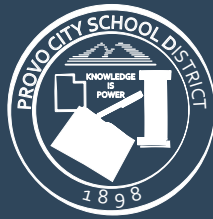


# PROVOCITY SCHOOL DISTRICT



280 WEST 940 NORTH  
PROVO, UT 84604  
(801) 374-4800  
[WWW.PROVO.EDU](http://WWW.PROVO.EDU)



## Annual Budget 2012-13

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



# Provo City School District

280 West 940 North

Provo, UT 84604



# 2012-13 Annual Budget

For Fiscal Year Ending June 30, 2013

Keith Rittel  
Superintendent of Schools

Kerry J. Smith, CPA/MBA  
Business Administrator

## Budget *Recognition*

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

The Association of School Business Officials International (ASBO) awarded the *Meritorious Budget Award* for excellence in the preparation and issuance of a 2011-12 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 2012-13 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, 2011, and ending June 30, 2012. 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.

### Note Regarding this Book

This book has been designed to act as a resource for the public, students, parents, and employees. It is divided into four sections: Introductory, Organizational, Financial, and Informational. The budget year represented is Fiscal Year 2012-13, although the year might be represented as FY 2013, FY13, or 2012-13, depending on the context of the information being presented and space constraints. These variations of the fiscal year or school year are used interchangeably.

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

*For best results, choose "two-page display" in your pdf viewer.*



**Association of School Business Officials International®**



**This Meritorious Budget Award is presented to**

**Provo City School District**

**For excellence in the preparation and issuance  
of its school system budget  
for the Fiscal Year 2011-2012.  
The budget is judged to conform  
to the principles and standards of the  
ASBO International® Meritorious Budget Awards  
Program.**

A handwritten signature in blue ink, appearing to read "Chuck Lindauer".

**President**

A handwritten signature in blue ink, appearing to read "John D. Messer".

**Executive Director**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Provo City School District  
Utah**

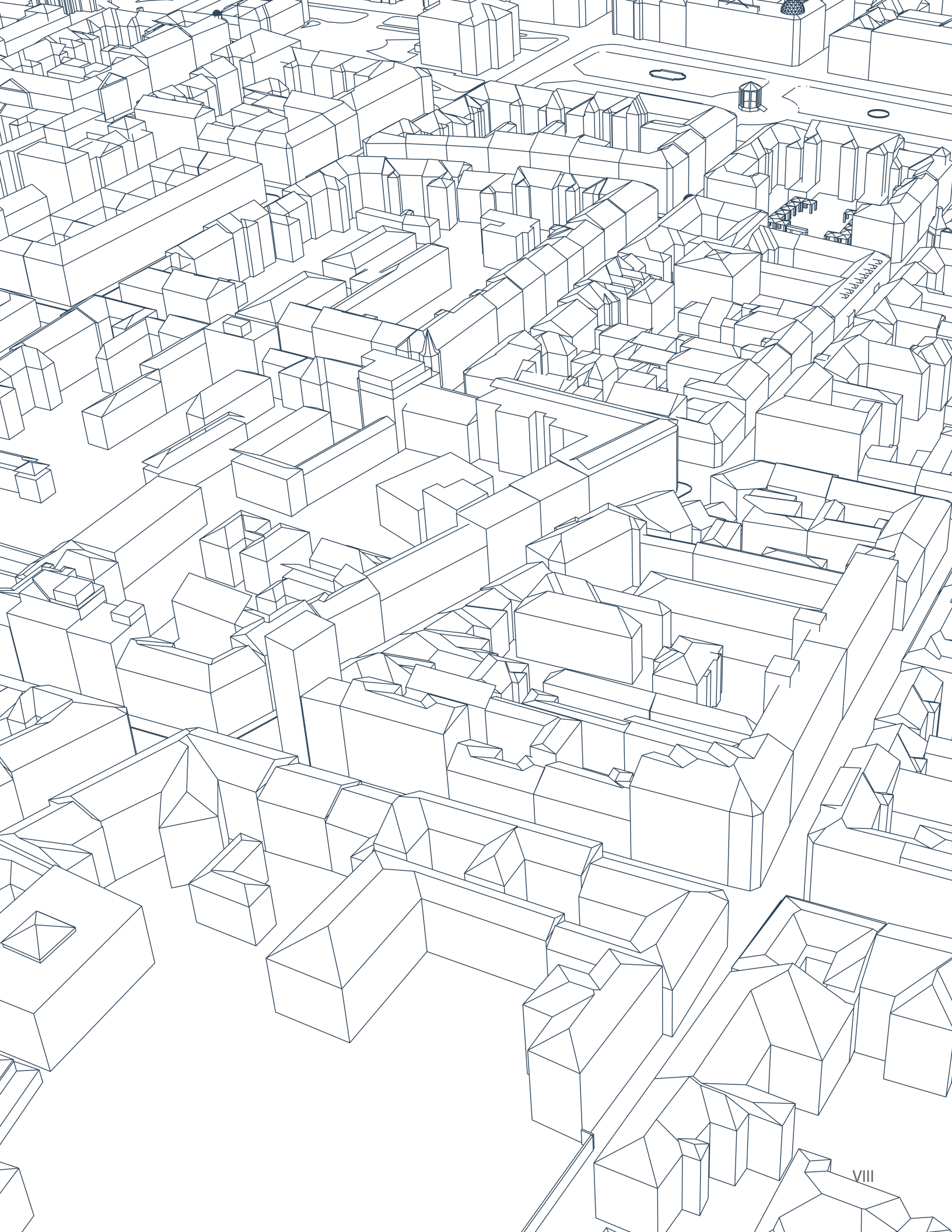
For the Fiscal Year Beginning

**July 1, 2011**

President

Executive Director







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

*-George Washington Carver*



**INTRODUCTORY SECTION 1**

Executive Summary 2  
Budget Message 5

**ORGANIZATIONAL SECTION 21**

District Enrollment 19  
Statewide Enrollment 19  
The District Entity 22  
Significant Laws Affecting this Budget 23  
Financial and Budget Administration Policies 25  
Budget Development and Review Process 27  
Budget Administration and Management Process 28  
Balanced Budget: Definition 28  
Budget Approval and Adjustment Process 29  
Method of Classifying Revenues & Expenditures 30  
Basis of Budgeting 30  
Revenue Projection Methodology 30  
Impact of Planning Processes on the Budget 31  
Budget Development and Review Process: Budget Timeline 32  
Budget Process: Stakeholder Involvement 33  
Long-range 20/20 Plan: Seven Guiding Principles 34  
Long-range 20/20 Plan: Imperatives 35  
District-wide Goals: FY 2012 36  
FY 2012 Goals by Department: 38  
Mission Statement 41  
Connecting the Short and Long Terms 41  
Innovation: eSchool 42  
Voter Precincts 43  
Provo City: Provo School District Elementary School Boundaries 44  
District Departments 45  
Organizational Chart 47  
Staffing Levels by Function 48  
District Funds: Description 49  
Relationship Between Funds and District Departments 50  
Expenditure Functions: An Explanation 51

