



# FY 2010-11

*Connecting with the Community*

## PROVO CITY SCHOOL DISTRICT Annual Budget



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

**2010-11**  
**ANNUAL BUDGET**  
*For Fiscal Year Beginning July 1, 2010*

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

Kerry J. Smith  
Business Administrator  
Certified Public Accountant

Written and Prepared by:

Mark Holley  
Senior Financial Analyst

## Budget Recognition

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### 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 2009-10 school system annual budget to Provo City School District.



The Meritorious Budget Awards Program was designed by ASBO International and school business management professionals to enable school business administration to achieve excellence in budget presentation. The Meritorious Budget Award, sponsored by ING, is only conferred on school systems that have met or exceeded the Meritorious Budget Award Program Criteria. We believe our current FY 2010-11 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)

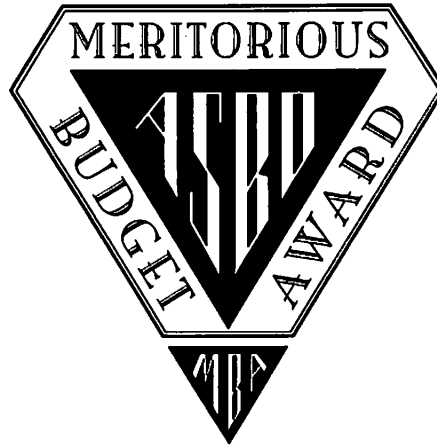
The Government Finance Officers Association of the United States and Canada (GFOA) presented a *Distinguished Budget Presentation Award* to Provo City School District, Utah for its annual budget for the fiscal year beginning July 1, 2009, and ending June 30, 2010. In order to receive this award,



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 2009 - 2010.  
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, 2009**

President

Executive Director

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***“Education is the key to unlock the golden door of freedom.”***

***-George Washington Carver***



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# I n t r o d u c t o r y

“Any discussion about quality neighborhoods in Provo starts with the quality of the Provo School District. The teachers and administration are incredibly dedicated, and as a result it’s clear that not only is Provo a great place to live but it’s the best place for our children to be educated.”

-John Curtis  
Mayor, Provo City

## Section



# 2010-11 Annual Budget



## Provo City School District



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## 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: 2010-11

| <u>Board of Education</u>  | <u>District Administration</u>  | <u>Elementary School Administration</u>   |  |
|--|---|---|--|
| <p><b>Sue Curtis</b><br/>Precinct 1<br/>Present Term: 2006 - 2010<br/>Initial Appointment: 2004</p>            | <p><b>Randall J. Merrill, Ed.D.</b><br/>Superintendent<br/>Initial Appointment: 2003</p>              | <p>Amelia Earhart<br/>Canyon Crest<br/>Edgemont<br/>Farrer<br/>Franklin<br/>Lakeview<br/>Provost<br/>Rock Canyon<br/>Spring Creek<br/>Sunset View</p> | <p>Jason Cox<br/>Patricia Anderson<br/>Dennis Pratt<br/>Alex Judd<br/>Marlin Palmer<br/>Drew Daniels<br/>Dr. Steve Oliverson<br/>Dean Nielsen<br/>Jarod Sites<br/>Anne-Marie Paulsen<br/>Diane Bridge<br/>Colleen Densley<br/>Gaye Gibbs</p> |
| <p><b>Carolyn Wright</b><br/>Precinct 2<br/>Present Term: 2006 - 2010<br/>Initial Appointment: 2002</p>        | <p><b>Kerry J. Smith, C.P.A., M.B.A.</b><br/>Business Administrator<br/>Initial Appointment: 2003</p> | <p>Timpanogos<br/>Wasatch<br/>Westridge</p>   |  |
| <p><b>Richard Sheffield</b><br/>Precinct 3<br/>Present Term: 2004 - 2008<br/>Initial Appointment: 2000</p>     | <p><b>Bob Gentry</b><br/>Personnel Director</p>   |   |  |
|  | <p><b>Cindy Wright</b><br/>Associate Personnel Director</p>   | <p><u>Middle School Administration</u></p>  |  |
| <p><b>Shannon Poulsen</b><br/>Precinct 4<br/>Present Term: 2006 - 2010<br/>Initial Appointment: 2002</p>       | <p><b>Ted Kelly</b><br/>Special Programs &amp; Technology Support</p>                                 | <p>Centennial<br/>Dixon</p>   | <p>Mitch Swenson<br/>Rosanna Ungerman</p>  |
|  | <p><b>Greg Hudnall</b><br/>Student Services</p>   | <p><u>High School Administration</u></p>  |  |
| <p><b>Darryl Alder</b><br/>Precinct 5<br/>Present Term: 2004 - 2008<br/>Initial Appointment: 2000</p>          | <p><b>Jared Ferguson</b><br/>Career Technology Education</p>  | <p>Independence<br/>Provo<br/>Timpview</p>  | <p>Sarah Lloyd<br/>Sam Ray<br/>Dr. George Bayles</p>   |
| <p><b>Kristine Manwaring</b><br/>Precinct 6<br/>Present Term: 2008 - 2012<br/>Initial Appointment: 2008</p>    | <p><b>Stefanie Bryant, C.P.A.</b><br/>Director of Accounting</p>                                      |   |  |
|  | <p><b>Mark Holley, M.B.A.</b><br/>Financial Analyst</p>   |   |  |
|  | <p><b>Jenilee McComb</b><br/>Director of Food Services</p>  |   |  |
| <p><b>Mary Ann Christiansen</b><br/>Precinct 7<br/>Present Term: 2004 - 2008<br/>Initial Appointment: 2004</p> | <p><b>Joe Gledhill</b><br/>Facilities</p>   |   |  |

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:

We are pleased to present Provo City School District's Annual Budget document for Fiscal Year 2011 to the citizens of Provo. Once again, and unfortunately, the budget for the new year includes substantial cuts to funding in nearly all areas. However, we believe we have the resources in place to meet the goals and objectives that are critical in accomplishing the District's mission.

The recession has created widespread economic difficulties for businesses around the globe, and the District has not been immune. For FY 2011, total District revenue is projected to be \$107,131,881, down nearly \$6 million from FY 2010 levels. And, while FY 2010 revenues aren't finalized as of the due date of this document, revenues for that year were down approximately \$3 million when compared to FY 2009.

Total expenditures for FY 2011 are budgeted at \$116,780,271, which is actually an increase of over \$3 million when compared to FY 2010. However, this number is deceiving because it includes \$10.6 million budgeted to replace Farrer Elementary, compared to just over \$4 million in FY 2010. When adjusted for this construction, next year's budget is down \$3.3 million when compared to FY 2010.

A number of programs have been cut or scaled back; however, great care has been taken to leave in place and in some cases strengthen the most productive programs in terms of academic achievement.

District employees are committed to "step up" to the challenge of increased academic or performance despite decreasing resources.

**"For FY 2011, total District revenue is projected to be \$107,131,881, down nearly \$6 million when compared to FY 2010 levels."**

The District has had to take some drastic steps to be able to weather the storm created by the recession, including:

- Raising average class sizes by one student per class
- Decreasing work days by one per employee
- Forgoing some maintenance projects until conditions improve
- Altering school start times to accommodate consolidated bus routes
- Eliminating several programs, some of which have been around for several years

Due to the severe economic downturn, the District is concerned about its long-term ability to attract and retain the talent necessary to move Provo City School District to the forefront of academic achievement in the state of Utah.

**"Total expenditures for FY 2011 are budgeted at \$116,780,271."**

While the Utah State Legislature has amended state laws to enable districts to transfer fund balances from capital funds to operating funds, the District has chosen not to participate in this practice, because it involves spending one-time funds for ongoing needs, which is a practice the District makes every attempt to avoid. However, this adjustment to statute is just one way the Legislature has worked to find solutions to education funding problems in Utah. By all accounts, the Utah State Legislature is extremely supportive of education in the State.

With the formation of a community 20/20 vision committee to develop District 10 year goals and strategic initiatives or imperatives, every option and out-of-the-box thinking is being explored to direct precious resources to critical programs and personnel that truly make a difference in student achievement.

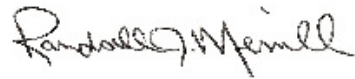
With the help of talented and dedicated employees, we've been able to make the necessary expenditure adjustments without the use of one-time funding and with minimal impact on the classroom. The District is financially secure and is positioned to strengthen its instructional offerings and student academic achievement as the economy recovers.

Despite the economic challenges, we're continuing to emphasize our long-term goals, which are:

- Providing a high-quality education to Provo's school children
- Building confidence in seeking input from stakeholders
- Increasing the fidelity of long-term District management

We are confident that with the combined efforts of a state legislature that puts public education first, a supportive community, and District teachers, administrators and support staff that put children first, Provo City School District will continue to confound experts by providing a quality education to students with its limited resources.

Respectfully Submitted,



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



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



## Notes Regarding This Budget Book

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This book has been designed to act as a resource for the public, students, parents, and employees. It is divided into four sections: Introductory, Organizational, Financial, and Informational. The budget year represented is Fiscal Year 2010-11, although the year might be represented as FY 2011, FY11, or 2010-11, depending on the context of the information being presented and space constraints. These variations of the fiscal year or school year are used interchangeably.

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

## Budget Development and Review Process

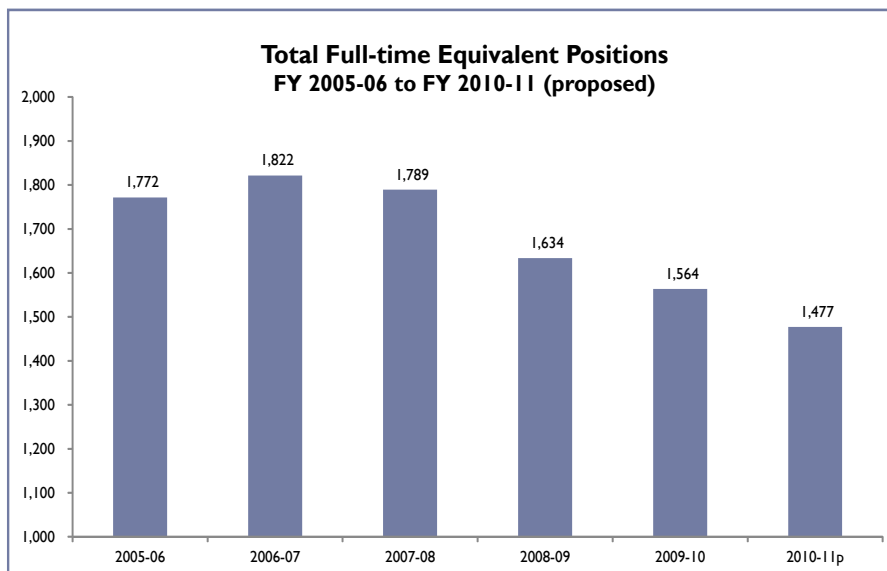
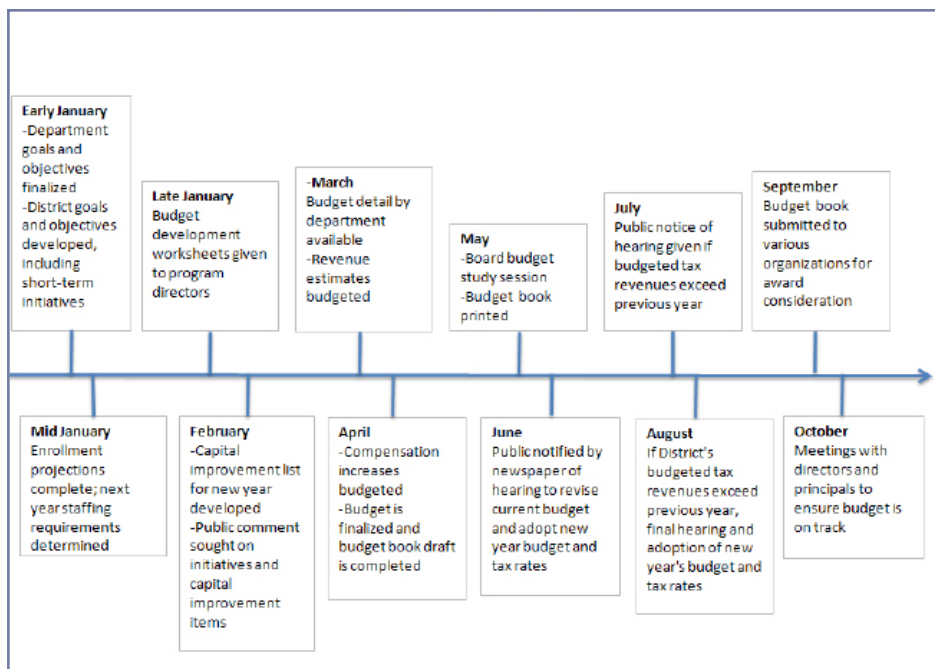
The District uses an annual budget, with fiscal years beginning July 1st and ending June 30th each year. Budget development is a year-round process, affecting the public, legislature, employees and the Board of Education.

Public input is critical for the District to be successful, and 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 number of employees necessary to meet its goals and objectives.

### Budget Development Timeline



For 2011, the Board of Education has approved an increase to class sizes, from 28.2 to 28.7. This means a decrease of approximately 10 teaching FTEs. Literacy coordinator positions were eliminated in FY 2010 and a change in the service pattern at Independence High School resulted in six teaching positions being eliminated that year also. For FY 2011, the biggest decreases will come in support positions, which also had the biggest decreases in FY 2009 and FY 2010.

All of the decisions to eliminate positions over the past three years 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 at pre-recession levels.

## Revenue Summary and Highlights

### FY 2011 Revenue Highlights

- Overall revenue decrease of nearly \$6 million
- Budgeted General fund revenue decreased by \$5 million
- Federal stimulus bill funding will run out in FY 2011
- State revenue down an additional \$1 million on top of prior year cuts of \$6 million
- Decrease in property taxes of roughly \$200,000
- Interest income up slightly

### Future Outlook: All Funds

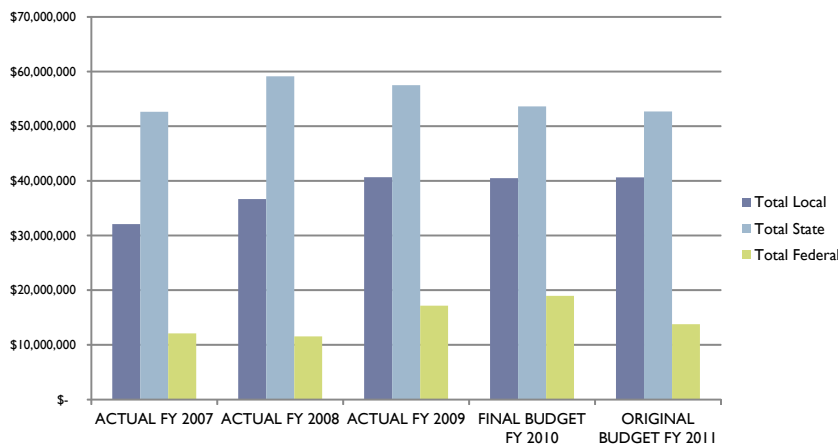
| Fiscal Year | Revenue        | Expenditures   | Net            |
|-------------|----------------|----------------|----------------|
| FY 2011     | \$ 107,131,881 | \$ 116,780,271 | \$ (9,648,390) |
| FY 2012     | 109,142,000    | 109,217,140    | (75,140)       |
| FY2013      | 112,412,000    | 110,164,785    | 2,247,215      |
| FY2014      | 114,720,000    | 112,200,455    | 2,519,545      |

<sup>1</sup>Deficit due to Farrer rebuild and economic conditions

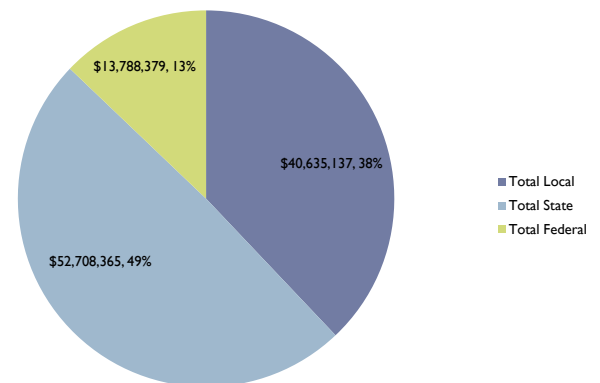
### Revenue Summary by Fund: FY 2007 to FY 2011

| Fund               | Actual FY 2007       | Actual FY 2008        | Actual FY 2009        | Final Budget FY 2010  | Original Budget FY 2011 |
|--------------------|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| General            | \$ 74,219,852        | \$ 82,708,373         | 86,696,347            | \$ 87,612,218         | \$ 82,671,018           |
| Student Activities | -                    | 4,208,785             | 3,496,177             | 3,325,500             | 3,447,574               |
| Non K-12           | 3,243,753            | 4,261,647             | 4,453,477             | 3,134,713             | 2,906,433               |
| Debt Service       | 5,000,512            | 5,174,090             | 6,424,380             | 6,503,301             | 6,446,331               |
| Capital Projects   | 7,114,988            | 7,635,898             | 9,495,755             | 7,819,978             | 7,074,024               |
| Food Services      | 4,639,186            | 4,468,990             | 4,805,708             | 4,688,789             | 4,586,501               |
| <b>Total</b>       | <b>\$ 94,218,291</b> | <b>\$ 108,457,783</b> | <b>\$ 115,371,844</b> | <b>\$ 113,084,499</b> | <b>\$107,131,881</b>    |

**Budgeted Revenues by Source, All Funds  
FY 2007 to FY 2011**



**Revenue Budgets by Source, All Funds  
FY 2011**

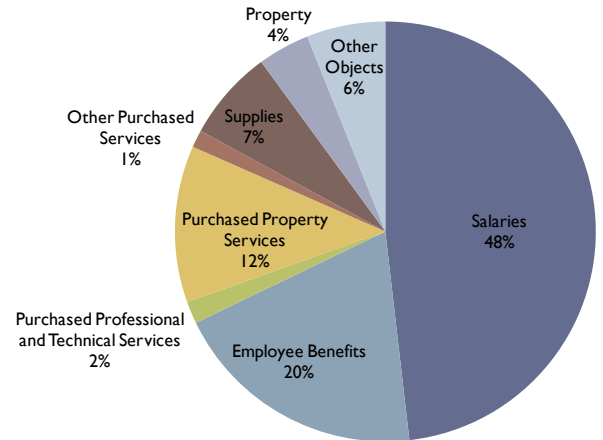


## Expenditure Summary and Highlights

### FY 2011 Expenditure Highlights

- Decrease of nearly \$3 million in General fund expenditures
- Decrease of 87 FTE positions
- One-day employee furlough
- Decrease of \$2 million in salary expenditures but an increase of \$500,000 in benefit costs
- Forgoing of some maintenance projects
- Approximately \$10.6 million for Farrer Elementary rebuild (Provo Peaks)

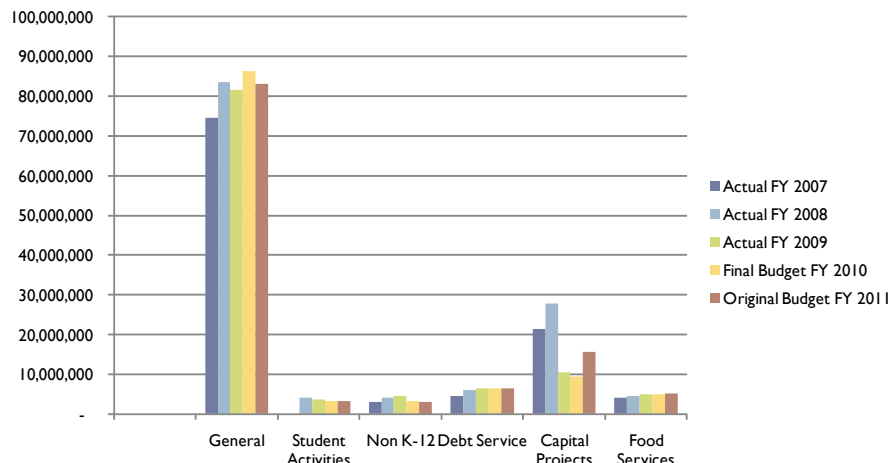
**Expenditures by Object  
FY 2011**



### Expenditure Summary by Fund: FY 2007 to FY 2011

| Fund               | Actual FY 2007        | Actual FY 2008        | Actual FY 2009        | Final Budget FY 2010  | Original Budget FY 2011 |
|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| General            | \$ 74,544,523         | \$ 83,512,166         | \$ 81,561,092         | \$ 86,228,479         | \$ 83,089,887           |
| Student Activities | -                     | 4,129,955             | 3,642,740             | 3,235,609             | 3,335,609               |
| Non K-12           | 3,032,394             | 4,086,343             | 4,509,935             | 3,290,540             | 3,042,220               |
| Debt Service       | 4,668,945             | 6,080,000             | 6,414,138             | 6,500,000             | 6,470,000               |
| Capital Projects   | 21,445,039            | 27,916,874            | 10,480,253            | 9,381,925             | 15,667,192              |
| Food Services      | 4,180,570             | 4,604,493             | 5,077,938             | 5,082,275             | 5,175,363               |
| <b>Total</b>       | <b>\$ 107,871,471</b> | <b>\$ 130,329,831</b> | <b>\$ 111,686,096</b> | <b>\$ 113,718,828</b> | <b>\$ 116,780,271</b>   |

**Expenditures by Fund  
FY 2007 to FY 2011**



# Student Achievement and Per Pupil Spending: A True Return on Investment

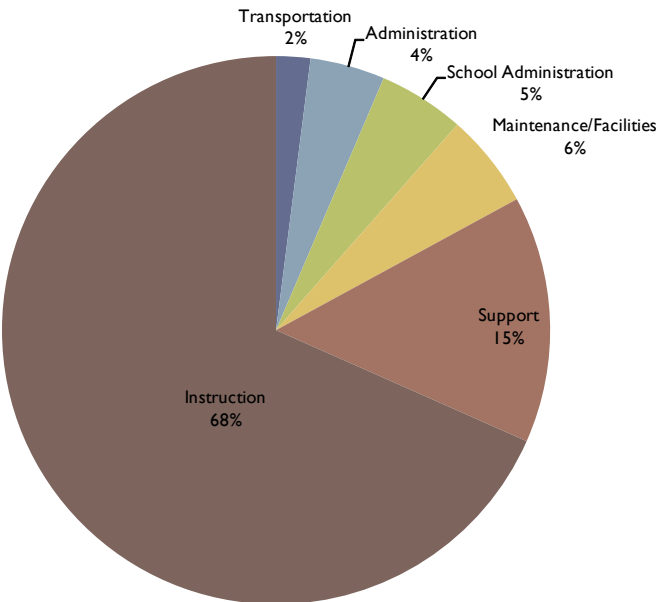
Student achievement plays a critical role in the development of the District’s budget each year. The very first official step toward goals and objectives for the coming year is the development of short-term budget initiatives. These initiatives are designed to meet short-term, pressing needs, and are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

- Higher ACT scores than Utah and national averages
- Higher graduation rates than Utah and national averages
- Moderately or substantially higher scores in all subject areas of national ITBS standardized tests
- “Substantial” or “Sufficient” scoring in all subject areas of the Utah Basic Skills Test
- Above state average teacher pay
- The lowest tax rate of all districts in Utah County



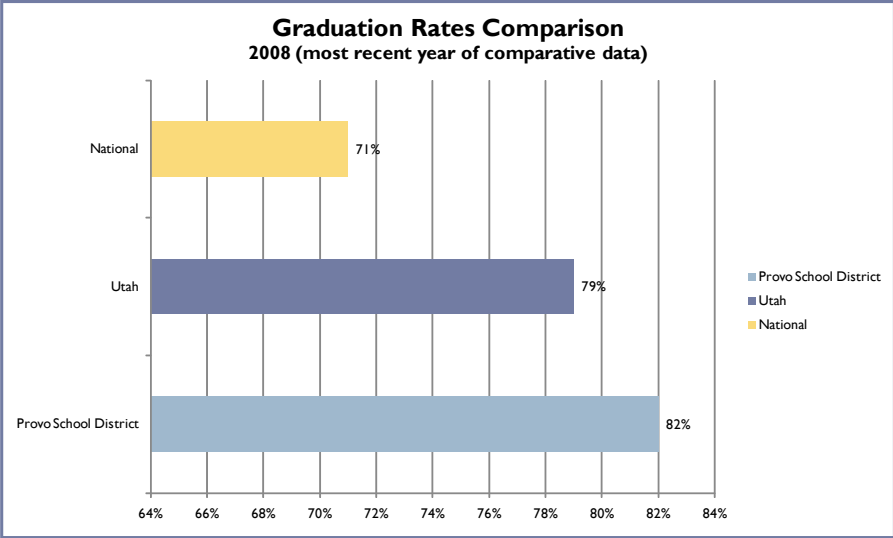
FY 2011 Spending Per Student: **\$7,244**  
(excluding Debt Service and Construction).

## Per Student Expenditures: FY 2011



**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.

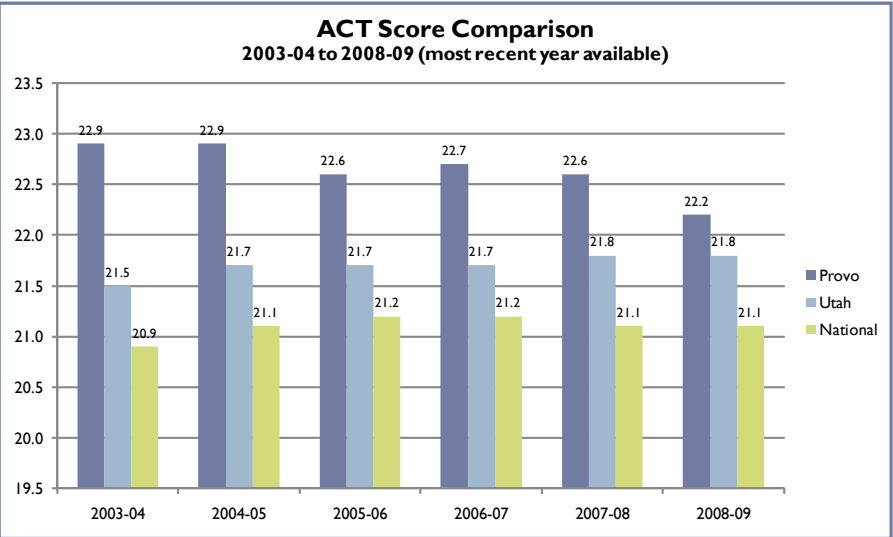
# Student Achievement: Graduation Rates and ACT Test Scores



Sources: District data; www.ACT.org

In 2008, the District's graduation rate was higher than the average rate in the State of Utah, and substantially higher than the national rate of 71%.

For the 2009-10 school year, the District's graduation rate increased to 83%.

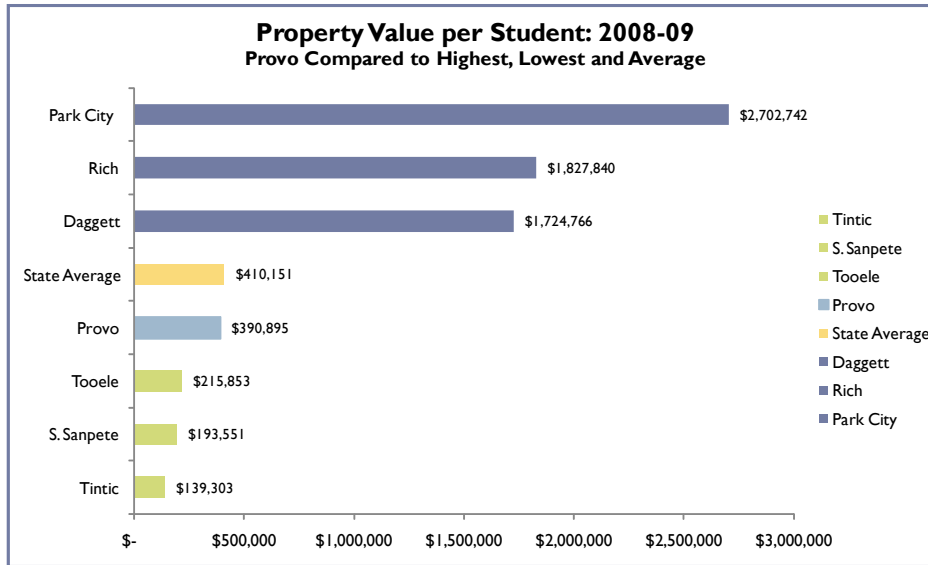


Sources: Education Week; District data

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



## Tax Base, Rate Trends



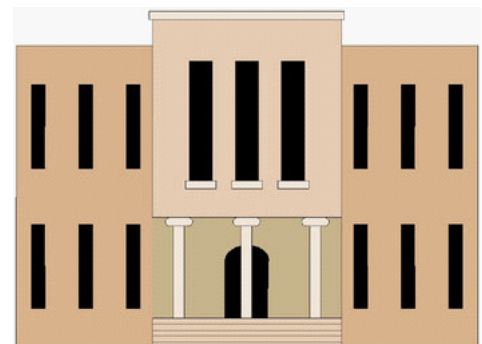
Property value per student is estimated to be **\$320,513** in FY 2011. The decrease is the result of declining property values, not decreased enrollment.

Source: Utah State Office of Education (2008-09 most recent year available)

| Residential                              |           |           |
|--|-----------|-----------|
|  | 2010      | 2011      |
| House Value                              | \$250,000 | \$250,000 |
| Residential Exemption                    | 45%       | 45%       |
| Assessed Value                           | \$137,500 | \$137,500 |
| Provo School District Total Tax Rate     | 0.006639  | 0.006706  |
| Property Taxes for Provo School District | \$913     | \$922     |



| Business                                 |           |           |
|--|-----------|-----------|
|  | 2010      | 2011      |
| Business Value                           | \$250,000 | \$250,000 |
| Residential Exemption                    | 0%        | 0%        |
| Assessed Value                           | \$250,000 | \$250,000 |
| Provo School District Total Tax Rate     | 0.006639  | 0.006706  |
| Property Taxes for Provo School District | \$1,660   | \$1,677   |



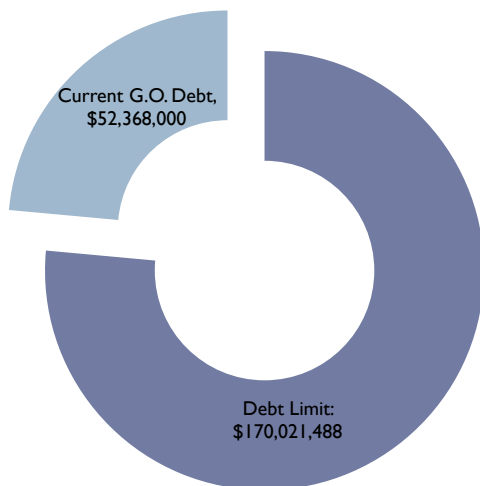
## District Long-term Debt

As of June 30, 2010

### 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       | 1,490,000                   |
| 2004 Series G.O. Refunding Bonds                            | Bond Refunding  | 18,690,000      | 2.0% to 5.0 %       | June 15, 2017       | 14,480,000                  |
| 2006 Series G.O. Bonds                                      | School Building | 9,400,000       | 4%                  | June 15, 2026       | 7,975,000                   |
| 2007A Series G.O. Refunding Bonds                           | Bond Refunding  | 8,220,000       | 3.807%              | June 15, 2015       | 4,973,000                   |
| 2007B Series G.O. Bonds                                     | School Building | 25,600,000      | 4.00% to 4.50%      | June 15, 2027       | <u>23,450,000</u>           |
| Total General Obligation Bonds Payable as of June 30, 2010: |                 |                 |                     |                     | <u>\$ 52,368,000</u>        |

### Actual District Debt and Allowable Debt Level



The approximate adjusted<sup>1</sup> assessed value of taxable properties in Provo is \$4.25 billion, meaning the District's general obligation debt limit is approximately \$170 million (\$4.25 billion x 4%). It was noted previously that the District's general obligation debt is at 1.23% 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.

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

## Provo City School District

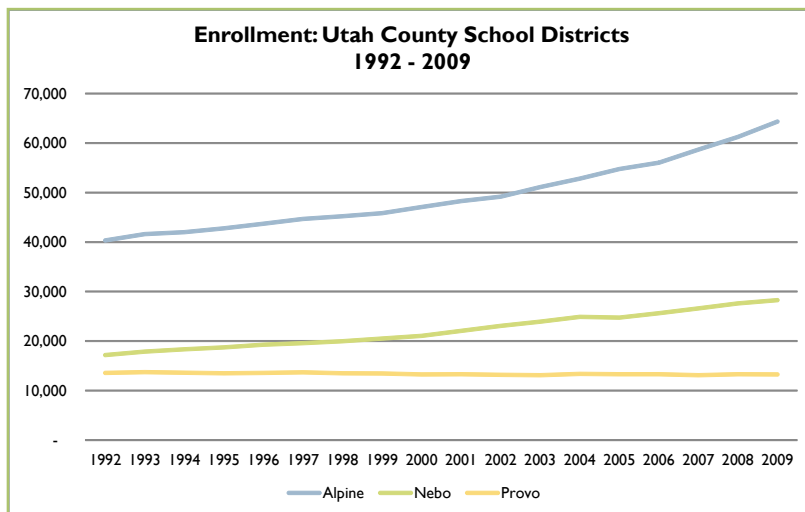
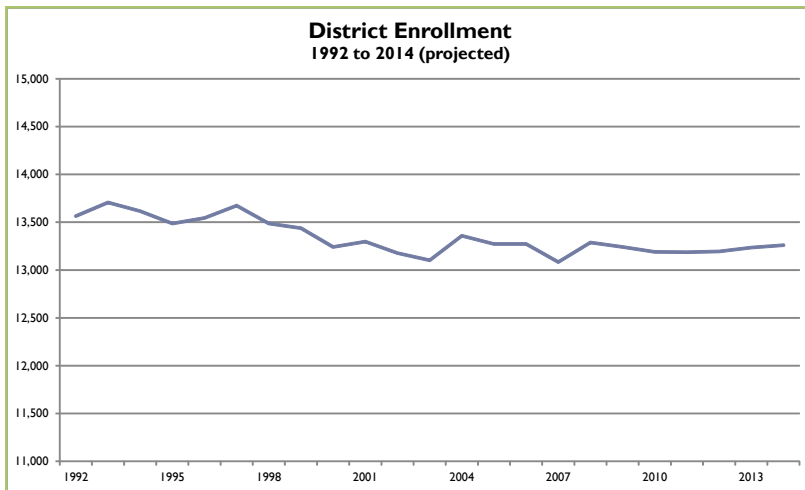
Historical Fall Enrollment (includes self-contained special needs students) with Future Projections  
1992-2014

| Year | Fall Enrollment | Year | Fall Enrollment |
|------|-----------------|------|-----------------|
| 1992 | 13,565          | 2004 | 13,359          |
| 1993 | 13,706          | 2005 | 13,273          |
| 1994 | 13,616          | 2006 | 13,272          |
| 1995 | 13,487          | 2007 | 13,083          |
| 1996 | 13,544          | 2008 | 13,288          |
| 1997 | 13,674          | 2009 | 13,241          |
| 1998 | 13,486          | 2010 | 13,190          |
| 1999 | 13,438          | 2011 | 13,187          |
| 2000 | 13,241          | 2012 | 13,195          |
| 2001 | 13,298          | 2013 | 13,235          |
| 2002 | 13,177          | 2014 | 13,260          |
| 2003 | 13,103          |      |                 |

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 develop. This problem is compounded by the fact that Provo is a one-city, urban school district, and new growth in the state in recent years has typically been centered in suburban areas on the periphery of major cities.



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# O r g a n i z a t i o n a l

“Provo City School District keeps property tax rates the lowest in Utah County. This long-term, forward thinking approach helps us improve the quality of life for Provo citizens.”

-Steve Densley  
President  
Utah Valley Chamber of  
Commerce

## Section



## The District Entity

### Legal and Fiscal Considerations

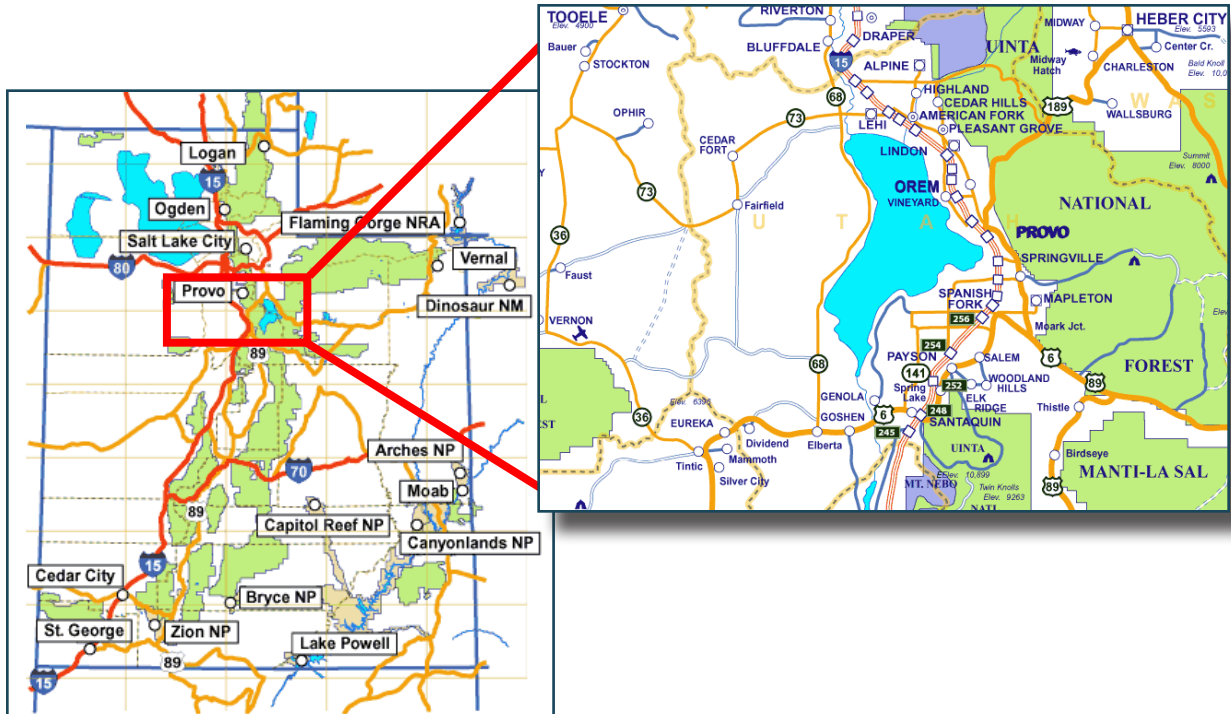
Provo City School District is a K-12 district residing within the boundaries of Provo City in Utah County, Utah. However, the District is an independent entity, with board members elected by Provo citizens in a general election. The District has the authority to levy taxes, issue debt, determine fees and approve and modify its budget. While the District places its greatest emphasis on answering to 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, 2009, the District had 13,241 students enrolled - including self-contained special education students - making it the 11th largest of Utah's 41 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

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

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

### I. Operating Budget Policies

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

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

rolling over short-term debt.

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

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

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

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

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

### 2. Capital Improvement Budget Policies

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

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

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

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

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

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

### 3. Debt Management Policies

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

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

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

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

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

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

## Financial and Budget Administration Policies Continued

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### 4. Revenue Estimation Policies

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

### 5. Fund Balance and Reserve Policy

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

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

### 6. Accounting, Auditing, and Financial Reporting Policies

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

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

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

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

## 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.

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.

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

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

## Definition of a Balanced Budget

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.

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.

“The District’s budget is balanced for FY 2011.”

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

### Balanced Budget Scenarios

**Scenario One:** Revenues = Expenditures

**Scenario Two:** Revenues > Expenditures

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

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

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.

**For FY 2011, 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

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

**“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.”**

## 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. A function describes the activity for which a service is acquired or an expenditure is made. Functions are classified such as instruction, support, maintenance, etc. The majority of the District’s expenditures go toward the instruction function.

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

### Basis of Budgeting

The District operates within budget requirements for school districts as prescribed by state law and interpreted by the State Superintendent of Public Instruction. Budgets are presented on 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 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 2011. 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, were critical pieces of the District's master plan, as is the rebuilding of Farrer Elementary using federal stimulus funds, which is discussed in greater detail in the financial section of this book.

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 2011 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 97. 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, although the District is utilizing proceeds from the from tax credit bonds available through the federal stimulus bill (discussed in more detail in the financial section of this book). 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.

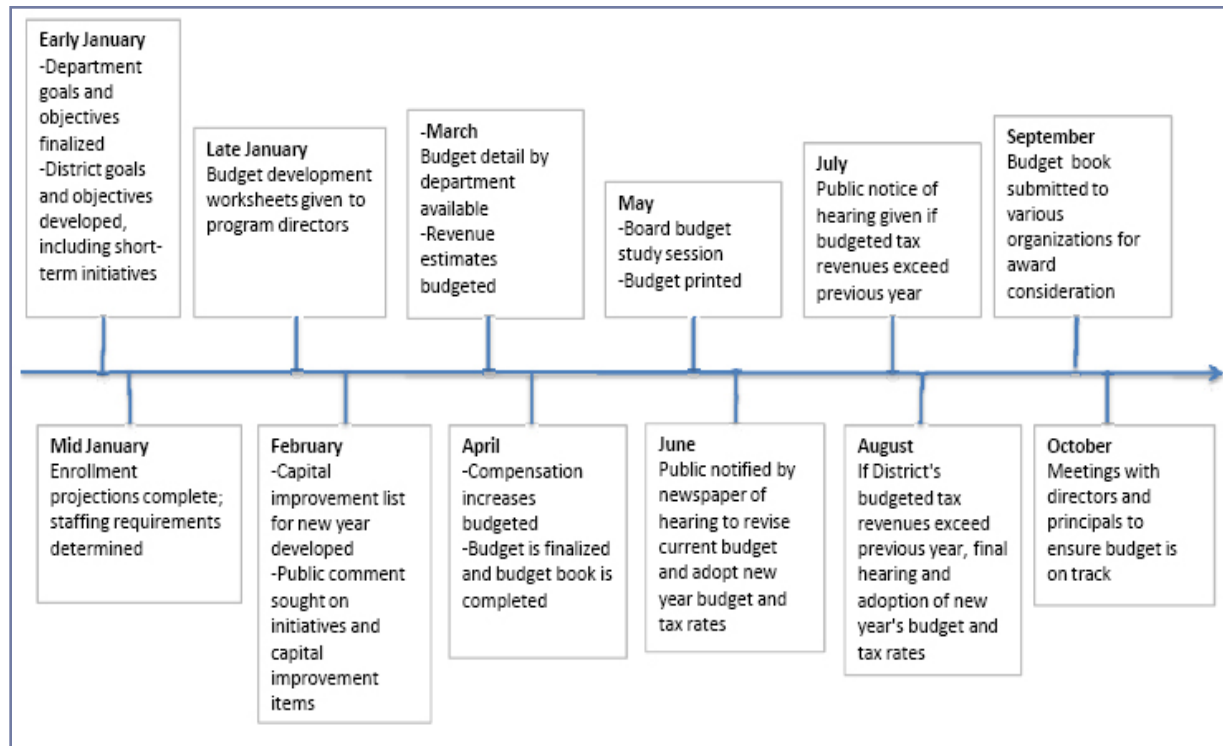
Another key planning process employed by the District is the public input aspect of budget development. Public surveys, discussed on page 29, are critical in the budget development process. After the results are made available to the Board of Education and District staff, budget priorities are set. These 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. Board and staff are currently working on the District's vision for the next 10 years, or the “20/20 Plan.” This strategic plan will affect the District's budget for the next 10 years, and will include allocations to improve student performance, measure goals and objectives, and likely introduce a performance pay plan in the District, although the plan is still being drafted as of the publishing of this book.

