Address: 1080 North 900 East  
Year built or substantially renovated: 1949  
Square footage: 45,326  
Projected 2009-10 enrollment: 643



### **Westridge**

Address: 1720 West 1460 North  
Year built or substantially renovated: 1979  
Square footage: 73,928  
Projected 2009-10 enrollment: 803



### **Grandview Learning Center (Center for Advanced Studies)**

Address: 1591 North Jordan Avenue  
Year built or substantially renovated: 2008  
Square footage: 26,000  
Projected 2009-10 enrollment: 80 (these students are counted as part of Westridge Elementary in this budget document)



### **Secondary Schools**

#### **Centennial Middle School**

Address: 305 East 2320 North  
Year built or substantially renovated: 1996  
Square footage: 144,795  
Projected 2009-10 enrollment: 1,027



### **Dixon Middle School**

Address: 750 West 200 North  
Year built or substantially renovated: 1931  
Square footage: 124,276  
Projected 2009-10 enrollment: 841



### **Provo High School**

Address: 1125 North University Avenue  
Year built or substantially renovated: 1956  
Square footage: 325,842  
Projected 2009-10 enrollment: 1,737



### **Timpview High School**

Address: 3570 North 650 East  
Year built or substantially renovated: 1974  
Square footage: 409,803  
Projected 2009-10 enrollment: 1,786



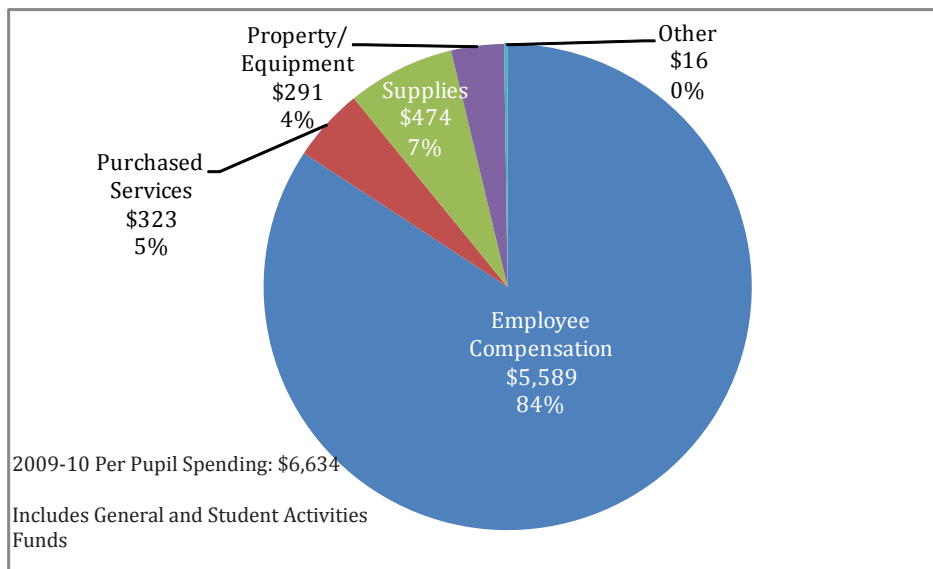
### **Independence High School**

Address: 636 North Independence Avenue  
Year built or substantially renovated: 1992  
Square footage: 48,121  
Projected 2009-10 enrollment: 300



**Provo City School District**  
FY 2009-10 Per-Pupil Expenditures  
General and Student Activities Funds Only

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In FY 2009-10, the District is budgeted to spend **\$6,634 per student** for the year - a decrease of \$191 per student compared to FY 2008-09. This includes money spent on K-12 students from the General and Student Activities funds only. Money spent in the Capital Projects, Debt Services, Food Services, and Non K-12 funds are not included in this calculation. Of the \$6,634 per student, 84% goes toward employee compensation (includes salaries and benefits).





## Average Class Size

Provo and Nearby Districts

October 2008

### Elementary

Local Education Agencies	Kindergarten	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
Alpine	23	21	21	23	23	23	24
Davis	22	22	23	24	25	26	26
Granite	21	23	23	24	25	24	25
Jordan	23	23	23	24	25	24	22
Nebo	20	20	21	25	25	25	27
Park City	23	21	22	22	23	26	23
Wasatch	23	20	21	22	26	27	15
Weber	21	23	22	22	26	26	26
Salt Lake	21	21	21	21	23	23	24
Ogden	25	23	25	24	28	26	29
Provo	23	22	22	23	26	25	24
Murray	23	21	21	23	23	20	24
DISTRICT MEDIAN	21	21	22	23	25	25	25
CHARTER MEDIAN	24	25	25	24	24	25	23
STATE MEDIAN	21	21	22	23	25	25	25

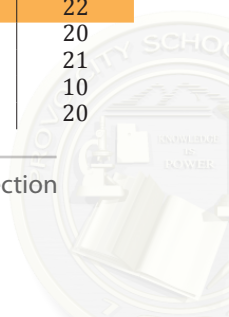
### Secondary: Language Arts

Local Education Agencies	Language Arts Grade 7	Language Arts Grade 8	Language Arts Grade 9	Language Arts Grade 10	Language Arts Grade 11
Alpine	29	29	29	25	27
Davis	23	24	21	26	25
Granite	23	23	17	21	20
Jordan	25	26	27	24	22
Nebo	21	25	23	24	23
Park City	26	26	21	18	16
Wasatch	21	27	24	19	23
Weber	25	24	21	28	24
Salt Lake	17	17	14	15	13
Ogden	18	18	22	19	19
Provo	24	25	22	21	23
Murray	25	23	18	27	26
DISTRICT MEDIAN	22	23	20	19	20
CHARTER MEDIAN	16	17	18	18	14
STATE MEDIAN	22	22	19	18	19