**FINANCIAL SECTION 54**

Major Revenue Sources 55

Revenue Projection Assumptions 56

Major Revenue Sources: State of Utah 57

Major Revenue Sources: Local 61

Major Revenue Sources: Federal 63

Financial Schedules and Charts 65

Expenditure Comparison by Function: All Funds 66

FY 2013 Budget Summary: Revenues by Source and Expenditures 67

Expenditures: Fund and Object 68

Summary of Budgets by Fund: All Funds 69

Summary of Budgets: General Fund 70

Summary of Budgets: Capital Projects Fund 71

Summary of Budgets: Debt Service Fund 72

Summary of Budgets: Student Activity Fund 73

Summary of Budgets: Non K-12 Fund 74

Summary of Budgets: Building Reserve Fund 75

Summary of Budgets: Food Service Fund 76

Fund Balance Information 77

Major Revenues and Expenditures by Fund 79

Revenues and Expenditure Budgets by Source: General Fund 80

Major Revenue Sources: General Fund 81

Major Expenditures: General Fund 83

Revenues and Expenditure Budgets by Source: Capital Projects Fund 88

Major Revenue Sources: Capital Projects Fund 89

Major Expenditures: Capital Projects Fund 90

Major Revenues and Expenditures: Debt Service Fund 91

Major Revenues and Expenditures by Fund 92

Major Revenues and Expenditures: Student Activity Fund 93

Major Revenues: Non K-12 Fund 94

Major Expenditures: Non K-12 Fund 95

Other Financing Sources (Uses): Building Reserve Fund 96

Major Revenues: Food Service Fund 97

Major Expenditures: Food Service Fund 98

Capital Projects and Debt Service 99

Capital Expenditures: Definition 100

Significant Capital Expenditures: Non-routine 100

Other Significant Capital Expenditures: Non-routine 101

Capital Improvement Plan 102

Debt Obligations 106

General Obligation Debt: Actual to Limit 108

## **INFORMATIONAL SECTION 111**

Demographic and Economic Profile 112

Provo: Past and Present 113

Utah Economic Environment 115

Historical Populations: Utah County and Provo City 117

Birth Rates: Utah County - Utah - U.S. 118

Provo: Information and Attractions 119

Largest Employers: Provo, Largest Taxpayers in Utah County 120

Employment Statistics: Utah County 121

Unemployment Rate History: Utah County 121

Property Tax Information: Provo City 122

Basis of Budget Forecast: Revenues 129

Basis of Budget Forecast: Expenditures 130

Budget Forecasts: 131

Debt: General Obligation Bonds 138

Statistics and Performance Measures 139

Personnel Resource Allocation: Full-time Equivalents 140

Enrollment 141

District Facilities 145

Per Pupil Expenditures 150

Median Class Sizes: State of Utah 151

Student Demographics 152

Student Enrollment: Utah County Comparison 153

Demographics: District School Lunch Participation 154

School Lunch Participation: Trends 154

Program Costs and Data: Food Services 155

Child Nutrition: Meal Prices 155

Transportation: Costs and Statistics 156

Compensation: Median Pay Comparison 157

Health Insurance: Cost and Statistics 158

Student Performance: UPASS 159

Student Performance: Annual Yearly Progress (AYP) 160

Student Performance: Criterion Reference Testing 161

Student Performance: ACT Test Scores 162

Student Performance: Advanced Placement Tests: 163

High School Graduation Rates: 164

Glossary 165





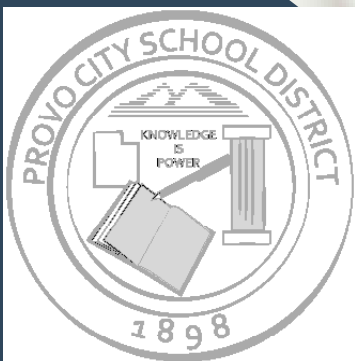
# 1 **Introductory**Section



# Provo City School District Annual Budget



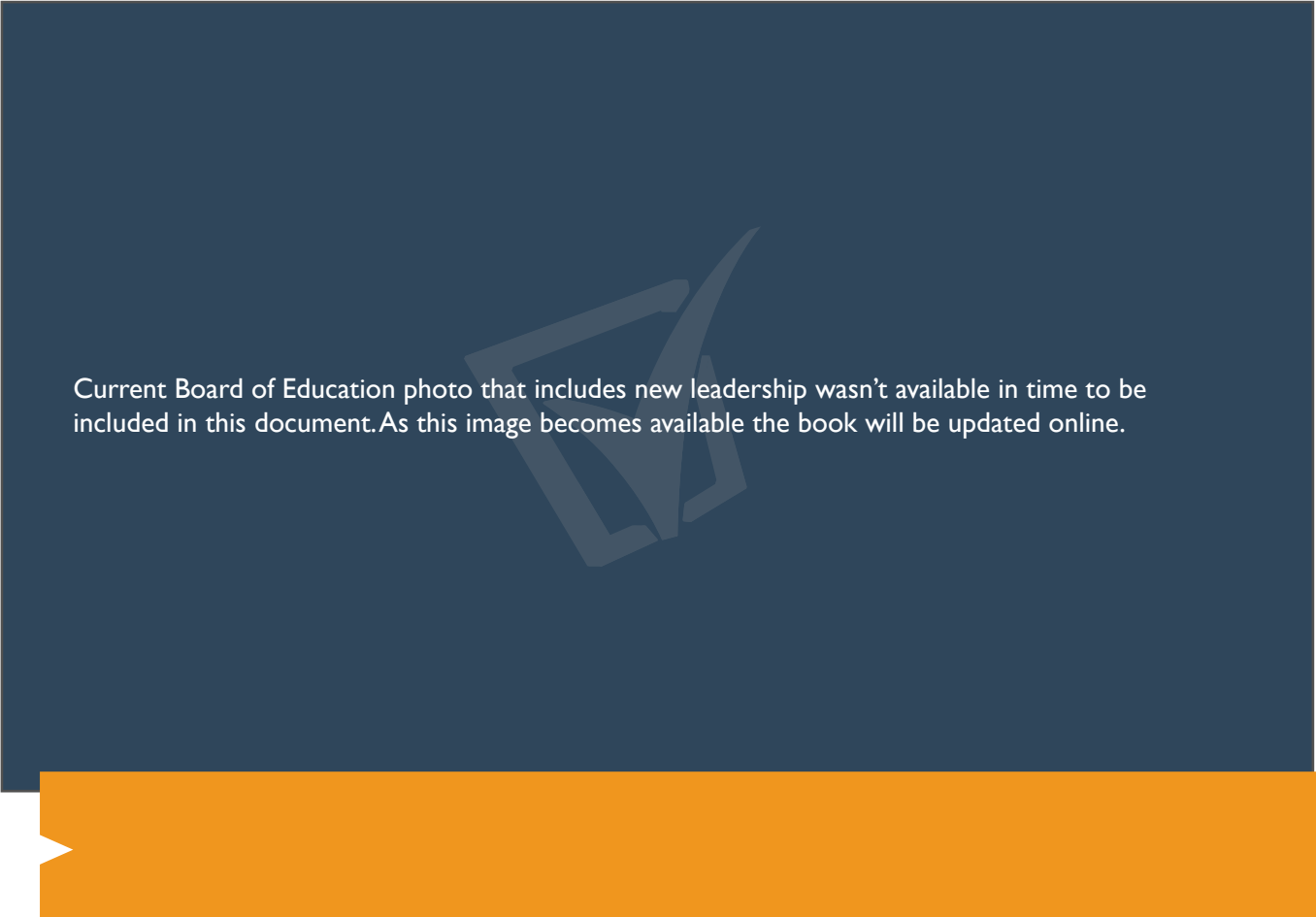
▶ 2012-13



## Executive Summary

# Provo City School District

## *Board of Education and Officers*



Current Board of Education photo that includes new leadership wasn't available in time to be included in this document. As this image becomes available the book will be updated online.

# Provo City School District: *Elected and Appointed Officials* 2012-13

## Board of Education

**Steven Staples**  
Precinct 1  
Present Term: 2011 - 2015  
Initial Appointment: 2011

**Michelle Kaufusi**  
Precinct 2  
Present Term: 2011 - 2015  
Initial Appointment: 2011

**Richard Sheffield**  
Precinct 3  
Present Term: 2008 - 2012  
Initial Appointment: 2000

**Shannon Poulsen**  
Precinct 4  
Present Term: 2011 - 2015  
Initial Appointment: 2002

**Darryl Alder**  
Precinct 5  
Present Term: 2008 - 2012  
Initial Appointment: 2000

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

**Mary Ann Christiansen**  
Precinct 7  
Present Term: 2008 - 2012  
Initial Appointment: 2004

## District Administration

**Keith Rittel**  
Superintendent  
Initial Appointment: 2012

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

**Ray Morgan**  
Asst. Superintendent  
Curriculum

**Cindy Wright**  
Associate Personnel Director

**Ted Kelly**  
Special Programs &  
Technology Support

**Greg Hudnall**  
Student Services

Gaye Gibbs  
Title I Director

**Jared Ferguson**  
Career Technology Education

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

**Jenilee McComb**  
Director of Food Services

**Mark Wheeler**  
Facilities

## Elementary School Administration

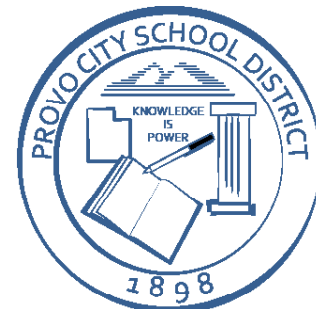
Amelia Earhart	Jason Cox
Canyon Crest	Patricia Anderson
Edgemont	Dennis Pratt
Franklin	TBA
Lakeview	Drew Daniels
Provo Peaks	Alex Judd
Provost	Dr. Steve Oliverson
Rock Canyon	Dean Nielsen
Spring Creek	Missy Hamilton
Sunset View	Clint Smith
Timpanogos	Diane Bridge
Wasatch	Colleen Densley
Westridge	Cory Anderson

## Middle School Administration

Centennial	Mitch Swenson
Dixon	Jarod Sites

## High School Administration

Independence	Rosanna Ungerman
Provo	Jeff Schoonover
Timpview	Dr. Michael Todd McKee



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

## Budget *Message*

Dear Patrons:

As a new school year is upon us, new leadership takes the helm of the Provo City School District. The District continues to benefit from the vision and strategy provided by the 20/20 Initiative, which brought together a wide range of community stakeholders with the common goal of making Provo a progressive, innovative and responsive school district.

*“For FY 2013, total District revenue is projected to be \$111,307,765, an increase \$200,000 over FY 2012.”*

Although the recession has put immense financial pressure on the system, the District has kept as many resources as possible in the classroom. The District budget includes aggressive goals to accomplish the 20/20 initiatives. Assuring the most competent teachers and administrators are employed and retained to provide the highest quality learning experience to the students of Provo city are some of the most important long-term initiatives established.

To this end, teacher compensation is paramount in the budgeting process. The district offered a \$1.9 million compensation package to its employees this year which will be funded from attrition and non-essential program cuts.

The district is committed to maintaining balanced budgets through an attrition model, and is on track to this end.

The District has an established record of being financially transparent and well run, consistently earning national awards. We are emerging from the recent economic storm in a position to take advantage of opportunities to increase educational achievement. Last year the District established professional learning communities and instructional coaches to continued professional development of our teachers. Our continued emphasis on teacher development and assuring an excellent classroom learning environment are key district strategies to assure student achievement goals are reached.

We are both excited and optimistic about the challenges and opportunities ahead. We believe we have a strong leadership team with vision and take a long term approach with the goal of positioning the District to offer the best educational opportunities in the state.

The FY 2012-13 District wide goals and objectives, which fall under the long-range 20/20 plan, are listed on the next page. The 20/20 plan is guiding the District for FY 2012-13 and beyond, and was developed with substantial public feedback and directives. In short, it is our goal that the 20/20 plan will continue us on the path to exceeding customer expectations and developing into the most public-facing, achievement-oriented district in the State.

*“Total expenditures for FY 2013 are budgeted at \$115,648,954, a decrease of \$2 million when compared to FY 2012.”*

Being responsive to our parents and students needs, combined with creative, new ideas, will be essential to the District's long term existence. Changing technology and competition from charter, private and online schools our pushing us to change how we educate and serve the students of Provo City. To this end Provo School District is offering the fastest growing and most comprehensive online school in the state, offering over four hundred courses with premier offerings in the languages and technology. Provo School District continues to emphasize school choice options to its patrons by offering elementary immersion programs and rigorous secondary opportunities.

All of these options cost money, and for FY 2013 total expenditures are budgeted at \$115,649,000 on revenues of \$111,308,000. The excess of expenses to revenues is due to the construction of a sports facility at Provo High School and the expected payout of District retirement Benefits (OPEB), both of which are coming out of reserves designated or restricted for those purposes. Neither of these large expenditures are considered to be ongoing, as the District has fully funded its OPEB obligations with special reserves, and the facility at Provo High is being funded by a one-time transfer of the building reserve fund.

It's important to note that the District always plans to use one-time revenues on one-time or non-recurring projects, and ongoing revenues on ongoing projects, such as compensation, supplies, and routine facility and grounds maintenance. This element of fiscal discipline is one reason the District is in a position to thrive in 2013 and beyond.

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

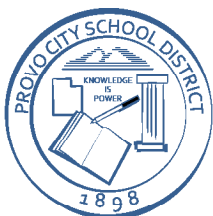
Respectfully Submitted,



Keith Rittel  
Superintendent of Schools



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



# Districtwide Goals: *FY 2012-13*

## **1. Confirm Highly Effective Principals and Teachers Through Enhanced Employment, Training and Evaluation Procedures**

- Refine evaluation process
- Improved training in operations areas

## **2. Form Clear Expectations for all Staff at Every Level of the Organization, Reward Exemplary Performance**

- Hold teachers accountable for tiered intervention results
- Refine employee evaluations
- Evaluate the effectiveness of the classified performance pay plan
- Develop a recognition program for individual and organization achievement

## **3. Transform Communications, Customer Service and Relationship Expectations with Parents and Community**

- Develop a Latino outreach initiative
- Establish a district-wide compact with parents
- Improve transportation services and safety
- Set standards for civil discourse with the public
- Improved security measures

## **4. Establish District-wide Educational Performance Standards to Ensure Basic Floor of Opportunity for all Students**

- Hold teachers accountable for tiered intervention results
- Common core implementation
- Explore feasibility of altering schedules for math remediation
- Form common expectations plan
- Expand dual immersion program to include blended model approach
- Develop a middle school dual immersion transition plan
- Select committee to advance STEM education