## 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



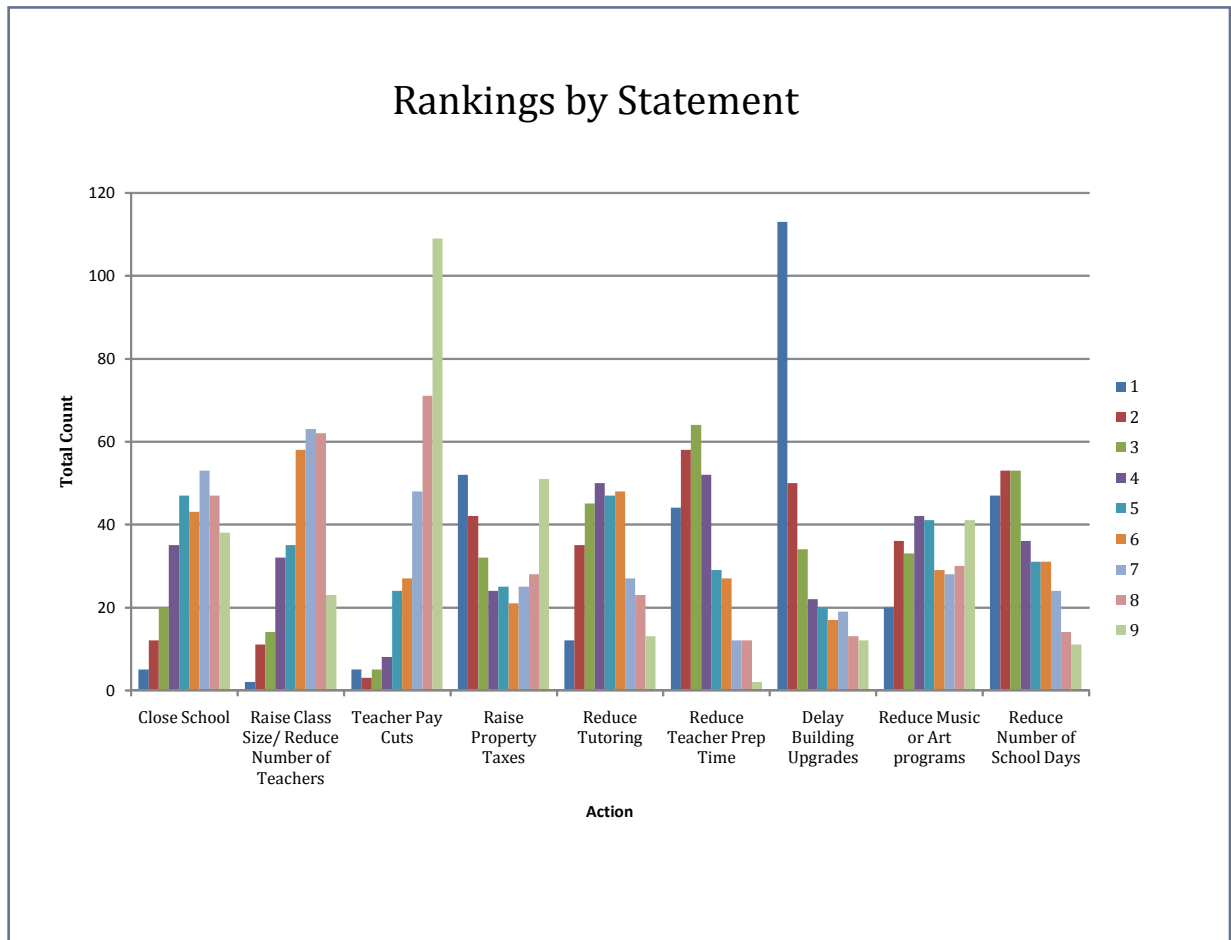


## Telephone Budget Survey Public Input

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 also severe.

The survey was intended to give the District direction for at least two years, or as long as economic conditions dictate. For this reason, a second survey to query residents about FY 2010-11 cuts was not conducted.

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 reality, the District made large-scale cuts at the District Office before any other cuts.



## 20/20 Plan: Seven Guiding Principles

The “20/20 Plan” will eventually replace the District’s long-term goals, which are to:

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

The plan will include revised and comprehensive performance measures to show progress and areas in need of improvement. All short-term goals will support the 20/20 Plan, which is already being developed with public, Board and staff input. Implementation is set to begin in FY 2011. The 20/20 Plan will have a profound impact on the culture, performance and budget of the District.

### 1. Pursuit of Excellence

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

### 2. Life-long Learning

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

### 3. Individual Potential

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



### 4. Inclusion of All

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

### 5. Family Partnerships

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

### 6. Civic Engagement

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

### 7. Literacy

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

## 20/20 Plan: Imperatives

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

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

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

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



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

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

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

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

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

## FY 2011 District-wide Goals

The District's FY 2011 District-wide goals, listed below, support the long-term goals established by the District. The FY 2011 goals by department support the FY 2011 District-wide goals. The development of the FY 2011 budget began with setting the District-wide short-term goals (often referred to as initiatives). In fact, goals and objectives are initially determined by the Board and staff - with ongoing help from the public - long before funding is even discussed. Although it's unrealistic to ignore available funding while setting goals, objectives and priorities, the concept of focusing first on goals helps to avoid the problem of spending money that isn't aligned with the vision and mission of the District.

### Begin 20/20 Implementation

The 20/20 strategic plan is the District's long-term financial and operational vision. The implementation of the formal plan to meet the 20/20 imperatives will begin in FY 2011.

### Research performance incentives

A critical part of the District's long-term compensation plan is a performance pay component. The Board and District management will research methods and best practices in FY 2011 to ensure the eventual performance pay plan maximizes student achievement and attracts and retains top talent.

### Assure strong school leadership

It's critical that the District has outstanding leadership among its administrators at both the district and school levels. In FY 2011, an increased focus will be placed on District leadership in the areas of student achievement, budget management and teacher performance.

### Professional development program

The District has always placed an emphasis on professional development, as having highly-trained teachers in the classroom is essential to meeting established goals and objectives. For FY 2011, a special emphasis will be placed on teacher coaching and continuing to implement "professional learning communities."



## FY 2011 Goals by Department

### Learning, Curriculum and Assessment Department

- Improve academic achievement in reading, writing, language arts, and mathematics
- Support administrators as instructional leaders
- Implement rigorous and engaging curriculum, teacher professional development, and data-based decision making

### Career and Technical Education

- Further integrate CTE programs with core programs
- Provide opportunities for students to gain teamwork and leadership skills
- Assure CTE course instruction is job relevant

### Special Education Services

- Increase Special Education graduation
- Decrease the incidences of aggression by students with disabilities
- Increase students' academic and behavioral proficiencies

### Food Service

- Improve public perception of school lunch
- Improve the quality of meal choices
- Encourage better food choices by children
- Increase fresh fruit and vegetable offerings

### Transportation Department

- Improve operational efficiency
- Reduce local financial contribution
- Adopt and follow a long-term bus replacement plan

### Student Services

- Maintain safe schools
- Conduct and enhance involvement with community partners

### Human Resources Department

- Recruit and retain highly competent teachers and support staff
- Increase diversity among teacher population
- Increase efficiency of business operations
- Train principals and supervisors in personnel laws and policies
- Improve the health and wellbeing of employees
- Reduce medical insurance usage
- Reduced absenteeism

### Business/Finance Department

- Be completely transparent
- Implement a sustainable financial model
- Improve operational efficiency using technology and innovative practices

## FY 2011 Goals by Department Continued

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### Facilities Department

- Complete thorough assessment of major building components
- Implement an effective custodial cleaning program
- Establish performance-based criteria for department employees
- Implement a Risk Management and Safety training program

### Technology Department

- Maintain capacity and infrastructure to enable students and staff to access the Internet and other district technology
- Optimize student learning by providing meaningful training on emerging technologies
- Establish systems that allow teachers, students and parents access to student and classroom data



## District Mission Statement

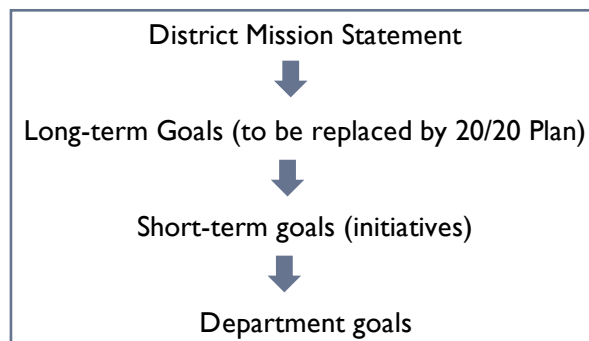
“Provo City schools maximize student achievement and development. Students in our schools enlarge their capacities, interests, and love of learning. They:

- 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

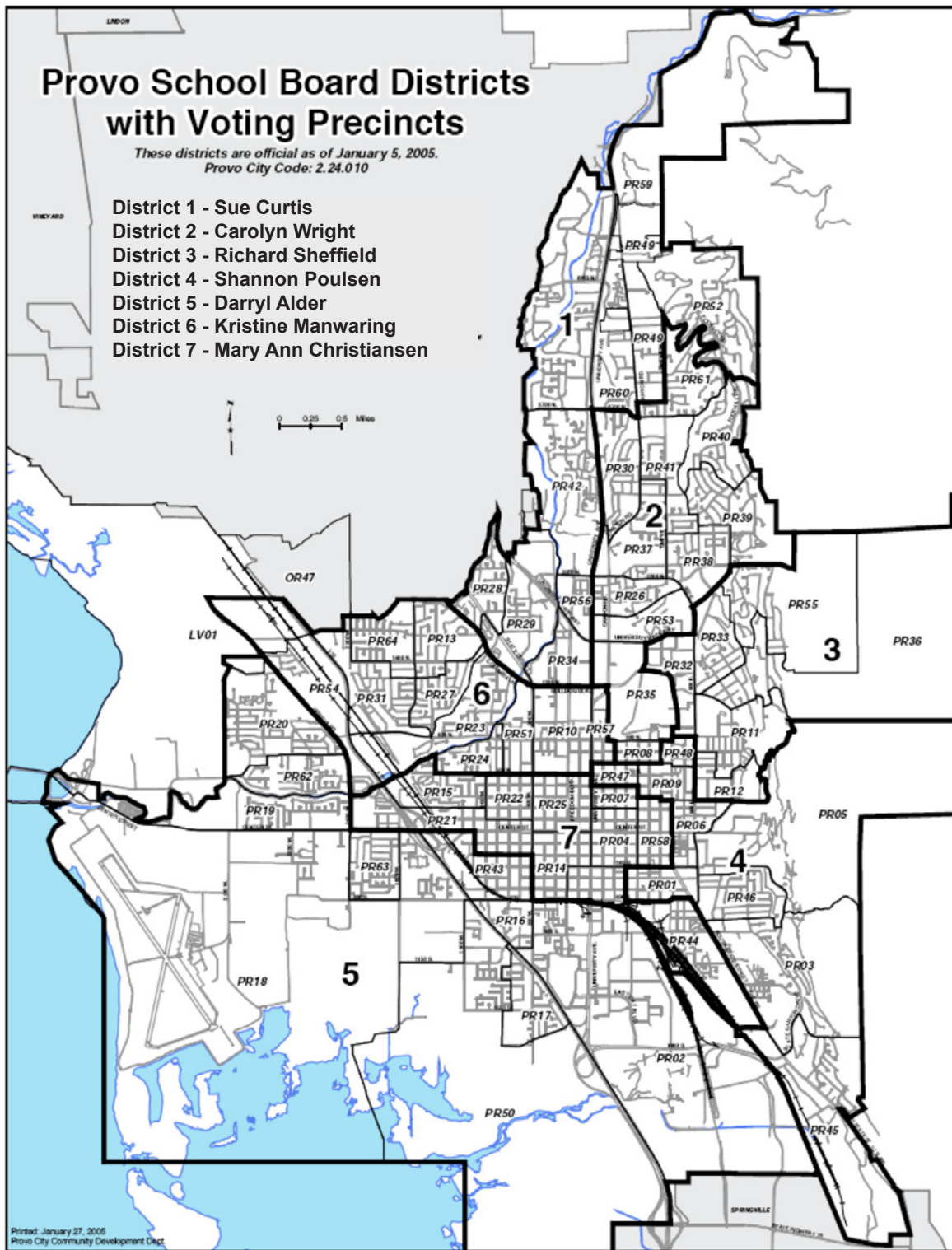
We will accomplish our mission through connecting with the community.”

### How it all Ties Together

With a mission statement, long-term goals, short-term goals, department goals, etc., determining what the District actually hopes to accomplish can seem confusing. Below is a simple graphic illustrating how the District’s goals are connected. As mentioned on page 30, the 20/20 Plan will replace the current long-term goals, which are to *provide a high-quality education to the children of Provo, build confidence in seeking input from stakeholders, and increase the fidelity of long-term District management*. The Plan will also include specific, targeted performance measures for all departments and schools.

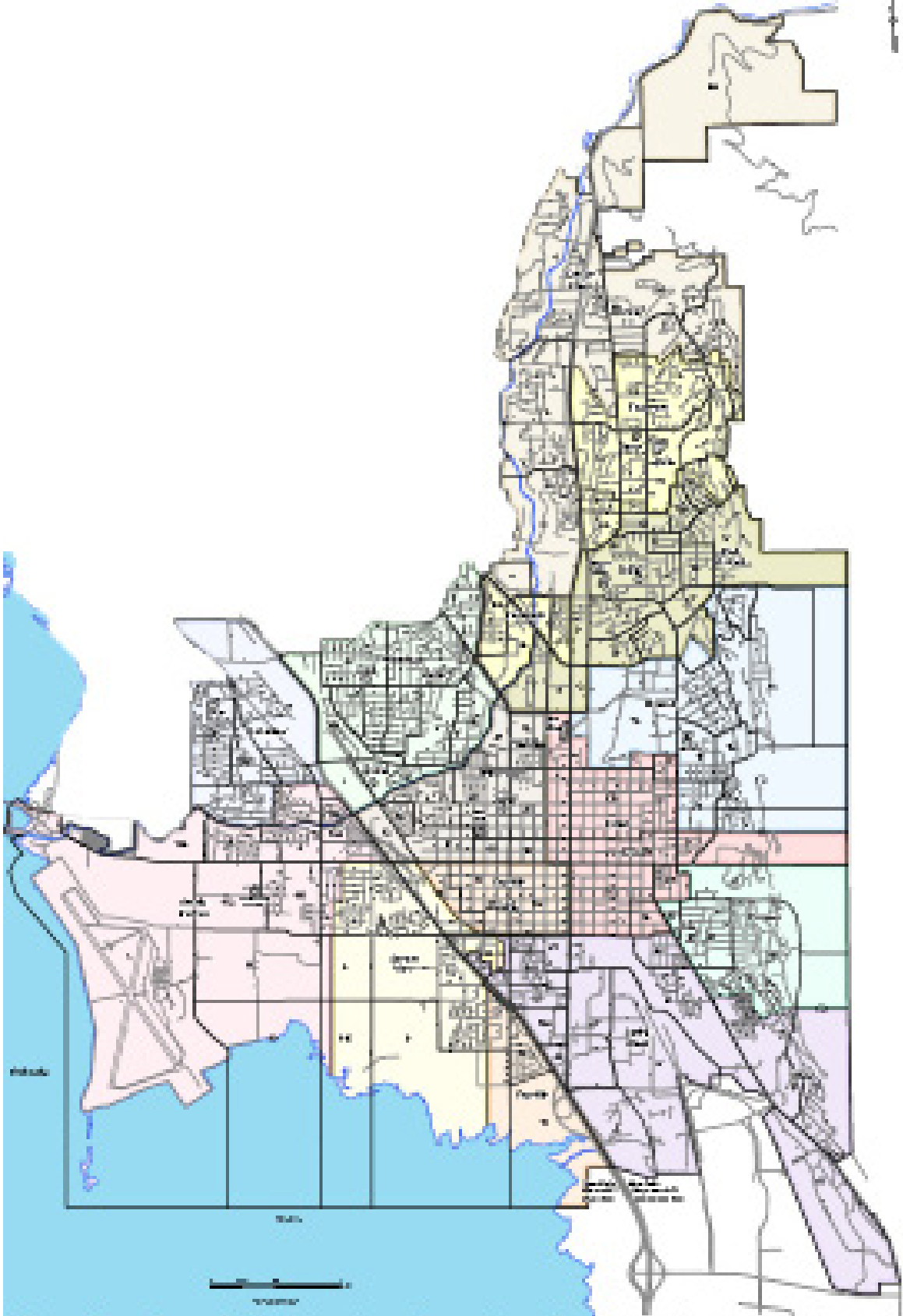


# Voting Precincts





**Elementary School Boundaries**



## District Departments

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

### Learning Curriculum and Assessment Department

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 to meet the needs of families, assisting students with unresolved needs, and providing opportunities for students to stay in school.

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

### Food Service

Food Service (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.

### 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 is believed that students learn better in a pleasant and environmentally-friendly building.

### Personnel

The Personnel Department is given the responsibility to find, recruit and retain qualified teachers and support staff that are committed to District goals, 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.

## District Departments Continued

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

### Career and Technology Education

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

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

### Special Programs

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

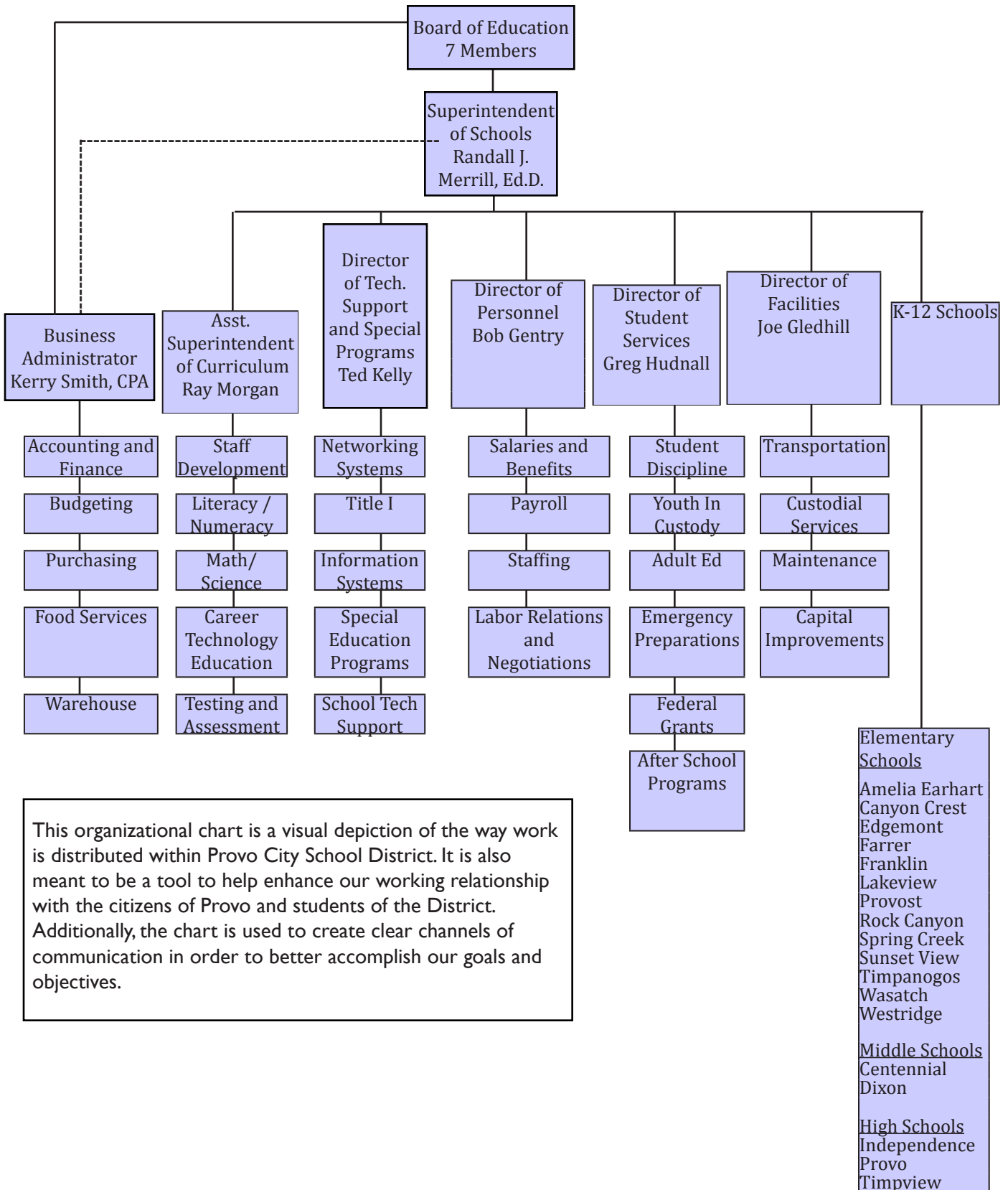
- Closing the achievement gap between high and low-performing children, especially the achievement gaps between minority and non-minority students, and between disadvantaged children and their more advantaged peers.
- Providing special education service providers and students with greater access to classroom-based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

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

### Business/Finance 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.

# District Organizational Chart



This organizational chart is a visual depiction of the way work is distributed within Provo City School District. It is also meant to be a tool to help enhance our working relationship with the citizens of Provo and students of the District. Additionally, the chart is used to create clear channels of communication in order to better accomplish our goals and objectives.

## Comparison of Staffing Levels by Function

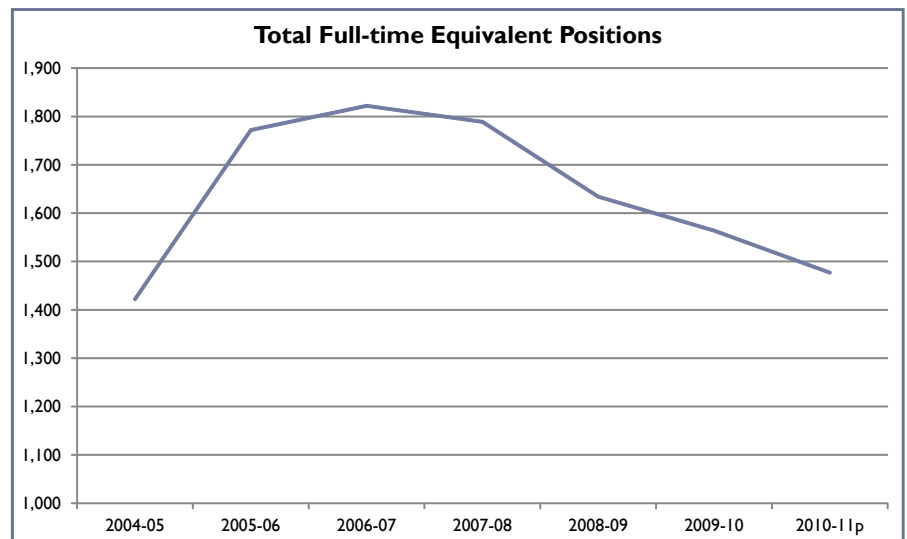
FY 2005 to 2011 (proposed)

### Staffing Level Comparison by Full-time Equivalent (FTE) FY 2005-FY 2011

| Function                                     | FY 2005      | FY 2006      | FY 2007      | FY 2008      | FY 2009      | FY 2010         | FY 2011 <sup>P</sup> |
|--|--------------|--------------|--------------|--------------|--------------|-----------------|----------------------|
| Instruction                                  | 981          | 1,117        | 1,141        | 1,148        | 1,000        | 984             | 935                  |
| Support Services                             |              |              |              |              |              |                 |                      |
| Students                                     | 50           | 59           | 54           | 52           | 52           | 51              | 49                   |
| Instructional Staff                          | 40           | 36           | 33           | 38           | 40           | 41              | 39                   |
| General Administration                       | 9            | 24           | 24           | 20           | 16           | 15              | 15                   |
| School Administration                        | 75           | 79           | 80           | 74           | 74           | 70              | 70                   |
| Business and Central                         | 22           | 24           | 25           | 22           | 20           | 26 <sup>I</sup> | 26                   |
| Operation and Maintenance                    | 85           | 119          | 152          | 139          | 148          | 148             | 130                  |
| Transportation                               | 39           | 47           | 50           | 60           | 44           | 46              | 42                   |
| Other Support                                |              |              |              | 11           | 1            | 1               | 1                    |
| Food Services                                | 58           | 83           | 91           | 90           | 92           | 82              | 80                   |
| Community Services                           | 65           | 186          | 173          | 135          | 146          | 100             | 90                   |
| <b>Total full-time equivalent positions:</b> | <b>1,422</b> | <b>1,772</b> | <b>1,822</b> | <b>1,789</b> | <b>1,634</b> | <b>1,564</b>    | <b>1,477</b>         |

<sup>P</sup>Proposed  
<sup>I</sup>9.5 FTEs reclassified from other functions to Business/Central

Staffing levels for FY 2011 are expected to be decreased substantially due to economic conditions, however many of the cuts were put in place mid-FY 2009, which is evident in the large decreases shown in the adjacent table. In all, more than 300 FTEs (and more than 400 total positions) have been eliminated as part of the budget cuts first implemented in FY 2009.



## Description of District Funds

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 Service Fund

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

### Building Reserve Fund

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

|   |
|---|
| <b>Major Funds</b>  |
| General Fund<br>Capital Projects Fund<br>Debt Service Fund                              |
| <b>Non-major Funds</b>  |
| Student Activities Fund<br>Non K-12 Fund<br>Food Services Fund<br>Building Reserve Fund |

Note: all funds are appropriated for use in FY 2011.

## Relationship Between Funds and District Departments

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

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

<sup>1</sup>Non-major funds appropriated for use by the District: Student Activity, Non K-12, Food Service, and Building Reserve Funds

## Expenditure Functions Used by the District

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

### Instruction

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

### Student Support Services

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

### Instructional Support Services

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

### General Administration Support Services

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

### School 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.

“A function describes the activity for which a service is acquired or an expenditures is made.”

### Central Support Services

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

### School Food Services

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



## Expenditure Functions Continued

### 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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# F i n a n c i a l

## Section

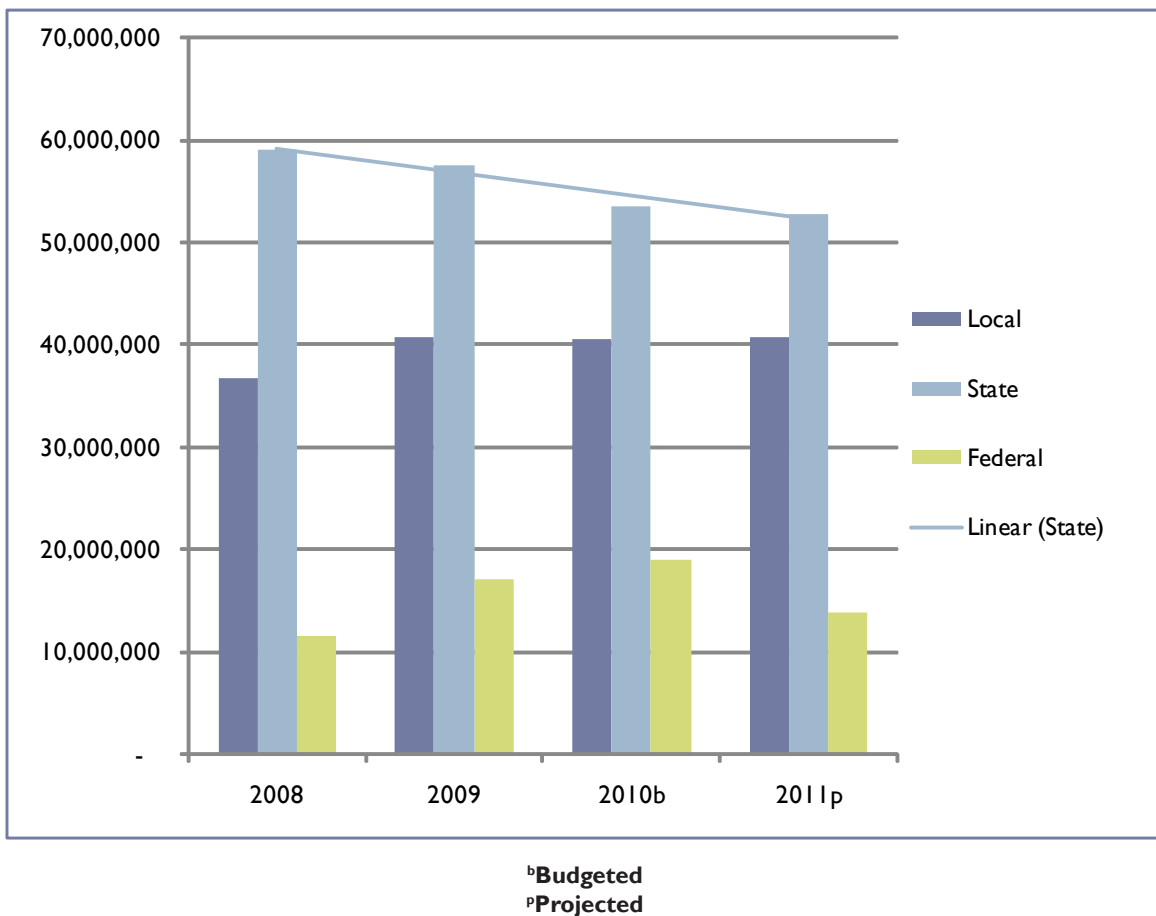
**“Provo City School District is one of the best financially-run districts in the State.”**

**-Curt Bramble  
Utah State Senate**



## 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 2011

The District is always as conservative as possible when estimating revenues. Accordingly, several assumptions were made when projecting revenue for FY 2011. For example, in the past the District assumed federal revenue would be flat or slightly decreased for each coming year. However, unprecedented

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

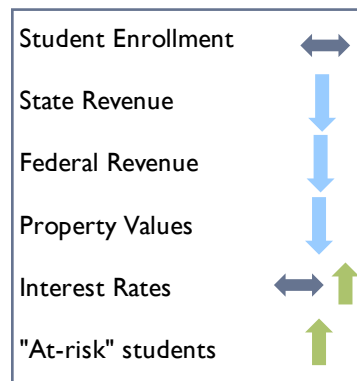
economic conditions meant a dramatic increase in federal funding for the District in FY 2010. Most of this money was “one-time,” and as a result the District anticipates a decrease of over \$6 million in FY 2011 when compared to FY 2010. Most additional federal money for FY 2010, and a limited amount in FY 2011, 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 services, due to the short-term and restricted nature of the money no ongoing services are built into it.

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 the District projects an overall decrease to the tax base for FY 2010 and FY 2011. 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 had shown strong growth in years leading up to the recession, as a robust state economy along with a supportive legislature, fueled heavy education funding increases. However, the recession that hit much of the world economy has also hit Utah, meaning substantial cuts to state revenue. These cuts began mid-year in FY 2009, and revenue continued to decrease in FY 2010. The FY 2011 budget includes even larger decreases. 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 2012 at the very earliest. Five-year budget forecasts for each District fund are available in the information section of this book.

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

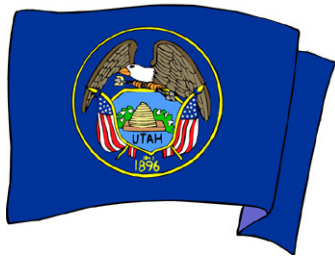
- Flat student enrollment (student enrollment is by far the largest determinant of funding)
- Substantial decreases in state revenue for FY 2011
- Decreasing federal revenue as ARRA funding runs out
- Increasing “at-risk” student population, which helps drive federal revenue and could offset any enrollment decreases
- Interest rates climbing very slowly
- Decreasing property values due to a declining housing market, which affects property tax rates and receipts



## Major Revenue Sources State of Utah

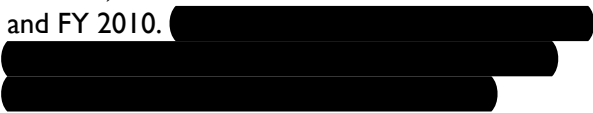
The State of Utah is the largest revenue source of the school district, with revenues of \$51 million budgeted for FY 2011.

However, this is down substantially from FY 2008, 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 largest component of state funding is the Minimum School Program (MSP), which acts as a series of large block grants (or programs) provided by the State to support local level educational services.

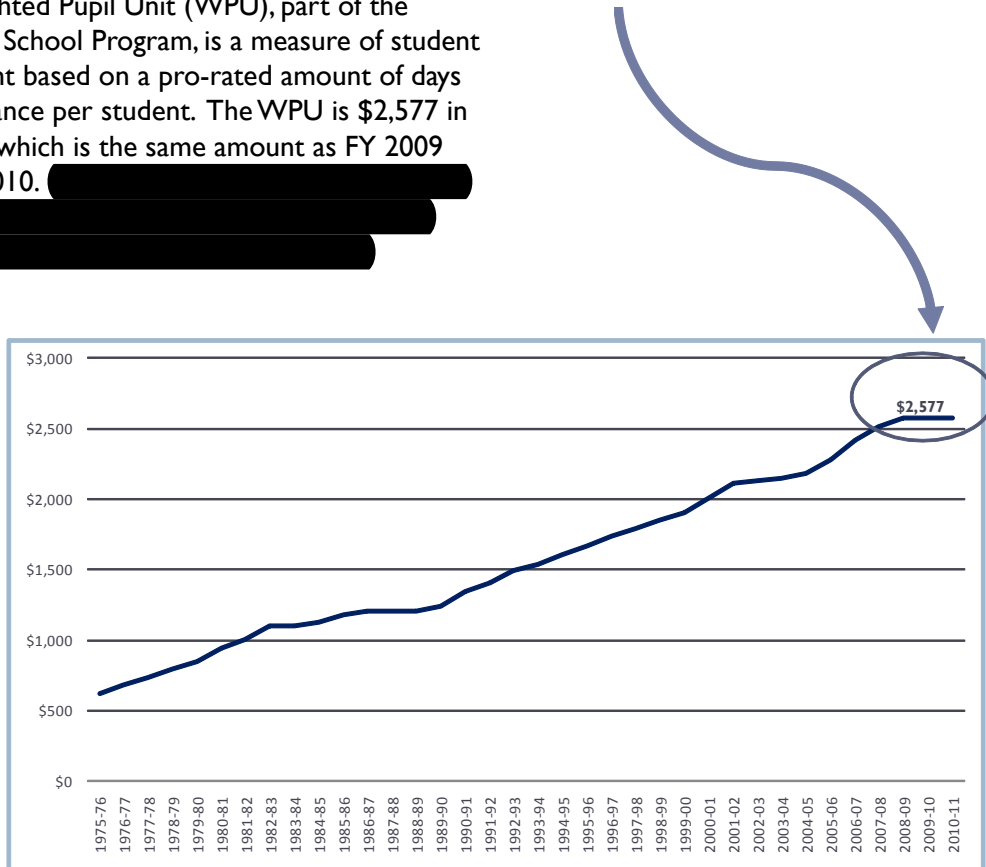
The Weighted Pupil Unit (WPU), part of the Minimum School Program, is a measure of student enrollment based on a pro-rated amount of days in attendance per student. The WPU is \$2,577 in FY 2011, which is the same amount as FY 2009 and FY 2010.



Approximately 71% of revenue from the State, or \$36 million, comes directly from WPU figures.

The WPU was developed as a mechanism to equally distribute state revenue among school districts and charter schools. The WPU is not a plan of expenditure, or budget, for the school district or charter school to follow but a mechanism to derive total program cost and distribute revenues. Through this mechanism, the State provides 'reasonably equal educational opportunities' for all public school children in Utah (Source: Utah State Office of Education).

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



Source: Utah State Office of Education; District data

## Major Revenue Sources

State of Utah  
1975-76 to 2010-11

### WPU Value, Fiscal Years 1976-2011

| 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%             |
| 2010-11 | 2,577     | 0             | 0%             |

Average increase from 1977 to 2011:

4.19%

## Major Revenue Sources

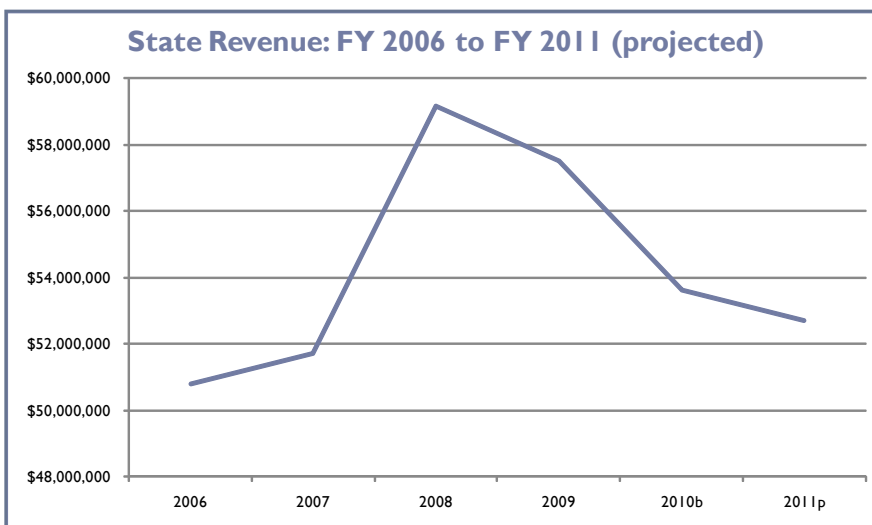
State of Utah

### 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 \$36 million, or 71% of total state revenues from WPU-related state programs in FY 2011. As illustrated in the chart below, overall state revenues were down in FY 2009 and FY 2010 and will be down even further in FY 2011.

The largest individual state funding source, referred to as “**Regular School Programs**,” is projected to be \$23.5 million for the District in FY 2011. This source is based on the WPU amount and the District’s levied property taxes. The District uses this funding source to pay teachers.



#### Special Education

is the second-largest state funded program the District operates, with approximately \$5.9 million in revenues projected for FY 2011. 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 \$2.1 million in FY 2011.

The District also anticipates receiving \$2.5 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 2011.



## Major Revenue Sources

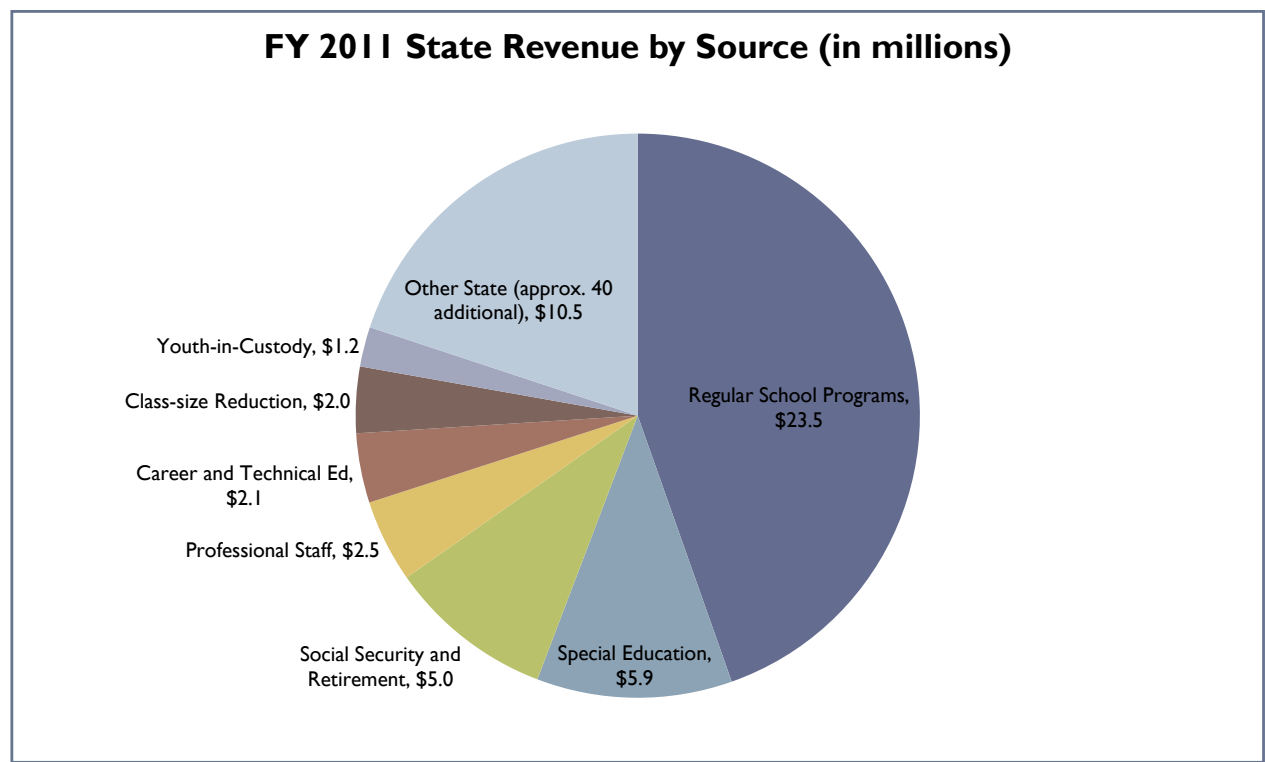
State of Utah Continued

The **Social Security and Retirement**<sup>1</sup> program helps pay for some of the payroll taxes and pension costs the District pays on behalf of its employees. It's anticipated to be approximately \$5 million for the District in FY 2011, down from \$8.4 million in FY 2009 and \$6.5 million in FY 2010.

**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.

| Program                             | % of Total |
|-------------------------------------|------------|
| Regular School Programs             | 45%        |
| Special Education                   | 11%        |
| Social Security and Retirement      | 9%         |
| Professional Staff                  | 5%         |
| Career and Technical Ed             | 4%         |
| Class-size Reduction                | 4%         |
| Youth-in-Custody                    | 2%         |
| Other State (approx. 40 additional) | 20%        |

<sup>1</sup>Renamed "Flexible Allocation" for FY 2011.



## Major Revenue Sources

### Local Sources - Property Tax

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

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

Property taxes are the District’s second largest funding source, and the largest component of local revenues at 80%. For FY 2011, the overall tax rate is proposed to be .006706. The District’s goals and objectives for the coming year are determined before final property assessed values are known.

The majority of local funding consists of revenue from 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: FY 2010 to FY 2011

| Levy                                | FY 2010         | FY 2011         | Change           |
|-------------------------------------|-----------------|-----------------|------------------|
| Basic Program                       | 0.001433        | 0.001495        | 0.000062         |
| Voted Leeway                        | 0.001346        | 0.001340        | -0.000006        |
| Board Leeway (Class Size Reduction) | 0.000226        | 0.000392        | 0.000166         |
| Board Leeway (Reading Program)      | 0.000121        | 0.000121        | 0.000000         |
| Transportation                      | 0.000098        | 0.000000        | -0.000098        |
| Tort Liability                      | 0.000061        | 0.000000        | -0.000061        |
| Recreation                          | 0.000132        | 0.000132        | 0.000000         |
| Gen Oblig Debt                      | 0.001307        | 0.001317        | 0.000010         |
| Capital Outlay Foundation           | 0.000930        | 0.000982        | 0.000052         |
| 10% of Basic Capital                | 0.000493        | 0.000464        | -0.000029        |
| 10% of Basic Operating              | <u>0.000492</u> | <u>0.000463</u> | <u>-0.000029</u> |
| Total Rate:                         | <u>0.006639</u> | <u>0.006706</u> | <u>0.000067</u>  |

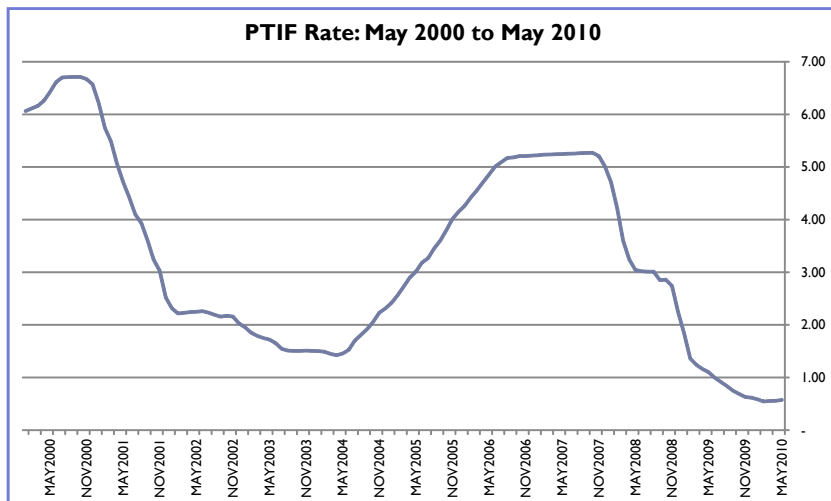
## Major Revenue Sources

### 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

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, historically low rates will continue to adversely impact the District's interest income in 2011.