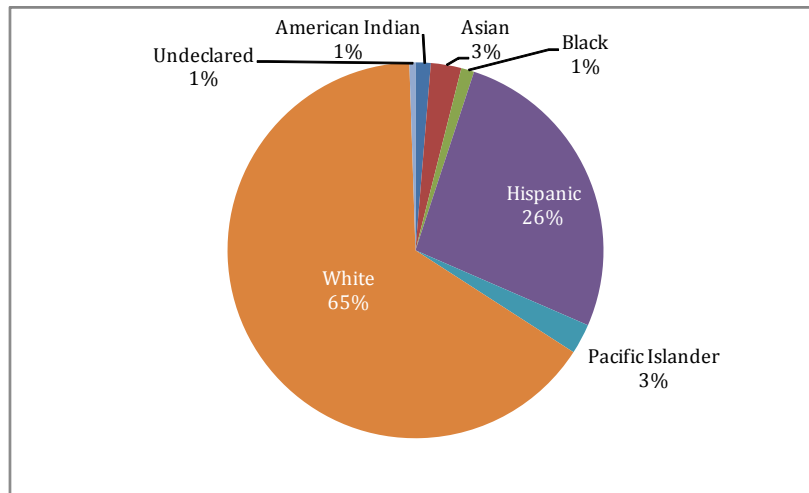
### Secondary: Math and Science

Local Education Agencies	Mathematics Pre Algebra	Mathematics Algebra 1	Mathematics Geometry	Science Grade 7	Science Earth Systems	Science Biology	Science Chemistry	Science Physics
Alpine	27	31	31	34	33	29	28	24
Davis	20	24	28	29	27	28	28	24
Granite	20	22	24	27	23	26	29	24
Jordan	26	27	29	29	27	28	31	26
Nebo	19	26	29	28	23	28	31	24
Park City	23	20	21	26	24	21	22	22
Wasatch	24	22	25	26	29	28	27	14
Weber	20	24	29	29	25	26	30	21
Salt Lake	19	28	27	21	24	25	29	28
Ogden	23	25	24	28	25	23	24	28
Provo	23	23	27	27	32	28	30	22
Murray	24	26	31	26	28	26	27	20
DISTRICT MEDIAN	20	23	27	27	25	26	27	21
CHARTER MEDIAN	19	15	16	20	19	18	17	10
STATE MEDIAN	20	22	26	26	24	25	26	20

Source: Utah State Office of Education



**Student Population by Race**  
October 1, 2008



Source: District data; audited fall 2008 enrollment reports submitted to State

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 different languages are involved. The District has been proactive in developing programs to help broaden future opportunities for all students.

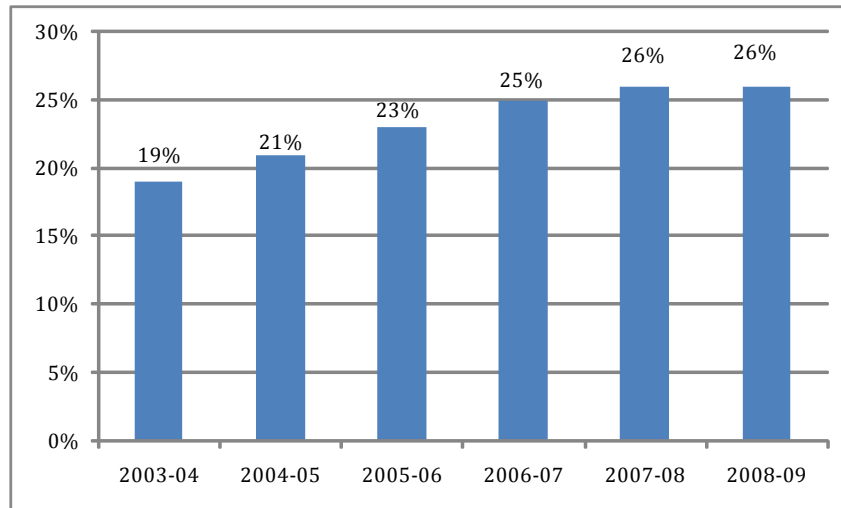
Hispanic students make up the largest ethnic minority group in the District, with 26% of total enrollment as of October 1, 2008. More on this is covered on the next page.