## **5. Provide for Continuous Improvement in Current Proven Programs**

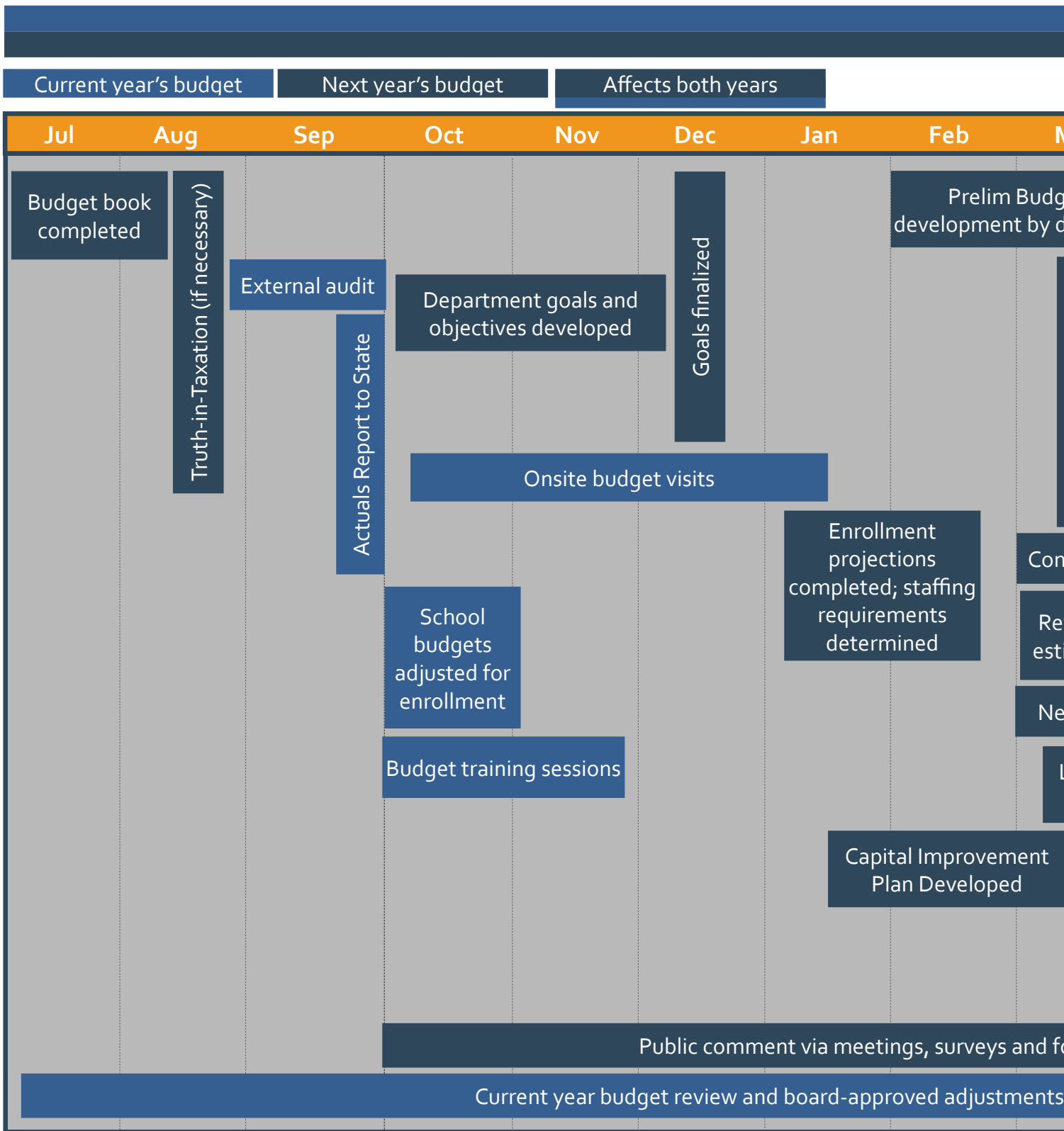
- Increased safety procedures
- Bullying program
- eSchool
- Public outreach

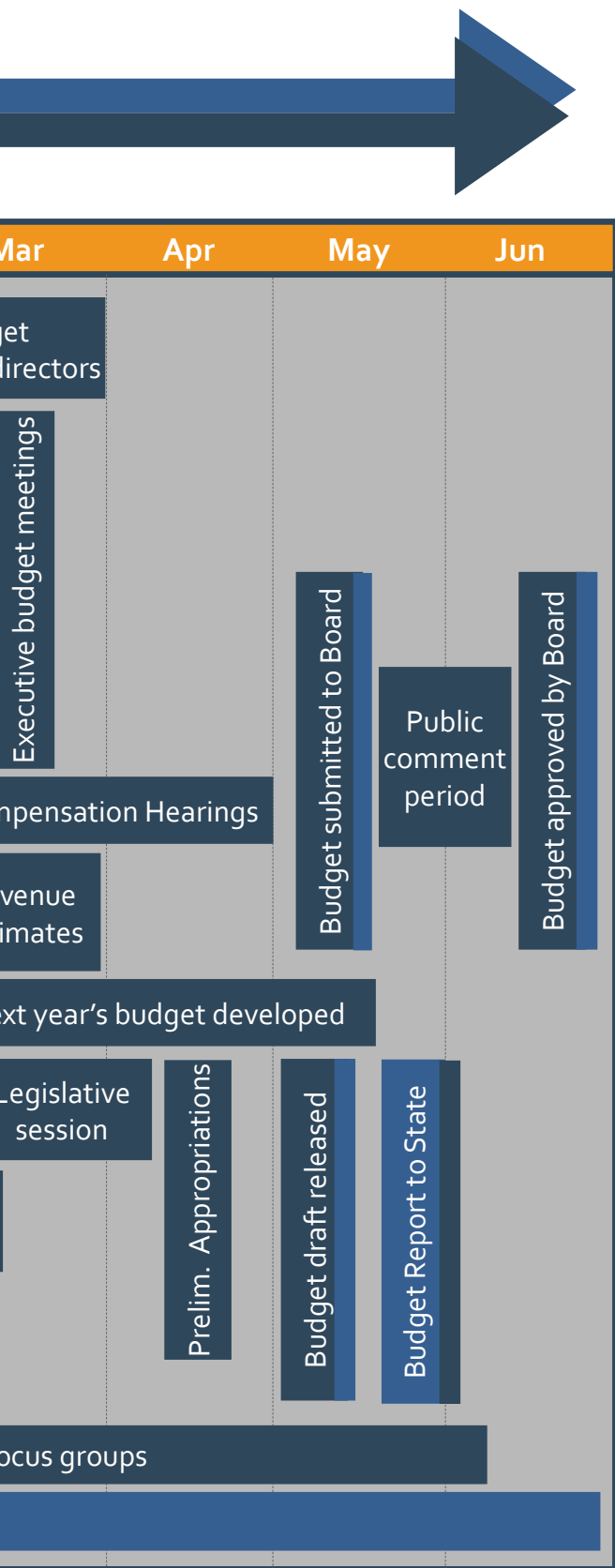
## **6. Improve General District Operations**

- Develop a long-term financial plan for technology, compensation, capital projects and student transportation
- Leverage current technology infrastructure to increase academic performance and provide rich learning experience



# Budget Development and Review Process: *Budget Timeline*





## Budget Input: *The Process*

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

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.



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

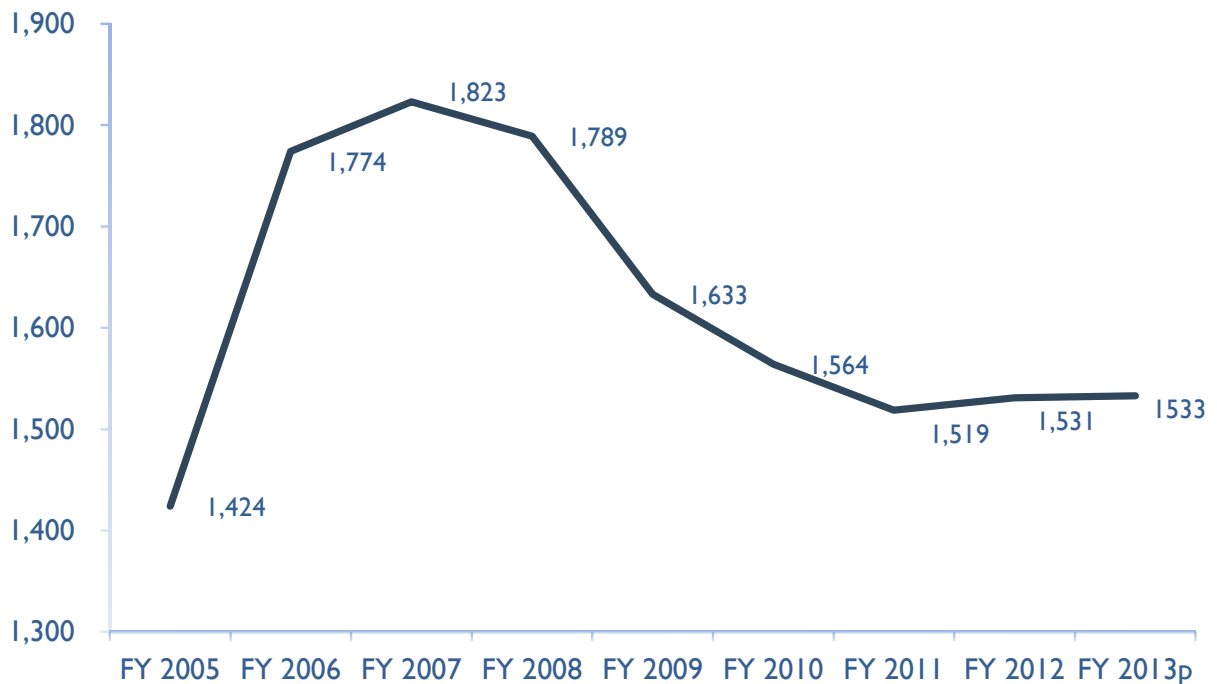
## Budget Development & Review Process

### Allocation of Resources

The District strives to ensure it has only the number of employees necessary to meet its goals and objectives. As a service organization, employee compensation is the biggest single expense incurred by the District. As a result, when cuts need to be made, it's difficult to spare all positions.

For 2012-13, the Board of Education and management have made the decision to keep average class-sizes at 28.2, the same figure as FY 2011-12. Some growth is budgeted to account for projected enrollment increases, particularly in eSchool. Some technology support positions were cut as a result of budget constraints. Overall, budgeted staffing levels are roughly flat in the FY 2012-13 budget when compared to the previous year.