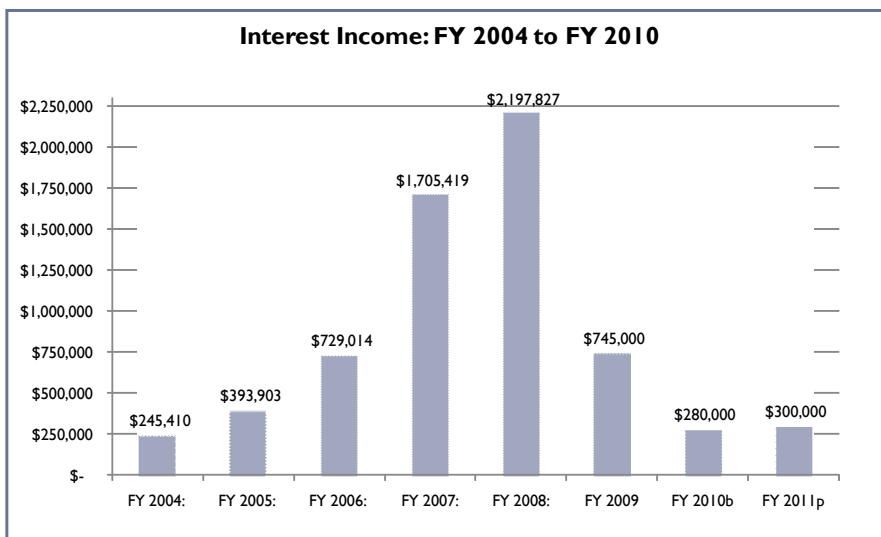
Source: Utah State Treasurer

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

(interest earned), and income from students, such as school lunches. Interest earned is projected to increase slightly in FY 2011 when compared to FY 2010, but the amount will still be dramatically lower than the District received in recent years when rates were much higher.

use, so declining rates mean less money that goes into the classroom for general purposes, such as teacher pay, instructional assistants, and supplies.

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.



<sup>b</sup>Budgeted; <sup>p</sup>Projected

## Major Revenue Sources

### Federal Sources

The federal government provides direct and flow-through support to specific programs in the District. For FY 2011, it's anticipated that the District will receive just under \$13.8 million in federal revenue.

With ARRA money (discussed on the following pages) excluded, the largest programs the

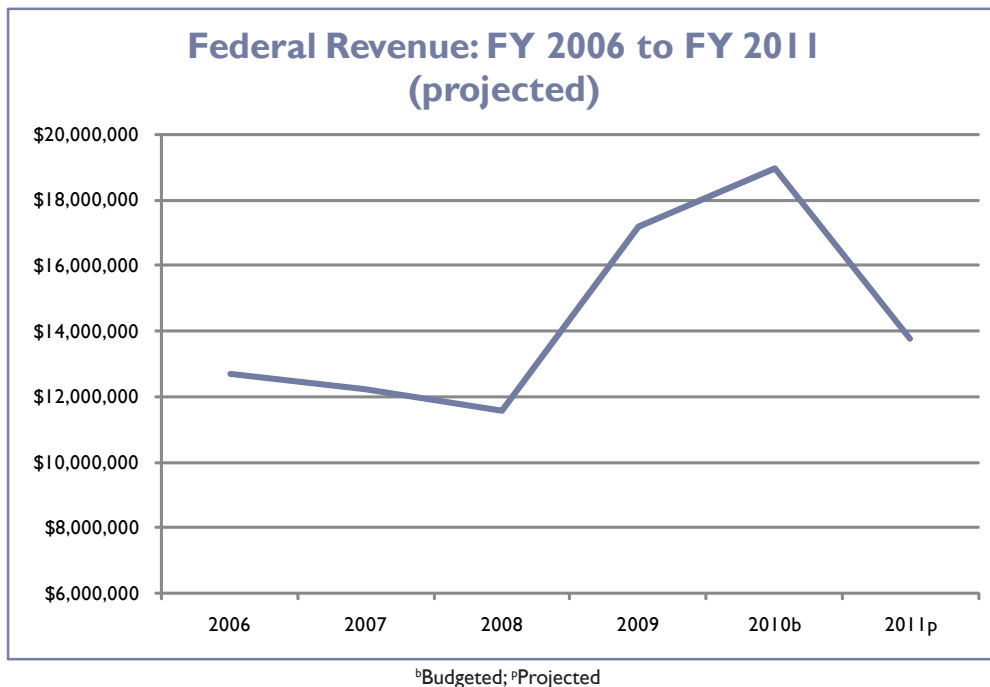
District operates with federal funding are IDEA, Title I, Improving Teacher Quality, 21st Century Community Learning Centers and the school lunch program. These five programs make up roughly 85% of all the federal grants the District receives.

**“For FY 2011, it’s anticipated that the District will receive just under \$13.8 million in federal revenue.”**

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.



## Major Revenue Sources

### Federal Sources

#### Largest Federal Funding Sources

The following five programs make up approximately 85% of all District federal grants for FY 2011 (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.

#### Federal Food Programs

The District is expected to receive over \$2.8 million in FY 2011 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.

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

#### Title I

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

The funding of this grant is contingent upon the number of low-income students in the District. The District is projected to receive approximately \$2.95 million in Title I funding in FY 2011.

#### 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 2011.

#### 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 over \$700,000 from this grant in FY 2011.

#### 21st Century Community Learning Centers

This grant, also part of No Child Left Behind, is actually several smaller grants that are awarded to the District to help it provide quality instruction outside of regular school hours. The awarding of 21st Century grants is very competitive. Much of the funding is determined by the number of low-income students enrolled. Schools without substantial low-income enrollments typically aren't considered for these grants. All combined, the District anticipates receiving \$830,000 in 21st Century grants for FY 2011.

## Major Revenue Sources

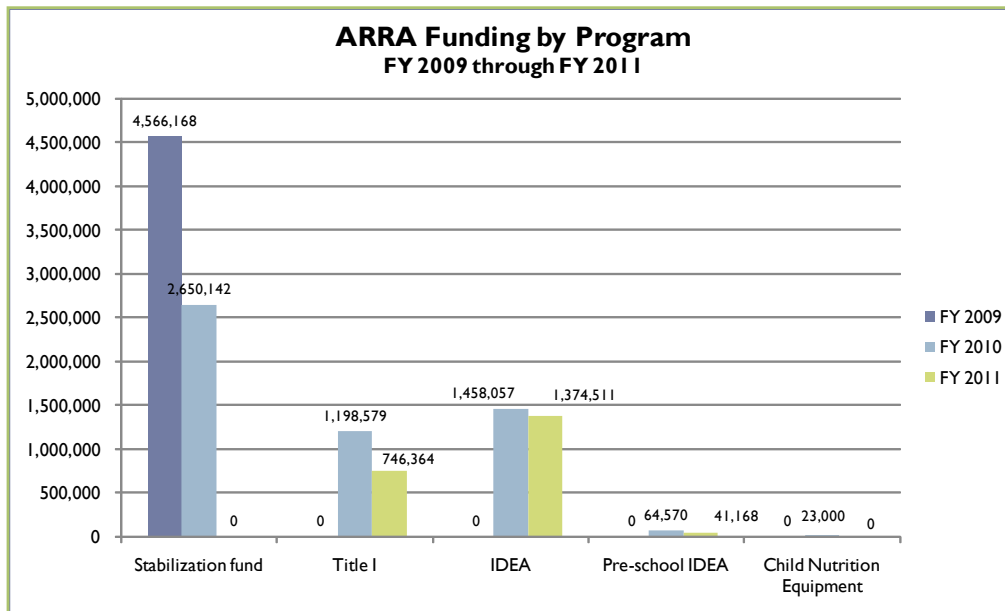
### Federal Sources - American Recovery and Reinvestment Act (ARRA)

In February 2009, the federal government passed the American Recovery and Reinvestment Act (ARRA). 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 more than \$12 million over three years in ARRA funds, beginning in late FY 2009 and ending in FY 2011. ARRA funds come to the District through five 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. The table below shows the District's ARRA distribution:

**ARRA Funding by Program**

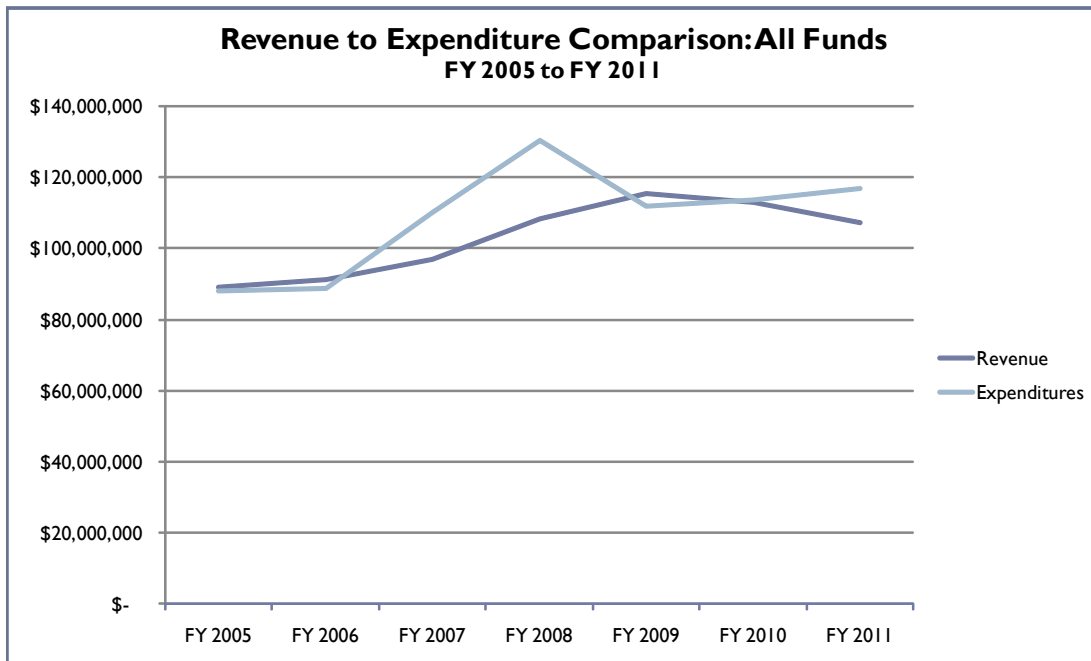
| Program                  | FY 2009             | FY 2010             | FY 2011             | Total                |
|--------------------------|---------------------|---------------------|---------------------|----------------------|
| Stabilization fund       | \$ 4,566,168        | \$ 2,650,142        | \$ -                | \$ 7,216,310         |
| Title I                  | -                   | 1,198,579           | 746,364             | 1,944,943            |
| IDEA                     | -                   | 1,458,057           | 1,374,511           | 2,832,568            |
| Pre-school IDEA          | -                   | 64,570              | 41,168              | 105,738              |
| Food Service - Equipment | -                   | 23,000              | -                   | 23,000               |
| <b>Total</b>             | <b>\$ 4,566,168</b> | <b>\$ 5,394,348</b> | <b>\$ 2,162,043</b> | <b>\$ 12,122,559</b> |



Money received as “stabilization funds” results in no net increase in revenue because state revenue was decreased by the same amount. For example, in FY 2009, 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.

# Financial Schedules and Charts

Including Supplementary Financial Information



**Revenue and Expenditure Summary: FY 2005 to FY 2011**

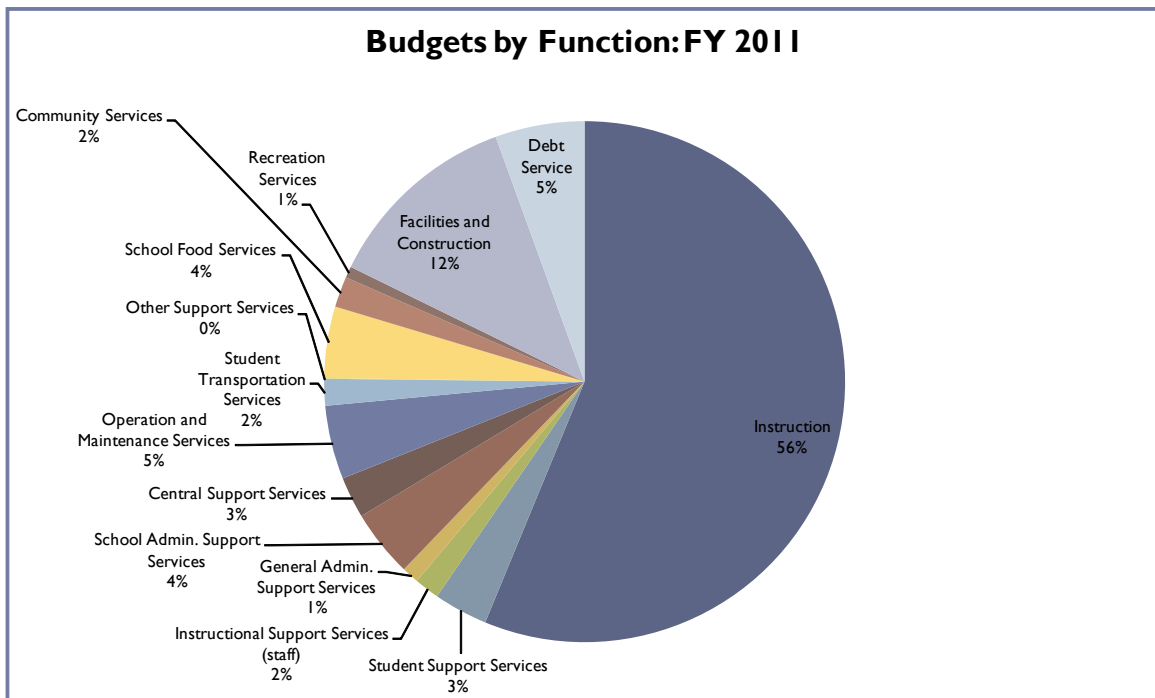
| Fiscal Year | Revenues      | Expenditures  | Net          |
|-------------|---------------|---------------|--------------|
| FY 2005     | \$ 88,974,245 | \$ 88,000,440 | 973,805      |
| FY 2006     | 91,066,878    | 88,723,373    | 2,343,505    |
| FY 2007     | 96,831,914    | 110,249,504   | (13,417,590) |
| FY 2008     | 108,457,783   | 130,329,831   | (21,872,048) |
| FY 2009     | 115,371,844   | 111,686,096   | 3,685,748    |
| FY 2010     | 113,084,499   | 113,718,828   | (634,329)    |
| FY 2011     | 107,131,881   | 116,780,271   | (9,648,390)  |

FY 2005 through FY 2009 are actual audited revenue and expenditures. FY 2010 and FY 2011 are budgeted amounts.

## Expenditure Comparison by Function - All Funds FY 2010 to FY 2011

| <b>Expenditures by Function - All Funds</b> | <b>FY 2010</b>        | <b>FY 2011</b>        | <b>% Change</b> |
|---|-----------------------|-----------------------|-----------------|
| Instruction                                 | \$ 68,639,377         | \$ 65,668,744         | -4.3%           |
| Student Support Services                    | 3,916,596             | 3,919,858             | 0.1%            |
| Instructional Support Services (staff)      | 2,125,813             | 1,807,816             | -15.0%          |
| General Admin. Support Services             | 1,255,417             | 1,241,196             | -1.1%           |
| School Admin. Support Services              | 4,789,581             | 4,876,222             | 1.8%            |
| Central Support Services                    | 2,930,818             | 2,997,276             | 2.3%            |
| Operation and Maintenance Services          | 5,413,141             | 5,348,725             | -1.2%           |
| Student Transportation Services             | 2,198,284             | 1,931,159             | -12.2%          |
| Other Support Services                      | 111,865               | 52,850                | -52.8%          |
| School Food Services                        | 5,082,275             | 5,175,363             | 1.8%            |
| Community Services                          | 2,478,397             | 2,221,585             | -10.4%          |
| Recreation Services                         | 812,143               | 820,635               | 1.0%            |
| Facilities and Construction                 | 7,465,121             | 14,248,842            | 90.9%           |
| Debt Service                                | 6,500,000             | 6,470,000             | -0.5%           |
| <b>Total Expenditures</b>                   | <b>\$ 113,718,828</b> | <b>\$ 116,780,271</b> | <b>2.7%</b>     |

Figures may vary slightly due to rounding.





## Revenue Budgets by Source and Expenditure Budgets by Object

All Funds

FY 2011

| Revenues by Source      | General Fund         | Debt Service Fund   | Capital Projects    | Other Governmental Funds | Total - All Funds     |
|-------------------------|----------------------|---------------------|---------------------|--------------------------|-----------------------|
| Property Taxes          | \$ 18,656,397        | \$ 6,446,331        | \$ 7,074,024        | \$ 644,848               | \$ 32,821,600         |
| Earnings on Investments | 300,000              | -                   | -                   | -                        | 300,000               |
| Other Local Revenue     | 2,393,130            | -                   | -                   | 5,120,407                | 7,513,537             |
| State Sources           | 51,022,093           | -                   | -                   | 1,686,272                | 52,708,365            |
| Federal Sources         | 8,641,955            | -                   | -                   | 3,488,981                | 12,130,936            |
| Federal Sources - ARRA  | 1,657,443            | -                   | -                   | -                        | 1,657,443             |
| <b>Total Revenues</b>   | <b>\$ 82,671,018</b> | <b>\$ 6,446,331</b> | <b>\$ 7,074,024</b> | <b>\$ 10,940,508</b>     | <b>\$ 107,131,881</b> |

| Expenditures by Function               | General Fund         | Debt Service Fund   | Capital Projects     | Other Governmental Funds | Total - All Funds     |
|--|----------------------|---------------------|----------------------|--------------------------|-----------------------|
| Instruction                            | \$ 62,333,135        | \$ -                | \$ -                 | \$ 3,335,609             | \$ 65,668,744         |
| Student Support Services               | 3,919,858            | -                   | -                    | -                        | 3,919,858             |
| Instructional Support Services (staff) | 1,807,816            | -                   | -                    | -                        | 1,807,816             |
| General Admin. Support Services        | 1,241,196            | -                   | -                    | -                        | 1,241,196             |
| School Admin. Support Services         | 4,876,222            | -                   | -                    | -                        | 4,876,222             |
| Central Support Services               | 2,997,276            | -                   | -                    | -                        | 2,997,276             |
| Operation and Maintenance Services     | 3,930,375            | -                   | 1,418,350            | -                        | 5,348,725             |
| Student Transportation Services        | 1,931,159            | -                   | -                    | -                        | 1,931,159             |
| Other Support Services                 | 52,850               | -                   | -                    | -                        | 52,850                |
| School Food Services                   | -                    | -                   | -                    | 5,175,363                | 5,175,363             |
| Community Services                     | -                    | -                   | -                    | 2,221,585                | 2,221,585             |
| Recreation Services                    | -                    | -                   | -                    | 820,635                  | 820,635               |
| Facilities and Construction            | -                    | -                   | 14,248,842           | -                        | 14,248,842            |
| Debt Service                           | -                    | 6,470,000           | -                    | -                        | 6,470,000             |
| <b>Total Expenditures</b>              | <b>\$ 83,089,887</b> | <b>\$ 6,470,000</b> | <b>\$ 15,667,192</b> | <b>\$ 11,553,192</b>     | <b>\$ 116,780,271</b> |

Excess (Deficiency) of Revenues  
Over (Under) Expenditures: (418,869) (23,669) (8,593,168) (612,684) (9,648,390)

Other Financing Sources (Uses) and  
Other Items: 20,000 - (2,000,000) 2,000,000 20,000

**Net Change in Fund Balances: \$ (398,869) \$ (23,669) \$ (10,593,168) \$ 1,387,316 \$ (9,628,390)**

Figures may vary slightly due to rounding.

## Expenditures by Fund and Object

### FY 2011

| <b>Object</b>                   | <b>General</b>       | <b>Capital Projects</b> | <b>Debt Service</b> |
|---------------------------------|----------------------|-------------------------|---------------------|
| Salaries                        | \$ 51,490,516        | \$ 1,116,287            | \$ -                |
| Benefits                        | 21,264,482           | 470,173                 | -                   |
| Purchased/Professional Services | 1,685,024            | 18,000                  | -                   |
| Purchased Property Services     | 279,103              | 13,439,500              | -                   |
| Other Purchased Services        | 883,108              | -                       | -                   |
| Supplies                        | 6,554,517            | -                       | -                   |
| Equipment                       | 1,495,205            | 623,232                 | -                   |
| Other Objects                   | (562,068)            | -                       | 6,470,000           |
| <b>Total:</b>                   | <b>\$ 83,089,887</b> | <b>\$ 15,667,192</b>    | <b>\$ 6,470,000</b> |

| <b>Object</b>                   | <b>Student Activities</b> | <b>Non K-12</b>     | <b>Food Services</b> |
|---------------------------------|---------------------------|---------------------|----------------------|
| Salaries                        | \$ -                      | \$ 1,972,251        | \$ 1,677,786         |
| Benefits                        | -                         | 638,468             | 607,844              |
| Purchased/Professional Services | 254,221                   | 33,217              | 11,000               |
| Purchased Property Services     | 58,745                    | 178,906             | 97,240               |
| Other Purchased Services        | 661,295                   | 18,491              | 4,106                |
| Supplies                        | 1,710,263                 | 162,562             | 1,862,163            |
| Equipment                       | -                         | -                   | 435,250              |
| Other Objects                   | 651,085                   | 38,325              | 479,974              |
| <b>Total:</b>                   | <b>\$ 3,335,609</b>       | <b>\$ 3,042,220</b> | <b>\$ 5,175,363</b>  |

Note: There are no expenditures budgeted for the Building Reserve Fund, so it is not included in this schedule. Figures may vary slightly due to rounding.

**All Funds**Summary of Budgets  
FY 2007 to FY 2011

| <b>SUMMARY: ALL FUNDS</b>                                    | <b>ACTUAL FY<br/>2007</b> | <b>ACTUAL FY<br/>2008</b> | <b>ACTUAL FY<br/>2009</b> | <b>FINAL<br/>BUDGET FY<br/>2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
|--|---------------------------|---------------------------|---------------------------|-------------------------------------|--|
| <b>REVENUES BY SOURCE</b>                                    |                           |                           |                           |                                     |  |
| Total Local  | \$ 32,104,010             | \$ 36,675,195             | \$ 40,680,715             | \$ 40,493,406                       | \$ 40,635,137                          |
| Total State  | 52,642,012                | 59,138,786                | 57,520,714                | 53,629,080                          | 52,708,365                             |
| Total Federal  | <u>12,085,892</u>         | <u>11,556,049</u>         | <u>17,170,415</u>         | <u>18,962,013</u>                   | <u>13,788,379</u>                      |
| <b>TOTAL REVENUES</b>  | <u>96,831,914</u>         | <u>107,370,030</u>        | <u>115,371,844</u>        | <u>113,084,499</u>                  | <u>107,131,881</u>                     |
| <b>EXPENDITURES BY OBJECT</b>                                |                           |                           |                           |                                     |  |
| Salaries   | 51,056,405                | 55,407,669                | 58,491,006                | 58,163,078                          | 56,256,840                             |
| Employee Benefits  | 23,529,082                | 23,615,892                | 21,802,306                | 22,442,247                          | 22,980,967                             |
| Purchased Prof. & Technical Services                         | 1,902,206                 | 2,847,450                 | 2,406,362                 | 2,530,754                           | 2,001,462                              |
| Purchased Property Services                                  | 14,440,742                | 21,619,323                | 6,491,945                 | 7,027,593                           | 14,053,494                             |
| Other Purchased Services                                     | 1,146,786                 | 2,062,948                 | 1,715,871                 | 1,490,135                           | 1,567,000                              |
| Supplies   | 8,267,967                 | 10,755,051                | 8,206,202                 | 10,544,098                          | 10,289,505                             |
| Property   | 3,193,254                 | 4,182,886                 | 5,139,447                 | 3,876,959                           | 2,553,687                              |
| Other Objects  | <u>6,713,062</u>          | <u>7,460,751</u>          | <u>7,432,957</u>          | <u>7,643,964</u>                    | <u>7,077,316</u>                       |
| <b>TOTAL EXPENDITURES</b>                                    | <u>110,249,504</u>        | <u>127,951,970</u>        | <u>111,686,096</u>        | <u>113,718,828</u>                  | <u>116,780,271</u>                     |
| EXCESS (DEFICIENCY) OF REVENUES<br>OVER (UNDER) EXPENDITURES | <u>(13,417,590)</u>       | <u>(20,581,940)</u>       | <u>3,685,748</u>          | <u>(634,329)</u>                    | <u>(9,648,390)</u>                     |
| OTHER FINANCING SOURCES (USES)<br>AND OTHER ITEMS            | <u>41,083,156</u>         | <u>1,225,296</u>          | <u>13,655</u>             | <u>6,538,000</u>                    | <u>20,000</u>                          |
| NET CHANGE IN FUND BALANCE                                   | <u>27,665,566</u>         | <u>(19,356,644)</u>       | <u>3,699,403</u>          | <u>5,903,671</u>                    | <u>(9,628,390)</u>                     |
| FUND BALANCE - BEGINNING (From<br>Prior Year)                | <u>14,116,835</u>         | <u>41,782,401</u>         | <u>24,273,610</u>         | <u>37,083,496</u>                   | <u>42,987,167</u>                      |
| ADJUSTMENTS TO BEGINNING FUND<br>BALANCE                     | <u>-</u>                  | <u>1,847,853</u>          | <u>9,110,483</u>          | <u>-</u>                            | <u>-</u>                               |
| FUND BALANCE - ENDING  | <u>\$ 41,782,401</u>      | <u>\$ 24,273,610</u>      | <u>\$ 37,083,496</u>      | <u>\$ 42,987,167</u>                | <u>\$ 33,358,777</u>                   |

Figures may vary slightly due to rounding.

**General Fund**  
Summary of Budgets  
FY 2007 to FY 2011

**SUMMARY: GENERAL FUND**

| REVENUES BY SOURCE   | ACTUAL FY<br>2007          | ACTUAL FY<br>2008          | ACTUAL FY<br>2009           | FINAL<br>BUDGET FY<br>2010  | ORIGINAL<br>BUDGET FY<br>2011 |
|--|----------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------------|
| Total Local  | \$ 16,305,166              | \$ 16,505,936              | \$ 18,096,985               | \$ 20,680,185               | \$ 21,349,527                 |
| Total State  | 49,313,718                 | 56,943,212                 | 55,099,892                  | 51,567,317                  | 51,022,093                    |
| Total Federal  | <u>8,600,968</u>           | <u>8,173,955</u>           | <u>13,499,470</u>           | <u>15,364,716</u>           | <u>10,299,398</u>             |
| <b>TOTAL REVENUES</b>  | <b>74,219,852</b>          | <b>81,623,103</b>          | <b>86,696,347</b>           | <b>87,612,218</b>           | <b>82,671,018</b>             |
| <b>EXPENDITURES BY OBJECT</b>  |                            |                            |                             |                             |                               |
| Salaries   | 45,384,027                 | 50,205,668                 | 52,741,102                  | 52,993,913                  | \$ 51,490,516                 |
| Employee Benefits  | 21,819,072                 | 22,009,698                 | 19,899,607                  | 20,794,379                  | \$ 21,264,482                 |
| Purchased Prof. and Tech. Services                                   | 1,539,960                  | 2,259,631                  | 1,914,468                   | 2,224,282                   | \$ 1,685,024                  |
| Purchased Property Services  | 358,965                    | 401,327                    | 481,252                     | 312,234                     | \$ 279,103                    |
| Other Purchased Services   | 1,047,868                  | 1,042,761                  | 889,076                     | 950,428                     | \$ 883,108                    |
| Supplies   | 3,568,411                  | 3,841,927                  | 4,275,113                   | 6,746,652                   | \$ 6,554,517                  |
| Property   | 1,249,787                  | 2,301,732                  | 1,436,583                   | 2,325,892                   | \$ 1,495,205                  |
| Other Objects  | <u>(423,567)</u>           | <u>490,451</u>             | <u>(76,109)</u>             | <u>(119,301)</u>            | <u>\$ (562,068)</u>           |
| <b>TOTAL EXPENDITURES</b>  | <b>74,544,523</b>          | <b>82,553,195</b>          | <b>81,561,092</b>           | <b>86,228,479</b>           | <b>83,089,887</b>             |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | <u>(324,671)</u>           | <u>(930,092)</u>           | <u>5,135,255</u>            | <u>1,383,739</u>            | <u>(418,869)</u>              |
| <b>OTHER FINANCING SOURCES (USES)<br/>AND OTHER ITEMS</b>            | <u>3,955</u>               | <u>1,225,296</u>           | <u>11,564</u>               | <u>72,000</u>               | <u>20,000</u>                 |
| <b>NET CHANGE IN FUND BALANCE</b>                                    | <u>(320,716)</u>           | <u>295,204</u>             | <u>5,146,819</u>            | <u>1,455,739</u>            | <u>(398,869)</u>              |
| <b>FUND BALANCE - BEGINNING (From<br/>Prior Year)</b>                | <u>5,053,949</u>           | <u>4,733,233</u>           | <u>5,652,827</u>            | <u>20,224,728</u>           | <u>21,680,467</u>             |
| Adjustments to Beginning Fund Balance                                | <u>-</u>                   | <u>624,390</u>             | <u>9,425,082</u>            | <u>-</u>                    | <u>-</u>                      |
| <b>FUND BALANCE - ENDING</b>   | <u><u>\$ 4,733,233</u></u> | <u><u>\$ 5,652,827</u></u> | <u><u>\$ 20,224,728</u></u> | <u><u>\$ 21,680,467</u></u> | <u><u>\$ 21,281,598</u></u>   |

Figures may vary slightly due to rounding.

**Capital Projects Fund**  
Summary of Budgets  
FY 2007 to FY 2011

**SUMMARY: CAPITAL PROJECTS FUND**

| REVENUES BY SOURCE   | ACTUAL FY<br>2007    | ACTUAL FY<br>2008    | ACTUAL FY<br>2009   | FINAL BUDGET<br>FY 2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|--|----------------------|----------------------|---------------------|-------------------------|-------------------------------|
| Total Local  | \$ 7,114,988         | \$ 7,721,930         | \$ 9,495,755        | \$ 7,619,978            | \$ 7,074,024                  |
| Total State  | -                    | -                    | -                   | 200,000                 | -                             |
| Total Federal  | -                    | -                    | -                   | -                       | -                             |
| <b>TOTAL REVENUES</b>  | <b>7,114,988</b>     | <b>7,721,930</b>     | <b>9,495,755</b>    | <b>7,819,978</b>        | <b>7,074,024</b>              |
| <b>EXPENDITURES BY OBJECT</b>  |                      |                      |                     |                         |                               |
| Salaries   | 1,056,382            | 1,119,213            | 1,160,676           | 1,283,839               | 1,116,287                     |
| Employee Benefits  | 328,223              | 354,632              | 391,741             | 426,772                 | 470,173                       |
| Purchased Prof. and Technical Services                               | 50,908               | 193,875              | 30,466              | 18,000                  | 18,000                        |
| Purchased Property Services  | 13,566,870           | 20,586,449           | 5,478,610           | 6,344,897               | 13,439,500                    |
| Other Purchased Services   | 42,736               | 16,786               | 8,573               | -                       | -                             |
| Supplies   | 2,509,621            | 3,013,995            | 25,871              | -                       | -                             |
| Property   | 1,753,014            | 1,635,849            | 3,354,243           | 1,228,417               | 623,232                       |
| Other Objects  | 2,137,285            | 178,995              | 30,073              | 80,000                  | -                             |
| <b>TOTAL EXPENDITURES</b>  | <b>21,445,039</b>    | <b>27,099,794</b>    | <b>10,480,253</b>   | <b>9,381,925</b>        | <b>15,667,192</b>             |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | <b>(14,330,051)</b>  | <b>(19,377,864)</b>  | <b>(984,498)</b>    | <b>(1,561,947)</b>      | <b>(8,593,168)</b>            |
| <b>OTHER FINANCING SOURCES (USES)<br/>AND OTHER ITEMS</b>            | <b>40,944,201</b>    | <b>-</b>             | <b>(1,940,240)</b>  | <b>4,466,000</b>        | <b>(2,000,000)</b>            |
| <b>NET CHANGE IN FUND BALANCE</b>                                    | <b>26,614,150</b>    | <b>(19,377,864)</b>  | <b>(2,924,738)</b>  | <b>2,904,053</b>        | <b>(10,593,168)</b>           |
| <b>FUND BALANCE - BEGINNING (From<br/>Prior Year)</b>                | <b>5,633,274</b>     | <b>32,247,424</b>    | <b>12,869,560</b>   | <b>9,944,822</b>        | <b>12,848,875</b>             |
| Adjustment to Beginning Fund Balance                                 | -                    | -                    | -                   | -                       | -                             |
| <b>FUND BALANCE - ENDING</b>   | <b>\$ 32,247,424</b> | <b>\$ 12,869,560</b> | <b>\$ 9,944,822</b> | <b>\$ 12,848,875</b>    | <b>\$ 2,255,707</b>           |

Figures may vary slightly due to rounding.

## Debt Service Fund

Summary of Budgets  
FY 2007 to FY 2011

### SUMMARY: DEBT SERVICE FUND

| REVENUES BY SOURCE  | ACTUAL FY<br>2007   | ACTUAL FY<br>2008 | ACTUAL FY<br>2009 | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|---|---------------------|-------------------|-------------------|----------------------------|-------------------------------|
| Total Local   | \$ 5,000,512        | \$ 5,144,875      | \$ 6,424,380      | \$ 6,503,301               | \$ 6,446,331                  |
| Total State   | -                   | -                 | -                 | -                          | -                             |
| <b>TOTAL REVENUES</b>   | <u>5,000,512</u>    | <u>5,144,875</u>  | <u>6,424,380</u>  | <u>6,503,301</u>           | <u>6,446,331</u>              |
| EXPENDITURES BY OBJECT  |                     |                   |                   |                            |                               |
| Other Objects   | <u>4,668,945</u>    | <u>5,879,403</u>  | <u>6,414,138</u>  | <u>6,500,000</u>           | <u>6,470,000</u>              |
| <b>TOTAL EXPENDITURES</b>                                       | <u>4,668,945</u>    | <u>5,879,403</u>  | <u>6,414,138</u>  | <u>6,500,000</u>           | <u>6,470,000</u>              |
| EXCESS (DEFICIENCY) OF<br>REVENUES OVER (UNDER)<br>EXPENDITURES | <u>331,567</u>      | <u>(734,528)</u>  | <u>10,242</u>     | <u>3,301</u>               | <u>23,669</u>                 |
| OTHER FINANCING SOURCES<br>(USES) AND OTHER ITEMS               | <u>135,000</u>      | <u>-</u>          | <u>-</u>          | <u>-</u>                   | <u>-</u>                      |
| NET CHANGE IN FUND<br>BALANCE                                   | <u>466,567</u>      | <u>(734,528)</u>  | <u>10,242</u>     | <u>3,301</u>               | <u>(23,669)</u>               |
| FUND BALANCE -<br>BEGINNING (From Prior Year)                   | <u>1,240,802</u>    | <u>1,707,369</u>  | <u>972,841</u>    | <u>983,083</u>             | <u>986,384</u>                |
| ADJUSTMENTS TO<br>BEGINNING FUND BALANCE                        | <u>-</u>            | <u>-</u>          | <u>-</u>          | <u>-</u>                   | <u>-</u>                      |
| <b>FUND BALANCE - ENDING</b>                                    | <u>\$ 1,707,369</u> | <u>\$ 972,841</u> | <u>\$ 983,083</u> | <u>\$ 986,384</u>          | <u>\$ 962,715</u>             |

Figures may vary slightly due to rounding.

## Student Activity Fund

Summary of Budgets  
FY 2008 to FY 2011

### SUMMARY: STUDENT ACTIVITY FUND

| REVENUES BY SOURCE   | ACTUAL FY<br>2008   | ACTUAL FY<br>2009   | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|--|---------------------|---------------------|----------------------------|-------------------------------|
| Total Local  | \$ 4,213,824        | \$ 3,496,177        | \$ 3,325,500               | \$ 3,447,574                  |
| Total State  | -                   | -                   | -                          | -                             |
| Total Federal  | -                   | -                   | -                          | -                             |
| <b>TOTAL REVENUES</b>  | <u>4,213,824</u>    | <u>3,496,177</u>    | <u>3,325,500</u>           | <u>3,447,574</u>              |
| <b>EXPENDITURES BY OBJECT</b>  |                     |                     |                            |                               |
| Salaries   | -                   | -                   | -                          | -                             |
| Employee Benefits  | -                   | -                   | -                          | -                             |
| Purchased Prof. and Technical Services                               | 312,522             | 321,426             | 234,221                    | 254,221                       |
| Purchased Property Services  | 69,073              | 55,049              | 58,745                     | 58,745                        |
| Other Purchased Services   | 944,764             | 760,165             | 511,295                    | 661,295                       |
| Supplies   | 1,956,386           | 1,772,526           | 1,780,263                  | 1,710,263                     |
| Property   | 46,694              | 45,058              | -                          | -                             |
| Other Objects  | 711,752             | 688,516             | 651,085                    | 651,085                       |
| <b>TOTAL EXPENDITURES</b>  | <u>4,041,191</u>    | <u>3,642,740</u>    | <u>3,235,609</u>           | <u>3,335,609</u>              |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b> | <u>172,633</u>      | <u>(146,563)</u>    | <u>89,891</u>              | <u>111,965</u>                |
| <b>OTHER FINANCING SOURCES (USES) AND<br/>OTHER ITEMS</b>            | <u>-</u>            | <u>-</u>            | <u>-</u>                   | <u>-</u>                      |
| <b>NET CHANGE IN FUND BALANCE</b>                                    | <u>172,633</u>      | <u>(146,563)</u>    | <u>89,891</u>              | <u>111,965</u>                |
| <b>FUND BALANCE - BEGINNING (From Prior<br/>Year)</b>                | <u>1,835,600</u>    | <u>2,008,233</u>    | <u>1,703,390</u>           | <u>1,793,281</u>              |
| Adjustment to Beginning Fund Balance                                 | -                   | (158,280)           | -                          | -                             |
| <b>FUND BALANCE - ENDING</b>   | <u>\$ 2,008,233</u> | <u>\$ 1,703,390</u> | <u>\$ 1,793,281</u>        | <u>\$ 1,905,246</u>           |

Note: The Student Activities Fund is a new fund, and the District was not required to report actual or budgeted revenues or expenditures until FY 2008; figures may vary slightly due to rounding.

**Non K-12 Fund**  
Summary of Budgets  
FY 2008 to FY 2011

**SUMMARY: NON K-12 FUND**

| REVENUES BY SOURCE   | ACTUAL FY<br>2007 | ACTUAL FY<br>2008 | ACTUAL FY<br>2009 | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|--|-------------------|-------------------|-------------------|----------------------------|-------------------------------|
| Total Local  | \$ 1,434,593      | \$ 1,720,443      | \$ 1,845,437      | \$ 1,198,953               | \$ 1,117,229                  |
| Total State  | 1,508,941         | 1,635,706         | 1,810,073         | 1,211,763                  | 1,136,272                     |
| Total Federal  | <u>300,219</u>    | <u>797,600</u>    | <u>797,967</u>    | <u>723,997</u>             | <u>652,932</u>                |
|  | 3,243,753         | 4,153,749         | 4,453,477         | 3,134,713                  | 2,906,433                     |
| EXPENDITURES BY OBJECT                                       |                   |                   |                   |                            |                               |
| Salaries   | 1,709,917         | 2,447,062         | 2,781,434         | 2,142,489                  | 1,972,251                     |
| Employee Benefits  | 454,862           | 686,879           | 786,597           | 634,577                    | 638,468                       |
| Purchased Prof. and Technical Services                       | 75,562            | 66,104            | 124,155           | 43,251                     | 33,217                        |
| Purchased Property Services                                  | 435,132           | 500,856           | 380,871           | 184,477                    | 178,906                       |
| Other Purchased Services                                     | 35,077            | 54,407            | 55,069            | 24,106                     | 18,491                        |
| Supplies   | 223,943           | 269,720           | 309,158           | 190,020                    | 162,562                       |
| Property   | 51,363            | 20,940            | 27,498            | 21,150                     | -                             |
| Other Objects  | <u>46,538</u>     | <u>38,967</u>     | <u>45,153</u>     | <u>50,470</u>              | <u>38,325</u>                 |
| TOTAL EXPENDITURES   | 3,032,394         | 4,084,935         | 4,509,935         | 3,290,540                  | 3,042,220                     |
| EXCESS (DEFICIENCY) OF REVENUES<br>OVER (UNDER) EXPENDITURES | <u>211,359</u>    | <u>68,814</u>     | <u>(56,458)</u>   | <u>(155,827)</u>           | <u>(135,787)</u>              |
| OTHER FINANCING SOURCES (USES)<br>AND OTHER ITEMS            | -                 | -                 | -                 | -                          | -                             |
| NET CHANGE IN FUND BALANCE                                   | <u>211,359</u>    | <u>68,814</u>     | <u>(56,458)</u>   | <u>(155,827)</u>           | <u>(135,787)</u>              |
| FUND BALANCE - BEGINNING (From<br>Prior Year)                | <u>250,928</u>    | <u>462,287</u>    | <u>570,375</u>    | <u>357,598</u>             | <u>201,771</u>                |
| Adjustment to Beginning Fund Balance                         | -                 | <u>39,274</u>     | <u>(156,319)</u>  | -                          | -                             |
| FUND BALANCE - ENDING  | <u>\$ 462,287</u> | <u>\$ 570,375</u> | <u>\$ 357,598</u> | <u>\$ 201,771</u>          | <u>\$ 65,984</u>              |

Figures may vary slightly due to rounding.



## Building Reserve Fund

Summary of Budgets  
FY 2009 to FY 2011

### SUMMARY: BUILDING RESERVE FUND

| REVENUES BY SOURCE   | ACTUAL FY 2009 | FINAL BUDGET<br>FY 2010 | ORIGINAL<br>BUDGET FY 2011 |
|--|----------------|-------------------------|----------------------------|
| Total Local  | \$ -           | \$ -                    | \$ -                       |
| Total State  | -              | -                       | -                          |
| TOTAL REVENUES   | -              | -                       | -                          |
| EXPENDITURES BY OBJECT                                       |                |                         |                            |
| Salaries   | -              | -                       | -                          |
| Employee Benefits  | -              | -                       | -                          |
| Purchased Prof. and Technical Services                       | -              | -                       | -                          |
| Purchased Property Services                                  | -              | -                       | -                          |
| Property   | -              | -                       | -                          |
| Other Objects  | -              | -                       | -                          |
| TOTAL EXPENDITURES   | -              | -                       | -                          |
| EXCESS (DEFICIENCY) OF REVENUES OVER<br>(UNDER) EXPENDITURES | -              | -                       | -                          |
| OTHER FINANCING SOURCES (USES) AND<br>OTHER ITEMS            | 1,940,240      | 2,000,000               | 2,000,000                  |
| NET CHANGE IN FUND BALANCE                                   | 1,940,240      | 2,000,000               | 2,000,000                  |
| FUND BALANCE - BEGINNING (From Prior Year)                   | -              | 1,940,240               | 3,940,240                  |
| Adjustment to Beginning Fund Balance                         | -              | -                       | -                          |
| FUND BALANCE - ENDING  | \$ 1,940,240   | \$ 3,940,240            | \$ 5,940,240               |

Note: The Building Reserve fund was not used by the District until FY 2009; figures may vary slightly due to rounding.