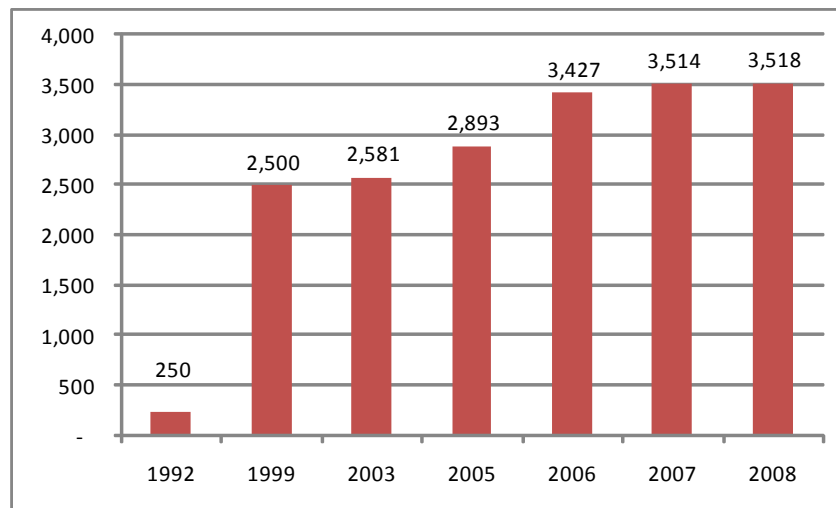
**Provo City School District**  
 Percentage of Hispanic Students  
 2003-04 to 2008-09

In 2002, the Hispanic population in the United States passed the African-American population to become the largest ethnic minority group in the country (Source: U.S. Census Bureau; www.census.gov). Likewise, Hispanic students make up by far the largest ethnic minority group in the District, mirroring what has happened throughout the United States.

**Provo City School District Hispanic Enrollment by Percentage**  
 Fall Enrollment Report 2003 - 2008



**Provo City School District Actual Hispanic Enrollment**  
 Fall Enrollment Report 1992 - 2008 (select years)



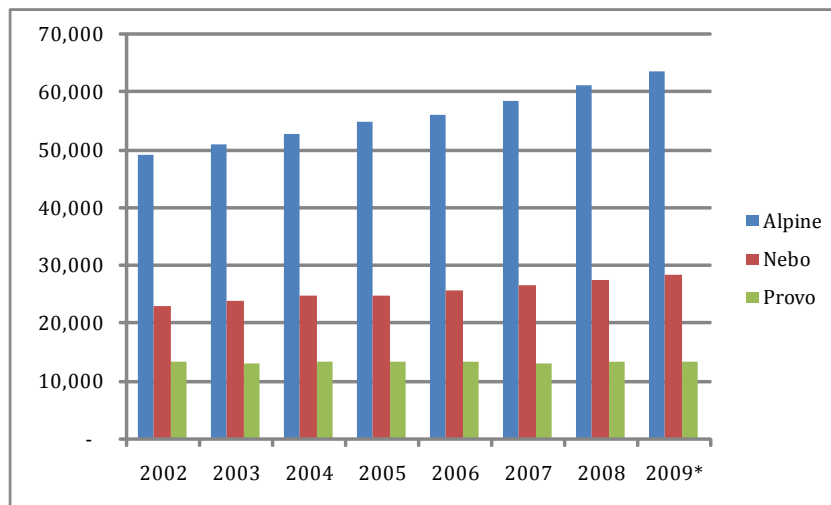
Source: District data; audited fall enrollment reports submitted to State



## County Enrollment Comparison

Provo, Alpine and Nebo School Districts  
2002-08 Fall Enrollment Reports

District	2002	2003	2004	2005	2006	2007	2008	2009*
Alpine	49,159	51,118	52,825	54,773	56,051	58,665	61,223	63,672
Nebo	23,078	23,900	24,887	24,742	25,615	26,588	27,592	28,402
Provo	13,177	13,103	13,359	13,273	13,272	13,083	13,288	13,260
Total Utah County Enrollment	85,414	88,121	91,071	92,788	94,938	98,336	102,103	105,334
Provo City School District % of County Enrollment	15%	15%	15%	14%	14%	13%	13%	13%



\*Projected

Source: District data; Utah State Office of Education

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. This is the case in most one-city districts throughout the State. Besides 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 enrollment in Utah County is projected to be more than 105,000 in 2009-10.



**Provo City School District**  
 School Lunch Participation  
 2001-02 to 2009-10 (projected)

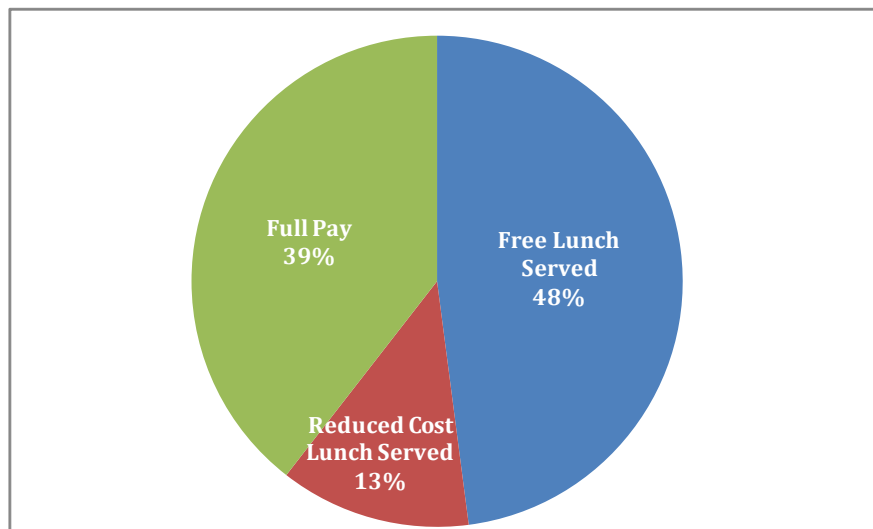
School meal assistance is available based on financial need. Students with the greatest need qualify for free meals, while students with moderate need qualify for meals at a reduced price.