### Full-time Equivalent Employees



## The Big Picture: *Revenues and Expenditures*

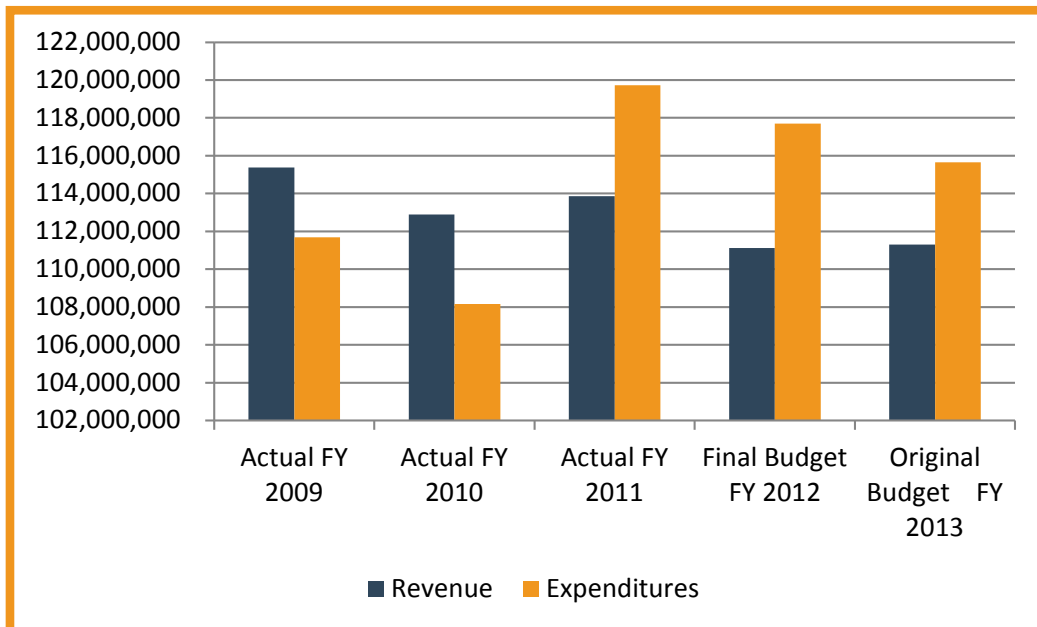
### Revenue Summary by Fund FY 2009-FY 2013

Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
General	\$ 86,696,347	\$ 87,619,554	\$ 88,295,432	\$ 86,842,437	\$ 86,736,014
Student Activities	3,496,177	3,284,270	3,449,587	3,500,000	3,534,536
Non K-12	4,453,477	3,147,305	2,895,840	5,108,059	5,151,245
Debt Service	6,424,380	6,432,102	6,263,180	6,418,000	6,418,000
Capital Projects	9,495,755	7,395,204	8,056,026	3,890,000	3,944,000
Food Services	4,805,708	5,005,968	4,897,035	5,353,004	5,523,970
<b>Total</b>	<b>115,371,844</b>	<b>112,884,403</b>	<b>113,857,100</b>	<b>111,111,500</b>	<b>111,307,765</b>

### Expense Summary by Fund FY 2009-FY 2013

Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
General	\$ 81,561,092	\$ 82,738,291	\$ 86,430,169	\$ 90,740,870	\$ 89,706,516
Student Activities	3,642,740	3,052,561	3,498,215	3,700,000	3,657,382
Non K-12	4,509,935	3,287,298	2,973,443	3,156,191	3,084,447
Debt Service	6,414,138	6,419,576	6,425,229	6,467,522	6,473,000
Capital Projects	10,480,253	7,750,254	15,190,204	8,067,469	6,851,515
Food Services	5,077,938	4,910,053	5,208,604	5,570,368	5,876,094
<b>Total</b>	<b>111,686,096</b>	<b>108,158,033</b>	<b>119,725,864</b>	<b>117,702,420</b>	<b>115,648,954</b>

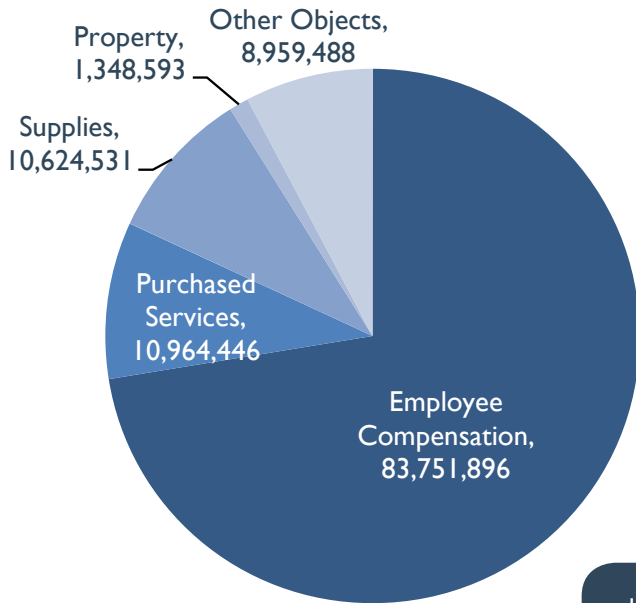
## Total Revenues & Expenditures: *FY 2008 to FY 2012*



## Summary: Revenue & Expenditures

## The Big Picture: Budget Summary

### Expenditures by Source: FY12

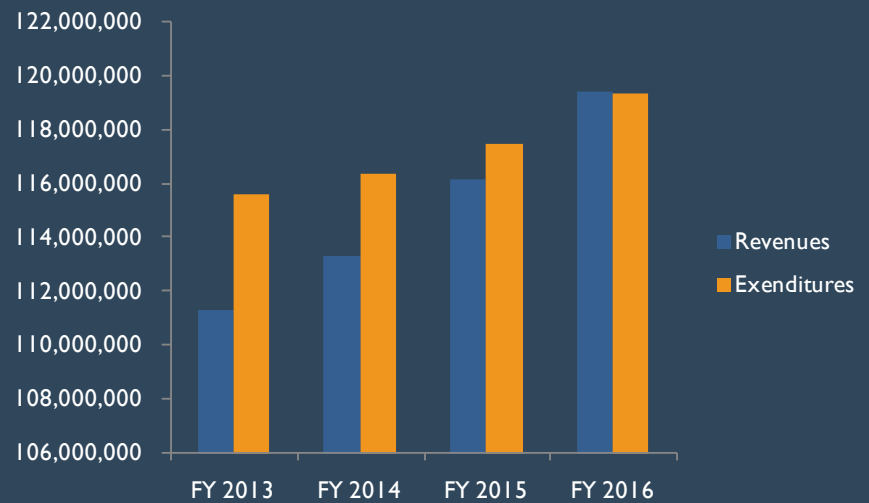
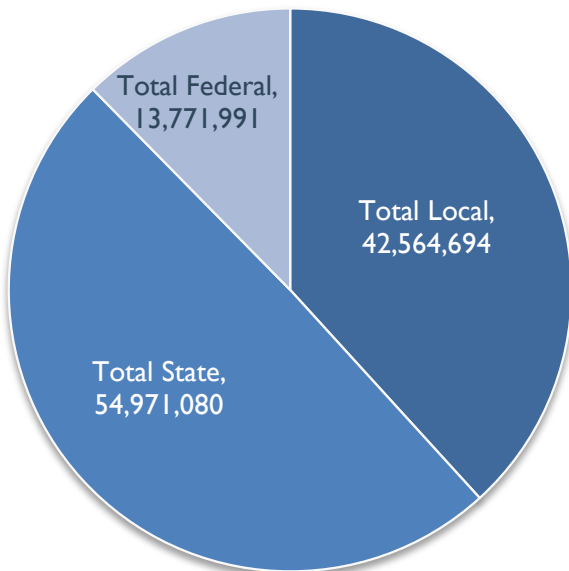


- WPU increased from \$2,816 to \$2,842
- Class sizes remain the same
- Enrollment increasing moderately; primarily due to eSchool
- State funding increase of \$900,000 (primarily due to eSchool)
- Property tax revenues held constant
- Decrease in indirect of approx. \$400,000
- Utilities projected to increase 12%
- Last remaining piece of ARRA funding was expended in FY 2012; no ARRA funds in FY 2013; major impact to overall discretionary income

### Future Outlook

Fiscal Year	Revenues	Expenditures	Net
FY 2013	111,307,765	115,648,954	(4,341,189)
FY 2014	113,344,925	116,380,275	(3,035,350)
FY 2015	116,188,519	117,505,593	(1,317,074)
FY 2016	119,418,401	119,346,090	72,310

### Revenues by Source: FY12



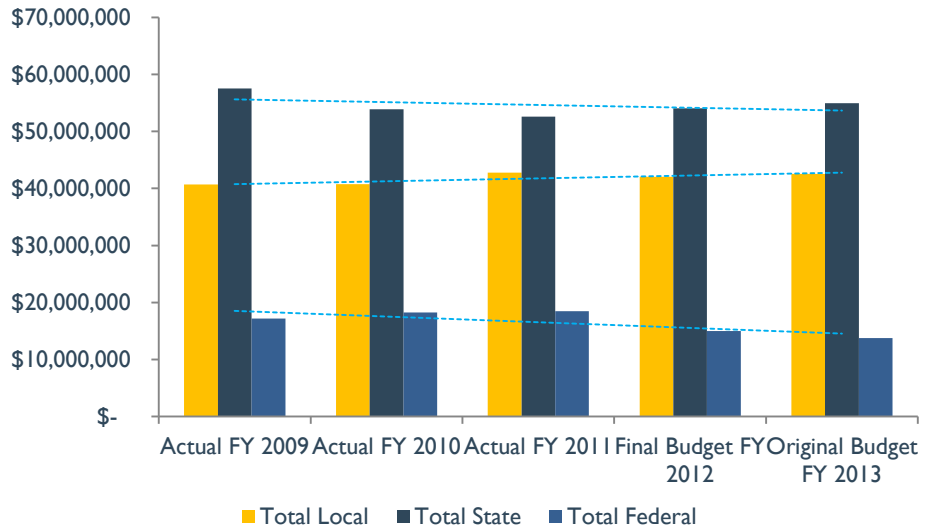
Over the next four years, the District's net budget (remaining funds after all expenditures) will change from a negative position to a positive one. Due to the adverse effects of the recession, and because of planned spend downs in the General, Capital Projects and Food Services funds, the District is budgeted to spend more than it brings in during much of this time. The difference will be made up by using reserve funds specifically designated for this cause.

# Summary: Revenue & Expenditures

## Revenues

State revenues as a percentage of total revenues has declined in recent years, but that pattern is changing. Federal revenues are trending downward after a temporary increase due to ARRA funding. Local revenues, which come primarily in the form of property taxes, are projected to remain flat.