## Food Services Fund

Summary of Budgets  
FY 2007 to FY 2011

### SUMMARY - FOOD SERVICE FUND

| REVENUES BY SOURCE   | ACTUAL FY<br>2007   | ACTUAL FY<br>2008   | ACTUAL FY<br>2009   | FINAL BUDGET<br>FY 2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|--|---------------------|---------------------|---------------------|-------------------------|-------------------------------|
| Total Local  | \$ 1,471,322        | \$ 1,368,187        | \$ 1,321,981        | \$ 1,165,489            | \$ 1,200,452                  |
| Total State  | 537,438             | 559,868             | 610,749             | 650,000                 | 550,000                       |
| Total Federal  | 2,630,426           | 2,584,494           | 2,872,978           | 2,873,300               | 2,836,049                     |
| <b>TOTAL REVENUES</b>  | <b>4,639,186</b>    | <b>4,512,549</b>    | <b>4,805,708</b>    | <b>4,688,789</b>        | <b>4,586,501</b>              |
| <b>EXPENSES / EXPENDITURES BY OBJECT</b>   |                     |                     |                     |                         |                               |
| Salaries   | 1,530,364           | 1,635,726           | 1,807,794           | 1,742,837               | 1,677,786                     |
| Employee Benefits  | 487,941             | 564,683             | 724,361             | 586,519                 | 607,844                       |
| Purchased Prof. and Technical Services   | 49,681              | 15,318              | 15,847              | 11,000                  | 11,000                        |
| Purchased Property Services  | 74,501              | 61,618              | 96,163              | 127,240                 | 97,240                        |
| Other Purchased Services   | 4,728               | 4,230               | 2,988               | 4,306                   | 4,106                         |
| Supplies   | 1,726,592           | 1,673,023           | 1,823,534           | 1,827,163               | 1,862,163                     |
| Property   | 96,978              | 177,671             | 276,065             | 301,500                 | 435,250                       |
| Other Objects  | 209,785             | 161,183             | 331,186             | 481,710                 | 479,974                       |
| <b>TOTAL EXPENSES/EXPENDITURES</b>   | <b>4,180,570</b>    | <b>4,293,452</b>    | <b>5,077,938</b>    | <b>5,082,275</b>        | <b>5,175,363</b>              |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENSES/<br/>EXPENDITURES</b> | <b>458,616</b>      | <b>219,097</b>      | <b>(272,230)</b>    | <b>(393,486)</b>        | <b>(588,862)</b>              |
| <b>OTHER FINANCING SOURCES (USES)<br/>AND OTHER ITEMS</b>                          | <b>-</b>            | <b>-</b>            | <b>2,091</b>        | <b>-</b>                | <b>-</b>                      |
| <b>NET CHANGE IN NET ASSETS / FUND<br/>BALANCE</b>                                 | <b>458,616</b>      | <b>219,097</b>      | <b>(270,139)</b>    | <b>(393,486)</b>        | <b>(588,862)</b>              |
| <b>NET ASSETS / FUND BALANCE -<br/>BEGINNING (From Prior Year)</b>                 | <b>1,522,061</b>    | <b>1,980,677</b>    | <b>2,199,774</b>    | <b>1,929,635</b>        | <b>1,536,149</b>              |
| Adjustment to Beginning Net Assets/Fund<br>Balance                                 | -                   | -                   | -                   | -                       | -                             |
| <b>NET ASSETS / FUND BALANCE -<br/>ENDING</b>                                      | <b>\$ 1,980,677</b> | <b>\$ 2,199,774</b> | <b>\$ 1,929,635</b> | <b>\$ 1,536,149</b>     | <b>\$ 947,287</b>             |

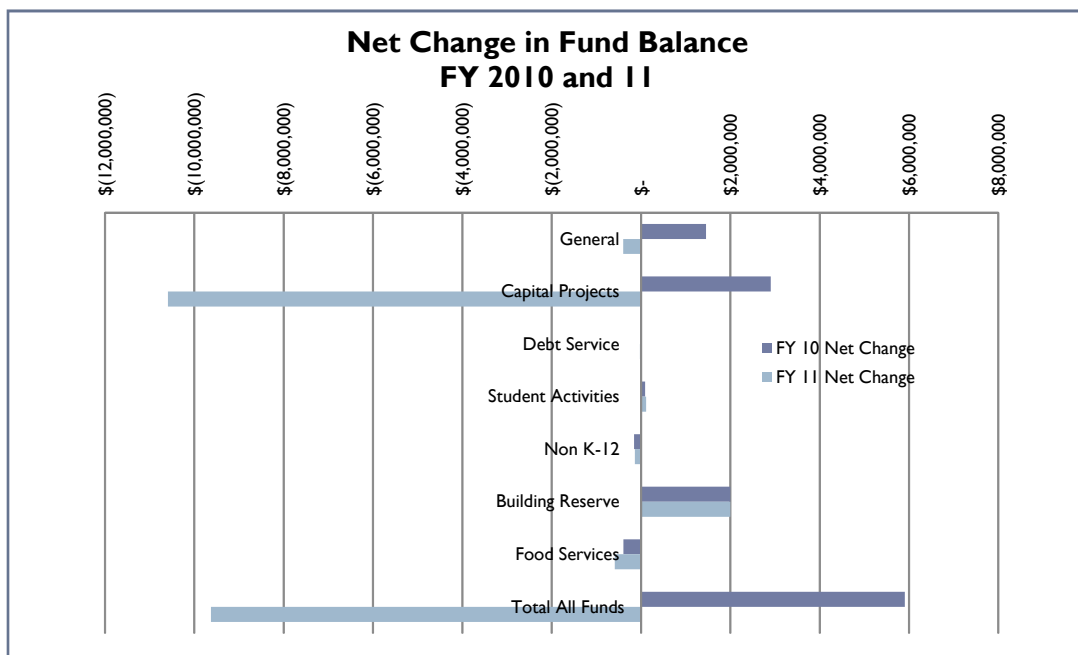
Figures may vary slightly due to rounding.

## Fund Balance Definition

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

## Changes in Fund Balance

| FY 2010 to FY 2011           | FY 2010           |                            |                   | FY 2011           |                            |                   |
|------------------------------|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
|                              | Beginning Balance | Net Change in Fund Balance | Ending Balance    | Beginning Balance | Net Change in Fund Balance | Ending Balance    |
| <b>Major Funds</b>           |                   |                            |                   |                   |                            |                   |
| General                      | 20,224,728        | 1,455,739                  | 21,680,467        | 21,680,467        | (398,869)                  | 21,281,598        |
| Capital Projects             | 9,944,822         | 2,904,053                  | 12,848,875        | 12,848,875        | (10,593,168)               | 2,255,707         |
| Debt Service                 | 983,083           | 3,301                      | 986,384           | 986,384           | (23,669)                   | 962,715           |
| <b>Total Major Funds</b>     | <b>31,152,633</b> | <b>4,363,093</b>           | <b>35,515,726</b> | <b>35,515,726</b> | <b>(11,015,706)</b>        | <b>24,500,020</b> |
| <b>Non-major Funds</b>       |                   |                            |                   |                   |                            |                   |
| Student Activities           | 1,703,390         | 89,891                     | 1,793,281         | 1,793,281         | 111,965                    | 1,905,246         |
| Non K-12                     | 357,598           | (155,827)                  | 201,771           | 201,771           | (135,787)                  | 65,984            |
| Building Reserve             | 1,940,240         | 2,000,000                  | 3,940,240         | 3,940,240         | 2,000,000                  | 5,940,240         |
| Food Services                | 1,929,635         | (393,486)                  | 1,536,149         | 1,536,149         | (588,862)                  | 947,287           |
| <b>Total Non-major Funds</b> | <b>5,930,863</b>  | <b>1,540,578</b>           | <b>7,471,441</b>  | <b>7,471,441</b>  | <b>1,387,316</b>           | <b>8,858,757</b>  |
| <b>Total All Funds</b>       | <b>37,083,496</b> | <b>5,903,671</b>           | <b>42,987,167</b> | <b>42,987,167</b> | <b>(9,628,390)</b>         | <b>33,358,777</b> |



## Statement on Changes to Fund Balance

### General Fund: (\$398,869)

The District is projected to spend down nearly \$400,000 of its General fund residual balances during FY 2011. This amount would be substantially more, but the District began making cuts in FY 2009 in anticipation of wide-spread funding decreases due to economic conditions. If the economy continues to stabilize, the District should be able to absorb this fund balance decrease without seriously impacting its overall financial situation.

#### General Fund Expenditures/Fund Balance Comparison

| Fiscal Year          | Expenditures | Fund Balance            | % of Expend.     |
|----------------------|--------------|-------------------------|------------------|
| FY 2007              | 74,544,523   | 4,733,233               | 6%               |
| FY 2008              | 82,553,195   | 5,652,827               | 7%               |
| FY 2009 <sup>l</sup> | 81,561,092   | 20,224,728 <sup>l</sup> | 25% <sup>l</sup> |
| FY 2010 <sup>b</sup> | 86,228,479   | 21,680,467              | 25%              |
| FY 2011 <sup>p</sup> | 83,089,887   | 21,281,598              | 26%              |

<sup>l</sup>Increase due to a ~\$12.5MM reclass of Other Post Employment Benefits (OPEB) as fund balance - carries forward into subsequent years (see page 99 for more information).

<sup>b</sup>Budgeted

<sup>p</sup>Projected

### Capital Projects Fund: (\$10,593,168)

The Capital Projects fund balance is projected to decrease \$10,105,781 in FY 2011 due to the construction of Provo Peaks elementary, which will replace Farrer. Over \$6 million of the cost to build the new school will come from the federal stimulus bill, which is included as an “other financing source” in the FY 2010 budget. This planned “spend down” of the Capital Projects fund balance is part of the District’s long-term building renovation and master plan.

### Debt Service Fund: (\$23,669)

There is only a minor projected change to the Debt Service fund balance for FY 2011.

### Student Activities Fund: \$111,965

The increase to fund balances in this fund results from schools spending less than in previous years due to economic conditions.

### Non K-12 Fund: (\$135,787)

The decrease in the fund balance of this fund for FY 2011 is primarily due to less property taxes being available. If the housing market stabilizes, no action will need to be taken in FY 2012. However, if property values and growth from property taxes fails to rebound over the next couple of years, which is likely, further budget cuts to this fund are likely.

### Building Reserve Fund: \$2,000,000

The increase for FY 2011 is due to property taxes being transferred from the Capital Projects Fund, which occurs each year: to allow the District to build up reserves to meet capital building needs.

### Food Service Fund: (\$588,862)

The decrease in the Food Service fund balance is primarily due to an equipment replacement plan that dictates the need for approximately \$435,000 in non-routine equipment upgrades for FY 2011. The District’s policy is to use fund balances to pay for non-routine one-time needs and never for regular operations. Additionally, food costs are projected to be up in FY 2011, and some revenue decreases at the state level are also possible.

### Summary of Fund Balances

Overall, District fund balances are projected to decrease by \$9.6 million in FY 2011, primarily due to the Farrer rebuild in the Capital Projects Fund and the equipment upgrades in the Food Service Fund. Other funds in the district, including the General Fund, are projected to have relatively minor changes when compared to the overall size of the fund.

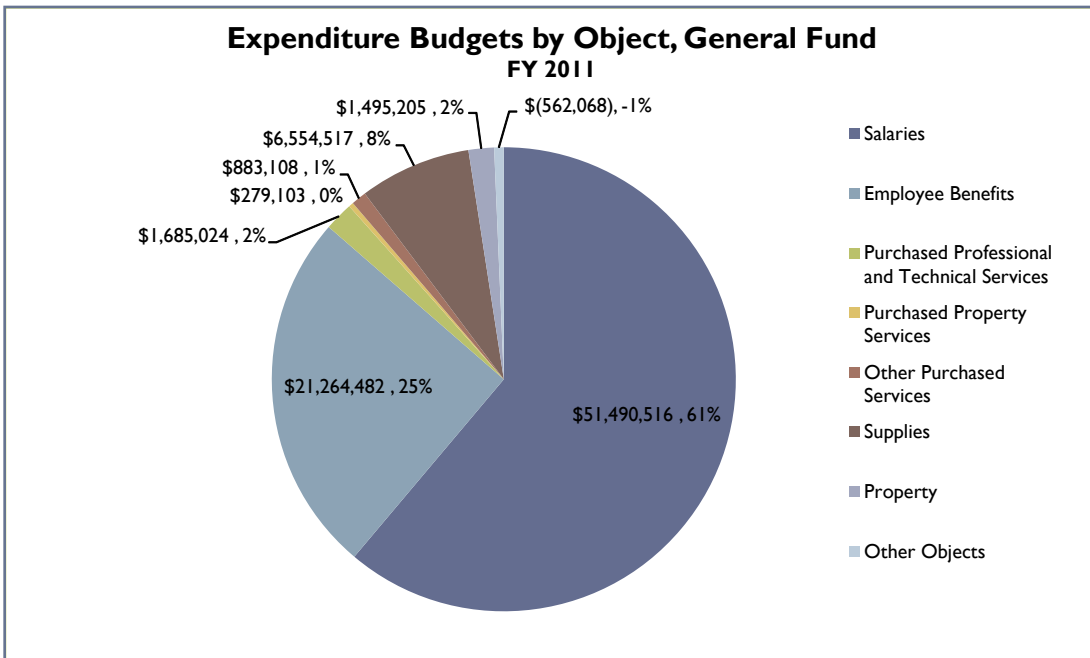
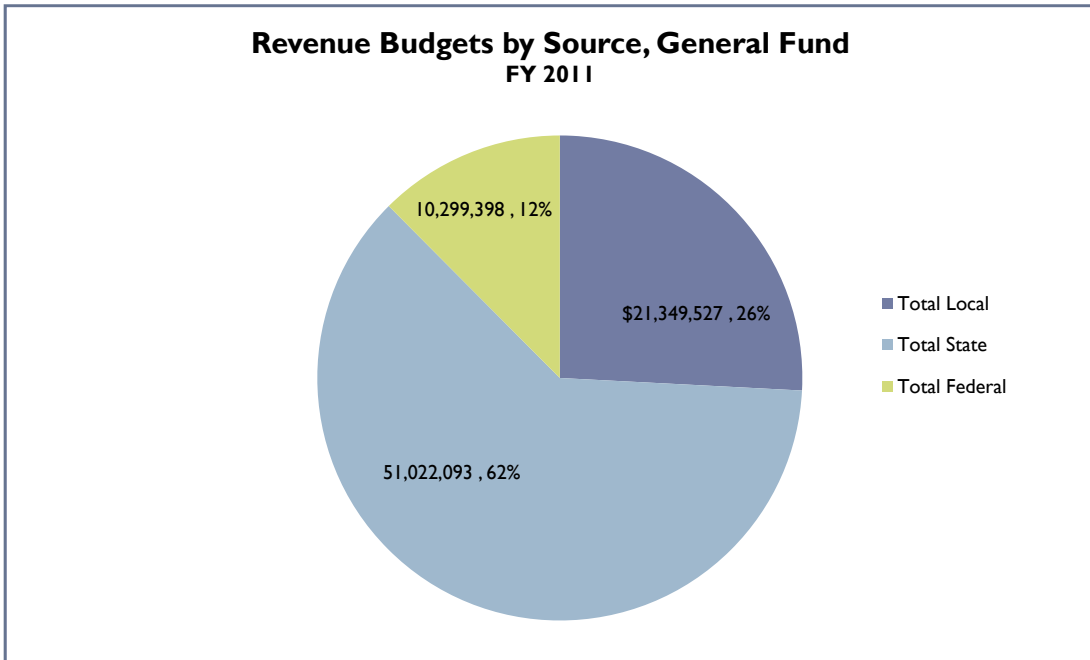
However, it’s important to note that, from a long-term perspective, while the decreases to fund balances are currently easy to account for, and represent no material change to the District’s overall financial health, if economic conditions don’t improve, further program cuts, FTE reductions, and other difficult decisions will have to be made.

# Major Revenues and Expenditures by Fund

## Major Funds



**Revenues and Expenditure Budgets by Source: General Fund**  
 FY 2011



## Major Revenue Sources: General Fund

FY 2009 through FY 2011

| REVENUES FROM STATE SOURCES: GENERAL FUND        | ACTUAL FY<br>2009    | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|--|----------------------|----------------------------|-------------------------------|
| Minimum School Programs                          |                      |                            |                               |
| Regular School Program K-12                      | \$ 18,865,829        | \$ 23,700,000              | \$ 23,550,000                 |
| Professional Staff                               | 2,550,882            | 2,528,996                  | 2,528,996                     |
| Administrative Costs                             | 64,425               | -                          | -                             |
| Special Education -- Add-On                      | 3,877,368            | 4,012,369                  | 4,120,374                     |
| Special Education -- Self-Contained              | 1,580,631            | 1,661,951                  | 1,632,238                     |
| Extended Year Program -- Severely Disabled       | 24,233               | 25,148                     | 25,406                        |
| Special Education -- State Programs              | 107,877              | 108,023                    | 108,023                       |
| Career & Technology Ed -- Add-On                 | 2,366,474            | 2,220,472                  | 2,142,755                     |
| Career & Technology Ed-- Set-Aside               | 66,472               | -                          | -                             |
| Class Size Reduction (State Funds)               | 2,021,311            | 2,026,911                  | 2,006,642                     |
| Gifted and Talented                              | 54,696               | 43,674                     | 42,791                        |
| Advanced Placement                               | 58,348               | 48,965                     | 47,000                        |
| Concurrent Enrollment                            | 108,253              | 94,565                     | 92,000                        |
| At-Risk -- Student Program                       | 205,817              | 177,934                    | 170,000                       |
| At-Risk -- Homeless and Minority                 | 68,956               | 55,452                     | 54,000                        |
| At-Risk -- MESA                                  | 10,000               | -                          | -                             |
| At-Risk -- Gang Prevention                       | 71,300               | 65,596                     | 64,000                        |
| At-Risk -- Youth-in-Custody                      | 1,341,193            | 1,277,074                  | 1,176,000                     |
| English Language Learner Family Literacy Centers | -                    | 68,143                     | 66,000                        |
| Extended Day Kindergarten                        | -                    | 252,846                    | 249,789                       |
| Instructional Technology                         | -                    | 233,715                    | -                             |
| Interventions for Student Success Block Grant    | 592,560              | 427,727                    | 427,814                       |
| Social Security and Retirement                   | 8,351,268            | 3,890,198                  | 5,004,000                     |
| Pupil Transportation                             | 1,592,750            | 1,346,590                  | 1,320,159                     |
| Highly Impacted Schools                          | 375,710              | 331,585                    | 324,953                       |
| School Land Trust Program                        | 661,058              | 585,973                    | 505,765                       |
| Board Leeway                                     | 638,942              | 621,511                    | -                             |
| K-3 Reading Achievement                          | -                    | 383,337                    | 375,000                       |
| Other State Sources MSP                          | <u>2,180,642</u>     | <u>(55,828)</u>            | <u>-</u>                      |
| Total Minimum School Generated                   | 47,836,995           | 46,132,927                 | 46,033,705                    |
| Other State Sources                              |                      |                            |                               |
| Other Revenues From State Sources (Non-MSP)      | 1,755,180            | 1,261,408                  | 1,233,759                     |
| Driver Education (State Driver Training Tax)     | 101,820              | 104,765                    | 98,479                        |
| Library Books & Electronic Resources             |                      | 11,582                     | 9,150                         |
| Supplementals / Other Bills                      | 5,150,249            | 3,915,166                  | 3,622,000                     |
| Revenues From Other State Agencies               | <u>255,648</u>       | <u>141,469</u>             | <u>25,000</u>                 |
| <b>TOTAL REVENUES FROM STATE SOURCES</b>         | <u>\$ 55,099,892</u> | <u>\$ 51,567,317</u>       | <u>\$ 51,022,093</u>          |

## Major Revenue Sources: General Fund

FY 2009 through FY 2011

| <b>REVENUES FROM LOCAL SOURCES: GENERAL FUND</b>            | <b>ACTUAL FY<br/>2009</b>   | <b>FINAL<br/>BUDGET FY<br/>2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
|---|-----------------------------|-------------------------------------|--|
| Property Taxes  | \$ 15,574,726               | \$ 18,393,628                       | \$ 18,656,397                          |
| Tuition From Pupils or Parents                              | 43,892                      | 5,000                               | 3,000                                  |
| Tuition From Other LEAs Outside the State                   | 5,703                       | 8,000                               | 6,000                                  |
| Transportation Fees From Pupils or Parents                  | 113,725                     | 107,000                             | 107,000                                |
| Earnings on Investments                                     | 609,749                     | 280,000                             | 300,000                                |
| Student Activities  | 111,789                     | 40,000                              | 100,000                                |
| Other Revenues From Local Sources                           | 1,395,405                   | 1,441,057                           | 1,760,513                              |
| Rentals   | 110                         | -                                   | -                                      |
| Contributions and Donations from Private Sources/Foundation | 216,182                     | 400,000                             | 400,000                                |
| Other Revenues From Other School Districts                  | -                           | 5,000                               | -                                      |
| Other Revenues from Other Local Governments                 | 311                         | 500                                 | -                                      |
| Miscellaneous   | <u>25,393</u>               | <u>-</u>                            | <u>16,617</u>                          |
| <b>TOTAL REVENUES FROM LOCAL SOURCES</b>                    | <b><u>\$ 18,096,985</u></b> | <b><u>\$ 20,680,185</u></b>         | <b><u>\$ 21,349,527</u></b>            |
|   |                             |                                     |  |
| <b>REVENUES FROM FEDERAL SOURCES: GENERAL FUND</b>          | <b>ACTUAL FY<br/>2009</b>   | <b>FINAL<br/>BUDGET FY<br/>2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
| Restricted Revenue Direct From Federal                      | \$ 291,574                  | \$ 427,524                          | \$ 145,125                             |
| Restricted Federal Through State                            | 118,230                     | 267,953                             | 213,575                                |
| Programs for the Disabled (IDEA)                            | 2,484,683                   | 2,590,915                           | 2,615,942                              |
| Career & Technology Education                               | 251,832                     | 290,000                             | 287,353                                |
| ARRA Programs   | -                           | 5,799,158                           | 1,657,443                              |
| Other Restricted Federal Through State                      | 4,569,225                   | 2,500                               | -                                      |
| Federal Received Through Other Agencies                     | 932,562                     | 836,000                             | 530,000                                |
| No Child Left Behind (NCLB)                                 | <u>4,851,364</u>            | <u>5,150,666</u>                    | <u>4,849,960</u>                       |
| <b>TOTAL REVENUES FROM FEDERAL SOURCES</b>                  | <b><u>\$ 13,499,470</u></b> | <b><u>\$ 15,364,716</u></b>         | <b><u>\$ 10,299,398</u></b>            |
|   |                             |                                     |  |
| <b>TOTAL REVENUES, GENERAL FUND</b>                         | <b><u>\$ 86,696,347</u></b> | <b><u>\$ 87,612,218</u></b>         | <b><u>\$ 82,671,018</u></b>            |

Figures may vary slightly due to rounding.



## Major Expenditures: General Fund

FY 2009 through FY 2011

| INSTRUCTION  | ACTUAL FY<br>2009           | FINAL<br>BUDGET FY<br>2010  | ORIGINAL<br>BUDGET FY<br>2011 |
|--|-----------------------------|-----------------------------|-------------------------------|
| Salaries - Teachers                                | \$ 35,211,663               | \$ 34,931,237               | \$ 34,495,284                 |
| Salaries - Teacher Aides and Paraprofessionals     | 5,206,557                   | 6,260,484                   | 5,569,933                     |
| Salaries - All Other                               | 326,222                     | 268,839                     | 242,794                       |
| Retirement   | 5,955,939                   | 6,006,458                   | 6,650,500                     |
| Social Security                                    | 2,844,940                   | 3,156,438                   | 3,083,563                     |
| Insurance (Health/Dental/Life)                     | 5,872,239                   | 6,325,510                   | 6,430,000                     |
| Other Benefits                                     | 969,682                     | 1,120,877                   | 625,000                       |
| Purchased Professional and Technical Services      | 1,411,846                   | 1,627,294                   | 1,063,514                     |
| Purchased Property Services                        | 249,848                     | 92,264                      | 69,075                        |
| Other Purchased Services                           | 443,721                     | 487,553                     | 413,784                       |
| Tuition to Other School Districts Within the State | 12,685                      | -                           | -                             |
| Supplies   | 3,302,994                   | 3,007,216                   | 2,808,781                     |
| Textbooks  | 71,097                      | 44,535                      | 31,025                        |
| Property (Instructional Equipment)                 | 1,429,734                   | 2,325,892                   | 1,495,205                     |
| Other Objects                                      | (179,217)                   | (262,514)                   | (656,563)                     |
| Dues and Fees                                      | 9,496                       | 11,685                      | 11,240                        |
| <b>TOTAL INSTRUCTION</b>                           | <b><u>\$ 63,139,446</u></b> | <b><u>\$ 65,403,768</u></b> | <b><u>\$ 62,333,135</u></b>   |
| <b>SUPPORT SERVICES - STUDENTS</b>                 |                             |                             |                               |
| Salaries - Attendance and Social Work Personnel    | \$ 274,210                  | \$ 295,427                  | \$ 283,244                    |
| Salaries - Guidance Personnel                      | 876,018                     | 838,187                     | 802,208                       |
| Salaries - Health Services Personnel               | 35,888                      | 40,248                      | 40,248                        |
| Salaries - Psychological Personnel                 | 576,020                     | 699,798                     | 753,364                       |
| Salaries - Secretarial and Clerical                | 210,475                     | 189,662                     | 188,890                       |
| Salaries - All Other                               | 559,073                     | 624,517                     | 546,017                       |
| Retirement   | 378,667                     | 392,268                     | 437,962                       |
| Social Security                                    | 182,619                     | 195,849                     | 196,738                       |
| Insurance (Health/Dental/Life)                     | 339,233                     | 367,611                     | 408,887                       |
| Other Benefits                                     | 24,761                      | 25,771                      | 25,326                        |
| Purchased Prof. and Technical Services             | 187,057                     | 164,596                     | 166,100                       |
| Other Purchased Services                           | 8,129                       | 15,727                      | 14,550                        |
| Supplies   | 16,610                      | 37,992                      | 26,350                        |
| Other Objects                                      | 13,071                      | 28,943                      | 29,974                        |
| <b>TOTAL SUPPORT SERVICES - STUDENTS</b>           | <b><u>\$ 3,681,831</u></b>  | <b><u>\$ 3,916,596</u></b>  | <b><u>\$ 3,919,858</u></b>    |

Figures may vary slightly due to rounding.

## Major Expenditures: General Fund

FY 2009 through FY 2011

|   | ACTUAL FY<br>2009   | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|---|---------------------|----------------------------|-------------------------------|
| <b>SUPPORT SERVICES - INSTRUCTIONAL STAFF</b>     |                     |                            |                               |
| Salaries - Media Personnel - Certificated         | \$ 225,526          | \$ 226,365                 | \$ 191,946                    |
| Salaries - Secretarial and Clerical               | 317,501             | 320,441                    | 272,479                       |
| Salaries - Media Personnel - Noncertificated.     | 307,658             | 331,429                    | 330,103                       |
| Salaries - All Other                              | 470,412             | 499,254                    | 335,215                       |
| Retirement  | 183,256             | 199,340                    | 183,831                       |
| Social Security                                   | 95,519              | 105,965                    | 86,232                        |
| Insurance (Health/Dental/Life)                    | 131,258             | 126,338                    | 122,884                       |
| Other Benefits                                    | 13,056              | 13,490                     | 11,160                        |
| Purchased Professional and Technical Services     | 4,996               | -                          | 40,000                        |
| Purchased Property Services                       | 26,196              | 25,930                     | 25,930                        |
| Other Purchased Services                          | 36,752              | 20,891                     | 20,253                        |
| Supplies  | 242,201             | 231,351                    | 176,154                       |
| Library Books                                     | 18,979              | 23,003                     | 9,125                         |
| Periodicals                                       | 189                 | 1,924                      | 1,734                         |
| Audio Visual Materials                            | 53                  | 92                         | -                             |
| Other Objects                                     | 1,005               | -                          | 770                           |
| Dues and Fees                                     | 350                 | -                          | -                             |
| <b>TOTAL INSTRUCTIONAL STAFF</b>                  | <b>\$ 2,074,907</b> | <b>\$ 2,125,813</b>        | <b>\$ 1,807,816</b>           |
| <b>SUPPORT SERVICES - DISTRICT ADMINISTRATION</b> |                     |                            |                               |
| Salaries - District Board and Administration      | \$ 271,985          | \$ 271,881                 | \$ 270,947                    |
| Salaries - Supervisors and Directors              | 304,502             | 302,933                    | 301,266                       |
| Salaries - Secretarial and Clerical               | 160,882             | 166,865                    | 166,433                       |
| Salaries - All Other                              | (268,276)           | 23,657                     | 6,736                         |
| Retirement  | 89,028              | 126,682                    | 136,281                       |
| Social Security                                   | 31,638              | 57,666                     | 58,431                        |
| Insurance (Health/Dental/Life)                    | 70,422              | 107,651                    | 119,496                       |
| Other Benefits                                    | 4,691               | 7,619                      | 7,654                         |
| Purchased Professional and Technical Services     | 38,629              | 41,137                     | 46,150                        |
| Purchased Property Services                       | (8,982)             | -                          | -                             |
| Other Purchased Services                          | 16,086              | 32,825                     | 34,825                        |
| Supplies  | 30,067              | 70,210                     | 72,510                        |
| Other Objects                                     | 8,076               | 27,951                     | 2,667                         |
| Dues and Fees                                     | 29,942              | 18,340                     | 17,800                        |
| <b>TOTAL DISTRICT ADMINISTRATION</b>              | <b>\$ 778,690</b>   | <b>\$ 1,255,417</b>        | <b>\$ 1,241,196</b>           |

Figures may vary slightly due to rounding.

## Major Expenditures: General Fund

FY 2009 through FY 2011

|   | ACTUAL FY<br>2009   | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|---|---------------------|----------------------------|-------------------------------|
| <b>SUPPORT SERVICES - SCHOOL ADMINISTRATION</b>                   |                     |                            |                               |
| Salaries - Principals and Assistants                              | \$ 2,404,254        | \$ 2,323,599               | \$ 2,309,279                  |
| Salaries - Secretarial and Clerical                               | 1,264,576           | 1,124,880                  | 1,122,946                     |
| Salaries - All Other  | 41,322              | 42,603                     | 44,080                        |
| Retirement  | 597,891             | 596,777                    | 674,156                       |
| Social Security   | 267,685             | 258,558                    | 265,292                       |
| Insurance (Health/Dental/Life)                                    | 390,222             | 388,362                    | 395,700                       |
| Other Benefits  | 36,694              | 34,096                     | 35,061                        |
| Other Purchased Services  | 22,301              | 14,581                     | 23,819                        |
| Dues and Fees   | 5,476               | 6,125                      | 5,889                         |
| <b>TOTAL SCHOOL ADMINISTRATION</b>                                | <u>\$ 5,030,421</u> | <u>\$ 4,789,581</u>        | <u>\$ 4,876,222</u>           |
| <b>SUPPORT SERVICES - CENTRAL</b>                                 |                     |                            |                               |
| Salaries  | \$ 1,489,872        | \$ 1,437,554               | \$ 1,493,533                  |
| Retirement  | 236,644             | 221,469                    | 260,285                       |
| Social Security   | 106,540             | 109,751                    | 114,036                       |
| Insurance (Health/Dental/Life)                                    | 178,856             | 183,277                    | 216,252                       |
| Other Benefits  | 16,229              | 21,649                     | 14,711                        |
| Purchased Professional and Technical Services                     | 243,148             | 348,350                    | 375,060                       |
| Purchased Property Services                                       | 42,417              | 44,000                     | 40,500                        |
| Other Purchased Services  | 299,338             | 299,150                    | 312,050                       |
| Supplies  | 189,630             | 229,449                    | 154,949                       |
| Other Objects   | 14,168              | 23,169                     | 2,900                         |
| Dues and Fees   | 7,002               | 13,000                     | 13,000                        |
| <b>TOTAL CENTRAL</b>  | <u>\$ 2,823,844</u> | <u>\$ 2,930,818</u>        | <u>\$ 2,997,276</u>           |
| <b>SUPPORT SERVICES - OPERATION AND MAINTENANCE OF FACILITIES</b> |                     |                            |                               |
| Salaries - Operation and Maintenance                              | \$ 1,178,937        | \$ 633,309                 | \$ 625,056                    |
| Salaries - All Other  | 82,924              | 16,225                     | 18,225                        |
| Retirement  | 169,533             | 79,346                     | 89,267                        |
| Social Security   | 90,190              | 63,481                     | 50,207                        |
| Insurance (Health/Dental/Life)                                    | 165,279             | 171,510                    | 171,751                       |
| Other Benefits  | 12,618              | (65,241)                   | (11,594)                      |
| Purchased Professional and Technical Services                     | 28,792              | (5,800)                    | (5,800)                       |
| Purchased Property Services                                       | 82,401              | 50,040                     | 68,598                        |
| Other Purchased Services  | 45,361              | 73,271                     | 57,397                        |
| Supplies  | 31,104              | 2,685,196                  | 2,867,268                     |
| <b>TOTAL OPERATION AND MAINT. OF FACILITIES</b>                   | <u>\$ 1,887,139</u> | <u>\$ 3,701,337</u>        | <u>\$ 3,930,375</u>           |

Figures may vary slightly due to rounding.

## Major Expenditures and Other Financing Sources (Uses): General Fund

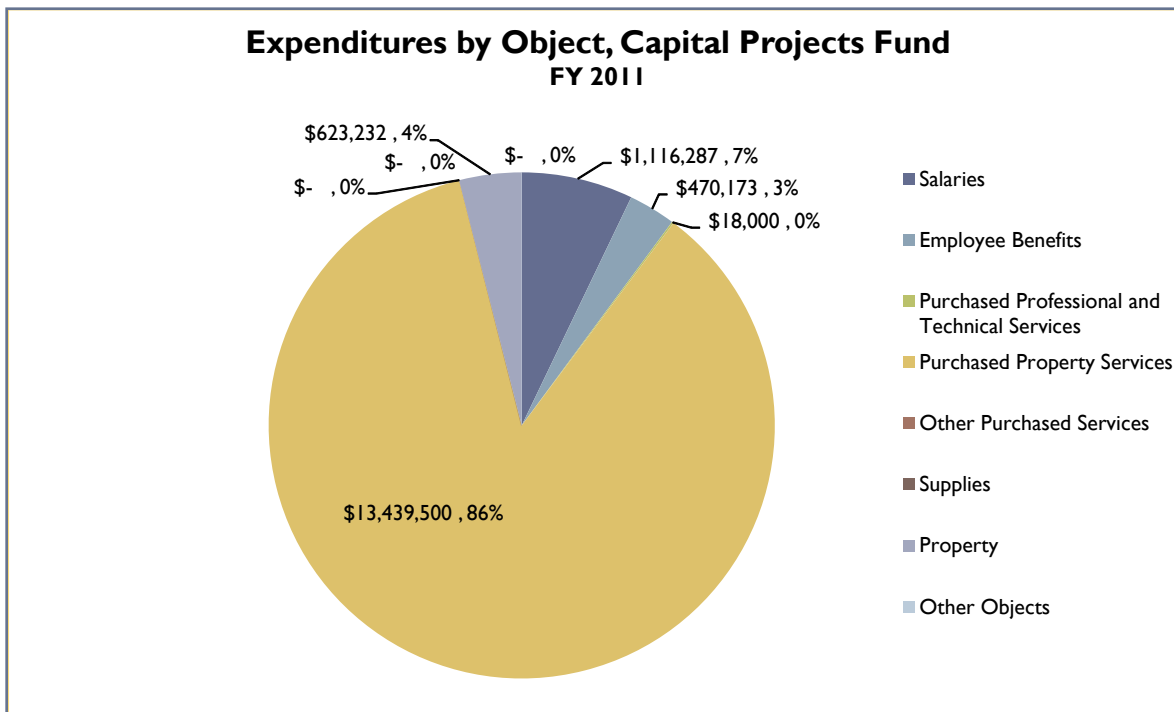
FY 2009 through FY 2011

|  | ACTUAL FY<br>2009    | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|--|----------------------|----------------------------|-------------------------------|
| <b>SUPPORT SERVICES - STUDENT TRANSPORTATION</b> |                      |                            |                               |
| Salaries - Secretarial and Clerical              | \$ 35,309            | \$ 12,000                  | \$ 8,661                      |
| Salaries - Supervisors                           | 24,975               | 44,000                     | 43,824                        |
| Salaries - Bus Drivers                           | 930,469              | 868,002                    | 837,826                       |
| Salaries - Mechanics and Other Garage Employees  | 161,271              | 162,047                    | 161,463                       |
| Retirement                                       | 187,694              | 139,457                    | 150,005                       |
| Social Security                                  | 83,202               | 85,353                     | 80,461                        |
| Insurance (Health / Accident / Life)             | 137,837              | 136,098                    | 140,726                       |
| Other Benefits                                   | 11,501               | 10,843                     | 10,517                        |
| Purchased Property Services                      | 89,372               | 100,000                    | 75,000                        |
| Payments in Lieu of Transportation - Subsistence | 585                  | 2,000                      | 2,000                         |
| Communications (Telephone and Other)             | 555                  | 500                        | 500                           |
| Travel / Per Diem                                | 3,350                | 3,300                      | 3,300                         |
| Motor Fuel                                       | 194,611              | 230,000                    | 237,493                       |
| Other Supplies                                   | 171,635              | 185,684                    | 169,128                       |
| Equipment  | 6,849                | -                          | -                             |
| Miscellaneous Expenditures                       | 8,907                | 7,000                      | 7,000                         |
| Training   | 5,615                | 7,000                      | 3,255                         |
| <b>TOTAL STUDENT TRANSPORTATION (2700)</b>       | <u>\$ 2,053,737</u>  | <u>\$ 1,993,284</u>        | <u>\$ 1,931,159</u>           |
| <b>OTHER SUPPORT SERVICES</b>                    |                      |                            |                               |
| Salaries   | \$ 60,877            | \$ 38,470                  | \$ 28,516                     |
| Retirement                                       | 7,758                | 5,973                      | 5,821                         |
| Social Security                                  | 4,432                | 4,365                      | 4,263                         |
| Insurance (Health / Accident / Life)             | 11,346               | 13,343                     | 13,246                        |
| Other Benefits                                   | 508                  | 379                        | 374                           |
| Purchased Professional and Technical Services    | -                    | 48,705                     | -                             |
| Other Purchased Services                         | 213                  | 630                        | 630                           |
| Supplies   | 5,943                | -                          | -                             |
| <b>TOTAL OTHER SUPPORT</b>                       | <u>\$ 91,077</u>     | <u>\$ 111,865</u>          | <u>\$ 52,850</u>              |
| <b>TOTAL EXPENDITURES, GENERAL FUND</b>          | <u>\$ 81,561,092</u> | <u>\$ 86,228,479</u>       | <u>\$ 83,089,887</u>          |
| <b>OTHER FINANCING SOURCES (USES)</b>            |                      |                            |                               |
| Proceeds From Sale of Capital Assets             | \$ 11,564            | \$ 72,000                  | \$ 20,000                     |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>      | <u>\$ 11,564</u>     | <u>\$ 72,000</u>           | <u>\$ 20,000</u>              |

Figures may vary slightly due to rounding.

## Revenues and Expenditure Budgets by Source: Capital Projects Fund FY 2011

Note: All revenue in the Capital Projects Fund comes from local sources - most notably property taxes. Total FY 2011 revenues for this fund are \$7,074,024 - \$2 million of which goes to the Building Reserve fund.



## Major Revenue Sources: Capital Projects Fund

FY 2009 through FY 2011

| <b>REVENUES FROM LOCAL SOURCES: CAPITAL<br/>PROJECTS FUND</b> | <b>ACTUAL FY<br/>2009</b>  | <b>FINAL<br/>BUDGET FY<br/>2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
|---|----------------------------|-------------------------------------|--|
| Property Taxes  | \$ 8,855,507               | \$ 7,479,978                        | \$ 7,074,024                           |
| Earnings on Investments                                       | 150,000                    | -                                   | -                                      |
| Other Revenues From Local Sources                             | <u>490,248</u>             | <u>140,000</u>                      | <u>-</u>                               |
| <b>TOTAL REVENUES, LOCAL SOURCES</b>                          | <b>9,495,755</b>           | <b>7,619,978</b>                    | <b>7,074,024</b>                       |
| <br>  |                            |                                     |  |
| <b>REVENUES FROM STATE SOURCES: CAPITAL<br/>PROJECTS FUND</b> |                            |                                     |  |
| Other State Revenues  | -                          | -                                   | -                                      |
| Capital Outlay Foundation                                     | <u>-</u>                   | <u>200,000</u>                      | <u>-</u>                               |
| <b>TOTAL REVENUES, STATE SOURCES</b>                          | <b>-</b>                   | <b>200,000</b>                      | <b>-</b>                               |
| <br>  |                            |                                     |  |
| <b>TOTAL REVENUES: CAPITAL PROJECTS FUND</b>                  | <b><u>\$ 9,495,755</u></b> | <b><u>\$ 7,819,978</u></b>          | <b><u>\$ 7,074,024</u></b>             |

Figures may vary slightly due to rounding.

## Major Expenditures: Capital Projects Fund

FY 2009 through FY 2011

| <b>EXPENDITURES: OPERATION AND MAINTENANCE OF FACILITIES (.0002 TAX RATE PROGRAM)</b> | <b>ACTUAL FY 2009</b> | <b>FINAL BUDGET FY 2010</b> | <b>ORIGINAL BUDGET FY 2011</b> |
|---|-----------------------|-----------------------------|--------------------------------|
| Salaries  | \$ 617,308            | \$ 710,000                  | \$ 550,000                     |
| Retirement  | 83,256                | 111,683                     | 98,065                         |
| Social Security   | 44,333                | 54,315                      | 42,075                         |
| Insurance (Health/Dental/Life)  | 78,674                | 55,289                      | 99,478                         |
| Other Benefits  | 6,172                 | 7,100                       | 5,500                          |
| Purchased Property Services   | 17,841                | -                           | -                              |
| <b>TOTAL OPERATION AND MAINTENANCE OF FACILITIES</b>                                  | <b>847,584</b>        | <b>938,387</b>              | <b>795,118</b>                 |
| <b>EXPENDITURES: INSTRUCTION (10% of Basic)</b>                                       |                       |                             |                                |
| Equipment   | 35,937                | -                           | -                              |
| <b>TOTAL INSTRUCTION (1000)</b>   | <b>35,937</b>         | <b>-</b>                    | <b>-</b>                       |
| Equipment   | 2,660,422             | 773,417                     | 623,232                        |
| <b>TOTAL OPERATION AND MAINTENANCE OF FACILITIES</b>                                  | <b>2,660,422</b>      | <b>773,417</b>              | <b>623,232</b>                 |
| <b>EXPENDITURES: STUDENT TRANSPORTATION (10% of Basic)</b>                            |                       |                             |                                |
| School Buses  | -                     | 205,000                     | -                              |
| <b>TOTAL STUDENT TRANSPORTATION</b>   | <b>-</b>              | <b>205,000</b>              | <b>-</b>                       |
| <b>EXPENDITURES: BUILDING ACQUISITION AND CONSTRUCTION (10% of Basic)</b>             |                       |                             |                                |
| Construction and Remodeling   | 1,100,000             | 1,000,000                   | 1,280,000                      |
| School Sites  | 419,299               | -                           | -                              |
| Buildings   | 24,100                | -                           | -                              |
| Furniture and Fixtures  | 173,751               | -                           | -                              |
| Other Equipment   | 40,734                | -                           | -                              |
| <b>TOTAL BUILDING ACQUISITION AND CONSTRUCTION</b>                                    | <b>1,757,884</b>      | <b>1,000,000</b>            | <b>1,280,000</b>               |

Figures may vary slightly due to rounding.