School Year	Meals Served	Free Lunch Served	% of Free Lunched to Total Served	Breakfast Served	Reduced Cost Lunch Served	% of Reduced Cost Lunches to Total Served
2001-02	1,214,770	526,438	43.3%	252,424	164,461	13.5%
2002-03	1,211,667	571,446	47.2%	261,218	157,921	13.0%
2003-04	1,226,062	603,325	49.2%	267,538	156,125	12.7%
2004-05	1,245,816	612,228	49.1%	282,153	160,509	12.9%
2005-06	1,256,839	609,996	48.5%	289,865	152,639	12.1%
2006-07	1,255,951	567,608	45.2%	293,649	164,048	13.1%
2007-08	1,251,460	558,296	44.6%	304,189	155,298	12.4%
2008-09 <sup>1</sup>	1,288,497	617,738	47.9%	316,889	162,129	12.6%
2009-10 <sup>2</sup>	1,300,093	685,689	52.7%	326,713	170,235	13.1%

<sup>1</sup>Preliminary; figures as of June 1, 2009

<sup>2</sup>Projected

**School Lunch Participation by Type**  
 2008-09



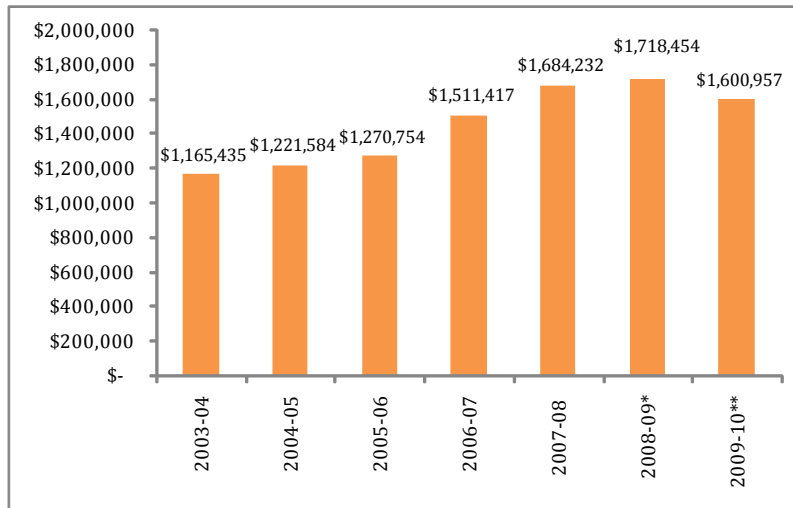
Source: District data



**Provo City School District**  
Historical and Projected Food Costs

**Food Costs**

FY 2003-04 to FY 2009-10 (projected)



\*Budgeted    \*\*Projected

Food costs have eased off a bit since the beginning of 2008-09 due to economic conditions. However, the biggest reason for the projected cost decrease in FY 2009-10 is the fact more of the District's food will be coming from federal sources in the form of USDA commodities.

**Child Nutrition Meal Costs**

2007-08 to 2009-10

School Breakfast and Lunch Prices	2007-08	2008-09	2009-10	% Change
Breakfast	\$1.00	\$1.25	\$1.25	0%
Adult Breakfast	\$1.25	\$1.50	\$1.50	0%
Elementary Lunch	\$1.50	\$1.75	\$1.75	0%
Secondary Lunch	\$1.75	\$2.00	\$2.00	0%
Adult Lunch	\$2.50	\$2.75	\$2.75	0%
Reduced Price Breakfast	\$0.30	\$0.30	\$0.30	0%
Reduced Price Lunch	\$0.40	\$0.40	\$0.40	0%

Prior to 2008-09, the last time the District raised meal prices was in 2001. The District projects overall school lunch participation will remain roughly the same during the 2009-10 school year. However, it's projected that the amount of full-pay students will decrease, while the number of free and reduced price meals served will increase - mainly due to current economic conditions (see table on previous page).