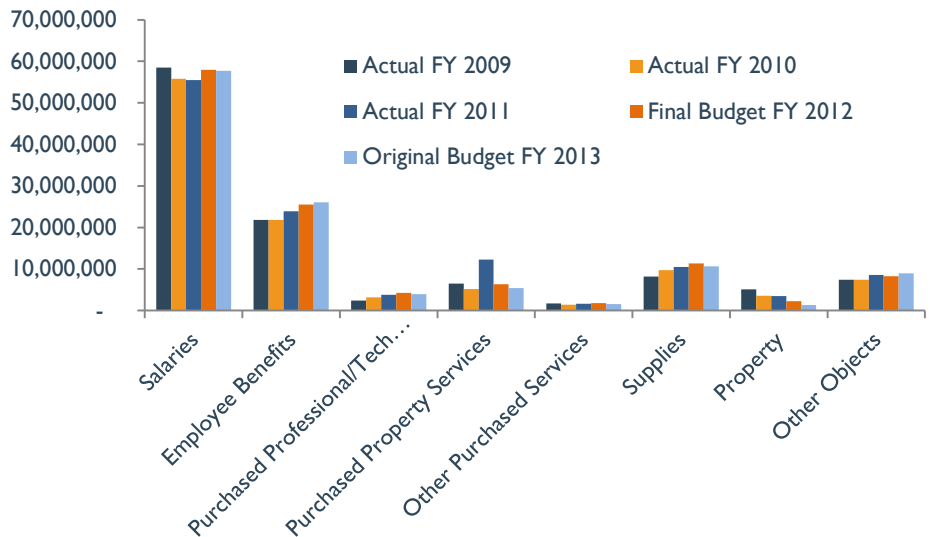
## Revenues by Source: FY09 to FY13



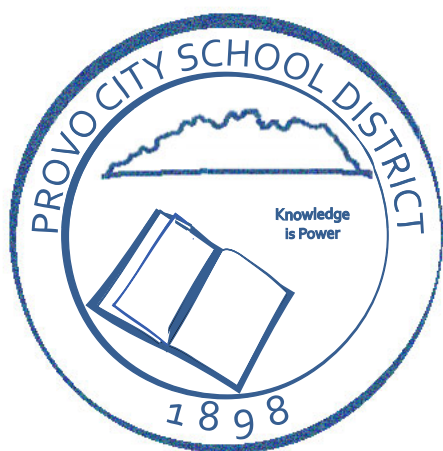
## Expenditures

As a service organization, most District expenditures come in the form of salaries and benefits. As a result, when budget cuts are required, employee compensation isn't spared, as is apparent in the chart to the right. That is also expected to continue, especially in light of projected heavy increases to health insurance.

## Expenditures by Object Grouping: FY08 to FY12







*Quality choices for every  
child's future.*

## Student Achievement & 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:

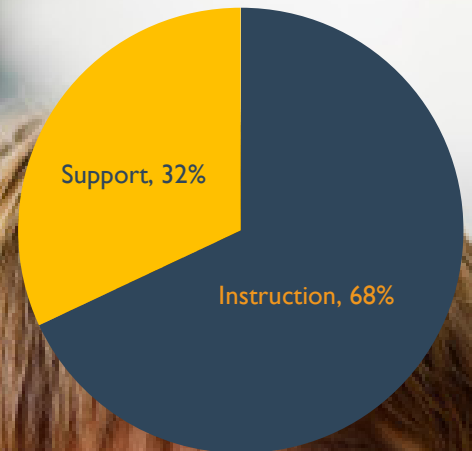
- Higher ACT scores than Utah and national averages
- Higher graduation rates than Utah and national averages
- Moderately or substantially higher scores in all subject areas of national ITBS standardized tests
- "Substantial" or "Sufficient" scoring in all subject areas of the Utah Basic Skills Test
- Two schools ranked in Utah's Top 10 by KSL TV and The Deseret News
- Over \$6 million in college scholarships in 2011-12
- Above state average teacher pay
- The lowest tax rate of all districts in Utah County
- The most online classes in Utah

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

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

FY 2013 Spending Per Student: **\$7,281**

(excluding debt and long-term capital expenditures)

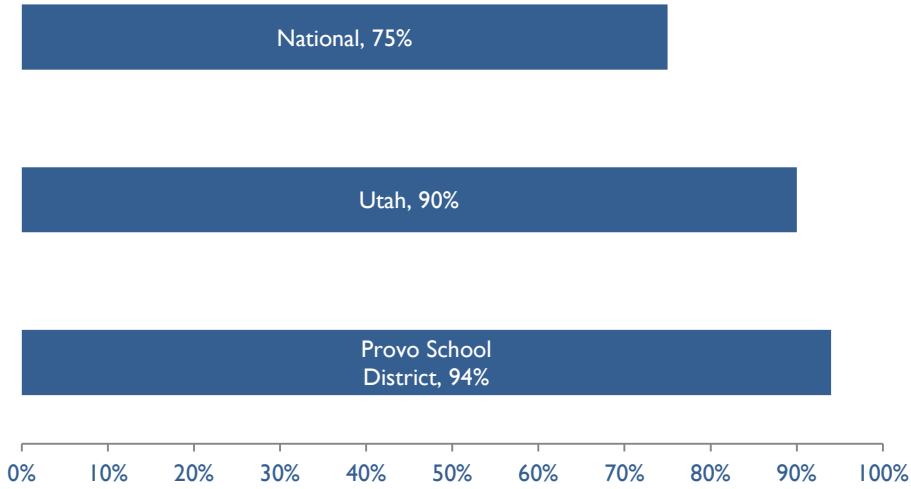




# Student Achievement: *Graduation Rates and ACT® Scores*

## Graduation Rates, 2010

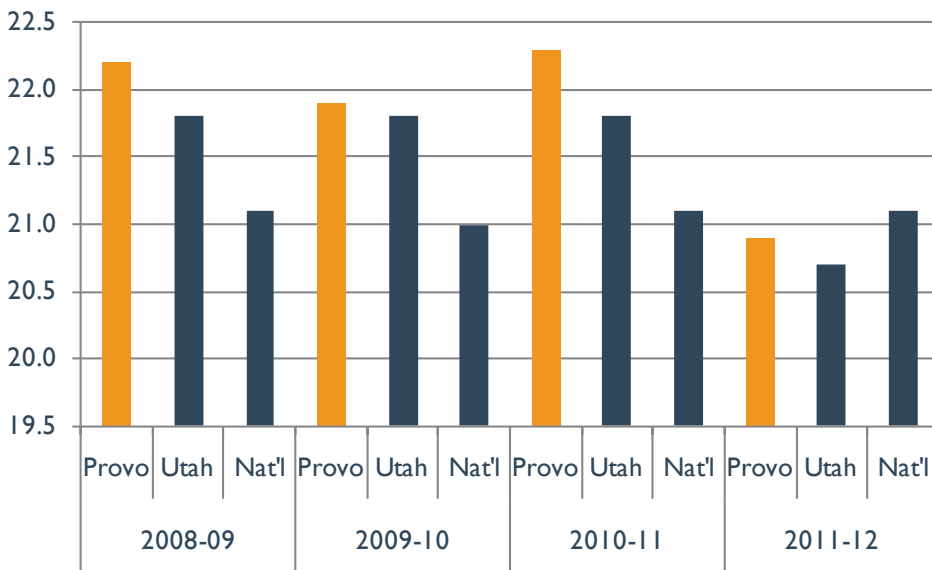
(most recent year of comparable and reliable data)



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

In 2010, 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%.

## ACT Scores



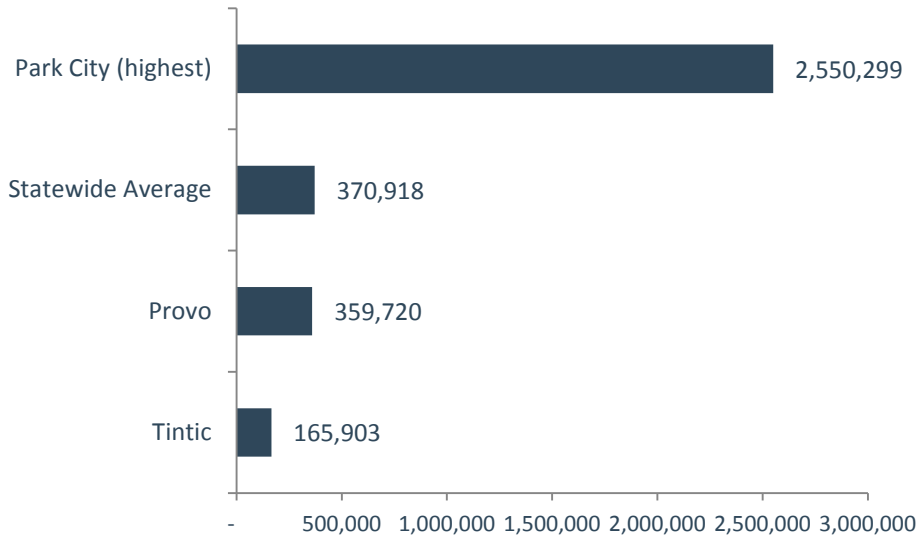
Source: Utah State Office of Education

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

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

In 2012, average ACT test scores dipped in Provo, which is a point of concern and will be emphasized in FY 2013.

## Property Taxes: Tax Base and Rate Trends



Property value per student is estimated to be approximately **\$360,000** in FY 2013 (total assessed value in Provo divided by estimated enrollment).

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

Property values are still reeling from the recent recession. It will likely take several years for property values to rebound to 2007 levels, meaning the District must make do with less, since substantially raising property tax rates would be difficult for Provo residents to endure.

### Residential

Year	2011-12	2012-13
Home Value	250,000	250,000
Residential Exemption	45%	45%
Assessed Value	137,500	137,500
District Total Tax Rate	0.007153	0.007319
District Property Taxes	983.54	1,006.36
Taxes per \$1,000 of value:	3.93	3.95



### Business

Year	2011-12	2012-13
Business Value	250,000	250,000
Assessed Value	250,000	250,000
District Total Tax Rate	0.007153	0.007319
District Property Taxes	1,788.25	1,829.75
Taxes per \$1,000 of value:	7.15	7.32

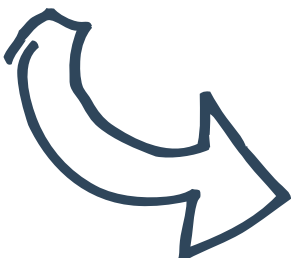


## Long-term Debt: *as of June 30, 2012*

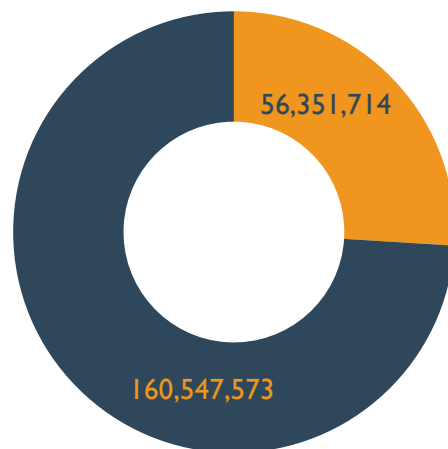
GENERAL OBLIGATION BONDS					
Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
1998 Series G.O. Refunding Bonds	Bond Refunding	4,950,000	3.40% to 4.15%	June 15, 2013	520,000
2004 Series G.O. Refunding Bonds	Bond Refunding	18,690,000	2.0% to 5.0 %	June 15, 2017	12,000,000
2006 Series G.O. Bonds	School Building	9,400,000	4%	June 15, 2026	7,225,000
2007A Series G.O. Refunding Bonds	Bond Refunding	8,220,000	3.807%	June 15, 2015	2,648,000
2007B Series G.O. Bonds	School Building	25,600,000	4.00% to 4.50%	June 15, 2027	21,450,000
Total General Obligation Bonds Payable as of June 30, 2012					\$ 43,843,000

### District Actual Debt & Debt Level

The approximate assessed value of taxable properties in Provo is \$4.01 billion, meaning the District’s general obligation debt limit is approximately \$160 million (\$4.01 billion x 4%). It was noted previously that the District’s general obligation debt is at 1.4% of the assessed market value of Provo - far less than what is allowed by law.