## Major Expenditures and Other Financing Sources (Uses): Capital Projects Fund

FY 2009 through FY 2011

| <b>EXPENDITURES: BUILDING ACQUISITION AND CONSTRUCTION</b> | <b>ACTUAL FY 2009</b>        | <b>FINAL BUDGET FY 2010</b> | <b>ORIGINAL BUDGET FY 2011</b> |
|--|------------------------------|-----------------------------|--------------------------------|
| Salaries   | 543,368                      | 573,839                     | 566,287                        |
| Retirement   | 79,714                       | 81,237                      | 101,807                        |
| Social Security  | 40,328                       | 43,866                      | 43,321                         |
| Insurance (Health/Dental/Life)                             | 53,830                       | 67,513                      | 74,264                         |
| Other Benefits   | 5,434                        | 5,769                       | 5,663                          |
| Purchased Professional and Technical Services              | 30,466                       | 18,000                      | 18,000                         |
| Purchased Property Services                                | 593,055                      | 900,000                     | 704,000                        |
| Construction and Remodeling                                | 3,767,714                    | 4,444,897                   | 11,455,500                     |
| Other Purchased Services                                   | 8,573                        | -                           | -                              |
| Supplies - New Buildings                                   | 25,871                       | -                           | -                              |
| Buildings  | -                            | 250,000                     | -                              |
| Other Objects  | -                            | 30,000                      | -                              |
| Interest   | 30,073                       | 50,000                      | -                              |
| <b>TOTAL BUILDING ACQUISITION AND CONSTRUCTION</b>         | <b>5,178,426</b>             | <b>6,465,121</b>            | <b>12,968,842</b>              |
| <b>TOTAL EXPENDITURES, CAPITAL PROJECTS FUND</b>           | <b><u>10,692,688</u></b>     | <b><u>8,671,925</u></b>     | <b><u>15,667,192</u></b>       |
| <b>OTHER FINANCING SOURCES (USES)</b>                      |                              |                             |                                |
| Face Amount of Bonds Issued                                | -                            | 6,462,000                   | -                              |
| Transfers Out to Other Funds                               | (1,940,240)                  | (2,000,000)                 | (2,000,000)                    |
| Proceeds From Sale of Capital Assets                       | -                            | 4,000                       | -                              |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                | <b><u>\$ (1,940,240)</u></b> | <b><u>\$ 4,466,000</u></b>  | <b><u>\$ (2,000,000)</u></b>   |

Figures may vary slightly due to rounding.



## Major Revenues and Expenditures: Debt Service Fund

FY 2009 through FY 2011

| <b>REVENUES FROM LOCAL SOURCES</b> | <b>ACTUAL FY<br/>2009</b> | <b>FINAL<br/>BUDGET FY<br/>2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
|------------------------------------|---------------------------|-------------------------------------|--|
| Property Taxes                     | \$ 6,424,380              | \$ 6,503,301                        | \$ 6,446,331                           |
| TOTAL REVENUES FROM LOCAL SOURCES  | 6,424,380                 | 6,503,301                           | 6,446,331                              |
| <br>                               |                           |                                     |  |
| TOTAL REVENUES: DEBT SERVICE FUND  | <u>\$ 6,424,380</u>       | <u>\$ 6,503,301</u>                 | <u>\$ 6,446,331</u>                    |

| <b>EXPENDITURES: DEBT SERVICE</b>            | <b>ACTUAL FY<br/>2009</b> | <b>FINAL<br/>BUDGET FY<br/>2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
|--|---------------------------|-------------------------------------|--|
| Interest                                     | \$ 2,559,883              | \$ 2,403,000                        | \$ 2,232,000                           |
| Redemption of Principal                      | 3,850,000                 | 4,016,000                           | 4,186,000                              |
| Miscellaneous Expenditures                   | <u>4,255</u>              | <u>81,000</u>                       | <u>52,000</u>                          |
| <br>   |                           |                                     |  |
| <b>TOTAL EXPENDITURES: DEBT SERVICE FUND</b> | <u>\$ 6,414,138</u>       | <u>\$ 6,500,000</u>                 | <u>\$ 6,470,000</u>                    |

Figures may vary slightly due to rounding.

# Major Revenues and Expenditures by Fund

## Non-major Funds



## Major Revenues and Expenditures: Student Activity Fund

FY 2009 through FY 2011

|  | ACTUAL FY<br>2009          | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|--|----------------------------|----------------------------|-------------------------------|
| <b>REVENUES FROM LOCAL SOURCES</b>               |                            |                            |                               |
| Earnings on Investments                          | \$ 25,600.00               | \$ -                       | \$ -                          |
| Student Fees                                     | 658,414                    | 710,802                    | 725,160                       |
| School Vending                                   | 37,788                     | 32,040                     | 32,040                        |
| Community Services Activities                    | 605,620                    | 521,687                    | 526,687                       |
| Other Revenues From Local Sources                | <u>2,168,755</u>           | <u>2,060,971</u>           | <u>2,163,687</u>              |
| <b>TOTAL REVENUES FROM, LOCAL SOURCES</b>        | <b>3,496,177</b>           | <b>3,325,500</b>           | <b>3,447,574</b>              |
| <b>TOTAL REVENUES: STUDENT ACTIVITY FUND</b>     | <b><u>\$ 3,496,177</u></b> | <b><u>\$ 3,325,500</u></b> | <b><u>\$ 3,447,574</u></b>    |
| <br>   |                            |                            |                               |
|  | ACTUAL FY<br>2009          | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
| <b>EXPENDITURES: INSTRUCTION</b>                 |                            |                            |                               |
| Purchased Professional and Technical Services    | \$ 321,426                 | \$ 234,221                 | \$ 254,221                    |
| Purchased Property Services                      | 55,049                     | 58,745                     | 58,745                        |
| Other Purchased Services                         | 760,165                    | 511,295                    | 661,295                       |
| Supplies   | 1,772,526                  | 1,780,263                  | 1,710,263                     |
| Property   | 45,058                     | -                          | -                             |
| Other Objects                                    | 675,955                    | 651,085                    | 651,085                       |
| Dues and Fees                                    | 12,561                     | -                          | -                             |
| Total Other Objects (800)                        | <u>688,516</u>             | <u>651,085</u>             | <u>651,085</u>                |
| <b>TOTAL EXPENDITURES: INSTRUCTION</b>           | <b>3,642,740</b>           | <b>3,235,609</b>           | <b>3,335,609</b>              |
| <b>TOTAL EXPENDITURES: STUDENT ACTIVITY FUND</b> | <b><u>\$ 3,642,740</u></b> | <b><u>\$ 3,235,609</u></b> | <b><u>\$ 3,335,609</u></b>    |

Figures may vary slightly due to rounding.

## Major Revenues: Non K-12 Fund

FY 2009 through FY 2011

| <b>REVENUES FROM LOCAL SOURCES</b>            | <b>ACTUAL FY 2009</b>      | <b>FINAL BUDGET FY 2010</b> | <b>ORIGINAL BUDGET FY 2011</b> |
|---|----------------------------|-----------------------------|--------------------------------|
| Property Taxes                                | \$ 1,287,980               | \$ 656,799                  | \$ 644,848                     |
| Tuition from Pupils or Parents                | 80,950                     | 58,843                      | 58,843                         |
| Earnings on Investments                       | 2,872                      | -                           | -                              |
| Other Revenues From Local Sources             | <u>473,635</u>             | <u>483,311</u>              | <u>413,538</u>                 |
| <b>TOTAL REVENUES FROM, LOCAL SOURCES</b>     | <b>1,845,437</b>           | <b>1,198,953</b>            | <b>1,117,229</b>               |
| <b>REVENUES FROM STATE SOURCES</b>            |                            |                             |                                |
| Preschool-Handicapped                         | 667,034                    | 700,570                     | 715,732                        |
| Adult Education                               | 271,083                    | 302,813                     | 296,000                        |
| Social Security and Retirement                | 115,005                    | 62,547                      | 104,540                        |
| Revenues from Other State Agencies            | <u>756,951</u>             | <u>145,833</u>              | <u>20,000</u>                  |
| <b>TOTAL REVENUES FROM STATE SOURCES</b>      | <b>1,810,073</b>           | <b>1,211,763</b>            | <b>1,136,272</b>               |
| <b>REVENUES FROM FEDERAL SOURCES</b>          |                            |                             |                                |
| Special Ed - Preschool                        | 100,143                    | 100,067                     | 98,740                         |
| Adult Education                               | 94,769                     | 89,470                      | 89,470                         |
| Other Revenues From Federal Sources           | <u>603,055</u>             | <u>534,460</u>              | <u>464,722</u>                 |
| <b>TOTAL REVENUES FROM FEDERAL SOURCES</b>    | <b>797,967</b>             | <b>723,997</b>              | <b>652,932</b>                 |
| <b>TOTAL REVENUES: NON K-12 PROGRAMS FUND</b> | <b><u>\$ 4,453,477</u></b> | <b><u>\$ 3,134,713</u></b>  | <b><u>\$ 2,906,433</u></b>     |

Figures may vary slightly due to rounding.

## Major Expenditures: Non K-12 Fund

FY 2009 through FY 2011

| <b>EXPENDITURES: OTHER SERVICES</b>               | <b>ACTUAL FY 2009</b>      | <b>FINAL BUDGET<br/>FY 2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
|---|----------------------------|---------------------------------|--|
| Salaries  | \$ 634,723                 | \$ 484,291                      | \$ 477,530                             |
| Retirement  | 73,101                     | 34,332                          | 43,512                                 |
| Social Security                                   | 46,578                     | 23,829                          | 24,387                                 |
| Insurance (Health/Dental/Life)                    | 35,529                     | 4,941                           | 5,435                                  |
| Other Benefits                                    | 6,304                      | 58,437                          | 64,835                                 |
| Total Benefits (200)                              | 161,512                    | 121,539                         | 138,169                                |
| Purchased Professional and Technical Services     | 12,479                     | 2,800                           | 4,800                                  |
| Purchased Property Services                       | 371,860                    | 7,510                           | 7,510                                  |
| Other Purchased Services                          | 4,820                      | 4,829                           | 4,829                                  |
| Supplies  | 69,729                     | 26,174                          | 22,797                                 |
| Property  | 20,363                     | -                               | -                                      |
| Other Objects                                     | 801                        | -                               | -                                      |
| Total Other Objects (800)                         | <u>801</u>                 | <u>-</u>                        | <u>-</u>                               |
| <b>TOTAL OTHER SERVICES (3200)</b>                | <b>1,276,287</b>           | <b>647,143</b>                  | <b>655,635</b>                         |
| <b>EXPENDITURES: COMMUNITY SERVICES</b>           |                            |                                 |  |
| Salaries  | 2,146,711                  | 1,658,198                       | 1,494,721                              |
| Retirement  | 275,803                    | 220,632                         | 216,017                                |
| Social Security                                   | 158,158                    | 126,063                         | 116,250                                |
| Insurance (Health/Dental/Life)                    | 169,905                    | 149,947                         | 152,893                                |
| Other Benefits                                    | 21,219                     | 16,396                          | 15,139                                 |
| Total Benefits (200)                              | 625,085                    | 513,038                         | 500,299                                |
| Purchased Professional and Technical Services     | 111,676                    | 40,451                          | 28,417                                 |
| Purchased Property Services                       | 9,011                      | 176,967                         | 171,396                                |
| Other Purchased Services                          | 50,249                     | 19,277                          | 13,662                                 |
| Supplies  | 239,429                    | 163,846                         | 139,765                                |
| Property  | 7,135                      | 21,150                          |  |
| Other Objects                                     | 42,766                     | 49,510                          | 37,690                                 |
| Dues and Fees                                     | 1,586                      | 960                             | 635                                    |
| Total Other Objects (800)                         | <u>44,352</u>              | <u>50,470</u>                   | <u>38,325</u>                          |
| <b>TOTAL COMMUNITY SERVICES (3300)</b>            | <b>3,233,648</b>           | <b>2,643,397</b>                | <b>2,386,585</b>                       |
| <b>TOTAL EXPENDITURES: NON K-12 PROGRAMS FUND</b> | <b><u>\$ 4,509,935</u></b> | <b><u>\$ 3,290,540</u></b>      | <b><u>\$ 3,042,220</u></b>             |

Figures may vary slightly due to rounding.

**Other Financing Sources (Uses): Building Reserve Fund**  
 FY 2009 through FY 2011

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

| <b>OTHER FINANCING SOURCES (USES)</b>       | <b>ACTUAL FY<br/>2009</b> | <b>FINAL<br/>BUDGET FY<br/>2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
|---|---------------------------|-------------------------------------|--|
| Transfers In from Other Funds               | \$ 1,940,240              | \$ 2,000,000                        | \$ 2,000,000                           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <u>\$ 1,940,240</u>       | <u>\$ 2,000,000</u>                 | <u>\$ 2,000,000</u>                    |

## Major Revenues: Food Service Fund

FY 2009 through FY 2011

|  | ACTUAL FY<br>2009          | FINAL<br>BUDGET FY<br>2010 | ORIGINAL<br>BUDGET FY<br>2011 |
|--|----------------------------|----------------------------|-------------------------------|
| <b>REVENUES FROM LOCAL SOURCES</b>               |                            |                            |                               |
| Sales to Students                                | \$ 1,176,584               | \$ 1,052,288               | \$ 1,083,856                  |
| Sales to Adults                                  | 107,015                    | 90,701                     | 93,421                        |
| Other Revenues From Local Sources                | <u>38,382</u>              | <u>22,500</u>              | <u>23,175</u>                 |
| <b>TOTAL REVENUES, LOCAL SOURCES</b>             | <b>1,321,981</b>           | <b>1,165,489</b>           | <b>1,200,452</b>              |
| <b>REVENUES FROM STATE SOURCES</b>               |                            |                            |                               |
| Liquor Control Tax                               | <u>610,749</u>             | <u>650,000</u>             | <u>550,000</u>                |
| <b>TOTAL REVENUES, STATE SOURCES</b>             | <b>610,749</b>             | <b>650,000</b>             | <b>550,000</b>                |
| <b>REVENUES FROM FEDERAL SOURCES</b>             |                            |                            |                               |
| Lunch Reimbursement                              | 310,573                    | 360,000                    | 358,200                       |
| Lunch Reimbursement (Free and Reduced Meals)     | 1,765,062                  | 1,700,000                  | 1,691,500                     |
| Special Milk Reimbursement                       | 132                        | 300                        | 299                           |
| Breakfast Reimbursement                          | 461,439                    | 480,000                    | 477,600                       |
| Child and Adult Care Food Program                | 60,427                     | 60,000                     | 59,700                        |
| Other Child Nutrition Program Revenue            | <u>275,345</u>             | <u>273,000</u>             | <u>248,750</u>                |
| <b>TOTAL REVENUES, FEDERAL SOURCES</b>           | <b>2,872,978</b>           | <b>2,873,300</b>           | <b>2,836,049</b>              |
| <b>TOTAL REVENUES: SCHOOL FOOD SERVICES FUND</b> | <b><u>\$ 4,805,708</u></b> | <b><u>\$ 4,688,789</u></b> | <b><u>\$ 4,586,501</u></b>    |

Figures may vary slightly due to rounding.

## Major Expenditures and Other Financing Sources (Uses): Food Service Fund

FY 2009 through FY 2011

| <b>EXPENDITURES: FOOD SERVICES</b>            | <b>ACTUAL FY<br/>2009</b> | <b>FINAL<br/>BUDGET FY<br/>2010</b> | <b>ORIGINAL<br/>BUDGET FY<br/>2011</b> |
|---|---------------------------|-------------------------------------|--|
| Salaries                                      | \$ 1,807,794              | \$ 1,742,837                        | \$ 1,677,786                           |
| Retirement                                    | 377,447                   | 256,398                             | 262,370                                |
| Social Security                               | 133,393                   | 126,374                             | 128,355                                |
| Insurance (Health/Dental/Life)                | 195,552                   | 186,936                             | 200,546                                |
| Other Benefits                                | 17,969                    | 16,811                              | 16,573                                 |
| Purchased Professional and Technical Services | 15,847                    | 11,000                              | 11,000                                 |
| Purchased Property Services                   | 96,163                    | 127,240                             | 97,240                                 |
| Other Purchased Services                      | 2,988                     | 4,306                               | 4,106                                  |
| Non-Food Supplies                             | 210,780                   | 236,626                             | 236,626                                |
| Food  | 1,612,754                 | 1,590,537                           | 1,625,537                              |
| Property                                      | 276,065                   | 301,500                             | 435,250                                |
| Other Objects                                 | 328,008                   | 479,350                             | 477,614                                |
| Dues and Fees                                 | 3,178                     | 2,360                               | 2,360                                  |
| <b>TOTAL EXPENDITURES: FOOD SERVICE FUND</b>  | <u>\$ 5,077,938</u>       | <u>\$ 5,082,275</u>                 | <u>\$ 5,175,363</u>                    |
| <b>OTHER FINANCING SOURCES (USES)</b>         |                           |                                     |  |
| Transfers In from Other Funds                 | \$ 2,091                  | \$ -                                | \$ -                                   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <u>\$ 2,091</u>           | <u>\$ -</u>                         | <u>\$ -</u>                            |

Figures may vary slightly due to rounding.



# Capital Projects and Debt Service

## Supplementary Information



Provo Peaks Elementary School  
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## 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, land, 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. With the exception of the Farrer rebuild, which is described below, the Capital Projects fund is funded exclusively through local property taxes.

## Significant Non-routine Capital Expenditures

Some of the District’s non-routine capital expenditures are included on the Capital Projects list found on page 98. There are also significant non-routine capital expenditures in the General fund for FY 2011 resulting from the American Recovery and Reinvestment Act (ARRA) money made available to the District. Qualified School Construction Bonds (QSCB) are part of the federal stimulus bill of 2009 and are discussed in more detail on the following pages. A table showing the costs and timeline of the Farrer rebuild project (Provo Peaks Elementary), funded through the QSCB program, is shown below:

### Provo Peaks Construction Schedule - Tentative, Subject to Change

| Date           | Amount               |      | Notes                                   |
|----------------|----------------------|------|---|
| March 2010     | \$ 300,000           |      | Site work, architectural                |
| April 2010     | 1,000,000            | FY10 | Site work                               |
| May 2010       | 1,450,000            |      | Building and construction               |
| June 2010      | 1,500,000            |      | Building and construction               |
| July 2010      | 1,200,000            |      | Building and construction               |
| August 2010    | 1,250,000            |      | Building and construction               |
| September 2010 | 1,200,000            |      | Building and construction               |
| October 2010   | 1,100,000            |      | Building and construction               |
| November 2010  | 899,000              |      | Building and construction               |
| December 2010  | 750,000              | FY11 | Building and construction               |
| January 2011   | 750,000              |      | Building and construction               |
| February 2011  | 750,000              |      | Building and construction               |
| March 2011     | 750,000              |      | Building and construction               |
| April 2011     | 750,000              |      | Building and construction               |
| May 2011       | 700,000              |      | Building and construction               |
| June 2011      | 450,000              |      | Building and construction               |
| July 2011      | 250,000              |      | Building and construction               |
| August 2011    | 200,000              | FY12 | Completion work, furniture and fixtures |
| September 2011 | 200,000              |      | Completion, furniture and fixtures      |
| October 2011   | 100,000              |      | Completion, furniture and fixtures      |
| <b>Total:</b>  | <u>\$ 15,549,000</u> |      |   |

## Other Significant Non-routine Capital Expenditures

The capital improvement list on page 98 includes other significant non-routine capital expenditures. 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 2011, the Capital Improvement list includes projects totaling \$2,785,000 (excluding the FY 2011 portion of the multi-year Farrer rebuild) and \$13,334,500 including the FY 2011 portion of the Farrer rebuild.

### Effect on Operations of Major Capital Projects

#### Financial

There is no material financial impact on operations resulting from the FY 2011 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 in new buildings. In 2010 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/<br>Utilities | Other Non-<br>compensation | Total   |
| FY 2011  | \$ -         | \$ -                      | \$ -                       | \$ -    |
| 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 2010 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 98 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

## 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 during FY 2007, the projects were completed by January 30, 2009.

Qualified School Construction Bonds (QSCB) are part of the federal stimulus bill of 2009.

The District was awarded \$6.4 million in QSCB funding to help fund the rebuild of Farrer Elementary, to be called Provo Peaks Elementary. These funds are actually tax credit bonds, which allows the District to fund part of the school at very low interest rates.

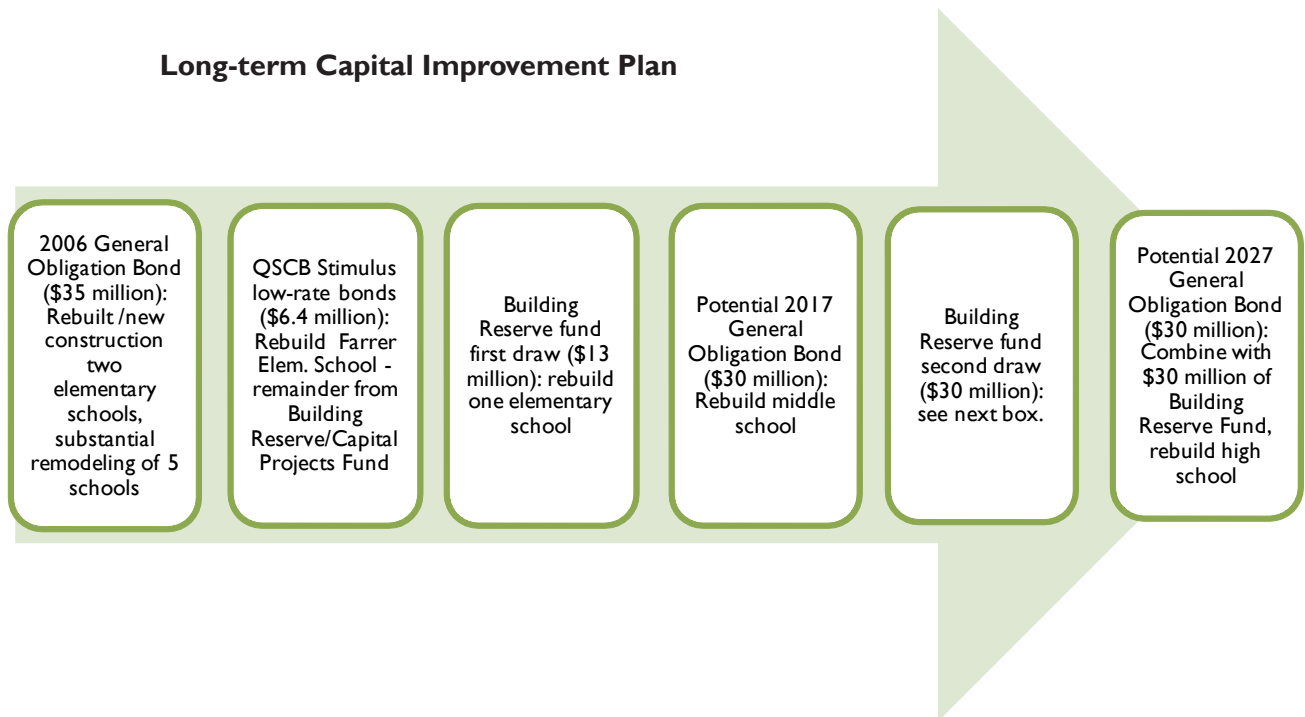
**“All capital projects and maintenance efforts are part of a progressive 20 year building replacement plan.”**

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

As mentioned previously, a detailed capital improvement list for FY 2011 can be found on page 98. The 2011 projects will start on or around July 1, 2010, and, with the exception of the Farrer

rebuild and possibly a few other projects, be completed by June 30, 2011.

### Long-term Capital Improvement Plan



## Long-term Capital Improvement Study

A joint effort in 2008 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.

| Elementary           | Current          | Age in Years | Current               | 10 YR                | Seismic              | Total Investment      | % of       |
|----------------------|------------------|--------------|-----------------------|----------------------|----------------------|-----------------------|------------|
|                      | SQ FT            |              | Replacement           |                      |                      |                       | Investment |
|                      |                  |              | Cost                  | Investment           |                      |                       | Cost       |
| 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%         |
| Maeser               | -                |              | -                     | -                    | -                    | -                     | 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> |                  |              |                       |                      |                      |                       |            |
| 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%        |
| Total                | <u>1,998,288</u> |              | <u>\$ 340,195,280</u> | <u>\$ 94,943,100</u> | <u>\$ 31,565,311</u> | <u>\$ 126,508,411</u> |            |

**Short-term Capital Improvement List**  
 FY 2010-11

| <b>School</b>               | <b>Project</b>  | <b>FY11 Proposed<br/>Projects/Budget</b> |
|-----------------------------|---|--|
| Canyon Crest                | HVAC  | \$ 32,000                                |
| Edgemont                    | HVAC  | 20,000                                   |
|                             | Classroom addition (portable)                               | 10,000                                   |
|                             | Roof  | 20,000                                   |
| Franklin                    | Drive-thru/pick-up zone                                     | 30,000                                   |
|                             | Seismic   | 200,000                                  |
|                             | Fire sprinkling system                                      | 250,000                                  |
|                             | HVAC  | 10,000                                   |
| Lakeview                    | Playground  | 10,000                                   |
| Provost                     | HVAC  | 40,000                                   |
| Rock Canyon                 | Fire alarm  | 40,000                                   |
|                             | Seismic-Carbon wrap   | -  |
|                             | Fire sprinkling system (2nd phase)                          | -  |
|                             | HVAC  | 20,000                                   |
|                             | Roof--Geogard   | 25,000                                   |
| Sunset View                 | HVAC  | 30,000                                   |
|                             | Roof  | 29,500                                   |
| Wasatch                     | New doors on east side of cafeteria/gym                     | 25,000                                   |
|                             | HVAC  | 20,000                                   |
| Westridge                   | Fire alarm system   | 40,000                                   |
|                             | HVAC  | 56,000                                   |
| Centennial                  | HVAC  | 50,000                                   |
|                             | Asphalt replacement   |  |
|                             | Roof  | 15,000                                   |
| Dixon                       | HVAC  | 25,000                                   |
|                             | New ceiling (locker rooms, office)                          | 10,000                                   |
| Independence                | HVAC  | 25,000                                   |
|                             | Roof--Geogard   | 25,000                                   |
| Provo                       | HVAC  | 80,000                                   |
|                             | Railings (refit stair openings for safety)                  | 5,000                                    |
|                             | Roof  | 36,000                                   |
|                             | Exterior doors (replace and rekey)                          | 35,000                                   |
| Timpview                    | HVAC - Chiller  | 500,000                                  |
|                             | Replace steel framed exterior doors                         | 18,000                                   |
| Oakridge                    | HVAC  | 40,000                                   |
| All Schools                 | Security upgrades   | 30,000                                   |
| Grandview/CAS               | HVAC  | 10,000                                   |
| District Office             | Remodel District Office offices (transportation/facilities) | 24,000                                   |
| Maintenance                 | Contingency/Emergency (Includes projects <\$10,000)         | 250,000                                  |
| <u>Operational Expenses</u> | <u>Professional and Technical Services</u>                  | <u>700,000</u>                           |
|                             | Semi-total:   | 2,785,500                                |
|                             | Farrer Rebuild:   | 10,549,000                               |
|                             | <b>Total:</b>   | <b>\$ 13,334,500</b>                     |

## Debt Obligations

As of June 30, 2010

| <b>Governmental activities<sup>1</sup></b> | <b>Beginning Balance</b> | <b>Additions</b>    | <b>Reductions</b>   | <b>Ending Balance</b> | <b>Noncurrent Liabilities Due Within One Year</b> |
|--|--------------------------|---------------------|---------------------|-----------------------|---|
| General obligation bonds                   | \$ 56,384,000            | \$ -                | \$ 4,016,000        | \$ 52,368,000         | \$ 4,186,000                                      |
| Lease Revenue bonds                        | -                        | 6,462,000           | -                   | 6,462,000             | -   |
| Obligations under lease agreements         | 285,128                  | 81,721              | 310,211             | 56,638                | 13,671  |
| Accrued vacation payable                   | 904,990                  | 128,796             | 69,052              | 964,734               | 964,734   |
| <b>Total governmental activities</b>       | <b>\$ 57,574,118</b>     | <b>\$ 6,672,517</b> | <b>\$ 4,395,262</b> | <b>\$ 59,851,373</b>  | <b>\$ 5,164,406</b>                               |

<sup>1</sup>Per GASB 45, Other Post Employment Benefits (OPEB) are now accounted for as a designated fund balance on the balance sheet, rather than as a liability. As of June 30, 2010, the balance was \$12,498,244. This amount represents the full amount required to be on hand according to an analysis conducted by an independent actuarial firm. See page 72 for an accounting of where the fund balance is held.

### General Obligation Bonds

| <b>Series</b>   | <b>Purpose</b>  | <b>Original Amount</b> | <b>Interest Rate Range</b> | <b>Final Maturity Date</b> | <b>Current Outstanding Balance</b> |
|---|-----------------|------------------------|----------------------------|----------------------------|------------------------------------|
| 1998 Series G.O. Refunding Bonds                            | Bond Refunding  | 4,950,000              | 3.40% to 4.15%             | June 15, 2013              | 1,490,000                          |
| 2004 Series G.O. Refunding Bonds                            | Bond Refunding  | 18,690,000             | 2.0% to 5.0 %              | June 15, 2017              | 14,480,000                         |
| 2006 Series G.O. Bonds                                      | School Building | 9,400,000              | 4%                         | June 15, 2026              | 7,975,000                          |
| 2007A Series G.O. Refunding Bonds                           | Bond Refunding  | 8,220,000              | 3.807%                     | June 15, 2015              | 4,973,000                          |
| 2007B Series G.O. Bonds                                     | School Building | 25,600,000             | 4.00% to 4.50%             | June 15, 2027              | 23,450,000                         |
| Total General Obligation Bonds Payable as of June 30, 2010: |                 |                        |                            |                            | <u>\$ 52,368,000</u>               |

### Combined General Obligation Bonds

| <b>Year Ending June 30</b> | <b>Principal</b>     | <b>Interest</b>      | <b>Debt Service Fund</b> |
|----------------------------|----------------------|----------------------|--------------------------|
| 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                       | 4,701,000            | 1,727,698            | 6,428,698                |
| 2015                       | 4,936,000            | 1,515,951            | 6,451,951                |
| 2016-2020                  | 14,440,000           | 4,768,563            | 19,208,563               |
| 2021-2025                  | 10,925,000           | 2,327,875            | 13,252,875               |
| 2026-2027                  | 4,325,000            | 261,875              | 4,586,875                |
|                            | <u>\$ 52,368,000</u> | <u>\$ 16,819,270</u> | <u>\$ 69,187,270</u>     |

## Relationship of Debt Levels to Legal Debt Limit

The approximate adjusted<sup>1</sup> assessed value of taxable properties in Provo is \$4.25 billion, meaning the District's general obligation debt limit is approximately \$170 million (\$4.25 billion x 4%). It was noted previously that the District's general obligation debt is at 1.23% 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.

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 issue general obligation bonds until 2017 as part of this plan, although it was awarded \$6.4 million in tax credit bonds as part of the 2009 Federal Stimulus Bill. These tax credit bonds, mentioned previously, are available to the District at an extremely low interest rate, making it possible to accelerate the construction of Provo Peaks Elementary, which will replace the aging Farrer building on the east side of the city.

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

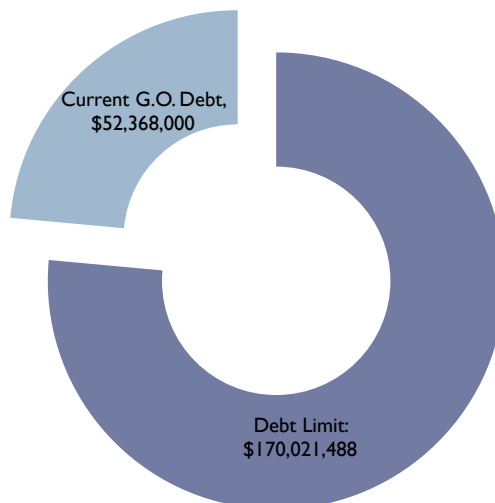
Through the bond election, public survey on budget initiatives, community meetings, Board of Education meetings and other correspondence, Provo citizens have stressed their support for safe and modern buildings in the District.

### Impact of Debt on Operations

There is no direct impact of the District's current debt on regular operations. For example, choosing to go to the public for a bond election won't

raise class sizes, lower teacher pay, etc. The main reason for this is the fact that long-term debt is funded through a separate tax levy than the General fund.

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



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



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# I n f o r m a t i o n a l

“It’s hard to imagine a school district that values children and understands the importance of education more than Provo School District”

-Lewis Billings  
Former Mayor  
Provo City

## Section



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



## Provo: Past and Present

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

**“With a population of 124,000 and a land area of 43 square miles, Provo is the county seat of Utah County”**

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.

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 over 124,000 and a land area of 43 square miles, Provo, which uses a mayor-council form of government, is the county seat of Utah County and home to the county offices and courts. It also has one of the highest population densities in the state of Utah. Its close proximity to the mountains and Utah Lake gives its residents superior recreational opportunities throughout both the winter and summer months.



## Provo: Past and Present Continued

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. As of July 1, 2009, the Bureau estimated that Utah County's population had grown to 545,591.

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 2.3 million residents, the Wasatch Front accounts for more than 80% of Utah's population.

Although Provo City continues to grow at a moderate pace, the percentage of Utah County residents residing in Provo continues to decrease as the northern and southern parts of the county are seeing explosive growth. In 2000, Provo made up 29% of the county population. But in 2009, Provo made up less than 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.

Source: District data, Provo City, US Census Bureau

Map of Utah County Area



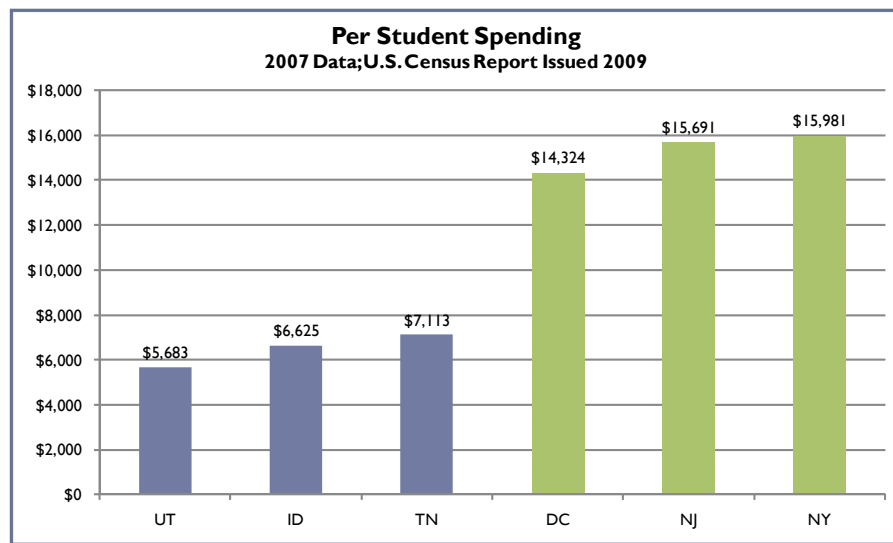
Source: Google Maps™

## Utah Economic Environment

The economic outlook of the District is heavily dependent on state aid, which for FY 2011 will provide 49% of total revenues, and 62% of General fund revenues. The Utah State Uniform School Fund was established constitutionally in 1938 and is used to ensure equitable funding for public education statewide. Since 1947, all taxes based on income have been constitutionally required to be used for public education. In 1996, voters in Utah approved a constitutional change providing that these revenues could also be used for higher education. Additionally, a statewide property tax rate is levied to finance the Uniform School Fund and is applied against the taxable value of real and personal property.

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

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



### Economic Indicators

**Population** - The state's official July 1, 2009 population was estimated to be 2.8 million, an increase of 1.5% from 2008. Natural increase made up 96% of this increase.

**Rate of Growth** - The U.S. Census Bureau ranked Utah second among states with a population growth rate of 2.1% from 2008 to 2009. The U.S. rate of growth was 0.9%.

**Long-Term Projections** - The state's population is projected to reach 3.7 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 2009, an estimated 563,273 students were in Utah's public education system, an increase of 12,260 students, or 2.2%, over 2008.

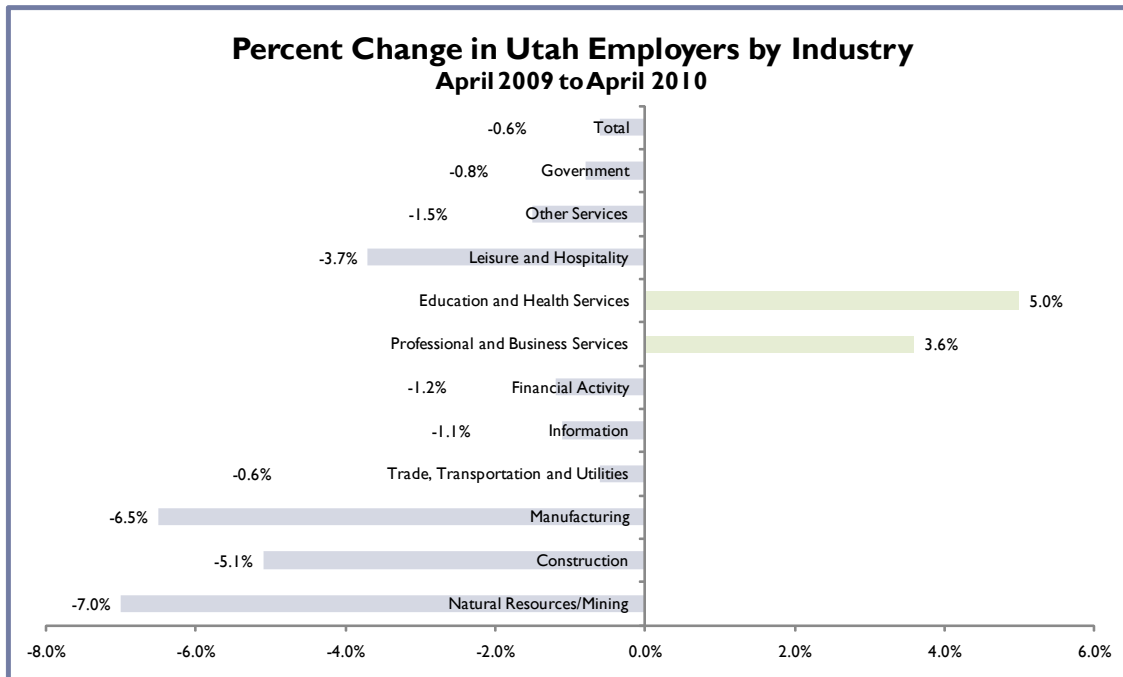
## Economic Indicators Continued

**Employment Change** – Utah’s non-agricultural employment declined an estimated 0.6%, or 7,100 jobs, between April 2009 and April 2010. Nationally, employment contracted 1.0%, or 1.4 million jobs, over the same period.

**Unemployment** – Utah’s unemployment rate was 7.3% during April 2010, up from the April 2009 rate of 6.7%. The national unemployment rate was 9.7% in May 2010, up from the May 2009 rate of 9.1%.

**Average Annual Pay** – Utah’s average annual pay grew 0.8% to reach \$37,764 in 2009. Annual pay is forecast to increase 1.5% to \$38,337 in 2010. Average annual pay for the nation in 2009 was \$48,237 and is forecast to be \$49,831 in 2010, an increase of 3.3%.

**Total Personal Income** – Utah’s total personal income reached \$86.3 billion in the fourth quarter of 2009. Annual growth in this quarter of -0.9% was 32nd in the nation. National change in personal income over the same period was -1.0%.



Source: 2010 Economic Outlook, State of Utah Governor’s Office

### Existing Home Prices

First Quarter 2010 Over First Quarter 2009

| MSA                   | Median Sales Price | Percent Change |
|-----------------------|--------------------|----------------|
| Cache/Logan           | \$ 125,980         | -10.9%         |
| Salt Lake City        | \$ 200,000         | -11.9%         |
| Ogden-Clearfield      | \$ 140,250         | -12.6%         |
| Provo                 | \$ 137,900         | -17.9%         |
| Washington/St. George | \$ 127,040         | -21.8%         |
| State of Utah         | \$ 155,620         | -13.7%         |
| United States         | \$ 168,980         | 0.9%           |

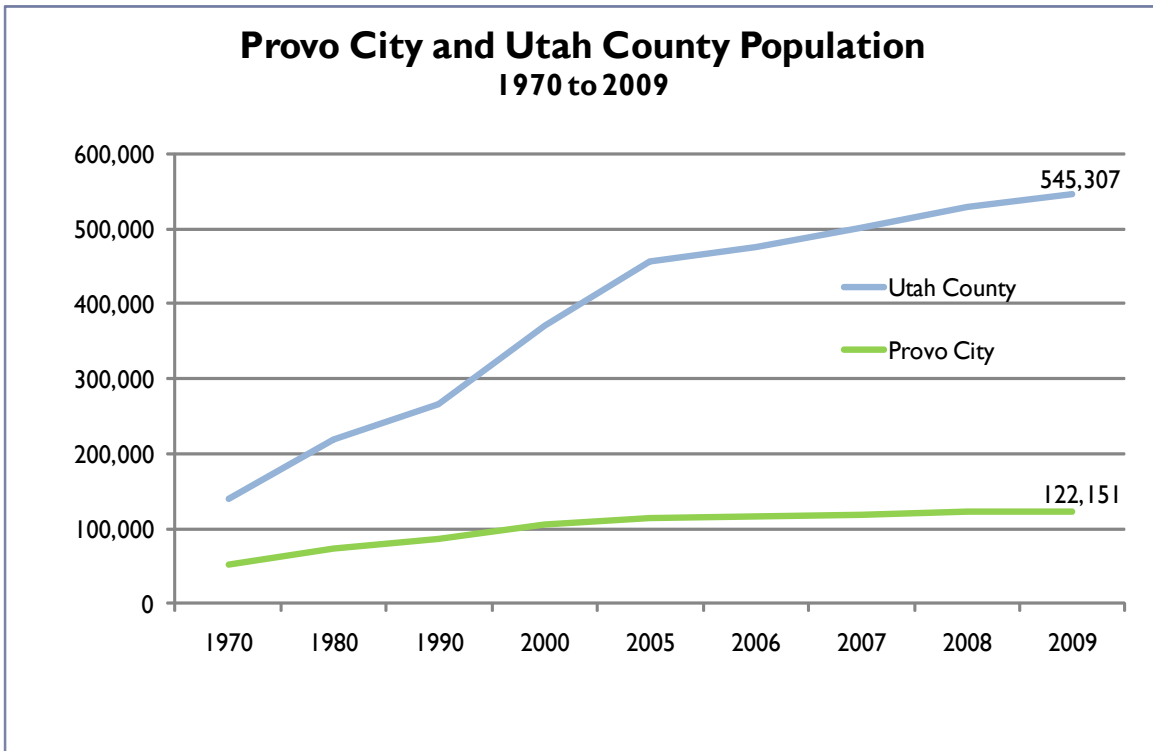
**Home Prices** – According to the Federal Housing Finance Agency (FHFA) House Price Appreciation Ranking, Utah’s house prices were down 8.9% in the first quarter of 2010 from fourth quarter of 2009. This ranks Utah 47th in the nation.