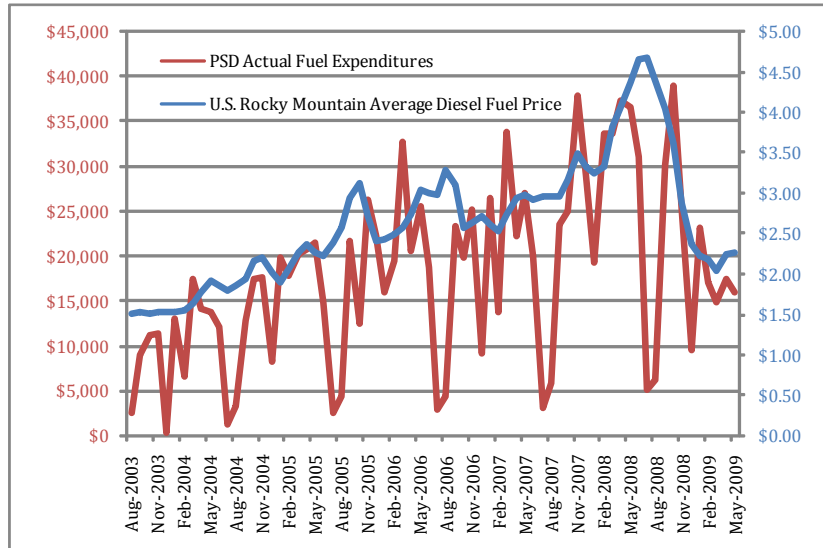
Source: District data



## Provo City School District Motor Fuel Costs

Just as rising energy costs impact each of us individually, the District is impacted by these increases as well. While the District is doing everything it can to conserve, in the end these increases must come from somewhere. In 2007-08, a Geographic Information System (GIS) software program was purchased to analyze District population and transportation patterns in an effort to maximize efficiency and minimize energy costs as much as possible.

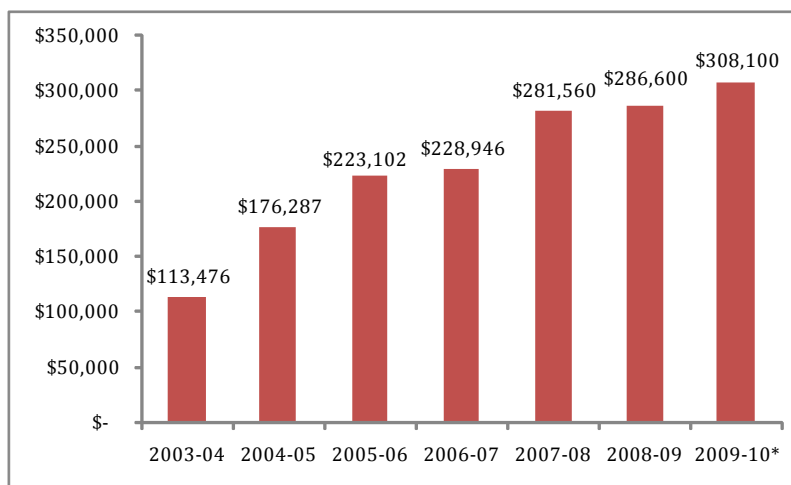
### Average Diesel Fuel Prices/Provo City School District Expenditure Comparison August 2003 - May 2009



Source: District data; U.S. Dept. of Energy

Note: The chart above shows Provo City School District's annual fuel expenditures compared to the average per gallon cost of diesel fuel for the same period. The major troughs (low points) in the Provo City School District amounts (red graph line) are the result of very little fuel being consumed by the District during the summer months each year.

### Provo City School District Motor Fuel Costs FY 2003-04 to FY 2009-10 (\*projected)



Source: District data



## Provo City School District

### Transportation and Health Care Statistics

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#### District Transportation Statistics

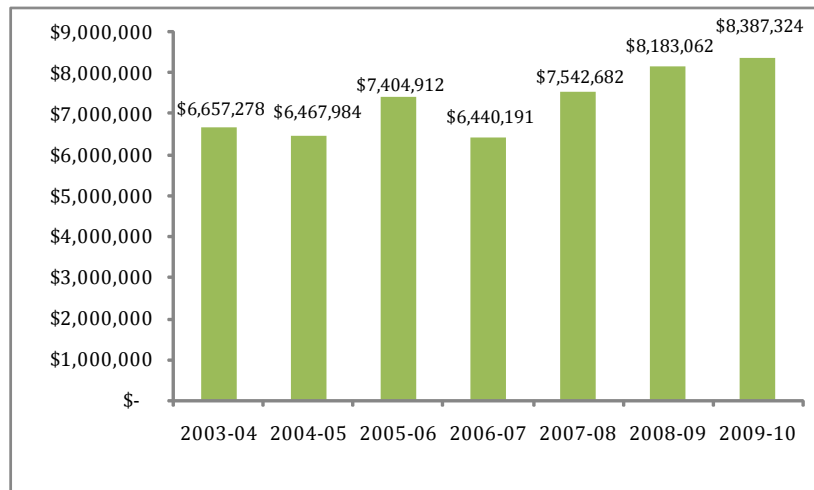
FY 2007-08 (most recent year available)

Miles traveled--497,132  
Number of students transported daily--5,169  
Driving hours per day--271.25  
Route miles driven per day--2,747  
Field and activity trip miles per day--268  
Number of buses--48  
Cost per student--\$501

#### District Health Care Cost Trends

FY 2003-04 - FY 2009-10 (projected)

The rising cost of health care is a problem 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 rates will increase 4.5% in FY 2009-10, although that figure doesn't show up in the budget due to staff reductions and other factors.



Source: District data





## Provo City School District

### Testing Statistics

#### Iowa Test of Basic Skills (ITBS) Scores

September 2007 Test Date (most recent year available)

The Iowa Tests of Basic Skills, or ITBS for short, are nationally standardized achievement tests that provide a comprehensive assessment of student progress in all the basic educational skills. The primary reason for using a standardized achievement test battery is to gather information that can be used to help improve instruction.

Source: [www.pesdirect.com](http://www.pesdirect.com)

Listed below are Provo City School District's September 2007 scores in grades 3, 5, and 8.