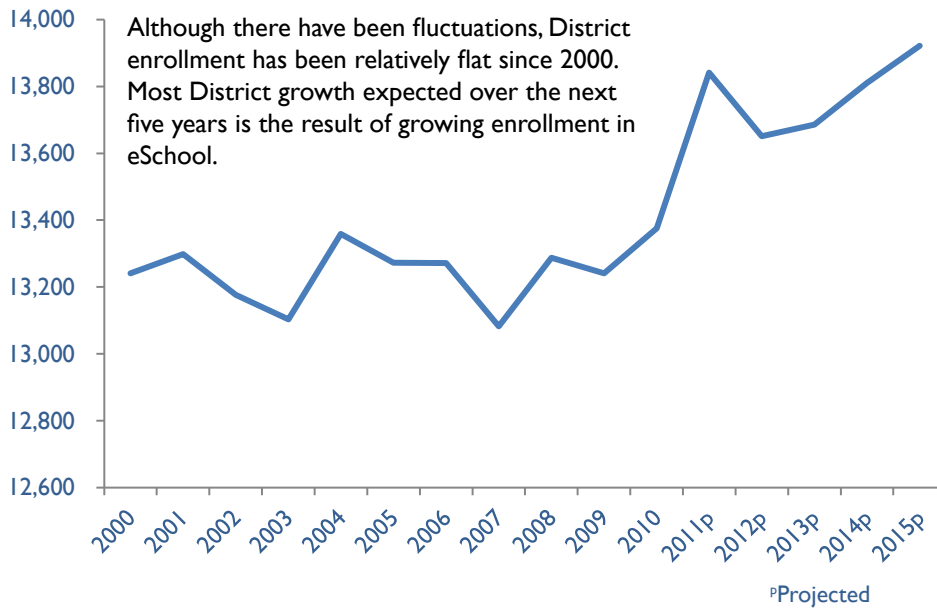


**G.O. Debt vs. Debt Limit**  
*As of June 30, 2011*



## District Enrollment

2000 - 2015

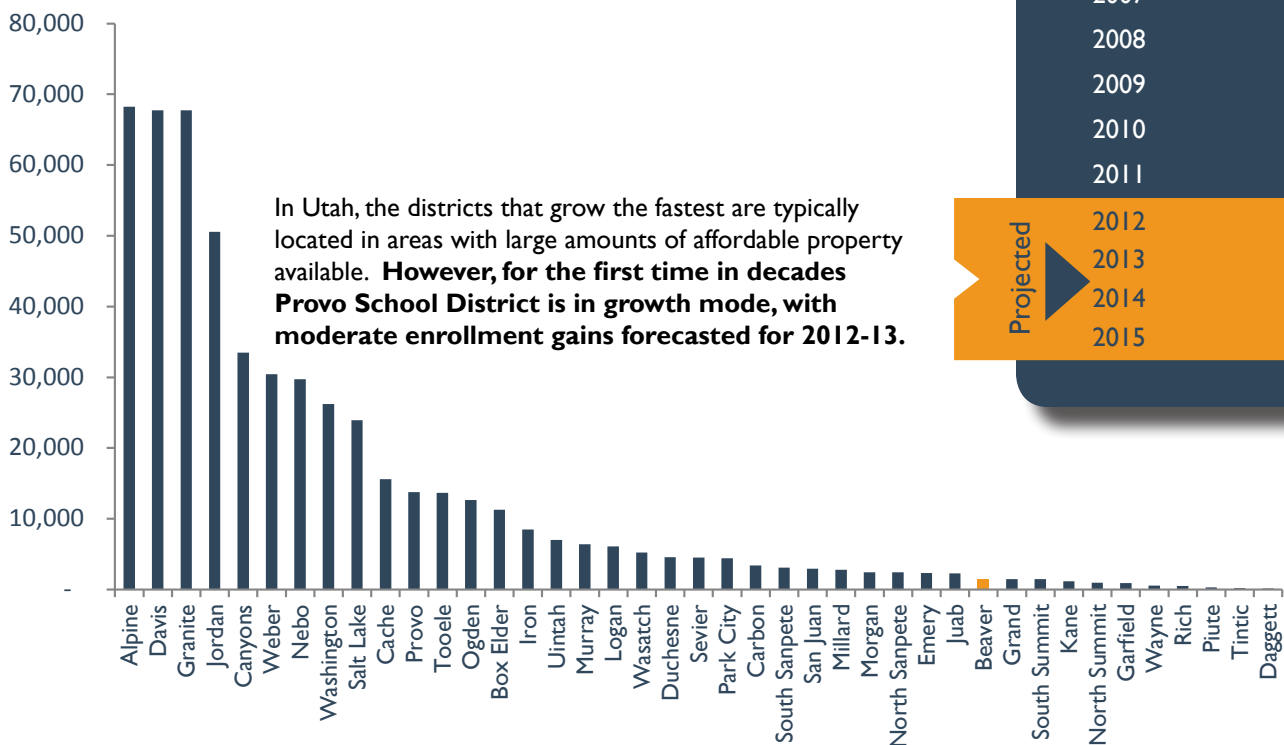


Over the next several years, the school-age population in Utah is expected to grow dramatically, while in Provo it's projected to remain relatively flat.

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.

Year	Enrollment
2000	13,241
2001	13,298
2002	13,177
2003	13,103
2004	13,359
2005	13,273
2006	13,272
2007	13,083
2008	13,288
2009	13,241
2010	13,376
2011	13,779
2012	14,123
2013	14,335
2014	14,479
2015	14,500

## Statewide Enrollment: Fall 2011



Projected

2012	14,123
2013	14,335
2014	14,479
2015	14,500



# Organizational Section



# The District *Entity*

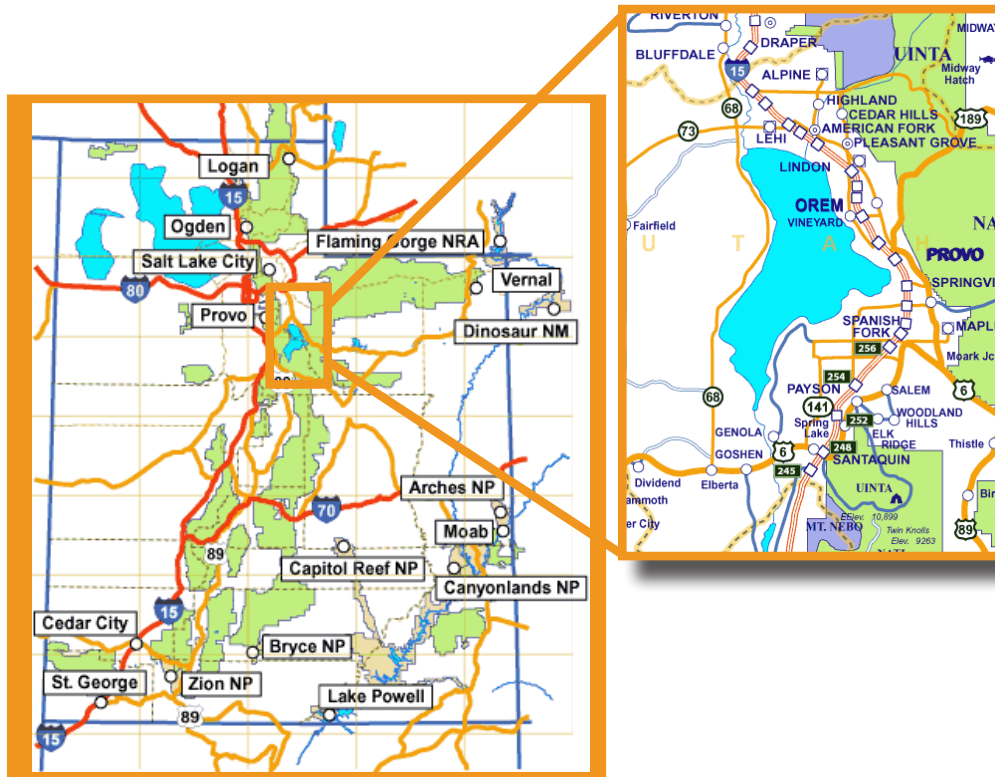
## Legal and Fiscal Considerations

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

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

## Service Area

It was mentioned previously that the District resides wholly within Provo City boundaries. Provo, with a population of approximately 115,000 residents, is the county seat and business center for Utah County. The District consists of 19 schools: two high schools, one alternative high school, one adult high school, two middle schools, and 13 elementary schools. **As of October 1, 2011, the District had 13,779 students enrolled, making it the 11th largest of Utah's 41 school districts.**



## Significant Laws *Affecting the Budget*

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

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

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

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

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



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

1. A local school board may adopt a budget with an undistributed reserve. The reserve may not exceed 5% of the maintenance and operation (general fund) budget adopted by the board in accordance with a scale developed by the State Board of Education. The scale is based on the size of the school district's budget.

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

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

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

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

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

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

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

for appropriation in the budget of the following year.

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

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

A. the board receives a written request from the district superintendent that sets forth the reasons for the proposed increase;

B. notice of the request is published in a newspaper of general circulation within the school district at least one week prior to the board meeting at which the request will be considered; and

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

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

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

*53A-19-107. Emergency expenditures.*

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

*53A-19-108. Monthly budget reports.*

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

A. the amounts of all budget appropriations;

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

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

# Financial & Budget Administration Policies

The following 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 rolling over short-term debt.

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

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

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

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

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

## 2. Capital Improvement Budget Policies

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

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

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

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

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

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

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

## 3. Debt Management Policies

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

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

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

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

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

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

## Financial and Budget Administration Policies *Continued*

### 4. Revenue Estimation Policies

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

### 5. Fund Balance and Reserve Policy

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

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

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

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

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

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

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



## Budget Development & Review Process

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

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

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

### How Policies and Processes Affect *Budget Development*

Following clear policies and having effective processes is a critical component of the District's budget planning. These policies are crafted with substantial public input. In fact, public input is the #1 determinant when building the budget each year. It is our belief that no district in Utah does more to involve the public than Provo School District, although there is always room for improvement. Please see page 33 to learn about some of the ways the District utilizes public input when building the budget and forming policy.

Have feedback you want to share? Please [click here](#) to email the District right away.

## Budget Administration & Management Process

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

## Balanced Budget: *Definition*

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

*“The District’s budget is balanced under Scenario Three for FY 2013.”*

### 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.

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 2013, 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.

**Have feedback?** Please send an email to [budget@provo.edu](mailto:budget@provo.edu). This email account is checked regularly by District administrators.



## Budget Approval & Adjustment Process

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



## Method of Classifying Revenues & 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 a modified accrual basis** for all governmental funds. The Modified Accrual Basis is a government accounting method where revenue is recognized when it becomes available and measurable. Expenditures are typically recognized in the period in which the liability is incurred.

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

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

## Revenue Projection Methodology

When projecting revenue for future years, the District relies heavily on its own internal data to estimate enrollment, which is the biggest driver of state revenue. Typically *regression analysis* is used to forecast general expected student enrollment for future years. A more detailed approach, using migration patterns, birth rates, and what is referred to as *survival rates*, is used to get a more detailed analysis for the next year. Detailed analysis for the coming year is normally done in the fall, and the Board of Education and management are given the results after that time. The District used each of these methods in estimating revenue for FY 2013. 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 was the rebuilding of Farrer Elementary using federal stimulus funds, allowing the District to move ahead on its long-term capital improvement plan.