## Historical Utah County and Provo City Population 1970-2010

According to the U.S. Census Bureau, Utah County added nearly 200,000 residents from 2000 to 2009. 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.

| 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 | 529,755         | 122,000              |
| 2009 | 545,307         | 122,151              |
| 2010 | Approx. 555,000 | 124,496 <sup>1</sup> |

<sup>1</sup>Provo City estimate

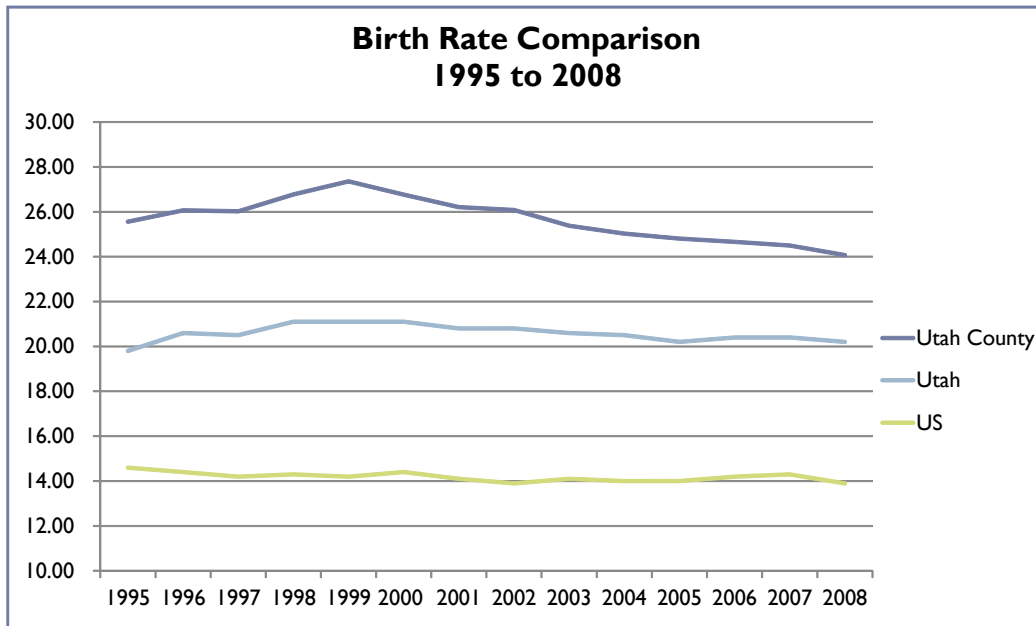




### Birth Rates: Utah County - Utah - U.S.

1995-2008 (most recent year available)

| Year | Utah County | Utah | US   |
|------|-------------|------|------|
| 1995 | 25.56       | 19.8 | 14.6 |
| 1996 | 26.07       | 20.6 | 14.4 |
| 1997 | 26.02       | 20.5 | 14.2 |
| 1998 | 26.77       | 21.1 | 14.3 |
| 1999 | 27.36       | 21.1 | 14.2 |
| 2000 | 26.77       | 21.1 | 14.4 |
| 2001 | 26.21       | 20.8 | 14.1 |
| 2002 | 26.08       | 20.8 | 13.9 |
| 2003 | 25.38       | 20.6 | 14.1 |
| 2004 | 25.03       | 20.5 | 14   |
| 2005 | 24.81       | 20.2 | 14   |
| 2006 | 24.66       | 20.4 | 14.2 |
| 2007 | 24.50       | 20.4 | 14.3 |
| 2008 | 24.07       | 20.2 | 13.9 |



<sup>1</sup>Rates are per 1,000 people.

Source: Utah Department of Health, "Utah's Vital Statistics: Births and Deaths, 2008";

## Provo Information and Attractions



### Points of Interest and Special Events

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

### 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 |

### 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: Provo City  
 (www.provo.org)

## Largest Employers in Provo, Largest Taxpayers in Utah County

### Largest Employers in Provo City

2009 (most recent year available)

| <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              |
| Ancestry.com                        | 500-999                      | Information             |
| Nuskin International                | 500-999                      | Wholesale Nutraceutical |
| Provo City                          | 500-999                      | Government              |
| Utah State Hospital                 | 500-999                      | Health Care             |

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

### Largest Taxpayers in Utah County

2007 (most recent year available)

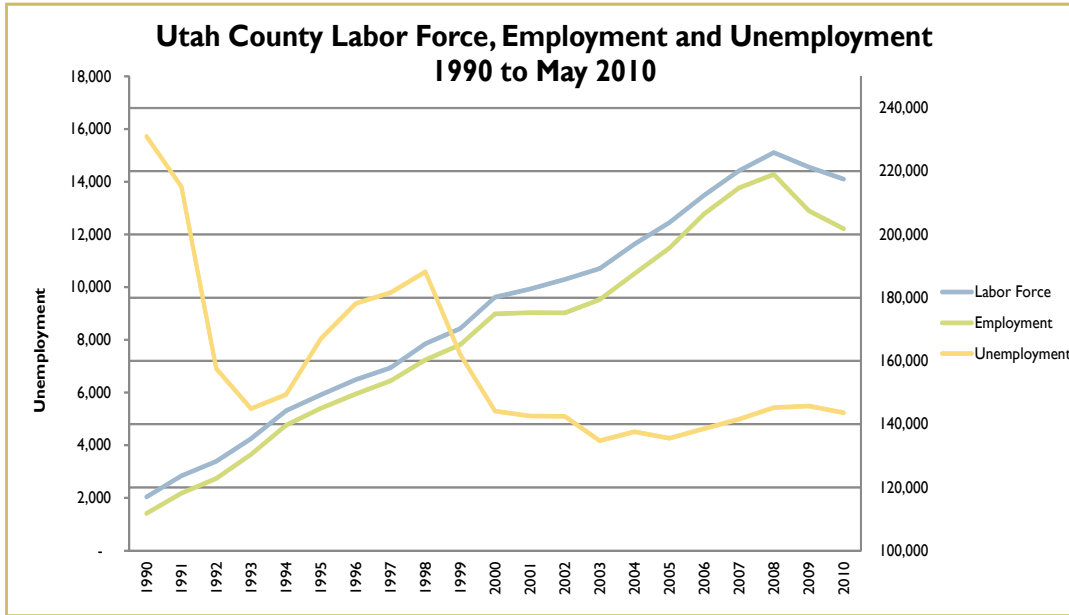
| <u>Taxpayer</u>                 | <u>Taxable Assessed Value</u> | <u>Rank</u> | <u>Percent of District's Total Taxable Value (1)</u> |
|---------------------------------|-------------------------------|-------------|--|
| Micron Technology Inc.          | 162,088,614                   | 1           | 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 2010

For the first time in two decades, the labor force in Utah County decreased in 2009 and 2010, even though the overall population saw rapid growth during this period.



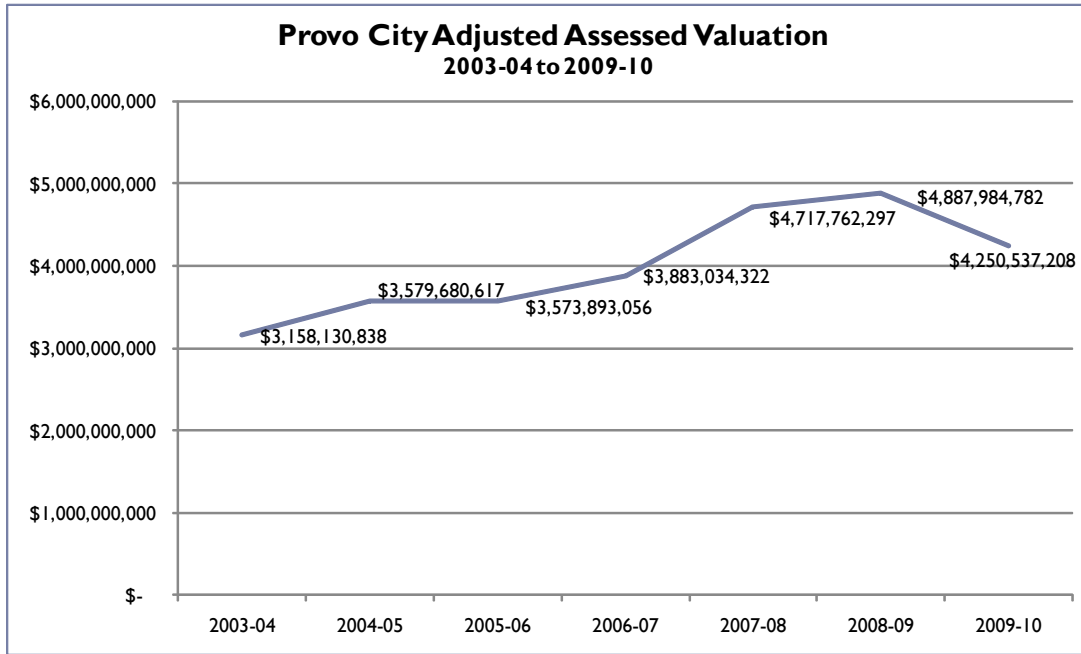
| Year | Labor Force | Employment | Unemployment | Unemployment Rate |
|------|-------------|------------|--------------|-------------------|
| 2010 | 217,503     | 201,787    | 15,716       | 6.20%             |
| 2009 | 221,313     | 207,498    | 13,815       | 0.07              |
| 2008 | 225,889     | 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

<http://jobs.utah.gov/jsp/wi/utalmis/countyhistdata.do>

## Provo City

Assessed Market Value of Property  
2003-04 to 2009-10



Source: Utah County Auditor

### 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 2006, 2007 and 2008. The second page contains tax rates and anticipated and/or budgeted amounts for fiscal years 2009, 2010 and 2011. Revenue received from various fees and redemptions are reported on this schedule but are not subject to a tax rate.

| Year    | Assessed Valuation | Percent Growth |
|---------|--------------------|----------------|
| 2009-10 | \$ 4,250,537,208   | -13.0%         |
| 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            |

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 55% of the actual value property. Businesses do not receive this exemption. More information on this can be found on page 115.

## Property Tax Rates and Collections

FY 2006 to FY 2008

| LEVY   | FY 2006            |                          | FY 2007            |                          | FY 2008            |                          |
|--|--------------------|--------------------------|--------------------|--------------------------|--------------------|--------------------------|
|  | TAX RATE           | ACTUAL REVENUE           | TAX RATE           | ACTUAL REVENUE           | TAX RATE           | ACTUAL REVENUE           |
| Basic Program                                | 0.001720 \$        | 5,768,256                | 0.001515 \$        | 5,623,849                | 0.001311 \$        | 5,353,161                |
| Voted Leeway                                 | 0.000860           | 2,883,627                | 0.001034           | 3,655,014                | 0.000877           | 3,581,024                |
| Board Leeway (Class Size Reduction)          | 0.000400           | 1,612,588                | 0.000400           | 1,358,300                | 0.000339           | 1,656,900                |
| Board Leeway (Reading Program)               | 0.000000           |                          | 0.000000           | -                        | -                  | -                        |
| Transportation                               | 0.000120           | 402,646                  | 0.000113           | 383,752                  | 0.000096           | 388,651                  |
| Tort Liability                               | 0.000075           | 251,403                  | 0.000071           | 241,141                  | 0.000060           | 242,866                  |
| Recreation                                   | 0.000320           | 1,073,691                | 0.000302           | 1,061,800                | 0.000256           | 1,066,236                |
| Gen Oblig Debt                               | 0.001003           | 3,363,888                | 0.001201           | 4,198,811                | 0.001018           | 4,239,950                |
| Capital Outlay Foundation                    | 0.000568           | 1,957,564                | 0.000435           | 1,530,001                | 0.000369           | 1,536,878                |
| 10% of Basic Capital                         | 0.001058           | 3,505,937                | 0.001076           | 3,784,555                | 0.000913           | 3,802,626                |
| Redemptions - Basic Levy                     | -                  | 426,685                  | -                  | 413,193                  | -                  | 399,913                  |
| Redemptions - Voted Leeway                   | -                  | 213,342                  | -                  | 538,662                  | -                  | 370,933                  |
| Redemptions - Special Transportation         | -                  | 30,048                   | -                  | 54,473                   | -                  | 29,035                   |
| Redemptions - Tort Liability                 | -                  | 19,031                   | -                  | 32,522                   | -                  | 18,144                   |
| Vehicle Fees in Lieu of Tax Basic            | -                  | 740,188                  | -                  | 662,428                  | -                  | 742,603                  |
| Vehicle Fees in Lieu of Tax - Voted Leeway   | -                  | 369,593                  | -                  | 429,873                  | -                  | 688,791                  |
| Vehicle Fees in Lieu of Tax - Sp. Trans.     | -                  | 52,084                   | -                  | 49,575                   | -                  | 53,914                   |
| Vehicle Fees in Lieu of Tax - Tort Liab.     | -                  | 32,051                   | -                  | 30,737                   | -                  | 33,691                   |
| Vehicle Fees in Lieu of Tax (Non K12)        | -                  | 137,344                  | -                  | 199,813                  | -                  | 79,654                   |
| Tax Sales and Redemptions & Other (Non K12)  | -                  | 79,199                   | -                  | 76,102                   | -                  | 147,910                  |
| Vehicle Fees in Lieu of Tax (Debt Service)   | -                  | 431,756                  | -                  | 516,932                  | -                  | 316,749                  |
| Tax Sales and Redemptions & Other (Debt Svc) | -                  | 248,434                  | -                  | 284,769                  | -                  | 588,176                  |
| Vehicle Fees in Lieu of Tax Cap Found        | -                  | 234,391                  | -                  | 256,440                  | -                  | 213,199                  |
| Vehicle Fees in Lieu of Tax 10% Basic        | -                  | 458,851                  | -                  | 445,766                  | -                  | 527,509                  |
| Tax Sales and Redemptions Cap Foundation     | -                  | 135,073                  | -                  | 536,899                  | -                  | 114,814                  |
| Tax Sales and Redemptions 10% of Basic       | -                  | <u>264,186</u>           | -                  | <u>248,760</u>           | -                  | <u>284,079</u>           |
| <b>TOTALS - ALL FUNDS</b>                    | <b>0.006124 \$</b> | <b><u>24,691,856</u></b> | <b>0.006147 \$</b> | <b><u>26,614,167</u></b> | <b>0.005239 \$</b> | <b><u>26,477,406</u></b> |

## Property Tax Rates and Collections

FY 2009 to FY 2011

| LEVY   | FY 2009         |                      | FY 2010         |                      | FY 2011         |                      |
|--|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|
|  | TAX RATE        | ACTUAL REVENUE       | TAX RATE        | AMOUNT BUDGETED      | TAX RATE        | AMOUNT ANTICIPATED   |
| Basic Program                                | 0.001250        | \$ 5,294,800         | 0.001433        | \$ 5,960,624         | 0.001495        | \$ 6,243,000         |
| Voted Leeway                                 | 0.001275        | 5,675,765            | 0.001346        | 5,598,744            | 0.00134         | 5,596,000            |
| Board Leeway (Class Size Reduction)          | 0.000214        | 1,157,100            | 0.000226        | 940,057              | 0.000392        | 1,639,000            |
| Board Leeway (Reading Program)               | 0.000121        | 529,989              | 0.000121        | 503,304              | 0.000121        | 505,000              |
| Transportation                               | 0.000093        | 422,359              | 0.000098        | 407,365              | -               | -                    |
| Tort Liability                               | 0.000058        | 262,620              | 0.000061        | 253,732              | -               | -                    |
| Recreation                                   | 0.000249        | 1,101,302            | 0.000132        | 549,060              | 0.000132        | 550,000              |
| Gen Oblig Debt                               | 0.001242        | 5,491,824            | 0.001307        | 5,436,522            | 0.001317        | 5,500,000            |
| Capital Outlay Foundation                    | 0.000828        | 3,659,895            | 0.00093         | 3,868,374            | 0.000982        | 4,100,000            |
| 10% of Basic Capital                         | 0.000884        | 3,910,262            | 0.000493        | 2,048,575            | 0.000464        | 1,935,000            |
| 10% of Basic Operating                       | -               | -                    | 0.000492        | 2,048,574            | 0.000463        | 1,935,000            |
| Redemptions - Basic Levy                     | -               | 314,494              | -               | 586,339              | -               | 538,510              |
| Redemptions - Voted Leeway                   | -               | 337,311              | -               | 550,741              | -               | 482,678              |
| Redemptions - Board Leeway                   | -               | 56,549               | -               | 92,472               | -               | 141,201              |
| Redemptions - Special Transportation         | -               | 25,261               | -               | 40,099               | -               | -                    |
| Redemptions - Tort Liability                 | -               | 16,099               | -               | 24,959               | -               | -                    |
| Redemptions - Reading Levy                   | -               | 31,779               | -               | 49,509               | -               | 43,585               |
| Redemptions - 10% of Basic                   | -               | -                    | -               | -                    | -               | 166,776              |
| Vehicle Fees in Lieu of Tax Basic            | -               | 584,343              | -               | 583,281              | -               | 535,723              |
| Vehicle Fees in Lieu of Tax Board Leeway     | -               | 105,162              | -               | 91,990               | -               | 480,180              |
| Vehicle Fees in Lieu of Tax - Voted Leeway   | -               | 627,003              | -               | 547,869              | -               | 140,471              |
| Vehicle Fees in Lieu of Tax - Sp.Trans.      | -               | 46,480               | -               | 39,889               | -               | -                    |
| Vehicle Fees in Lieu of Tax - Tort Liab.     | -               | 29,180               | -               | 24,829               | -               | -                    |
| Vehicle Fees in Lieu of Tax - Reading        | -               | 58,432               | -               | 49,251               | -               | 43,360               |
| Vehicle Fees in Lieu of Tax - 10% of Basic   | -               | -                    | -               | -                    | -               | 165,913              |
| Vehicle Fees in Lieu of Tax (Non K12)        | -               | 121,489              | -               | 53,729               | -               | 47,301               |
| Tax Sales and Redemptions & Other (Non K12)  | -               | 65,189               | -               | 54,010               | -               | 47,547               |
| Vehicle Fees in Lieu of Tax (Debt Service)   | -               | 606,260              | -               | 531,995              | -               | 471,938              |
| Tax Sales and Redemptions & Other (Debt Svc) | -               | 326,296              | -               | 534,784              | -               | 474,393              |
| Vehicle Fees in Lieu of Tax Cap Found        | -               | 371,608              | -               | 400,929              | -               | 351,893              |
| Vehicle Fees in Lieu of Tax 10% Basic        | -               | 464,263              | -               | 378,542              | -               | 166,271              |
| Tax Sales and Redemptions Cap Foundation     | -               | 200,097              | -               | 403,031              | -               | 353,724              |
| Tax Sales and Redemptions 10% of Basic       | -               | 249,382              | -               | 380,527              | -               | 167,136              |
| <b>TOTALS - ALL FUNDS</b>                    | <b>0.006214</b> | <b>\$ 32,142,593</b> | <b>0.006639</b> | <b>\$ 33,033,706</b> | <b>0.006706</b> | <b>\$ 32,821,600</b> |

## Impact of Property Taxes on Taxpayers

2005-06 to 2010-11

| Residential                 |            |            |            |            |            |            |
|-----------------------------|------------|------------|------------|------------|------------|------------|
| Year                        | 2005-06    | 2006-07    | 2007-08    | 2008-09    | 2009-10    | 2010-11    |
| Home Value                  | \$ 250,000 | \$ 250,000 | \$ 250,000 | \$ 250,000 | \$ 250,000 | \$ 250,000 |
| Residential Exemption       | 45%        | 45%        | 45%        | 45%        | 45%        | 45%        |
| Assessed Value              | \$ 137,500 | \$ 137,500 | \$ 137,500 | \$ 137,500 | \$ 137,500 | \$ 137,500 |
| District Total Tax Rate     | 0.006124   | 0.006147   | 0.005239   | 0.006214   | 0.006639   | 0.006749   |
| District Property Taxes     | \$ 842.05  | \$ 845.21  | \$ 720.36  | \$ 854.43  | \$ 912.86  | \$ 922.08  |
| Taxes per \$1,000 of value: | \$ 3.37    | \$ 3.38    | \$ 2.88    | \$ 3.42    | \$ 3.65    | \$ 3.71    |

| Business/Commercial         |             |             |             |             |             |             |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Year                        | 2005-06     | 2006-07     | 2007-08     | 2008-09     | 2009-10     | 2010-11     |
| Business Value              | 250,000     | 250,000     | 250,000     | 250,000     | 250,000     | 250,000     |
| Assessed Value              | 250,000     | 250,000     | 250,000     | 250,000     | 250,000     | 250,000     |
| District Total Tax Rate     | 0.006124    | 0.006147    | 0.005239    | 0.006214    | 0.006639    | 0.006706    |
| District Property Taxes     | \$ 1,531.00 | \$ 1,536.75 | \$ 1,309.75 | \$ 1,553.50 | \$ 1,659.75 | \$ 1,676.50 |
| Taxes per \$1,000 of value: | \$ 6.12     | \$ 6.15     | \$ 5.24     | \$ 6.21     | \$ 6.64     | \$ 6.71     |

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. However, with property values decreasing that figure is higher than 2010-11 values are projected to be, meaning out-of-pocket property taxes will likely be lower than the tables on this page indicate.

### SIMPLE PROPERTY TAX DETERMINATION

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

On a \$250,000 home, 2010-11 property tax attributable to the District would be: **\$250,000 x 0.55 x .006706, or \$922.08**, an increase of \$9.22 when compared to 2009-10 (see table and note above).

#### Business: Assessed Business Value x Tax Rate

On a \$250,000 business, 2010-11 property tax attributable to the District would be: **\$250,000 x .006706, or \$1,676.50**, an increase of \$16.75 when compared to 2009-10 (see table and note above).



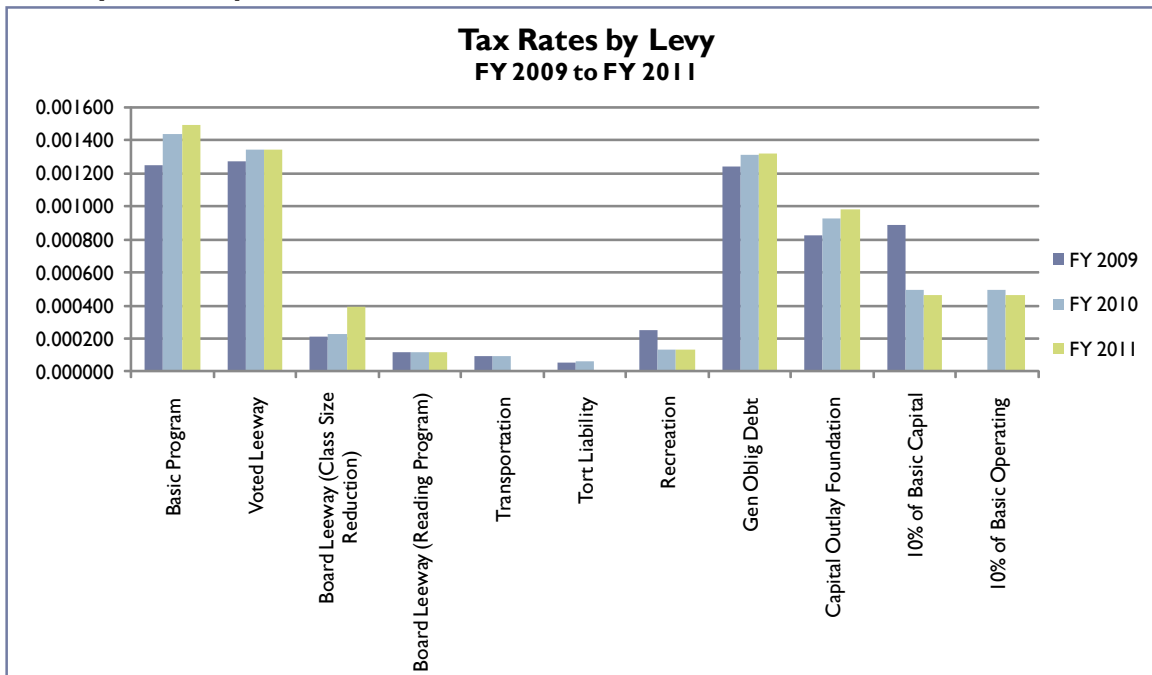
## Comparison of Property Tax Distribution by Levy

### FY 2010 to FY 2011

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.

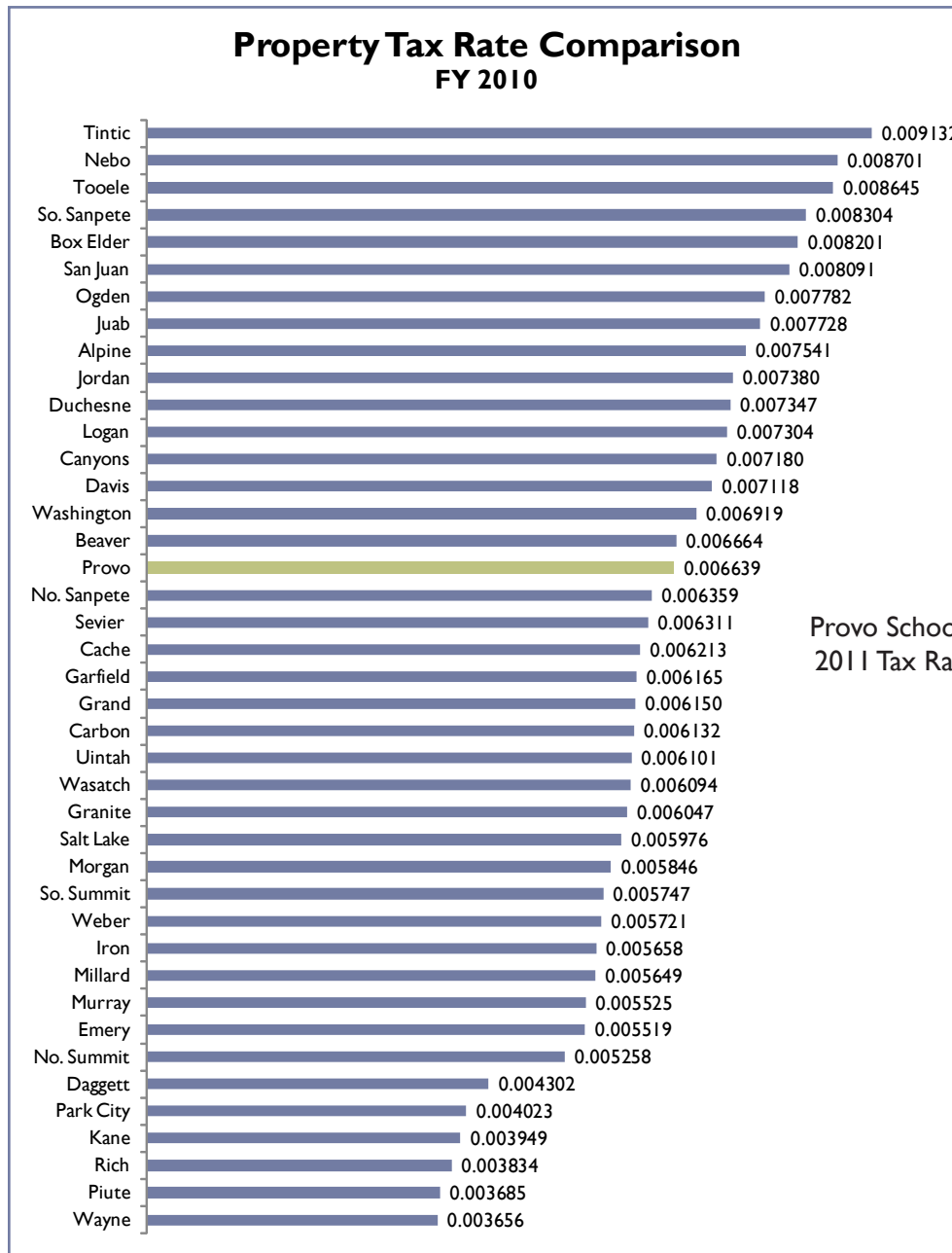
| Year-over-Year Tax Comparison: FF 2010 to FY 2011 |                 |                 |                 |
|---|-----------------|-----------------|-----------------|
| Levy  | FY 2010         | FY 2011         | Change          |
| Basic Program                                     | 0.001433        | 0.001495        | 0.000062        |
| Voted Leeway                                      | 0.001346        | 0.001340        | -0.000006       |
| Board Leeway (Class Size Reduction)               | 0.000226        | 0.000392        | 0.000166        |
| Board Leeway (Reading Program)                    | 0.000121        | 0.000121        | 0.000000        |
| Transportation                                    | 0.000098        | 0.000000        | -0.000098       |
| Tort Liability                                    | 0.000061        | 0.000000        | -0.000061       |
| Recreation  | 0.000132        | 0.000132        | 0.000000        |
| Gen Oblig Debt                                    | 0.001307        | 0.001317        | 0.000010        |
| Capital Outlay Foundation                         | 0.000930        | 0.000982        | 0.000052        |
| 10% of Basic Capital                              | 0.000493        | 0.000464        | -0.000029       |
| 10% of Basic Operating                            | 0.000492        | 0.000463        | -0.000029       |
| <b>Total Rate:</b>                                | <u>0.006639</u> | <u>0.006706</u> | <u>0.000067</u> |

### Three-year Comparison



## 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).



Provo School District FY  
2011 Tax Rate: **.006706**

## Basis of Budget Forecast: Revenues

The following pages contain original budgets for FY 2011 (budgets that have been approved by the Board of Education), and projected budgets for FY 2012 through FY 2014. Budget projections are made using a variety of assumptions. Past experience plays a large role in determining future revenues and expenditures. As a general rule, enrollment impacts revenues and expenditures more than any other factor. The local and national economy also plays a large role.

### Local Sources

For FY 2011, the District anticipates receiving approximately \$200,000 less in property tax when compared to the final FY 2010 budget. After FY 2011, 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 2013, 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 increase slightly in FY 2011, with slight to moderate increases coming thereafter.

### State Sources

Revenues from state sources are projected to be down nearly \$1 million in FY 2011 compared to FY 2010 levels. The budget forecast projects a slight increase in FY 2012, with slight growth again in fiscal years 2013 and 2014.

This forecast is based on the assumption that the recession has run its course, there will be no "double dip," (a term that indicates a back-to-back recession) and a slow recovery is under way. These are only assumptions, as at this time economists disagree on the recovery time of the current recession, although a majority don't believe a back-to-back recession is likely.

The State of Utah is the District's largest funding source, and changes in available revenue from the State impact the District more than changes in local or federal revenue.

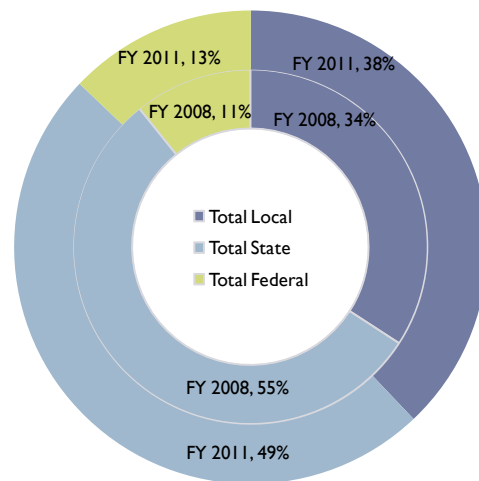
### Federal Sources

The vast majority of the District's federal revenues are included in the General fund, although there are a few federally-funded programs in the Non K-12 and Food Services funds. The District expects a decrease in federal revenue of nearly \$5.2 million in FY 2011, due in large part to federal stimulus money (ARRA) running out. The forecast assumes no new federal stimulus money available after FY 2011.

### Summary

The graphic below shows a comparison of revenues by source of FY 2008 to FY 2011. FY 2008 is the last, pre-recession funding year for the District. The chart indicates a trend of less of the District's overall funding coming from State sources, which is likely to continue over the next three to four years, as the State can't spend money it doesn't have.

**Budgets by Source**  
FY 2008 Actual Compared to FY 2011 Budget



## Basis of Budget Forecast: Expenditures

### Compensation

Expenditures are based upon available funding. With projections indicating that available funding will decrease in FY 2011, expenditures will decrease. Going forward, expenditures will likely increase as revenues do. As a service organization, the District spends the majority of its available resources on salaries and benefits. So, as funding fluctuates so will compensation costs.

The District forecasts that benefits costs will

outpace salary costs, mainly for two reasons: first, the State of Utah's retirement system took a big hit during the recession, and districts will likely

have to pay a larger percentage. The second reason benefit costs are projected to rise faster than salaries is because healthcare inflation has far outpaced salary growth in recent years on a national and District level.

**“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.”**

Expenditures for supplies and equipment are projected to increase at a moderate pace due to inflation after FY 2011, although its likely the District will have to decrease and/or delay large purchases over the next few years as a result.

### Summary

The forecasts on the following pages reflect the fact that the District will have to adjust to a new, lower funding level.

Years of heavy funding increases are likely over, at least for the periods forecasted, and as a result salaries won't rise as fast as in years past, and purchases for everything from office supplies to school buses will be scrutinized even more than before.

### Other Expenditures

Federal stimulus bill money (ARRA) runs out in FY 2011, and as a result expenditures on supplies and materials will decrease substantially.

However, one component of the federal stimulus bill was Qualified School Construction Bonds (QSCB), for which the District received \$6.4 million in FY 2010 to pay part of the cost of rebuilding Farrer Elementary. As a result, expenditures for “Purchased Property Services” are dramatically higher in FY 2011 than subsequent years. The school is scheduled to be completed in late 2011.

## Budget Forecast: General Fund

FY 2011 through FY 2014

| <b>REVENUES BY SOURCE</b>                                    | <b>FY 2011</b>       | <b>FY2012</b>        | <b>FY2013</b>        | <b>FY 2014</b>       |
|--|----------------------|----------------------|----------------------|----------------------|
| Total Local  | \$ 21,349,527        | \$ 22,265,000        | \$ 22,933,000        | \$ 23,334,000        |
| Total State  | 51,022,093           | 51,532,000           | 53,001,000           | 54,194,000           |
| Total Federal  | <u>10,299,398</u>    | <u>10,274,000</u>    | <u>10,531,000</u>    | <u>10,794,000</u>    |
| <b>TOTAL REVENUES</b>  | <b>82,671,018</b>    | <b>84,071,000</b>    | <b>86,465,000</b>    | <b>88,322,000</b>    |
| <br>   |                      |                      |                      |                      |
| <b>EXPENDITURES BY OBJECT</b>                                |                      |                      |                      |                      |
| Salaries   | 51,490,516           | 52,520,000           | 53,808,000           | 54,346,000           |
| Employee Benefits  | 21,264,482           | 22,009,000           | 22,119,000           | 23,114,000           |
| Purchased Professional and Technical Services                | 1,685,024            | 1,685,000            | 1,702,000            | 1,719,000            |
| Purchased Property Services                                  | 279,103              | 279,000              | 282,000              | 285,000              |
| Other Purchased Services                                     | 883,108              | 883,000              | 892,000              | 901,000              |
| Supplies   | 6,554,517            | 6,653,000            | 6,786,000            | 6,922,000            |
| Property   | 1,495,205            | 1,435,000            | 1,473,000            | 1,512,000            |
| Other Objects  | <u>(562,068)</u>     | <u>(590,000)</u>     | <u>(611,000)</u>     | <u>(629,000)</u>     |
| <b>TOTAL EXPENDITURES</b>                                    | <b>83,089,887</b>    | <b>84,874,000</b>    | <b>86,451,000</b>    | <b>88,170,000</b>    |
| <br>   |                      |                      |                      |                      |
| EXCESS (DEFICIENCY) OF REVENUES OVER<br>(UNDER) EXPENDITURES | (418,869)            | (803,000)            | 14,000               | 152,000              |
| <br>   |                      |                      |                      |                      |
| OTHER FINANCING SOURCES (USES) AND<br>OTHER ITEMS            | 20,000               | 28,000               | 35,000               | 43,000               |
| <br>   |                      |                      |                      |                      |
| NET CHANGE IN FUND BALANCE                                   | (398,869)            | (775,000)            | 49,000               | 195,000              |
| <br>   |                      |                      |                      |                      |
| FUND BALANCE - BEGINNING (From Prior<br>Year)                | 21,680,467           | 21,281,598           | 20,506,598           | 20,555,598           |
| <br>   |                      |                      |                      |                      |
| Adjustments to Beginning Fund Balance                        | -                    | -                    | -                    | -                    |
| <br>   |                      |                      |                      |                      |
| FUND BALANCE - ENDING  | <u>\$ 21,281,598</u> | <u>\$ 20,506,598</u> | <u>\$ 20,555,598</u> | <u>\$ 20,750,598</u> |

## Budget Forecast: Capital Projects Fund

FY 2011 through FY 2014

| <b>REVENUES BY SOURCE</b>                                 | <b>FY 2011</b>      | <b>FY2012</b>       | <b>FY2013</b>       | <b>FY 2014</b>      |
|---|---------------------|---------------------|---------------------|---------------------|
| Total Local   | \$ 7,074,024        | \$ 7,444,000        | \$ 7,630,000        | \$ 7,821,000        |
| Total State   | -                   | -                   | -                   | -                   |
| Total Federal   | -                   | -                   | -                   | -                   |
| <b>TOTAL REVENUES</b>                                     | <b>7,074,024</b>    | <b>7,444,000</b>    | <b>7,630,000</b>    | <b>7,821,000</b>    |
| <b>EXPENDITURES BY OBJECT</b>                             |                     |                     |                     |                     |
| Salaries  | 1,116,287           | 1,139,000           | 1,156,000           | 1,168,000           |
| Employee Benefits   | 470,173             | 487,000             | 506,000             | 529,000             |
| Purchased Professional and Technical Services             | 18,000              | 20,000              | 22,000              | 23,000              |
| Purchased Property Services                               | 13,439,500          | 3,800,000           | 2,600,000           | 2,665,000           |
| Other Purchased Services                                  | -                   | -                   | -                   | -                   |
| Supplies  | -                   | -                   | -                   | -                   |
| Property  | 623,232             | 850,000             | 600,000             | 615,000             |
| Other Objects   | -                   | -                   | -                   | -                   |
| <b>TOTAL EXPENDITURES</b>                                 | <b>15,667,192</b>   | <b>6,296,000</b>    | <b>4,884,000</b>    | <b>5,000,000</b>    |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (8,593,168)         | 1,148,000           | 2,746,000           | 2,821,000           |
| OTHER FINANCING SOURCES (USES) AND OTHER ITEMS            | (2,000,000)         | (2,000,000)         | (1,999,999)         | (1,999,998)         |
| NET CHANGE IN FUND BALANCE                                | (10,593,168)        | (852,000)           | 746,001             | 821,002             |
| FUND BALANCE - BEGINNING (From Prior Year)                | 12,848,875          | 2,255,707           | 1,403,707           | 2,149,708           |
| Adjustment to Beginning Fund Balance (Add Explanation)    | -                   | -                   | -                   | -                   |
| <b>FUND BALANCE - ENDING</b>                              | <b>\$ 2,255,707</b> | <b>\$ 1,403,707</b> | <b>\$ 2,149,708</b> | <b>\$ 2,970,710</b> |

## Budget Forecast: Debt Service Fund

FY 2011 through FY 2014

| <b>REVENUES BY SOURCE</b> | <b>FY 2011</b>   | <b>FY2012</b>    | <b>FY2013</b>    | <b>FY 2014</b>   |
|---------------------------|------------------|------------------|------------------|------------------|
| Total Local               | \$ 6,446,331     | \$ 6,100,000     | \$ 6,515,000     | \$ 6,540,000     |
| Total State               | -                | -                | -                | -                |
| <b>TOTAL REVENUES</b>     | <b>6,446,331</b> | <b>6,100,000</b> | <b>6,515,000</b> | <b>6,540,000</b> |

| <b>EXPENDITURES BY OBJECT</b>                                    | <b>FY 2011</b>    | <b>FY2012</b>     | <b>FY2013</b>     | <b>FY 2014</b>    |
|--|-------------------|-------------------|-------------------|-------------------|
| Other Objects  | 6,470,000         | 6,500,000         | 7,012,000         | 7,030,000         |
| <b>TOTAL EXPENDITURES</b>  | <b>6,470,000</b>  | <b>6,500,000</b>  | <b>7,012,000</b>  | <b>7,030,000</b>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b> | <b>(23,669)</b>   | <b>(400,000)</b>  | <b>(497,000)</b>  | <b>(490,000)</b>  |
| <b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>            | <b>-</b>          | <b>-</b>          | <b>490,000</b>    | <b>490,000</b>    |
| <b>NET CHANGE IN FUND BALANCE</b>                                | <b>(23,669)</b>   | <b>(400,000)</b>  | <b>(7,000)</b>    | <b>-</b>          |
| <b>FUND BALANCE - BEGINNING (From Prior Year)</b>                | <b>986,384</b>    | <b>962,715</b>    | <b>562,715</b>    | <b>555,715</b>    |
| <b>Adjustment to Beginning Fund Balance (Add Explanation)</b>    | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          |
| <b>FUND BALANCE - ENDING</b>                                     | <b>\$ 962,715</b> | <b>\$ 562,715</b> | <b>\$ 555,715</b> | <b>\$ 555,715</b> |

## Budget Forecast: Student Activity Fund

FY 2011 through FY 2014

| <b>REVENUES BY SOURCE</b>                                    | <b>FY 2011</b>      | <b>FY2012</b>       | <b>FY2013</b>       | <b>FY 2014</b>      |
|--|---------------------|---------------------|---------------------|---------------------|
| Total Local  | \$ 3,447,574        | \$ 3,508,000        | \$ 3,596,000        | \$ 3,650,000        |
| Total State  | -                   | -                   | -                   | -                   |
| Total Federal  | -                   | -                   | -                   | -                   |
| <b>TOTAL REVENUES</b>  | <b>3,447,574</b>    | <b>3,508,000</b>    | <b>3,596,000</b>    | <b>3,650,000</b>    |
| <b>EXPENDITURES BY OBJECT</b>                                |                     |                     |                     |                     |
| Salaries   | -                   | -                   | -                   | -                   |
| Employee Benefits  | -                   | -                   | -                   | -                   |
| Purchased Professional and Technical Services                | 254,221             | 259,000             | 265,000             | 269,000             |
| Purchased Property Services                                  | 58,745              | 60,000              | 62,000              | 63,000              |
| Other Purchased Services                                     | 661,295             | 673,000             | 690,000             | 700,000             |
| Supplies   | 1,710,263           | 1,740,000           | 1,784,000           | 1,811,000           |
| Property   | -                   | -                   | -                   | -                   |
| Other Objects  | 651,085             | 662,000             | 679,000             | 689,000             |
| <b>TOTAL EXPENDITURES</b>                                    | <b>3,335,609</b>    | <b>3,394,000</b>    | <b>3,479,000</b>    | <b>3,531,000</b>    |
| EXCESS (DEFICIENCY) OF REVENUES OVER<br>(UNDER) EXPENDITURES | 111,965             | 114,000             | 117,000             | 119,000             |
| OTHER FINANCING SOURCES (USES) AND<br>OTHER ITEMS            | -                   | -                   | -                   | -                   |
| NET CHANGE IN FUND BALANCE                                   | 111,965             | 114,000             | 117,000             | 119,000             |
| FUND BALANCE - BEGINNING (From Prior<br>Year)                | 1,793,281           | 1,905,246           | 2,019,246           | 2,136,246           |
| Adjustment to Beginning Fund Balance (Add<br>Explanation)    | -                   | -                   | -                   | -                   |
| <b>FUND BALANCE - ENDING</b>                                 | <b>\$ 1,905,246</b> | <b>\$ 2,019,246</b> | <b>\$ 2,136,246</b> | <b>\$ 2,255,246</b> |