	Reading	Language	Mathematics	Core Total	Social Studies	Science	Total Composite
<b>Grade 3 Number of Students Included</b>	981	996	970	949	999	999	941
Average Standard Score (SS)	177.6	169.7	171.9	173.4	178.1	180.5	176.1
Grade Equivalent of Average SS	3.3	2.9	3	3	3.4	3.5	3.2
National Stanine of Average SS	5	5	5	5	5	6	5
Normal Curve Equivalent of Average SS	54	45	49	49	55	57	53
Percentile Rank of Average SS - National Student Norms Number of Students Tested = 1006	57	41	47	48	58	62	55
<b>Grade 5 Number of Students Included</b>	913	917	906	901	917	914	899
Average Standard Score (SS)	207	204.9	206.3	206.4	205.6	212.9	207.8
Grade Equivalent of Average SS	5.3	5.1	5.2	5.2	5.2	5.7	5.4
National Stanine of Average SS	5	5	5	5	5	6	5
Normal Curve Equivalent of Average SS	52	50	52	51	51	56	53
Percentile Rank of Average SS - National Student Norms Number of Students Tested = 919	54	50	54	52	52	61	56
<b>Grade 8 Number of Students Included</b>	834	839	835	830	838	836	829
Average Standard Score (SS)	254.4	248.8	245.6	250	244.4	262	251.5
Grade Equivalent of Average SS	9.3	8.7	8.5	8.8	8.2	10	9
National Stanine of Average SS	6	5	5	5	5	6	5
Normal Curve Equivalent of Average SS	57	53	52	54	51	59	54
Percentile Rank of Average SS - National Student Norms Number of Students Tested = 839	64	55	54	57	52	66	58

Source: District data



## Provo City School District

Utah Basic Skills Competency Test (UBSCT) Scores  
October 2007 Test Date (most recent year available)

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In 1999, the Utah State Legislature drafted and passed H.B. 33. Among other things, H.B. 33 called for the construction and implementation of a basic skills competency test to be given in the tenth grade. In 2000, the need and desire for a basic skills competency test was reaffirmed by the legislature in the passage of H.B. 177. Students need to pass this test (UBSCT) in order to receive a “basic high school diploma.”

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Subject	Total Number of Students Tested	Percent of Group in Level 1	Percent of Group in Level 2	Percent of Group in Level 3	Percent of Group in Level 4
Writing	389	10.8%	29.8%	50.9%	8.5%
Reading	210	36.2%	16.7%	19.0%	28.1%
Mathematics	386	22.8%	38.6%	22.8%	15.8%

Key:

Source: District data

<u>Level</u>	<u>Mastery</u>	
Level 4	Susbtantial	Pass
Level 3	Sufficient	
Level 2	Partial	Re-test
Level 1	Minimal	

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**Provo City School District**  
ACT® Test Scores

The ACT® is America’s most widely accepted college entrance exam. It assesses high school students’ general educational development and their ability to complete college-level work. The multiple-choice tests cover four skill areas: English, mathematics, reading, and science. The writing test, which is optional, measures skill in planning and writing a short essay.

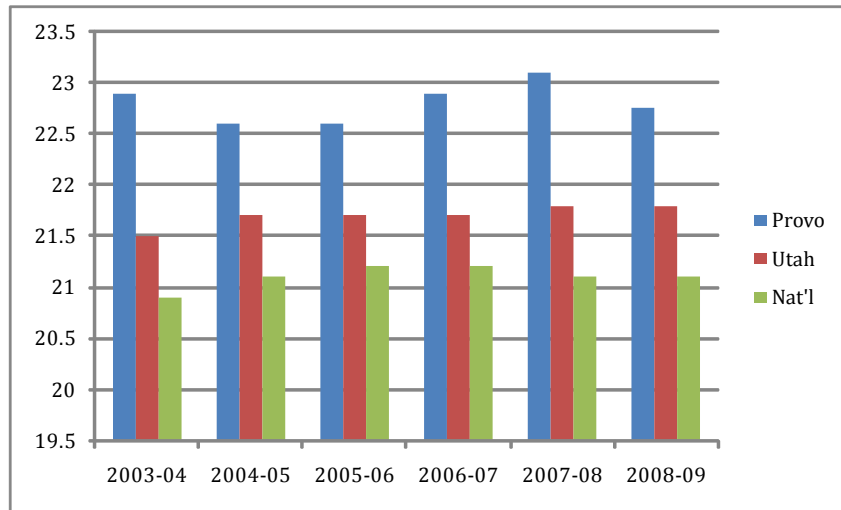
**2003-04 to 2008-09 Average ACT® Scores**

Provo-Utah-United States

	2003-04			2004-05			2005-06		
	Provo	Utah	Nat'l	Provo	Utah	Nat'l	Provo	Utah	Nat'l
English	22.5	20.9	20.4	22.4	21.2	20.6	22.4	21.2	20.7
Math	22.5	20.9	20.7	22.1	21	20.8	22	21	21
Reading	23.5	22.2	21.3	23.2	22.4	21.4	23.2	22.4	21.5
Science	22.6	21.4	20.9	22.1	21.6	20.9	22.1	21.6	21
Composite	22.9	21.5	20.9	22.6	21.7	21.1	22.6	21.7	21.2
	2006-07			2007-08			2008-09		
	Provo	Utah	Nat'l	Provo	Utah	Nat'l	Provo	Utah	Nat'l
English	22.9	21.3	20.7	22.6	21.4	20.6	22.4	not available	
Math	22.6	21.1	21	22.8	21.1	21	22.5		
Reading	23.3	22.2	21.5	23.6	22.5	21.4	23.4		
Science	22.4	21.6	21	22.7	21.6	20.8	22.2		
Composite	22.9	21.7	21.2	23.1	21.8	21.1	22.8		

**ACT® Composite Score Comparison**

Provo City School District, Utah, United States



Note: 2008-09 data show current Provo scores compared to 2007-08 Utah and National scores due to limited data availability.