Other key areas of the plan involve capital improvements funded through local property taxes and improved employee compensation. **The District's short-term capital improvement plan for FY 2013 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 in the financial section of this book. 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.

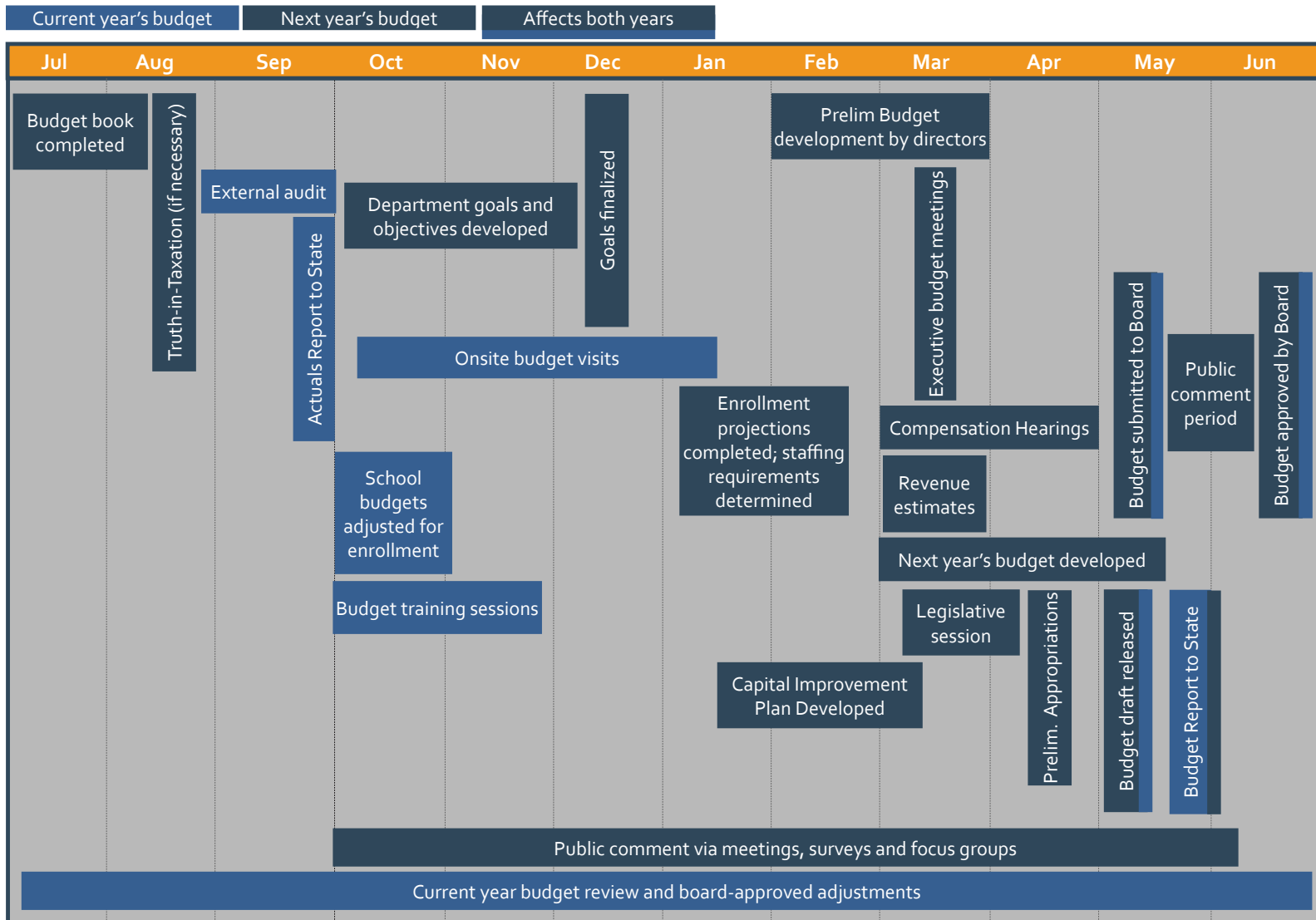
Another key planning process employed by the District is the public input aspect of budget development. Public surveys, discussed later in this section, are critical in the budget development process. After the results are made available to the Board of Education and District staff, budget priorities 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. The 20/20 Initiative, launched in late 2010, is a long-term plan that was developed with substantial input from the public, Board, staff and local business leaders. The Initiative is discussed in greater detail later in this book.

**Have feedback?** Please send an email to [budget@provo.edu](mailto:budget@provo.edu). This email account is checked daily by District administrators, and a prompt response is guaranteed.



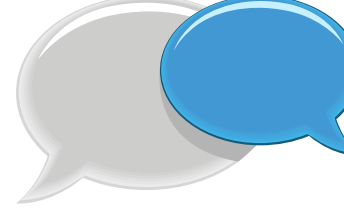
# Budget Development and Review Process: *Budget Timeline*



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

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. For more on this, please refer to the next page. One emerging communication channel is the use of social media.

## Budget Process: *Stakeholder Involvement*



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

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

### Direct Mail Surveys

It's expensive to reach all 115,000 residents in Provo, so often District survey attempts are combined with mailings that are already planned. However, the District normally sends out a postcard survey, with space left for comments, to each household in Provo. This gives all residents a chance to have their voices heard.

### District Survey Panel

Beginning in 2010, the District solicited names of parents to be a part of a survey panel. The panel allows for near-instantaneous feedback on critical District decisions, with topics ranging from the budget to overall satisfaction. The panel allows the District to make critical decisions in a dynamic environment.

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

### Phone Surveys

Periodically, the District will conduct phone surveys, typically by outsourcing the project to a reputable marketing research firm. Phone surveys are expensive, but they can provide a very unbiased view of public opinion.

### Employee Surveys

Happy employees work harder and are more dedicated. Often, one of the things that frustrate employees is the feeling that their voices aren't being heard. To ensure all District employees know their voice and opinion make a difference, the District conducts regular surveys with its employees so each and every employee has a voice.

### Public Committees

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

### Public Meetings

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

### Social Media

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



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

The “20/20 Plan” replaced the District’s long-term goals, which were to:

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

The 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 began in FY 2011 and will continue in FY 2013. The 20/20 Plan will have a profound impact on the culture, performance and budget of the District in the years to come.

## *1. Pursuit of Excellence*

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

## *2. Lifelong Learning*

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



## *3. Individual Potential*

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

## *4. Inclusion of All*

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

## *5. Family Partnerships*

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

## *6. Civic Engagement*

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

## *7. Literacy*

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

## Long-range 20/20 Plan: *Imperatives*

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

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

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

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

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

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

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

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

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



## District-wide Goals: **FY 2013**

The District's FY 2012 District-wide goals, listed below, represent the first phase of the District's long-term strategic plan, the 20/20 Initiative. All Districtwide and departmental goals were developed to support The Initiative.

### **1. Confirm Highly Effective Principals and Teachers Through Enhanced Employment, Training and Evaluation Procedures**

- Refine evaluation process
- Improved training in operations areas

### **2. Form Clear Expectations for all Staff at Every Level of the Organization, Reward Exemplary Performance**

- Hold teachers accountable for tiered intervention results
- Refine employee evaluations
- Evaluate the effectiveness of the classified performance pay plan
- Develop a recognition program for individual and organization achievement

### **3. Transform Communications, Customer Service and Relationship Expectations with Parents and Community**

- Develop a Latino outreach initiative
- Establish a district-wide compact with parents
- Improve transportation services and safety
- Set standards for civil discourse with the public
- Improved security measures

Goals continued on next page

**Have feedback?** Please send an email to [budget@provo.edu](mailto:budget@provo.edu). This email account is checked regularly by District administrators



## District-wide Goals Continued: *FY 2013*

### **4. Establish District-wide Educational Performance Standards to Ensure Basic Floor of Opportunity for all Students**

- Hold teachers accountable for tiered intervention results
- Common core implementation
- Explore feasibility of altering schedules for math remediation
- Form common expectations plan
- Expand dual immersion program to include blended model approach
- Develop a middle school dual immersion transition plan
- Select committee to advance STEM education

### **5. Provide for Continuous Improvement in Current Proven Programs**

- Increased safety procedures
- Bullying program
- eSchool
- Public outreach

### **6. Improve General District Operations**

- Develop a long-term financial plan for technology, compensation, capital projects and student transportation
- Leverage current technology infrastructure to increase academic performance and provide rich learning experience

## FY 2013 Goals by Department

### *20/20 Implementation*

#### *Business Administration*

- Award winning financial documents (Budget Book, CAFR, Public Summary, all State Reports)
- Develop long-term financial plans for high-impact, budget-sensitive areas - mid Q3
- Build public survey panel to 500 residents by end of Q4
- Quarterly budget surveys - beginning Q1
- Quarterly finance training for administrators and secretaries - first training in July

#### *Career & Technical Education*

- Align programs to new budget structure from the State of Utah
- Build and implement innovative programs that improve awareness and image of CTE
  - Implement more technology offerings into curriculum
- Work with counselors to increase foreign student enrollment above FY 2012 levels

#### *Curriculum & Assessment*

- Implement common core seamlessly with full public and staff interfacing
- Form common expectations plan by June 30
- Conduct feasibility study to investigate altering schedules to allow for math remediation
- Expand dual immersion programs to include blended instruction approach (online and face-to-face)
- Develop and begin implementing a middle school dual immersion language plan by June 30
- Select and train a STEM program enhancement committee by Q3 start
- Work with personnel dept. and school admin. to hold teachers accountable for tiered intervention results

## FY 2013 Goals by Department

### *20/20 Implementation*

#### *Food Services*

- Monthly food safety training for managers and kitchen employees - beginning in August
- Win Utah Best of State award for third straight year - notification Q3
- Increase school lunch participation by 5% through improved offerings and marketing program - results by Nov. 1
- Implement federal school lunch standards - phased in by end of Q4
- Complete food services non-routine facilities on-time and on or under budget - by end of Q4

#### *Maintenance*

- Complete non-routine capital projects on-time and on or under budget
- Work with Business Admin dept. to develop a more robust long-term capital replacement program
- Improve school and grounds safety by coordinating with Student Services and Provo PD - Q1
- Improve properties and safe costs by improving grounds maintenance processes
- Develop a more equitable formula for allocating janitorial hours and supplies budgets - Q2
- Improve response time of maintenance request tickets by 15% - by end of Q4

#### *Personnel*

- Evaluate the effectiveness of the classified performance pay plan
- Develop a recognition program for individual and organization achievement
- Refine FTE allocation process to ensure equity - Q2
- Ensure each site is held accountable for FTE actual-to-budget results
- Refine evaluation process; implement improvements
- Conduct study to investigate rapidly increasing health care and substitute teacher expenditures



## FY 2012 Goals by Department

### *20/20 Implementation*

#### *Special Programs*

- Increase technology offerings in new and innovative ways that meet budget requirements
- Launch new district website
- Support curriculum & assessment in leveraging technology to improve student performance
- Improve budgeting and allocation of funds between state and federal sources
- Meet all federal maintenance of effort (local match) requirements
- Reassign duties to make up for lost FTE positions without impacting district personnel
- Monthly Medicaid claim requests completed.