## Budget Forecast: Non K-12 Fund

FY 2011 through FY 2014

| <b>REVENUES BY SOURCE</b>                                    | <b>FY 2011</b>   | <b>FY2012</b>    | <b>FY2013</b>    | <b>FY 2014</b>   |
|--|------------------|------------------|------------------|------------------|
| Total Local  | \$ 1,117,229     | \$ 1,257,000     | \$ 1,287,000     | \$ 1,313,000     |
| Total State  | 1,136,272        | 1,153,000        | 1,191,000        | 1,221,000        |
| Total Federal  | <u>652,932</u>   | <u>645,000</u>   | <u>665,000</u>   | <u>682,000</u>   |
| <b>TOTAL REVENUES</b>  | <b>2,906,433</b> | <b>3,055,000</b> | <b>3,143,000</b> | <b>3,216,000</b> |
| <br>   |                  |                  |                  |                  |
| <b>EXPENDITURES BY OBJECT</b>                                |                  |                  |                  |                  |
| Salaries   | 1,972,251        | 2,012,000        | 2,040,000        | 2,052,000        |
| Employee Benefits  | 638,468          | 661,000          | 680,000          | 707,000          |
| Purchased Professional and Technical Services                | 33,217           | 37,000           | 38,000           | 40,000           |
| Purchased Property Services                                  | 178,906          | 175,000          | 179,000          | 182,000          |
| Other Purchased Services                                     | 18,491           | 19,000           | 20,000           | 22,000           |
| Supplies   | 162,562          | 160,000          | 162,000          | 167,000          |
| Property   | -                | -                | -                | -                |
| Other Objects  | <u>38,325</u>    | <u>34,000</u>    | <u>33,000</u>    | <u>36,000</u>    |
| <b>TOTAL EXPENDITURES</b>                                    | <b>3,042,220</b> | <b>3,098,000</b> | <b>3,152,000</b> | <b>3,206,000</b> |
| <br>   |                  |                  |                  |                  |
| EXCESS (DEFICIENCY) OF REVENUES OVER<br>(UNDER) EXPENDITURES | (135,787)        | (43,000)         | (9,000)          | 10,000           |
| <br>   |                  |                  |                  |                  |
| OTHER FINANCING SOURCES (USES) AND<br>OTHER ITEMS            | -                | -                | -                | -                |
| <br>   |                  |                  |                  |                  |
| NET CHANGE IN FUND BALANCE                                   | (135,787)        | (43,000)         | (9,000)          | 10,000           |
| <br>   |                  |                  |                  |                  |
| FUND BALANCE - BEGINNING (From Prior<br>Year)                | 201,771          | 65,984           | 22,984           | 13,984           |
| <br>   |                  |                  |                  |                  |
| Adjustment to Beginning Fund Balance (Add<br>Explanation)    | -                | -                | -                | -                |
| <br>   |                  |                  |                  |                  |
| FUND BALANCE - ENDING  | <u>\$ 65,984</u> | <u>\$ 22,984</u> | <u>\$ 13,984</u> | <u>\$ 23,984</u> |

**Budget Forecast: Building Reserve Fund**  
 FY 2011 through FY 2014

| <b>REVENUES BY SOURCE</b>  | <b>FY 2011</b>      | <b>FY2012</b>       | <b>FY2013</b>       | <b>FY 2014</b>       |
|--|---------------------|---------------------|---------------------|----------------------|
| Total Local  | \$ -                | \$ -                | \$ -                | \$ -                 |
| Total State  | -                   | -                   | -                   | -                    |
| <b>TOTAL REVENUES</b>  | -                   | -                   | -                   | -                    |
| <b>EXPENDITURES BY OBJECT</b>  |                     |                     |                     |                      |
| Salaries   | -                   | -                   | -                   | -                    |
| Employee Benefits  | -                   | -                   | -                   | -                    |
| Purchased Professional and Technical Services                        | -                   | -                   | -                   | -                    |
| Purchased Property Services  | -                   | -                   | -                   | -                    |
| Property   | -                   | -                   | -                   | -                    |
| Other Objects  | -                   | -                   | -                   | -                    |
| <b>TOTAL EXPENDITURES</b>  | -                   | -                   | -                   | -                    |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | -                   | -                   | -                   | -                    |
| <b>OTHER FINANCING SOURCES (USES) AND<br/>OTHER ITEMS</b>            | 2,000,000           | 2,000,000           | 1,510,000           | 1,510,000            |
| <b>NET CHANGE IN FUND BALANCE</b>                                    | 2,000,000           | 2,000,000           | 1,510,000           | 1,510,000            |
| <b>FUND BALANCE - BEGINNING (From Prior<br/>Year)</b>                | 3,940,240           | 5,940,240           | 7,940,240           | 9,450,240            |
| <b>Adjustment to Beginning Fund Balance (Add<br/>Explanation)</b>    | -                   | -                   | -                   | -                    |
| <b>FUND BALANCE - ENDING</b>   | <u>\$ 5,940,240</u> | <u>\$ 7,940,240</u> | <u>\$ 9,450,240</u> | <u>\$ 10,960,240</u> |

## Budget Forecast: Food Service Fund

FY 2011 through FY 2014

| <b>REVENUES BY SOURCE</b>   | <b>FY 2011</b>           | <b>FY2012</b>            | <b>FY2013</b>            | <b>FY 2014</b>           |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Total Local   | \$ 1,200,452             | \$ 1,300,000             | \$ 1,339,000             | \$ 1,372,000             |
| Total State   | 550,000                  | 685,000                  | 700,000                  | 730,000                  |
| Total Federal   | <u>2,836,049</u>         | <u>2,979,000</u>         | <u>3,024,000</u>         | <u>3,069,000</u>         |
| <b>TOTAL REVENUES</b>   | <b>4,586,501</b>         | <b>4,964,000</b>         | <b>5,063,000</b>         | <b>5,171,000</b>         |
| <b>EXPENSES / EXPENDITURES BY OBJECT</b>                          |                          |                          |                          |                          |
| Salaries  | 1,677,786                | 1,753,000                | 1,788,000                | 1,806,000                |
| Employee Benefits   | 607,844                  | 635,000                  | 657,000                  | 673,000                  |
| Purchased Professional and Technical Services                     | 11,000                   | 11,000                   | 12,000                   | 13,000                   |
| Purchased Property Services                                       | 97,240                   | 90,000                   | 97,000                   | 101,000                  |
| Other Purchased Services  | 4,106                    | 4,000                    | 5,000                    | 5,000                    |
| Supplies  | 1,862,163                | 1,881,000                | 1,900,000                | 1,919,000                |
| Property  | 435,250                  | 200,000                  | 215,000                  | 227,000                  |
| Other Objects   | <u>479,974</u>           | <u>481,140</u>           | <u>512,785</u>           | <u>519,455</u>           |
| <b>TOTAL EXPENDITURES</b>   | <b>5,175,363</b>         | <b>5,055,140</b>         | <b>5,186,785</b>         | <b>5,263,455</b>         |
| EXCESS (DEFICIENCY) OF REVENUES OVER                              |                          |                          |                          |                          |
| (UNDER) EXPENSES/EXPENDITURES                                     | (588,862)                | (91,140)                 | (123,785)                | (92,455)                 |
| OTHER FINANCING SOURCES (USES) AND OTHER ITEMS                    |                          |                          |                          |                          |
|   | -                        | -                        | -                        | -                        |
| <b>NET CHANGE IN NET ASSETS / FUND BALANCE</b>                    | <b>(588,862)</b>         | <b>(91,140)</b>          | <b>(123,785)</b>         | <b>(92,455)</b>          |
| NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)           | 1,536,149                | 947,287                  | 856,147                  | 732,362                  |
| Adjustment to Beginning Net Assets/Fund Balance (Add Explanation) | -                        | -                        | -                        | -                        |
| <b>NET ASSETS / FUND BALANCE - ENDING</b>                         | <b>\$ <u>947,287</u></b> | <b>\$ <u>856,147</u></b> | <b>\$ <u>732,362</u></b> | <b>\$ <u>639,907</u></b> |

**Debt: General Obligation Bonds****General Obligation Bonds**

| <b>Series</b>   | <b>Purpose</b>  | <b>Original Amount</b> | <b>Interest Rate Range</b> | <b>Final Maturity Date</b> | <b>Current Outstanding Balance</b> |
|---|-----------------|------------------------|----------------------------|----------------------------|------------------------------------|
| 1998 Series G.O. Refunding Bonds                            | Bond Refunding  | 4,950,000              | 3.40% to 4.15%             | June 15, 2013              | 1,490,000                          |
| 2004 Series G.O. Refunding Bonds                            | Bond Refunding  | 18,690,000             | 2.0% to 5.0 %              | June 15, 2017              | 14,480,000                         |
| 2006 Series G.O. Bonds                                      | School Building | 9,400,000              | 4%                         | June 15, 2026              | 7,975,000                          |
| 2007A Series G.O. Refunding Bonds                           | Bond Refunding  | 8,220,000              | 3.807%                     | June 15, 2015              | 4,973,000                          |
| 2007B Series G.O. Bonds                                     | School Building | 25,600,000             | 4.00% to 4.50%             | June 15, 2027              | <u>23,450,000</u>                  |
| Total General Obligation Bonds Payable as of June 30, 2010: |                 |                        |                            |                            | <u>\$ 52,368,000</u>               |

**Combined General Obligation Bonds**

| <b>Year Ending June 30</b> | <b>Principal</b>     | <b>Interest</b>      | <b>Debt Service Fund</b> |
|----------------------------|----------------------|----------------------|--------------------------|
| 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                       | 4,701,000            | 1,727,698            | 6,428,698                |
| 2015                       | 4,936,000            | 1,515,951            | 6,451,951                |
| 2016-2020                  | 14,440,000           | 4,768,563            | 19,208,563               |
| 2021-2025                  | 10,925,000           | 2,327,875            | 13,252,875               |
| 2026-2027                  | <u>4,325,000</u>     | <u>261,875</u>       | <u>4,586,875</u>         |
|                            | <u>\$ 52,368,000</u> | <u>\$ 16,819,270</u> | <u>\$ 69,187,270</u>     |

# Provo City School District

## Trends and Statistics

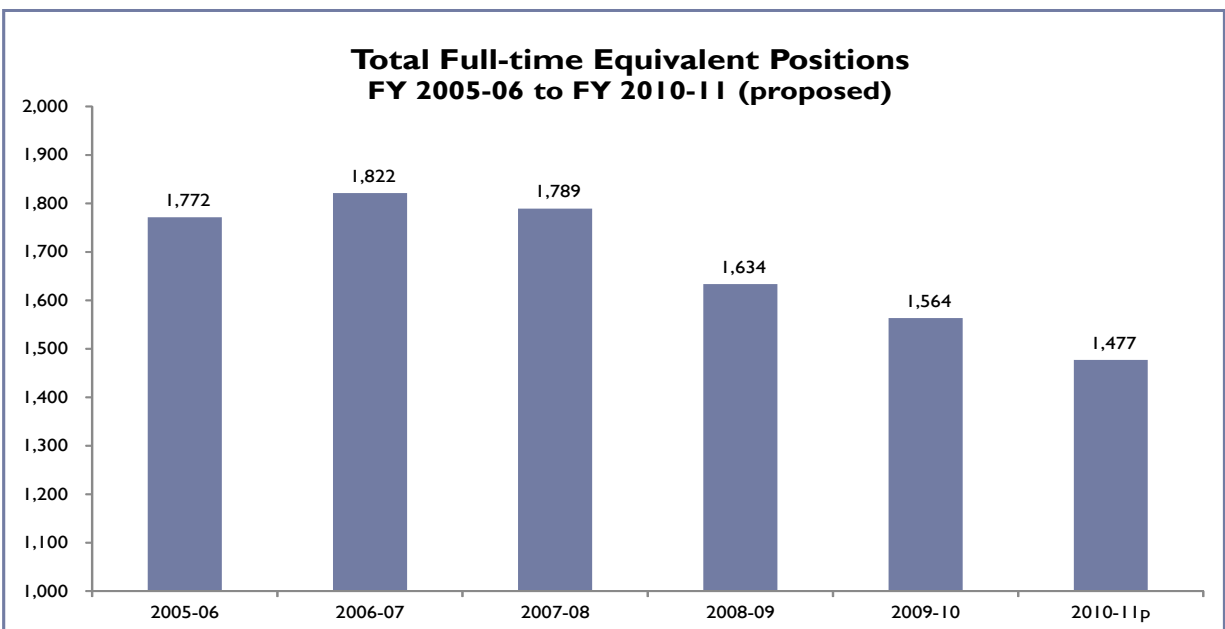
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## Personnel Resource Allocation: Full-time Equivalent Comparison FY 2005-06 to 2010-11

| <b>Staffing Levels by Full-time Equivalent (FTE)</b> |              |              |              |              |                 |                      |
|--|--------------|--------------|--------------|--------------|-----------------|----------------------|
|  | 2005-06      | 2006-07      | 2007-08      | 2008-09      | 2009-10         | 2010-11 <sup>P</sup> |
| Instruction  | 1,117        | 1,141        | 1,148        | 1,000        | 984             | 935                  |
| Support Services                                     |              |              |              |              |                 |                      |
| Students   | 59           | 54           | 52           | 52           | 51              | 49                   |
| Instructional Staff                                  | 36           | 33           | 38           | 40           | 41              | 39                   |
| General Administration                               | 24           | 24           | 20           | 16           | 15              | 15                   |
| School Administration                                | 79           | 80           | 74           | 74           | 70              | 70                   |
| Business and Central                                 | 24           | 25           | 22           | 20           | 26 <sup>1</sup> | 26                   |
| Operation and Maintenance                            | 119          | 152          | 139          | 148          | 148             | 130                  |
| Transportation                                       | 47           | 50           | 60           | 44           | 46              | 42                   |
| Other Support  | -            | -            | 11           | 1            | 1               | 1                    |
| Food Services  | 83           | 91           | 90           | 92           | 82              | 80                   |
| Community Services                                   | 186          | 173          | 135          | 146          | 100             | 90                   |
| <b>Total full-time equivalent positions:</b>         | <u>1,772</u> | <u>1,822</u> | <u>1,789</u> | <u>1,634</u> | <u>1,564</u>    | <u>1,477</u>         |

<sup>P</sup>Proposed  
<sup>1</sup>9.5 FTEs reclassified from other functions to Business/Central

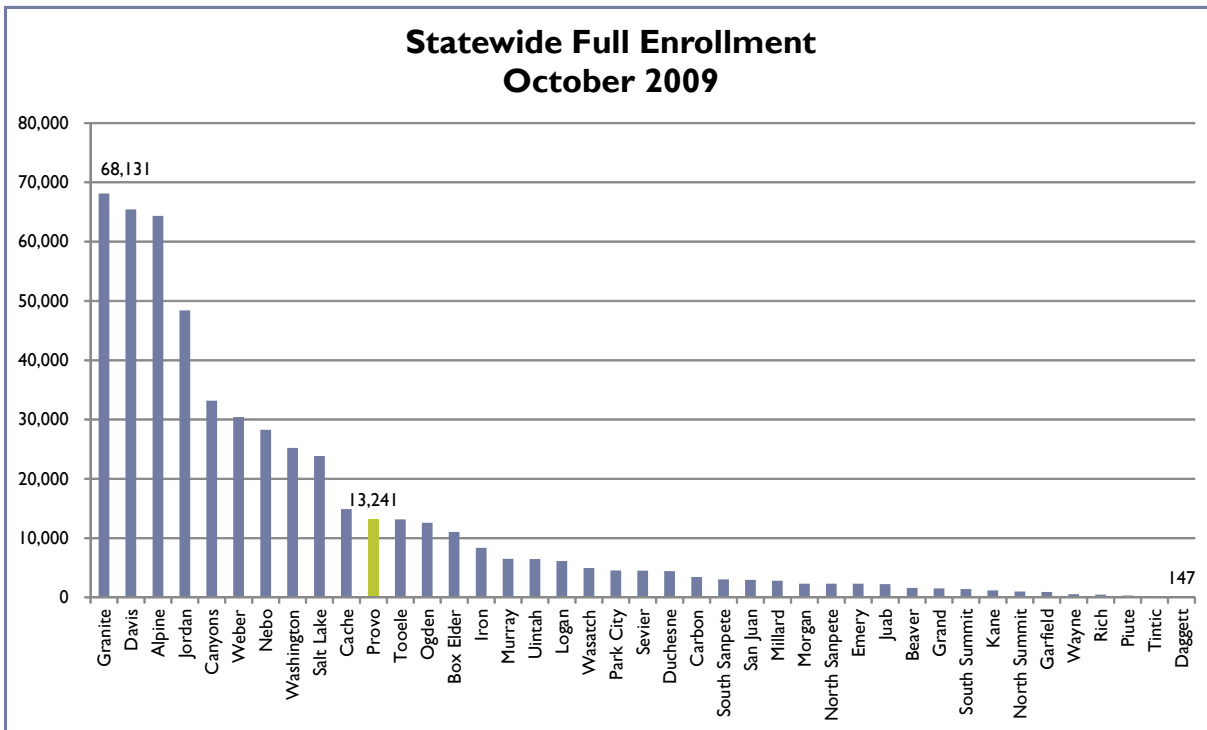


## Where Provo City School District Fits In

Utah is made up of 40 school districts. The total enrollment of K-12 students for Fall 2009, including charter schools, was 563,273. With over 13,200 students, Provo City School District makes up about 2.3% 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.

| Rank                            | District   | 2009    | 2010 Projected |
|---------------------------------|------------|---------|----------------|
| 1                               | Granite    | 68,131  | 68,531         |
| 2                               | Davis      | 65,452  | 66,293         |
| 3                               | Alpine     | 64,351  | 65,443         |
| 4                               | Jordan     | 48,411  | 48,625         |
| 5                               | Canyons    | 33,184  | 33,208         |
| 6                               | Weber      | 30,417  | 30,232         |
| 7                               | Nebo       | 28,282  | 29,022         |
| 8                               | Washington | 25,202  | 24,569         |
| 9                               | Salt Lake  | 23,850  | 23,918         |
| 10                              | Cache      | 14,917  | 15,107         |
| 11                              | Provo      | 13,241  | 13,260         |
| Statewide (including charters): |            | 563,273 | 574,317        |



Source: Utah State Office of Education

## Enrollment Trend

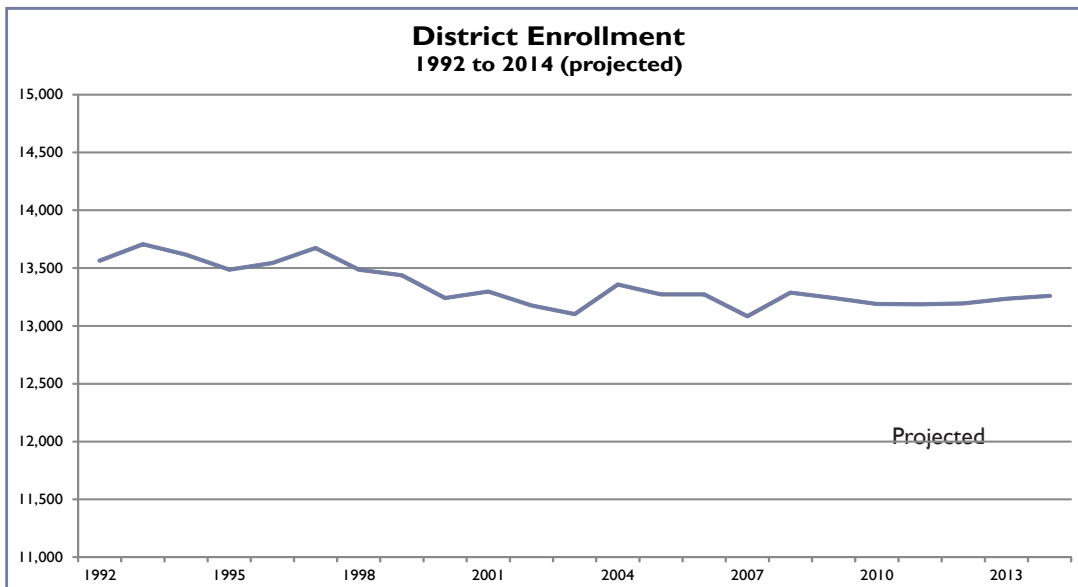
October 1 Full Enrollment Count  
1992-2014 (projected)

### Enrollment Projection Methodology

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

| Year | Enrollment | Year | Enrollment |
|------|------------|------|------------|
| 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 | 13,241     |
| 1999 | 13,438     | 2010 | 13,260     |
| 2000 | 13,241     | 2011 | 13,174     |
| 2001 | 13,298     | 2012 | 13,086     |
| 2002 | 13,177     | 2013 | 13,077     |
|      |            | 2014 | 13,080     |

Projected





**Provo City School District**  
 Fall Enrollment Report by School<sup>1</sup>  
 2004-05 to 2010-11 (Projected)

| <b>School</b>                    | <b>2004-05</b> | <b>2005-06</b> | <b>2006-07</b> | <b>2007-08</b> | <b>2008-09</b> | <b>2009-10</b> | <b>2010-11<sup>P</sup></b> |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------------------|
| Amelia Earhart Elementary        | 645            | 600            | 598            | 537            | 549            | 569            | 562                        |
| Canyon Crest Elementary          | 557            | 549            | 524            | 519            | 497            | 469            | 449                        |
| Edgemont Elementary              | 494            | 499            | 464            | 467            | 455            | 505            | 488                        |
| Farrer Elementary                | 425            | 422            | 433            | 468            | 439            | 412            | 404                        |
| Franklin Elementary              | 532            | 528            | 509            | 575            | 571            | 544            | 547                        |
| Lakeview Elementary <sup>2</sup> | 525            | 480            | 432            | 694            | 684            | 693            | 689                        |
| Provost Elementary               | 442            | 435            | 420            | 421            | 428            | 434            | 426                        |
| Rock Canyon Elementary           | 583            | 613            | 602            | 600            | 635            | 580            | 597                        |
| Spring Creek Elementary          | 555            | 625            | 661            | 632            | 523            | 567            | 567                        |
| Sunset View Elementary           | 634            | 655            | 621            | 604            | 572            | 568            | 553                        |
| Timpanogos Elementary            | 529            | 608            | 541            | 588            | 601            | 621            | 603                        |
| Wasatch Elementary               | 587            | 615            | 621            | 635            | 644            | 704            | 690                        |
| Westridge Elementary             | 802            | 791            | 838            | 748            | 851            | 862            | 877                        |
| Centennial Middle                | 972            | 956            | 998            | 995            | 1,050          | 1,030          | 1006                       |
| Dixon Middle                     | 938            | 923            | 820            | 844            | 830            | 854            | 860                        |
| Provo High                       | 1,936          | 1,935          | 1,858          | 1,716          | 1,745          | 1,696          | 1645                       |
| Timpview High                    | 1,715          | 1,715          | 1,800          | 1,732          | 1,826          | 1,822          | 1808                       |
| Independence High                | 273            | 300            | 302            | 288            | 324            | 265            | 308                        |
| Center for High School Studies   | 21             | 23             | 41             | 41             | 44             | 3              | 40                         |
| Central Utah Enterprises         | 0              | 0              | 0              | 0              | 20             | 24             | 24                         |
| eSchool                          | 0              | 0              | 0              | 0              | 0              | 19             | 30                         |
| <b>Total:</b>                    | <b>13,165</b>  | <b>13,272</b>  | <b>13,083</b>  | <b>13,104</b>  | <b>13,288</b>  | <b>13,241</b>  | <b>13,173</b>              |

1. Full Enrollment - Includes Self-contained Special Needs Students

2. Lakeview replaced Grandview at the beginning of the 2008-09 school year.

<sup>P</sup>Projected

## Provo City School District

October 1, 2009 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   | 81    | 81    | 85    | 93    | 83    | 69    | 77    | 569   |
| Canyon Crest     | 50    | 63    | 58    | 78    | 65    | 78    | 77    | 469   |
| Edgemont         | 71    | 97    | 63    | 66    | 84    | 59    | 65    | 505   |
| Farrer           | 77    | 67    | 67    | 50    | 61    | 45    | 45    | 412   |
| Franklin         | 98    | 62    | 75    | 82    | 74    | 68    | 85    | 544   |
| Lakeview         | 104   | 109   | 102   | 98    | 96    | 83    | 101   | 693   |
| Provost          | 75    | 60    | 62    | 72    | 55    | 63    | 47    | 434   |
| Rock Canyon      | 68    | 100   | 79    | 91    | 91    | 73    | 78    | 580   |
| Spring Creek     | 106   | 73    | 88    | 76    | 78    | 76    | 70    | 567   |
| Sunset View      | 78    | 89    | 85    | 75    | 73    | 91    | 77    | 568   |
| Timpanogos       | 110   | 103   | 81    | 109   | 61    | 81    | 76    | 621   |
| Wasatch          | 114   | 141   | 96    | 88    | 95    | 81    | 89    | 704   |
| Westridge        | 123   | 123   | 111   | 95    | 136   | 141   | 133   | 862   |
| eSchool          | 4     | 2     | 3     | 0     | 2     | 1     | 1     | 13    |
| Total Elementary | 1,159 | 1,168 | 1,052 | 1,073 | 1,052 | 1,008 | 1,020 | 7,541 |

| School                     | 7   | 8   | 9   | 10  | 11  | 12    | Total |
|----------------------------|-----|-----|-----|-----|-----|-------|-------|
| Centennial Middle          | 515 | 515 | 0   | 0   | 0   | 0     | 1030  |
| Dixon Middle               | 434 | 420 | 0   | 0   | 0   | 0     | 854   |
| Provo High                 | 0   | 0   | 455 | 414 | 398 | 429   | 1696  |
| Timpview High              | 0   | 0   | 512 | 437 | 427 | 446   | 1822  |
| Independence High          | 0   | 0   | 11  | 52  | 92  | 110   | 265   |
| Center for H.S. Completion | 0   | 0   | 1   | 0   | 2   | 0     | 3     |
| Central Utah Enterprises   | 0   | 0   | 0   | 0   | 0   | 24    | 24    |
| eSchool                    | 1   | 0   | 3   | 2   | 0   | 0     | 6     |
| Total Secondary            | 950 | 935 | 982 | 905 | 919 | 1,009 | 5,700 |

|                   |        |
|-------------------|--------|
| Total Enrollment: | 13,241 |
|-------------------|--------|

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

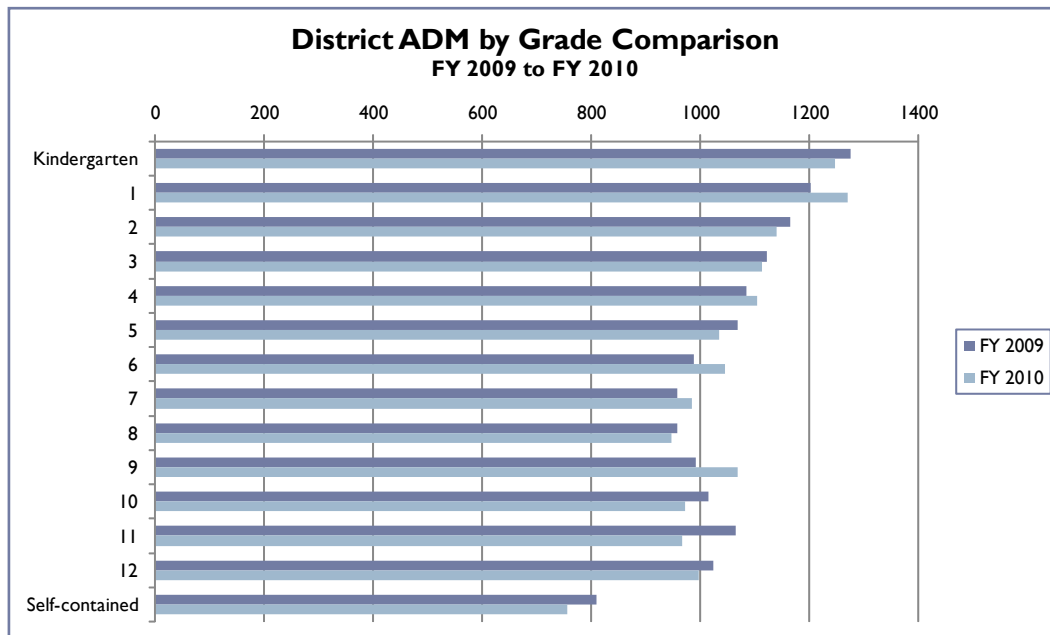
Source: District data; audited enrollment reports submitted to State

## Average Daily Membership

FY 2009 to FY 2010

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            | FY 2009      | FY 2010      | % Change     |
|------------------|--------------|--------------|--------------|
| Kindergarten     | 1275         | 1247         | -2.2%        |
| 1                | 1203         | 1270         | 5.6%         |
| 2                | 1164         | 1140         | -2.1%        |
| 3                | 1122         | 1113         | -0.8%        |
| 4                | 1085         | 1104         | 1.8%         |
| 5                | 1068         | 1035         | -3.1%        |
| 6                | 987          | 1045         | 5.9%         |
| 7                | 957          | 984          | 2.8%         |
| 8                | 958          | 947          | -1.1%        |
| 9                | 992          | 1069         | 7.8%         |
| 10               | 1014         | 971          | -4.2%        |
| 11               | 1064         | 967          | -9.1%        |
| 12               | <u>1023</u>  | <u>996</u>   | <u>-2.6%</u> |
| Regular Subtotal | 13912        | 13888        | -0.2%        |
| Self-contained   | 809          | 756          | -6.6%        |
| Total            | <u>14721</u> | <u>14644</u> | -0.5%        |



## District Building Information

| Location/Site                               | Year Built/<br>Renovated<br>Substantially | Square Footage |
|---|---|----------------|
| Elementary Schools:                         |   |                |
| Amelia Earhart                              | 1999                                      | 69,733         |
| Canyon Crest                                | 1982                                      | 68,240         |
| Edgemont                                    | 1955                                      | 47,200         |
| Farrer <sup>2</sup>                         | 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         |
| Secondary Schools:                          |   |                |
| Centennial Middle School                    | 1996                                      | 144,795        |
| Dixon Middle School                         | 1931                                      | 124,276        |
| Provo High School                           | 1956                                      | 325,842        |
| Timpview High School.                       | 1974                                      | 409,803        |
| Independence High School                    | 1992                                      | 48,121         |
| Other:                                      |   |                |
| 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.

<sup>2</sup>80,000 square foot replacement building located on Farrer property currently under construction

**Average age (in years) of District buildings: 35**

## Elementary Schools

### Amelia Earhart

Address: 2585 West 200 South  
 Year built or substantially renovated: 1999  
 Square footage: 69,733  
 Projected FY 2011 enrollment: 546



### Canyon Crest

Address: 4664 N Canyon Road  
 Year built or substantially renovated: 1982  
 Square footage: 68,240  
 Projected FY 2011 enrollment: 511



### Edgemont

Address: 566 East 3650 North  
 Year built or substantially renovated: 1955  
 Square footage: 47,200  
 Projected FY 2011 enrollment: 464



### Farrer

Address: 100 North 600 East  
 Year built or substantially renovated: 1931  
 Square footage: 86,946  
 Projected FY 2011 enrollment: 456



### Franklin

Address: 350 South 600 West  
 Year built or substantially renovated: 1994  
 Square footage: 75,801  
 Projected FY 2011 enrollment: 576



**Lakeview**

Address: 2899 West 1390 North  
 Year built or substantially renovated: 2007  
 Square footage: 77,480  
 Projected FY 2011 enrollment: 692



**Provost**

Address: 629 South 1000 East  
 Year built or substantially renovated: 1949  
 Square footage: 56,799  
 Projected FY 2011 enrollment: 427



**Rock Canyon**

Address: 2495 North 650 East  
 Year built or substantially renovated: 1964  
 Square footage: 69,883  
 Projected FY 2011 enrollment: 621



**Spring Creek**

Address: 1740 South Nevada Avenue  
 Year built or substantially renovated: 2002  
 Square footage: 70,720  
 Projected FY 2011 enrollment: 580



**Sunset View**

Address: 525 South 1600 West  
 Year built or substantially renovated: 2007  
 Square footage: 69,305  
 Projected FY 2011 enrollment: 591



**Timpanogos**

Address: 449 North 500 West  
 Year built or substantially renovated: 2008  
 Square footage: 69,733  
 Projected FY 2011 enrollment: 597



**Wasatch**

Address: 1080 North 900 East  
 Year built or substantially renovated: 1949  
 Square footage: 45,326  
 Projected FY 2011 enrollment: 643



**Westridge**

Address: 1720 West 1460 North  
 Year built or substantially renovated: 1979  
 Square footage: 73,928  
 Projected FY 2011 enrollment: 803



**Grandview Learning Center**

Address: 1591 North Jordan Avenue  
 Year built or substantially renovated: 2008  
 Square footage: 26,000  
 Projected FY 2011 enrollment<sup>1</sup>: 80



<sup>1</sup>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 FY 2011 enrollment: 1,027



### Dixon Middle School

Address: 750 West 200 North  
 Year built or substantially renovated: 1931  
 Square footage: 124,276  
 Projected FY 2011 enrollment: 841



### Provo High School

Address: 1125 North University Avenue  
 Year built or substantially renovated: 1956  
 Square footage: 325,842  
 Projected FY 2011 enrollment: 1,737



### Timpview High School

Address: 3570 North 650 East  
 Year built or substantially renovated: 1974  
 Square footage: 409,803  
 Projected FY 2011 enrollment: 1,786



### Independence High School

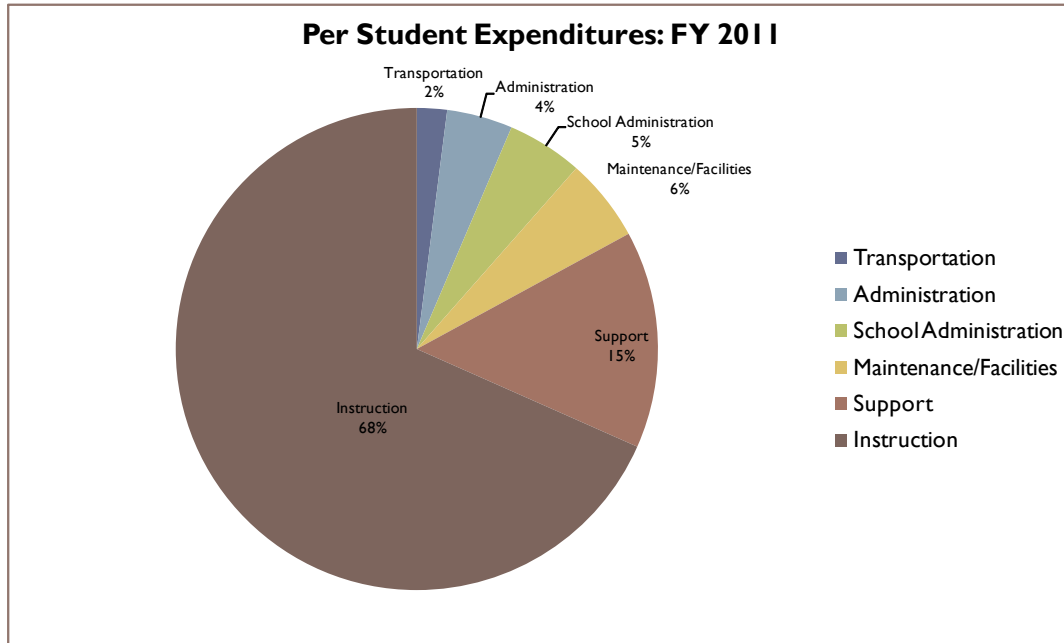
Address: 636 North Independence Avenue  
 Year built or substantially renovated: 1992  
 Square footage: 48,121  
 Projected FY 2011 enrollment: 300



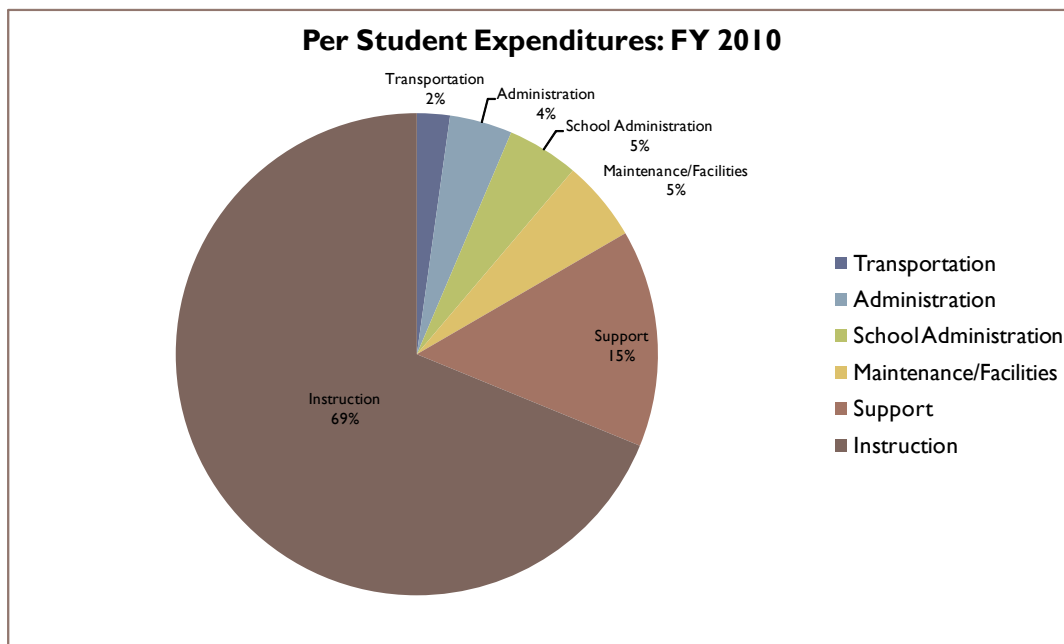


## Provo City School District

Per Pupil Expenditures: FY 2011 compared to FY 2010



**FY 2011 Per Student: \$7,244**



**FY 2010 Per Student: \$7,523**

For FY 2011, the District is budgeted to spend **\$7,244 per student** - a decrease of **\$279** compared to FY 2010. This includes money spent on students for all expenditures, excluding building construction and debt service. The District is budgeted to spend an additional **\$850 per student** on long-term construction projects and debt service.

## Average Class Sizes in Utah: FY 2009

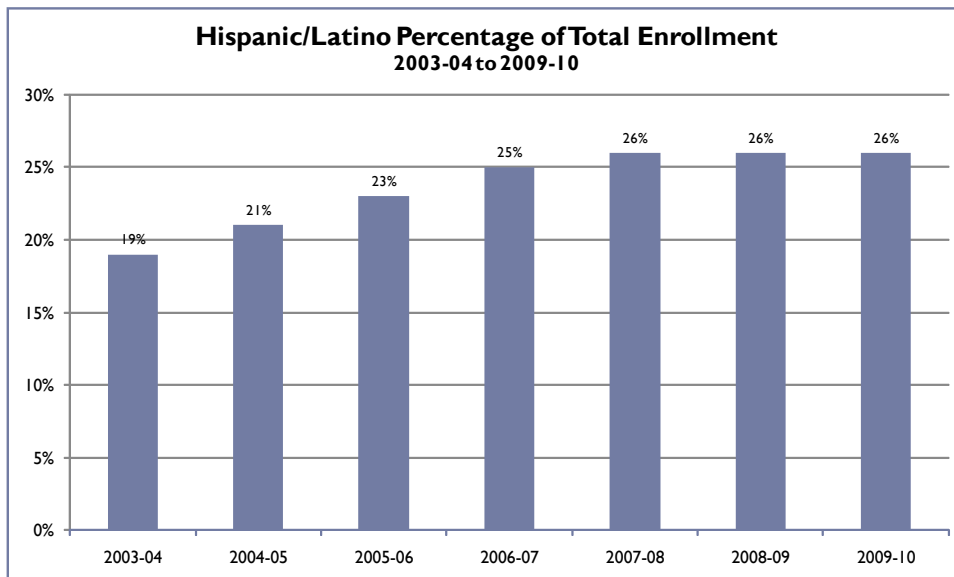
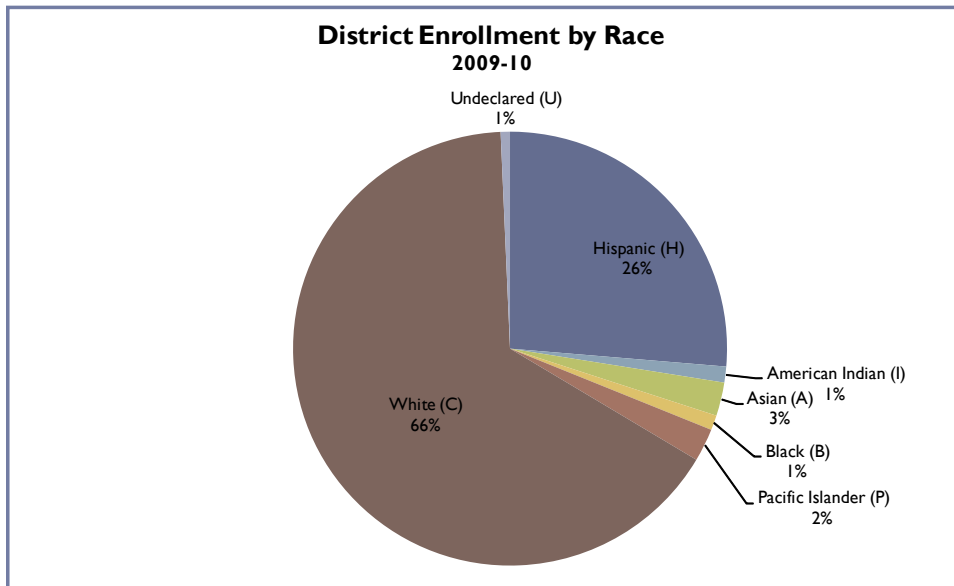
| District        | Median Student-Teacher Ratio | Median Student-Adult Ratio |
|-----------------|------------------------------|----------------------------|
| Alpine          | 22.50                        | 21.23                      |
| Beaver          | 19.74                        | 15.32                      |
| Box Elder       | 22.82                        | 21.21                      |
| Cache           | 22.42                        | 18.78                      |
| Carbon          | 19.67                        | 13.32                      |
| Daggett         | 13.00                        | 13.00                      |
| Davis           | 22.40                        | 21.45                      |
| Duchesne        | 17.33                        | 14.67                      |
| Emery           | 17.44                        | 15.09                      |
| Garfield        | 12.52                        | 9.55                       |
| Grand           | 17.35                        | 13.75                      |
| Granite         | 22.70                        | 21.59                      |
| Iron            | 21.29                        | 17.95                      |
| Jordan          | 23.51                        | 21.79                      |
| Juab            | 22.12                        | 19.33                      |
| Kane            | 16.41                        | 10.12                      |
| Logan           | 19.21                        | 16.20                      |
| Millard         | 17.68                        | 11.73                      |
| Morgan          | 21.19                        | 20.41                      |
| Murray          | 20.73                        | 18.32                      |
| Nebo            | 21.41                        | 18.64                      |
| North Sanpete   | 18.74                        | 11.09                      |
| North Summit    | 16.39                        | 15.12                      |
| Ogden           | 22.38                        | 15.35                      |
| Park City       | 16.56                        | 14.91                      |
| Piute           | 13.52                        | 9.63                       |
| <b>Provo</b>    | <b>20.69</b>                 | <b>19.53</b>               |
| Rich            | 13.66                        | 11.59                      |
| Salt Lake       | 19.80                        | 13.51                      |
| San Juan        | 15.24                        | 10.37                      |
| Sevier          | 20.10                        | 19.12                      |
| South Sanpete   | 19.19                        | 10.01                      |
| South Summit    | 17.55                        | 16.28                      |
| Tintic          | 11.21                        | 8.96                       |
| Tooele          | 21.40                        | 18.99                      |
| Uintah          | 22.28                        | 15.45                      |
| Wasatch         | 18.46                        | 17.23                      |
| Washington      | 20.51                        | 19.61                      |
| Wayne           | 13.35                        | 12.87                      |
| Weber           | 22.57                        | 20.94                      |
| DISTRICT MEDIAN | 21.42                        | 19.22                      |
| CHARTER MEDIAN  | 19.62                        | 17.32                      |
| STATE MEDIAN    | 21.33                        | 19.11                      |

Source: Utah State Office of Education

## Student Demographics

The District is becoming much more diverse. This can help provide a healthy and dynamic learning environment for students. However, challenges also occur - especially when 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, 2009.