Sources: District data; www.act.org



**Provo City School District**

Elementary Criterion-Referenced Testing (CRT)  
2003-04 to 2007-08 (most recent year available)

		2003-2004		2004-2005		2005-06		2006-07		2007-08	
Course	Grade	Ave % Correct	# Tested	Ave % Correct	# Tested	Ave % Correct	# Tested	Ave % Proficient	# Tested	Ave % Proficient	# Tested
Language Arts	1	82%	1,037	80%	1,151	76%	1,153	73%	1,131	not tested	
	2	75%	1,020	77%	1,015	79%	1,108	77%	1,068	78%	1,068
	3	76%	995	75%	1,016	78%	1,006	78%	1,083	76%	1,041
	4	81%	951	81%	990	81%	980	79%	980	77%	1,048
	5	78%	914	79%	923	79%	960	77%	937	76%	947
	6	79%	989	82%	897	76%	903	80%	976	80	917
Math	1	83%	1,038	76%	1,165	77%	1,151	71%	1,130	not tested	
	2	75%	1,020	78%	1,021	80%	1,109	74%	1,073	77%	1,067
	3	79%	999	79%	1,023	80%	998	81%	1,099	77%	1,039
	4	82%	956	80%	999	83%	975	79%	986	81%	4,048
	5	77%	917	83%	936	80%	957	78%	943	77%	940
	6	75%	696	77%	629	77%	608	63%	650	72	625
Science	1-3	not tested		not tested		not tested		not tested		not tested	
	4	62%	950	not available		62%	982	62%	984	64%	1,048
	5	59%	914	64%	931	66%	960	64%	952	65%	931
	6	63%	992	68%	895	72%	904	61%	955	69%	933

		2003-2004		2004-2005		2005-06		2006-07		2007-08	
Course	Ave % Proficient	# Tested	Ave % Proficient	# Tested	Ave % Proficient	# Tested	Ave % Proficient	# Tested	Ave % Proficient	# Tested	
7th Lang Arts	not available		not available		not available		84%	889	77%	928	
8th Lang Arts							81%	911	85%	869	
9th Lang Arts							79%	1,008	78%	926	
10th Lang Arts							81%	1,005	82%	976	
11th Lang Arts							81%	872	84%	924	
7th grade Math			69%	403	60%	423	70%	453	73%	496	
PreAlgebra	83%	1,201	79%	1,391	81%	1,243	78%	1,197	79%	1156	
Algebra	69%	1,228	77%	1,097	72%	1,189	74%	1,192	79%	906	
Geometry	72%	804	76%	875	68%	920	75%	907	76%	927	
Science 7th	67%	994	63%	964	not available		69%	441	62%	504	
Science 8th	68%	900	67%	978	68%	942	64%	898	67%	858	
Earth Systems	64%	359	59%	376	66%	339	65%	356	59%	597	
Biology	79%	629	65%	818	65%	978	70%	1,067	66%	989	
Chemistry							66%	386	57%	393	
Physics							56%	253	49%	294	

Source: District data



## Provo City School District

### Graduation Rates

2007-08 School Year (most recent year available)

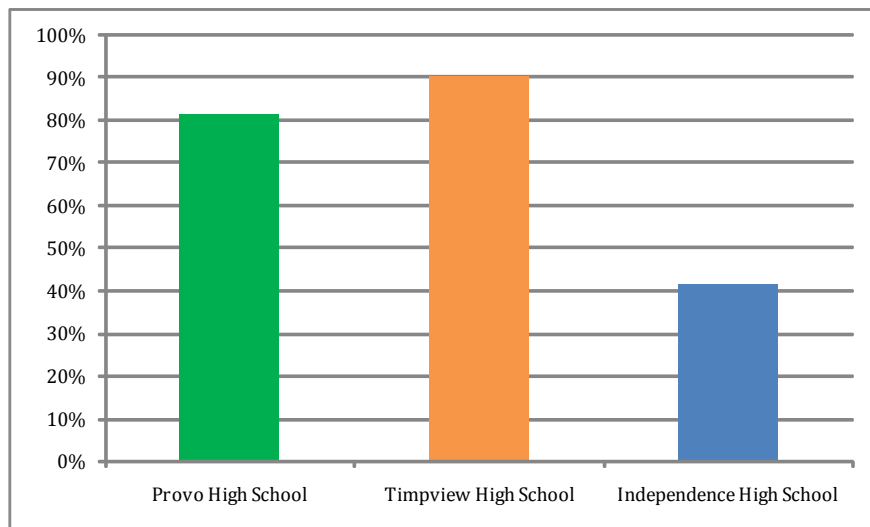
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School	Seniors	Graduates/ Pending Graduates	Graduation Percentage %
Provo High School	458	373	81%
Timpview High School	426	385	90%
Independence High School	92	38	41%
Total:	976	796	82%

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### Graduation Rates by School

2007-08 School Year (most recent year available)



Utah has the 2nd highest graduation rate in the United States, according to a study by the NCHEMS Information Center. At 82%, the District's rate is slightly under Utah's average, but well ahead of the U.S. average of 69%.