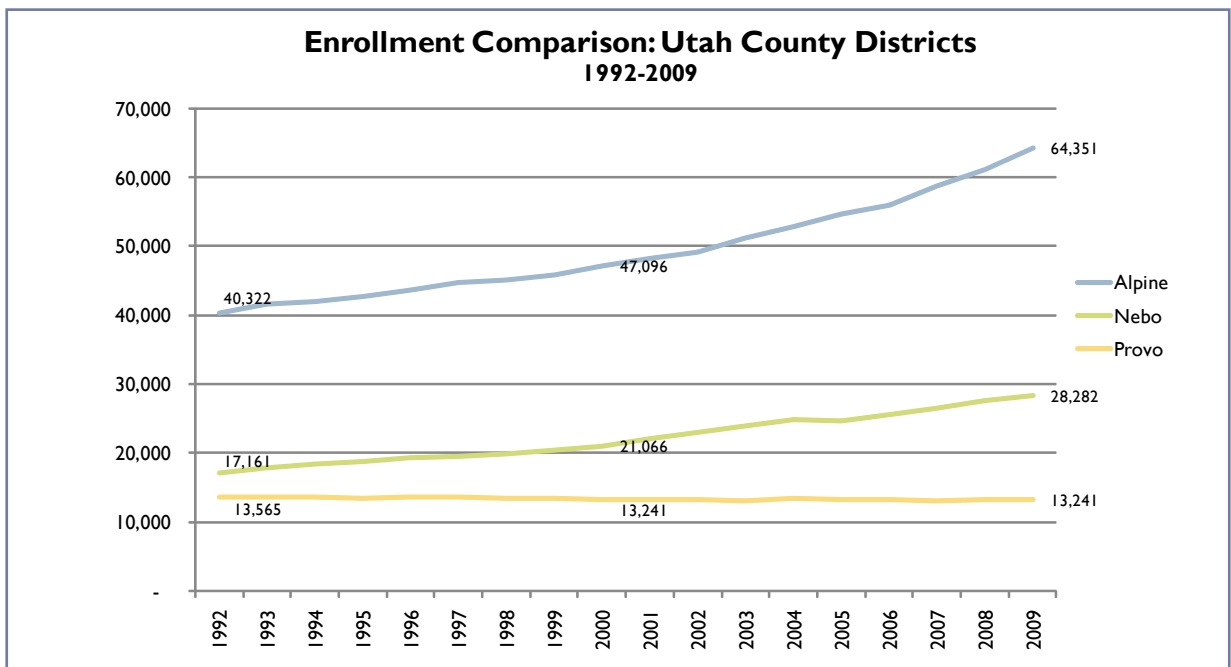


Source: District data; audited fall 2009 enrollment reports submitted to State

## County Enrollment Comparison

Provo, Alpine and Nebo School Districts  
 1992-2009 Fall Enrollment Reports

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 was nearly 106,000 in October 2009.



Source: Utah State Office of Education

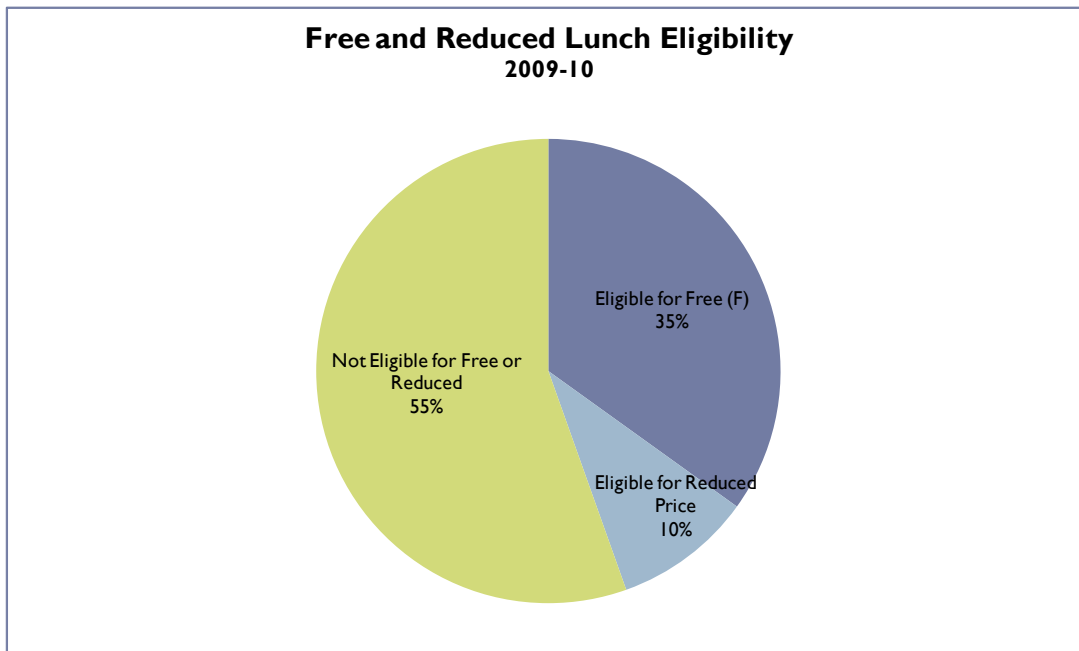
## District School Lunch Participation

2001-02 to 2009-10 School Years

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.

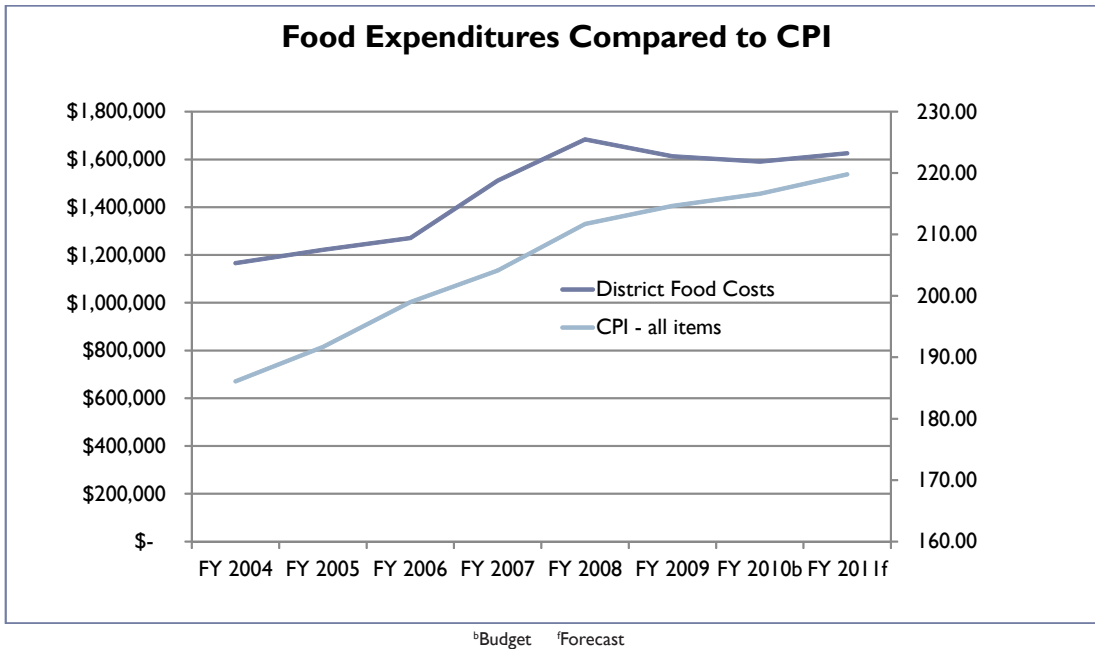
| School Year          | Lunches Served | Free Lunches Served | % of Free Lunches to Total Served | Breakfast Served | Reduced Cost Lunch Served | % of Reduced Cost Lunches to Total Served |
|----------------------|----------------|---------------------|-----------------------------------|------------------|---------------------------|---|
| 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              | 1,288,497      | 617,738             | 47.9%                             | 316,889          | 162,129                   | 12.6%                                     |
| 2009-10 <sup>1</sup> | 1,311,255      | 685,689             | 52.7%                             | 326,713          | 170,235                   | 13.1%                                     |

<sup>1</sup>Preliminary



Source: District data

## Food Costs (Food Service)



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

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

### Child Nutrition Meal Costs

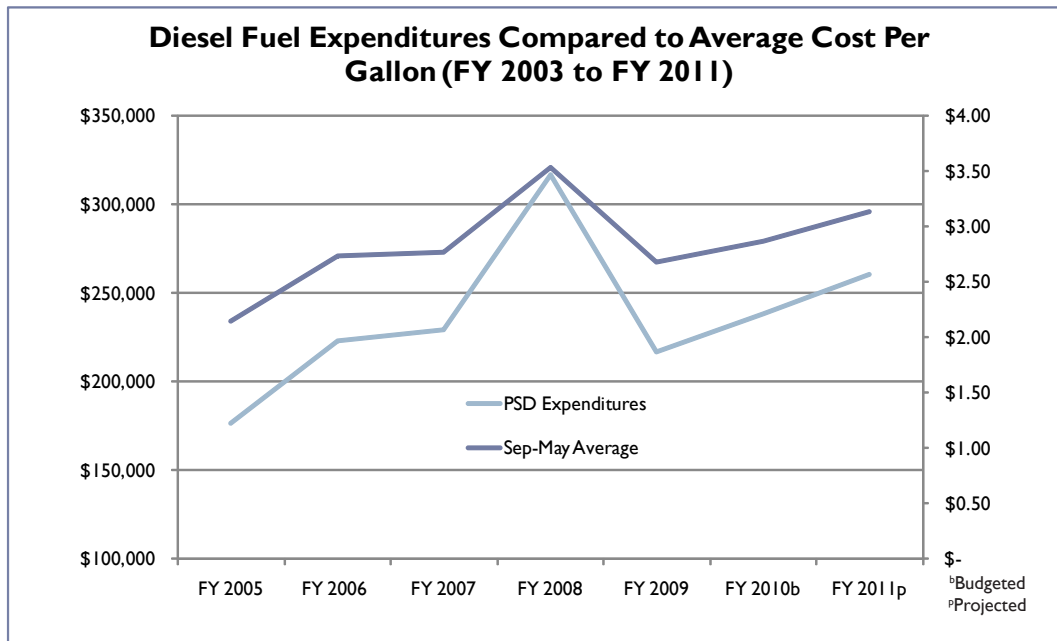
2007-08 to 2010-11 School Years

|                  | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2009-10 to 2010-11 % Change |
|------------------|---------|---------|---------|---------|-----------------------------|
| Breakfast        | \$1.00  | \$1.25  | \$1.25  | \$1.25  | 0%                          |
| Adult Breakfast  | \$1.25  | \$1.50  | \$1.50  | \$1.50  | 0%                          |
| Elementary Lunch | \$1.50  | \$1.75  | \$1.75  | \$1.75  | 0%                          |
| Secondary Lunch  | \$1.75  | \$2.00  | \$2.00  | \$2.00  | 0%                          |
| Adult Lunch      | \$2.50  | \$2.75  | \$2.75  | \$2.75  | 0%                          |

Prior to 2008, 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 2010-11 school year.

## Transportation Costs and Statistics

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 funding must come from somewhere for these increases. In 2008, 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.



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

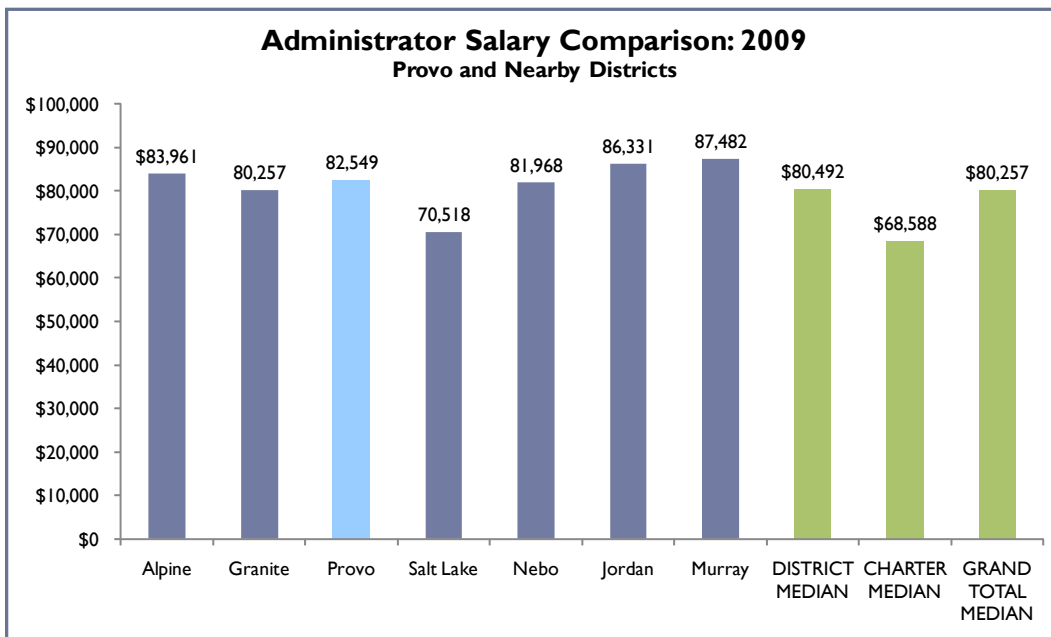
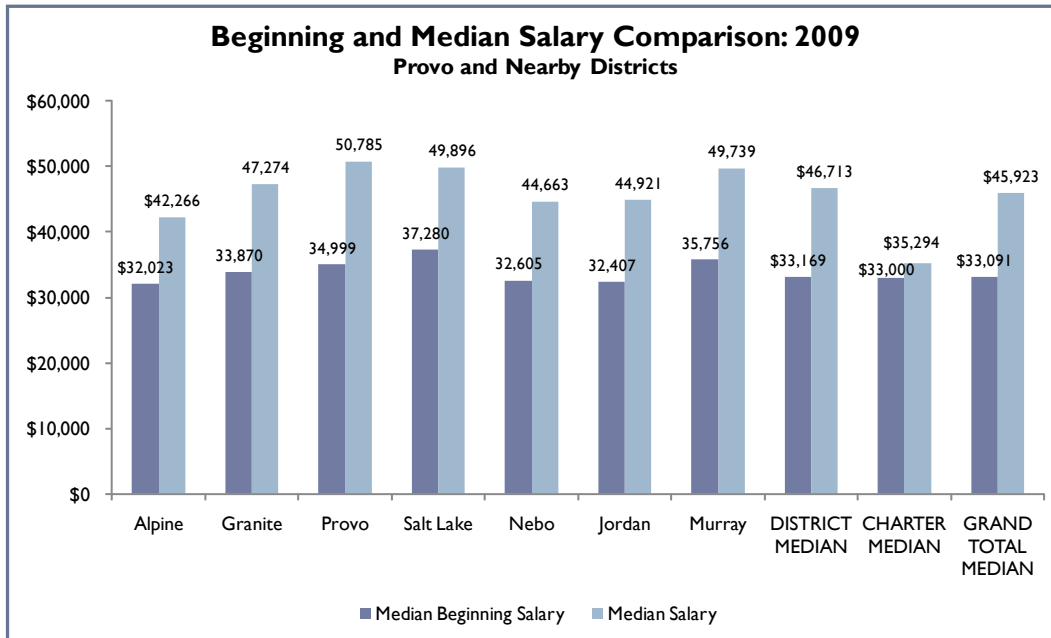
Note: The chart above shows Provo City School District's FY 2005 to FY 2011 annual fuel expenditures compared to the annual average cost per gallon of diesel fuel for the same years (FY 2010 actual expenditures are based on the budgeted amount, and FY 2011 expenditures and average per gallon costs are based on District projections). Because the District spends most of its fuel budget during the months of September to May, only those months are used when computing the average per gallon cost of diesel fuel.

### Transportation/Busing Statistics

| Year    | Miles traveled (to and from school, field trips, and activities) | Number of students transported daily | Driving hours per day | Route miles driven per day | Field and activity trip miles per day | Cost per student per year to transport | Number of buses |
|---------|--|--------------------------------------|-----------------------|----------------------------|---------------------------------------|--|-----------------|
| 2001-02 | 575,100  | 9,828                                | 228                   | 2,703                      | 492                                   | \$141                                  | 40              |
| 2002-03 | 620,280  | 9,572                                | 246                   | 2,950                      | 496                                   | \$178                                  | 40              |
| 2003-04 | 636,750  | 7,382                                | 264                   | 3,098                      | 440                                   | \$253                                  | 40              |
| 2004-05 | 653,220  | 5,192                                | 282                   | 3,245                      | 384                                   | \$328                                  | 42              |
| 2005-06 | 650,520  | 4,771                                | 251                   | 2,997                      | 617                                   | \$426                                  | 43              |
| 2006-07 | 510,840  | 4,894                                | 245                   | 2,605                      | 233                                   | \$492                                  | 43              |
| 2007-08 | 542,700  | 5,169                                | 271                   | 2,747                      | 268                                   | \$501                                  | 48              |
| 2008-09 | 497,132  | 6,208                                | 226                   | 2,699                      | 214                                   | \$366                                  | 48              |

## Median Teacher and Administrator Pay

The District pays its teachers and administrators more than the median teacher salary in Utah. It's critical for the District to pay employees a competitive wage to attract talent and retain valuable employees, especially as the economy improves and employees have more employment options.



Source: Utah State Office of Education



## District Health Insurance Cost Statistics

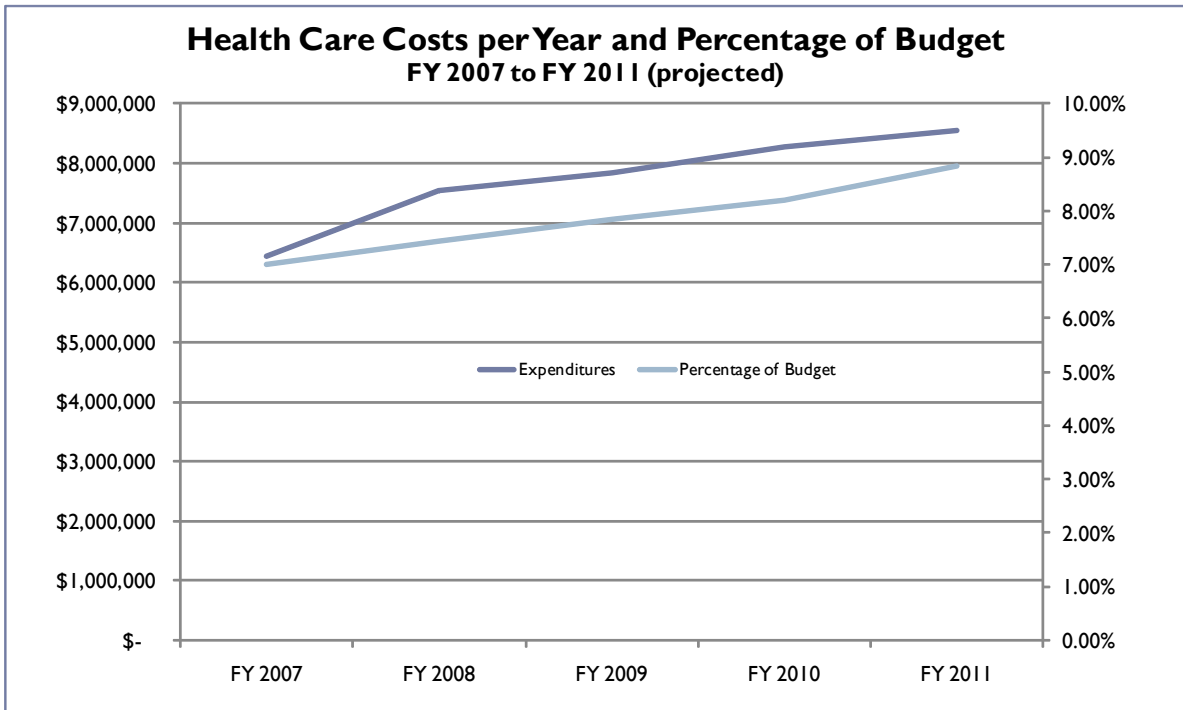
The rising cost of health care is a problem nationwide, and the District isn't immune. In 2005, a premium participation plan was put in place, with employees paying a percentage of their premiums. This was designed not only to save money, but more importantly to help employees take ownership of their health care. Overall, the District's health care expenditures are projected to increase approximately 3% in FY 2011.

**“The percentage of the District’s budget that goes toward health insurance each year is increasing.”**

| Year    | Health Insurance Expenditures | Percentage of Budget <sup>1</sup> |
|---------|-------------------------------|-----------------------------------|
| FY 2007 | \$ 6,440,191                  | 7.00%                             |
| FY 2008 | \$ 7,542,682                  | 7.43%                             |
| FY 2009 | \$ 7,830,180                  | 7.85%                             |
| FY 2010 | \$ 8,284,326                  | 8.21%                             |
| FY 2011 | \$ 8,551,553                  | 8.83%                             |

<sup>1</sup>Excluding Building Construction and Debt Service

As the adjacent table and graph below indicate, the percentage of the District's budget that goes toward health insurance each year is increasing, meaning inflationary pressure on health care is outpacing other District expenditures.



Note: Percentage of budget calculation excludes building construction and debt service, which can fluctuate significantly depending on current construction projects.

## Student Performance: Iowa Test of Basic Skills

Fall 2004 to Fall 2008 (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. A score of 50 is the average score of the ITBS for the nation. Any score above 50 is above the national average. The first year the IOWA test was given in Utah was 2004. **Typically, District scores are moderately or substantially better than the national average.**

|                            | Fall 2004 |      | Fall 2005 |      | Fall 2006 |      | Fall 2007  |      | Fall 2008 |      |
|----------------------------|-----------|------|-----------|------|-----------|------|------------|------|-----------|------|
|                            | Provo     | Utah | Provo     | Utah | Provo     | Utah | Provo      | Utah | Provo     | Utah |
| <b>Third Grade ITBS</b>    |           |      |           |      |           |      |            |      |           |      |
| Reading                    | 64        | 64   | 63        | 65   | 59        | 58   | 57         | 57   | 58        | 57   |
| Language                   | 52        | 55   | 52        | 55   | 48        | 48   | 41         | 47   | 43        | 46   |
| Mathematics                | 56        | 57   | 57        | 57   | 52        | 48   | 47         | 47   | 49        | 47   |
| Social Studies             | 64        | 65   | 65        | 66   | 61        | 61   | 58         | 61   | 58        | 60   |
| Science                    | 69        | 69   | 68        | 69   | 65        | 63   | 62         | 63   | 62        | 63   |
| Composite Score            | 64        | 65   | 64        | 65   | 59        | 58   | 55         | 57   | 56        | 57   |
| <b>Fifth Grade ITBS</b>    |           |      |           |      |           |      |            |      |           |      |
| Reading                    | 65        | 63   | 64        | 64   | 56        | 56   | 54         | 57   | 56        | 55   |
| Language                   | 61        | 58   | 57        | 57   | 52        | 53   | 50         | 53   | 53        | 51   |
| Mathematics                | 65        | 59   | 62        | 59   | 54        | 52   | 54         | 52   | 60        | 52   |
| Social Studies             | 62        | 61   | 59        | 61   | 55        | 57   | 52         | 56   | 54        | 55   |
| Science                    | 71        | 69   | 68        | 70   | 64        | 65   | 61         | 65   | 66        | 64   |
| Composite Score            | 67        | 64   | 63        | 63   | 57        | 58   | 56         | 58   | 59        | 57   |
| <b>Eighth Grade ITBS</b>   |           |      |           |      |           |      |            |      |           |      |
| Reading                    | 63        | 62   | 62        | 62   | 59        | 59   | 64         | 59   | 60        | 60   |
| Language                   | 55        | 54   | 57        | 57   | 53        | 52   | 55         | 53   | 53        | 53   |
| Mathematics                | 58        | 57   | 62        | 59   | 52        | 53   | 54         | 52   | 52        | 53   |
| Social Studies             | 50        | 52   | 59        | 61   | 50        | 52   | 52         | 51   | 50        | 51   |
| Science                    | 63        | 64   | 68        | 70   | 63        | 65   | 66         | 65   | 64        | 65   |
| Composite Score            | 58        | 58   | 63        | 63   | 55        | 56   | 58         | 56   | 56        | 57   |
| <b>Eleventh Grade ITBS</b> |           |      |           |      |           |      |            |      |           |      |
| Reading                    | 68        | 62   | 67        | 62   | 65        | 62   | Not Tested |      |           |      |
| Spelling                   | 56        | 52   | 54        | 51   | 52        | 51   |            |      |           |      |
| Revising                   | 58        | 56   | 58        | 55   | 56        | 54   |            |      |           |      |
| Writing                    | 58        | 56   | 58        | 55   | 56        | 54   |            |      |           |      |
| Mathematics                | 61        | 58   | 61        | 57   | 62        | 57   |            |      |           |      |
| Social Studies             | 62        | 60   | 64        | 59   | 57        | 58   |            |      |           |      |
| Science                    | 65        | 65   | 66        | 62   | 53        | 61   |            |      |           |      |
| Composite Score            | 64        | 61   | 65        | 59   | 60        | 59   |            |      |           |      |

Source: District data

## Student Performance: Criterion Reference Testing 2003-04 to 2008-09 (most recent year available)

### Elementary

|               | Grade | 2003-2004         |               | 2004-2005         |               | 2005-06           |               | 2006-07              |               | 2007-08              |               | 2008-09              |               |
|---------------|-------|-------------------|---------------|-------------------|---------------|-------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
|               |       | Average % Correct | Number Tested | Average % Correct | Number Tested | Average % Correct | Number Tested | Average % Proficient | Number Tested | Average % Proficient | Number Tested | Average % Proficient | Number Tested |
| Language Arts | 1     | 82%               | 1,037         | 80%               | 1,151         | 76%               | 1,153         | 73%                  | 1,131         | not tested           |               | not tested           |               |
|               | 2     | 75%               | 1,020         | 77%               | 1,015         | 79%               | 1,108         | 77%                  | 1,068         | 78%                  | 1,068         | 79%                  | 1,064         |
|               | 3     | 76%               | 995           | 75%               | 1,016         | 78%               | 1,006         | 78%                  | 1,083         | 76%                  | 1,041         | 83%                  | 1,035         |
|               | 4     | 81%               | 951           | 81%               | 990           | 81%               | 980           | 79%                  | 980           | 77%                  | 1,048         | 82%                  | 995           |
|               | 5     | 78%               | 914           | 79%               | 923           | 79%               | 960           | 77%                  | 937           | 76%                  | 947           | 79%                  | 1,020         |
|               | 6     | 79%               | 989           | 82%               | 897           | 76%               | 903           | 80%                  | 976           | 80%                  | 917           | 83%                  | 941           |
| Math          | 1     | 83%               | 1,038         | 76%               | 1,165         | 77%               | 1,151         | 71%                  | 1,130         | not tested           |               | 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           |               | not tested           |               |
|               | 4     | 62%               | 950           | not available     |               | 62%               | 982           | 62%                  | 984           | 64%                  | 1,048         | 66%                  | 1,002         |
|               | 5     | 59%               | 914           | 64%               | 931           | 66%               | 960           | 64%                  | 952           | 65%                  | 931           | 68%                  | 1,022         |
|               | 6     | 63%               | 992           | 68%               | 895           | 72%               | 904           | 61%                  | 955           | 69%                  | 933           | 71%                  | 943           |

### Secondary

| Course         | 2003-2004            |               | 2004-2005            |               | 2005-06                      |               | 2006-07              |               | 2007-08              |               | 2008-09              |               |
|----------------|----------------------|---------------|----------------------|---------------|------------------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
|                | Average % Proficient | Number Tested | Average % Proficient | Number Tested | Average % Proficient         | Number Tested | Average % Proficient | Number Tested | Average % Proficient | Number Tested | Average % Proficient | Number Tested |
| 7th Lang Arts  |                      |               |                      |               |                              |               | 84%                  | 889           | 77%                  | 928           | 83%                  | 903           |
| 8th Lang Arts  |                      |               |                      |               |                              |               | 81%                  | 911           | 85%                  | 869           | 81%                  | 916           |
| 9th Lang Arts  | unavailable          |               | unavailable          |               | unavailable                  |               | 79%                  | 1,008         | 78%                  | 926           | 78%                  | 895           |
| 10th Lang Arts | unavailable          |               | unavailable          |               | unavailable                  |               | 81%                  | 1,005         | 82%                  | 976           | 82%                  | 901           |
| 11th Lang Arts | unavailable          |               | unavailable          |               | unavailable                  |               | 81%                  | 872           | 84%                  | 924           | 76%                  | 939           |
| 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%                  | 1,156         | **                   | **            |
| 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           | data not complete from state |               | 69%                  | 441           | 62%                  | 504           | 69%                  | 388           |
| Science 8th    | 68%                  | 900           | 67%                  | 978           | 68%                          | 942           | 64%                  | 898           | 67%                  | 858           | 65%                  | 904           |
| Earth Systems  | 64%                  | 359           | 59%                  | 376           | 66%                          | 339           | 65%                  | 356           | 59%                  | 597           | 58%                  | 819           |
| Biology        | 79%                  | 629           | 65%                  | 818           | 65%                          | 978           | 70%                  | 1,067         | 66%                  | 989           | 69%                  | 757           |
| Chemistry      | unavailable          |               | unavailable          |               | unavailable                  |               | 66%                  | 386           | 57%                  | 393           | 65%                  | 431           |
| Physics        | unavailable          |               | unavailable          |               | unavailable                  |               | 56%                  | 253           | 49%                  | 294           | 66%                  | 357           |

\*\* In 2008-09 new, more rigorous math tests were developed for each grade level and math subject; the State of Utah has mandated that the new scores not be compared with previous years testing

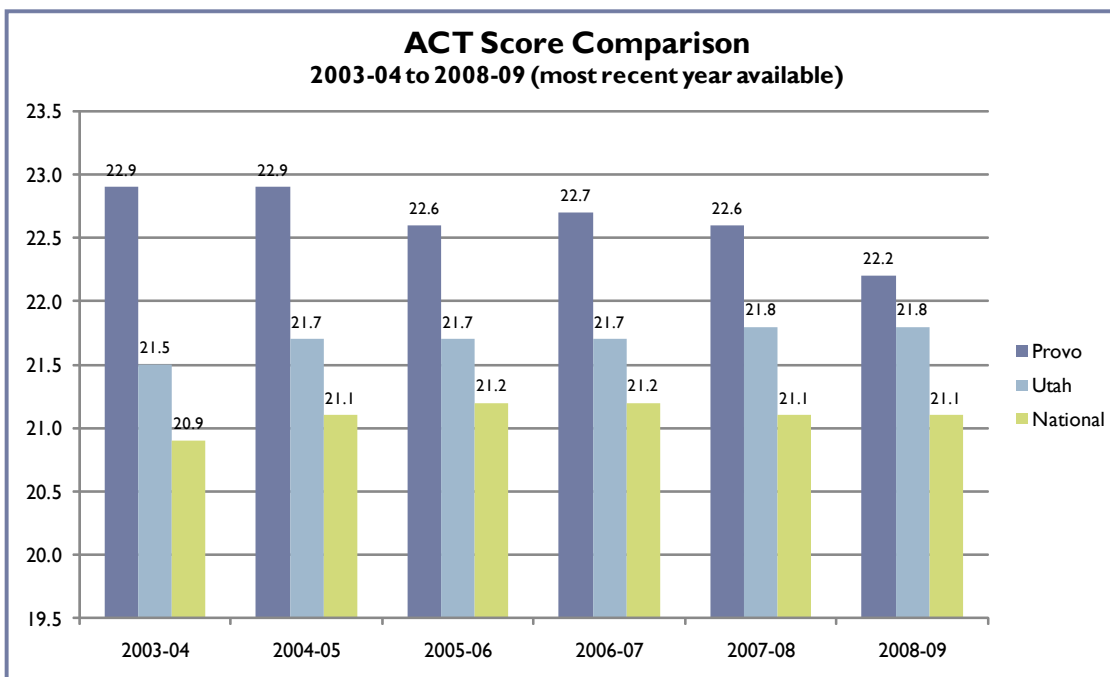
## Student Performance: ACT® Scores

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. **Since 2003, average District ACT scores have exceeded average scores in both the State of Utah and nationwide in all subject areas.**

### 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  | 22.9    | 21.2 | 20.6  | 22.4    | 21.2 | 20.7  |
| Math      | 22.5    | 20.9 | 20.7  | 22.2    | 21.0 | 20.8  | 22.0    | 21.0 | 21.0  |
| Reading   | 23.5    | 22.2 | 21.3  | 23.6    | 22.4 | 21.4  | 23.2    | 22.4 | 21.5  |
| Science   | 22.6    | 21.4 | 20.9  | 22.3    | 21.6 | 20.9  | 22.1    | 21.6 | 21.0  |
| Composite | 22.9    | 21.5 | 20.9  | 22.9    | 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   | 22.7    | 21.3 | 20.7  | 22.3    | 21.4 | 20.6  | 21.8    | 21.4 | 20.6  |
| Math      | 22.2    | 21.1 | 21.0  | 22.1    | 21.1 | 21.0  | 21.8    | 21.1 | 21.0  |
| Reading   | 23.1    | 22.2 | 21.5  | 22.3    | 22.5 | 21.4  | 22.9    | 22.6 | 21.4  |
| Science   | 22.4    | 21.6 | 21.0  | 22.3    | 21.6 | 20.8  | 21.8    | 21.6 | 20.9  |
| Composite | 22.7    | 21.7 | 21.2  | 22.6    | 21.8 | 21.1  | 22.2    | 21.8 | 21.1  |



Sources: District data; www.act.org

## Student Performance: Utah Basic Skills Competency Test (UBSCT)

### Test Information

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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.”

#### Level 4: Substantial

Students scoring at this level have mastered Levels 1-3. They are also proficient in identifying and applying the elements of analytical assessment, i.e., evaluating the writer’s ability to select and elaborate ideas; organizing ideas; using appropriate voice; achieving sentence fluency; and using appropriate and effective word choice, authentic voice, and appropriate conventions. Level 4 students can express ideas effectively and convincingly in all forms of writing: expository, persuasive, narrative, and descriptive.

#### Level 3: Sufficient

Students scoring at this level have mastered Levels 1-2. They can also identify reliable, valid, and accurate information as well as the organizational patterns used to structure information. They can identify topic sentences and relevant supporting ideas in text. Level 3 students can express ideas effectively in all forms of writing: expository, persuasive, narrative, and descriptive. They have an overall grasp of writing conventions and can edit not only for spelling, capitalization, and punctuation, but also for errors in usage.

#### Level 2: Partial

Students scoring at this level have mastered Level 1. They can also assess the effective choice and use of sources to locate information, as well as identify headings, subheadings, and titles in text. Level 2 students have demonstrated some expository and persuasive writing skills and can use description to create sensory images. They evidence skill in identifying clear topic sentences and supporting details. Level 2 students can identify misspellings of common words and errors in basic capitalization and sentence punctuation.

#### Level 1: Minimal

Students scoring at this level have demonstrated the ability to identify the audience and purpose for a specific piece of writing. They can identify the main idea or central theme of a text and use narration to recount experiences. Details may be present in their writing, but may be loosely connected. Level 1 students show very limited skill in using writing conventions (spelling, capitalization, punctuation, usage, and paragraphing).

Source: Utah State Office of Education

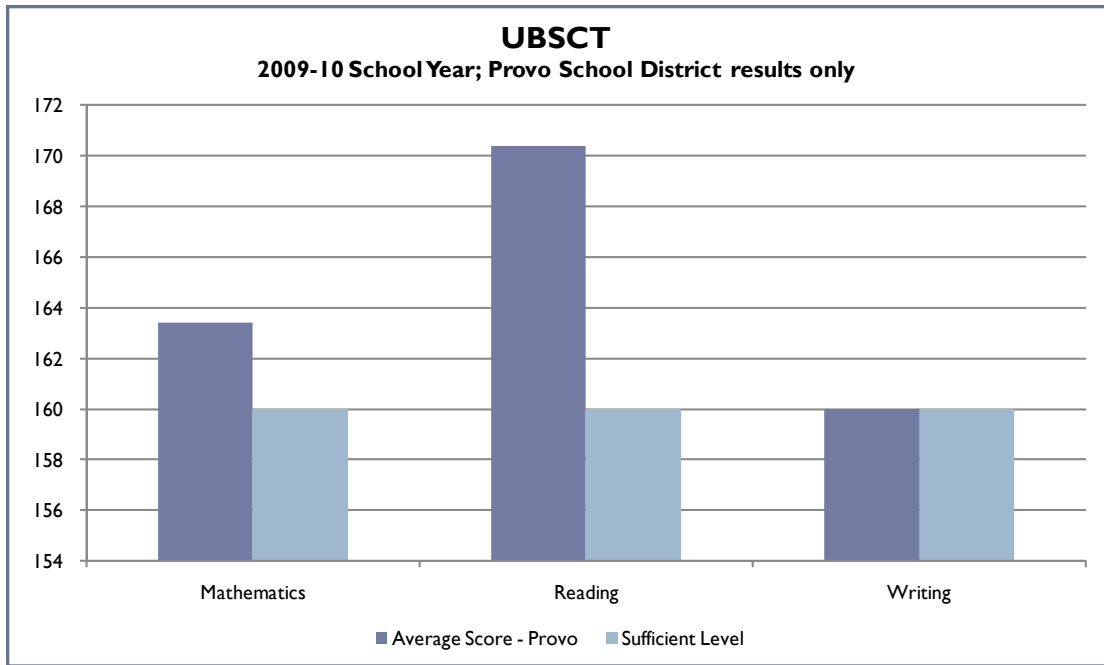
## Student Performance: Utah Basic Skills Competency Test (UBSCT)

### Test Results

| <b>UBSCT 2009-10 Results</b> |                               |                |
|------------------------------|-------------------------------|----------------|
| <b>Subject</b>               | <b>District Average Score</b> | <b>Level</b>   |
| Mathematics                  | 163                           | 3: Sufficient  |
| Reading                      | 170                           | 4: Substantial |
| Writing                      | 160                           | 3: Sufficient  |

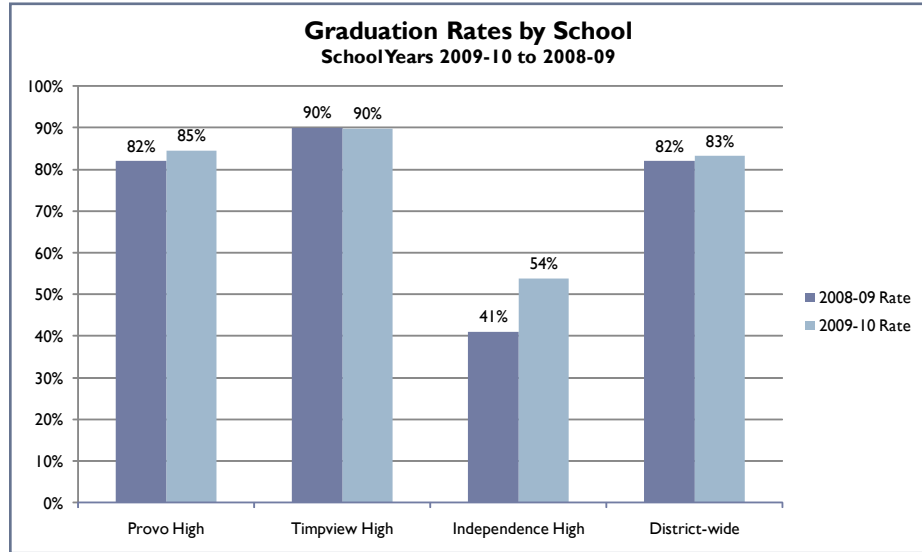
2009-10 District UBSCT scores were at or above sufficient levels for all three subject areas. Part of the District’s mission is to ensure students “Master the basics,” which includes an increased emphasis on promoting literacy. The Level 4 “Substantial” rating is evidence of the District’s success in this area. State comparison data weren’t available as of the publishing date of this document.

| <b>UBSCT Scoring Key</b><br>(Provo School District 2009-10 score placement highlighted) |                |                |                   |                    |
|---|----------------|----------------|-------------------|--------------------|
| <b>Subject</b>  | <b>Minimal</b> | <b>Partial</b> | <b>Sufficient</b> | <b>Substantial</b> |
| Mathematics   | 150 or below   | 151-159        | 160-167           | 168 or above       |
| Reading   | 153 or below   | 154-159        | 160-168           | 169 or above       |
| Writing   | 146 or below   | 147-159        | 160-169           | 170 or above       |

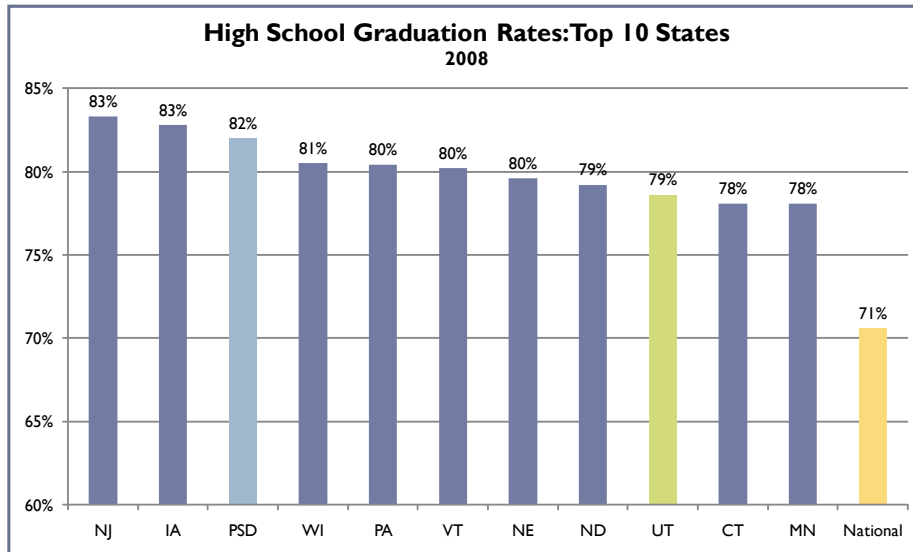


## Student Performance: High School Graduation Rates

Graduation rates at Provo and Independence High School increased during the 2009-10 school year, while Timpview's rate, at 90%, remained the same.



Source: District data "S3" report submitted to State of Utah



Source: Education Week; District data

At 83%, the District's graduation rate for the 2009-10 school year is higher than the average rate in the State of Utah, and substantially higher than the national rate of 71% shown for 2008 in the adjacent chart. The District's rate is up one point over its 2008-09 rate of 82%.

## 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.

**Balanced Budget:** The District considers the budget balanced when total expenditures are equal to total revenues. However, there are instances when revenues exceed expenditures, or when expenditures exceed revenues but residual fund balances are used to make up the difference.

**Basic School Program:** programs for kindergarten, elementary, and secondary school students that are operated and maintained for the amount derived by multiplying the number of Weighted Pupil Units (WPU) for each district or charter school by the value of the Weighted Pupil Unit.

**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 of the useful life of District assets, attributable to age, wear-and-tear, and obsolescence.

**Encumbrance:** a method of reserving funds for purchase orders, salary contracts, and other financial commitments which are forthcoming.

**Expenditure:** a charge that is incurred, presumably to benefit the District.

**Fall Enrollment Report:** the audited census of students registered in Utah public schools as reported in the audited October | 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.**



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