Source: District data



**Provo City School District**

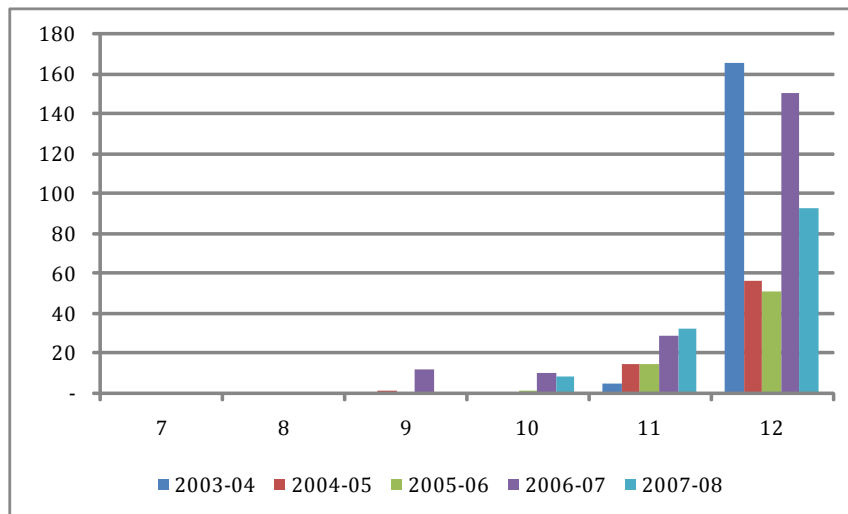
Dropouts by Grade

2003-04 to 2007-08 (most recent year available)

Grade	2003-04	2004-05	2005-06	2006-07	2007-08
7	-	1	-	-	-
8	-	1	1	-	-
9	-	2	1	12	1
10	1	-	2	11	9
11	5	15	15	29	33
12	166	57	51	151	93
Total	172	76	70	203	136

**Dropout Rates by Grade and Year**

2003-04 to 2007-08 (most recent year available)



Source: District data



## Glossary

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**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 Value:** 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.

**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.

**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.

**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.

**Capital Expenditure:** tangible property of a more or less permanent nature with a useful life of at least three years, and costing at least \$5,000. Examples of capital expenditures include buildings, copy machines, buses, and computer/information technology equipment.

**Certified Tax Rate:** a tax "ceiling" set by state law to protect taxpayers from unchecked tax increases. If the proposed tax rate is above the certified rate, an agency must advertise the proposed increase and hold public hearings before their rate can be approved.

**Cost Center:** part of the District that does not produce direct profit and adds to the cost of running the overall organization. An example of a cost center is the purchasing department.

**Debt Service:** cash required over a given period for the repayment of interest and principal on a debt.

**Depreciation:** the expiration in 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 Balance:** the difference between assets and liabilities (see "asset" and "liability").



**Fund:** a segregation of accounting and financial resources, each with cash and other assets, liabilities, and fund balances.

**Indirect costs:** costs that are associated with, but not directly attributable to, a specific program or service provided.

**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.

**Minimum School Program:** the primary funding source for school districts and charter 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 the liability is incurred.

**Non-routine expenditure:** expenditures that occur infrequently and are not typically part of normal operations.

**Object:** a classification used for both revenues and expenditures to determine the kind of transaction taking place. Examples of objects include teacher salaries, textbooks, and repairs.

**Other financing source:** transactions that cannot be clearly classified as either a revenue or expenditure. An example is the transfer of fund balances from one fund to another.

**Program:** revenues and expenditures that are tracked as a particular project. An example of a program is "Title I," which is referenced in the book as a federal grant the District receives. The District operates approximately 300 programs.

**Property tax levy:** individual components of property taxes the District receives each year. The District may receive tax revenue from up to 13 different levies, and when combined they form the overall property tax rate.

**Property tax rate:** the tax rate at which homes and businesses are charged annually.

**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.

**Self-contained:** students with learning or behavioral difficulties that are taught in learning environments separate from the general student body.

**Stakeholder:** any person or group that has a vested interest in the District. Examples include the public, local businesses, employees, Board of Education, and legislature.





**Survival rates:** a method used by the District to project future enrollment. Factors included in the method can include birth rates, inter- and intra-city mobility patterns, previous enrollment figures, rental vs. homeownership figures, etc.

**Taxable market value:** see "Assessed Value."

**Truth-in-Taxation:** a public hearing held annually if the District's budgeted property tax for the coming year exceeds the past year's amount.

**Undistributed reserve:** part of the District's fund balance that is not specifically reserved for a particular purpose.

**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.



# Questions?

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](mailto:budget@provo.edu). The web address is: [www.provo.edu/dep/busadmin/](http://www.provo.edu/dep/busadmin/).

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