#### *Student Services*

- Implement anti-bullying program district-wide
- Improve safety and security of district buildings and meeting spaces
- Develop public outreach programs that include all stakeholders
- Increase eSchool enrollment to 700 students
- Launch new technology program within eSchool

#### *Student Transportation*

- Trim bus fleet by three buses by mid-Q3
- Decrease mileage by 5% on daily routes by consolidating routes - begins Q1
- Cut costs and improve efficiency by fully utilizing GPS module on each bus
- Launch online bus route finder for parents and students - Q2
- Full training for all bus drivers and aides quarterly - begins August

## 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.”

## Connecting the *Short and Long Terms*

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 previously, the 20/20 Plan will supplement 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.

**The Long-range 20/20 Plan includes financial and non-financial goals and objectives.** One of the largest components of District’s the long-range plan is the development of a high-quality online school, which falls mainly under 20/20 imperative #3. More information regarding the District’s online school, eSchool, is presented on the next page.

Mission Statement



20/20 Strategic Plan



Short-term Goals (initiatives)



Department Goals



Individual Goals

## Innovation: *eSchool*

Provo City School District is committed to offering more education choices for parents and students. One of the most exciting programs offered by the District is eSchool. Much of the District's future growth is expected to come from eSchool. While the District is targeting Provo students primarily, a new state law enacted July 1, 2011 provides a way for students to take online courses from any provider that meets State requirements.

Because eSchool has the largest course catalog in Utah, and exclusive technology and language courses not offered anywhere else in the State, students from outside of Provo are expected to enroll in eSchool. The District anticipates between 15%-20% of eSchool students will be non-Provo residents.

eSchool is a strategic initiative of the 20/20 Plan and is a critical focus in FY 13 and beyond.



### **eSchool** *At-a-Glance:*

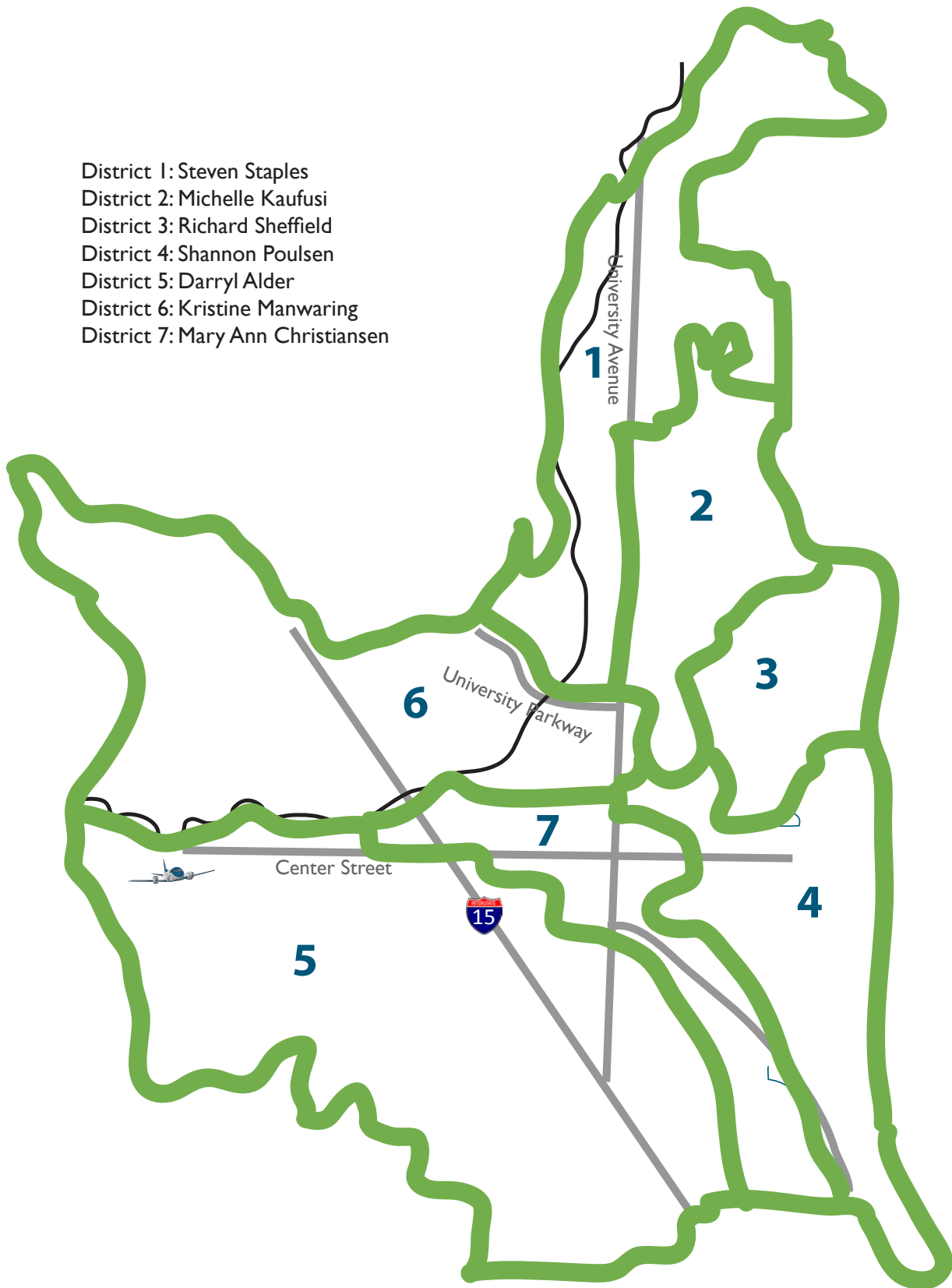
A strategic action of Provo School District's 20/20 Initiative, eSchool provides Provo and Utah students with choice and flexibility.

Some unique aspects of eSchool include:

- The most online courses in Utah, with over 400 as of July 2012
- The fastest growing online K-12 school in Utah in FY12
- An exclusive agreement with PowerSpeak and Middlebury College to provide innovative language courses delivered on a virtual platform unmatched anywhere in Utah
- A newly-launched Utah Tech Academy that allows students to take courses that prepare them for college and a high-tech workplace.
- Substantial cost savings over traditional brick-and-mortar courses

## Voter Precincts: 2012-13 School Year

- District 1: Steven Staples
- District 2: Michelle Kaufusi
- District 3: Richard Sheffield
- District 4: Shannon Poulsen
- District 5: Darryl Alder
- District 6: Kristine Manwaring
- District 7: Mary Ann Christiansen



<http://provo.edu/boe/pdf/boardmap.pdf>

# District Elementary School Boundaries: 2012-13 School Year



## 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:

### *Curriculum & Assessment*

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 Services*

Food Services (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.

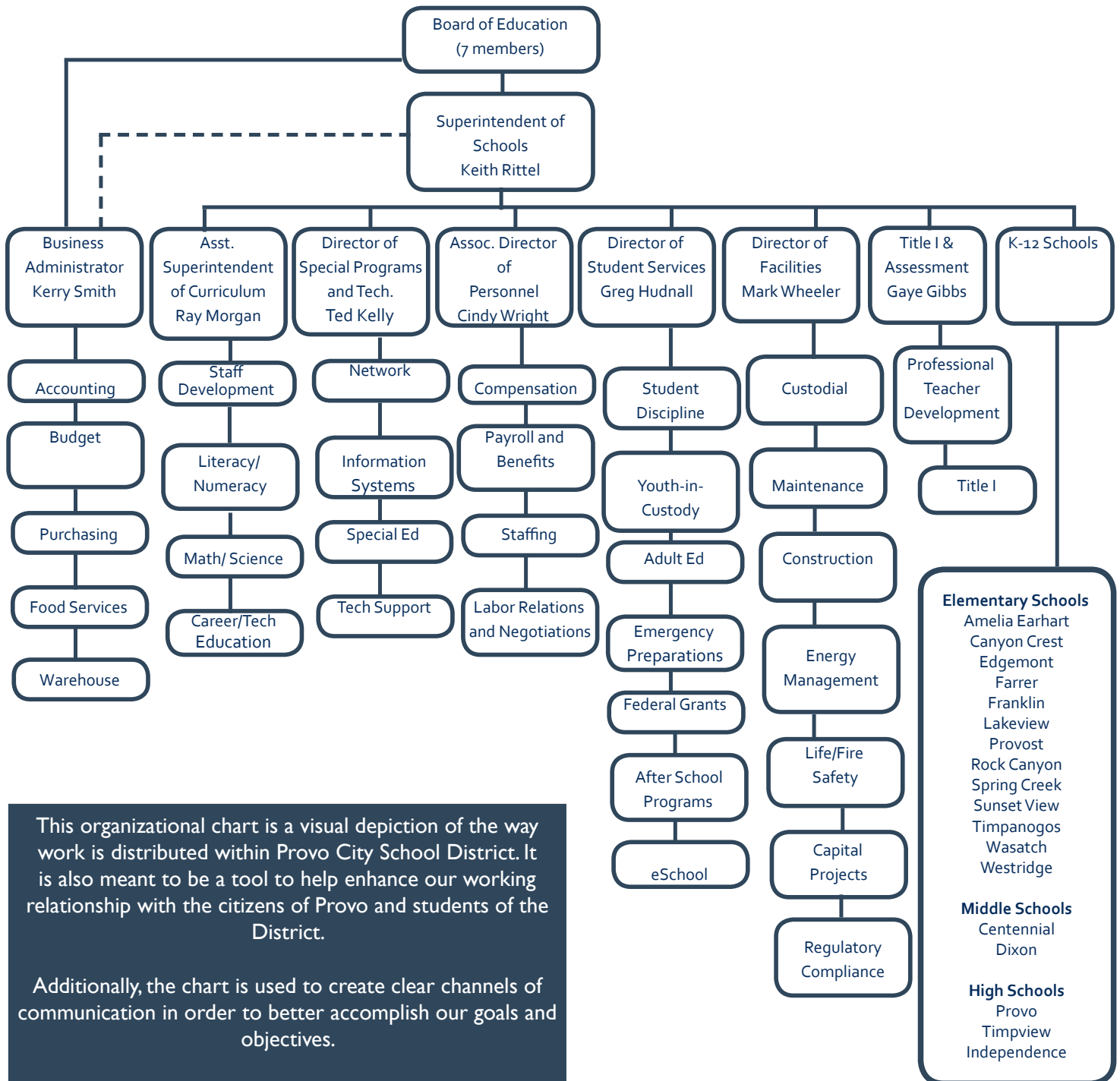
- Developing long-term strategies for improving student academic achievement, including technology literacy, through the effective use of technology in the classroom, and building the capacity of teachers to integrate technology effectively into curricula, instruction, and assessment.

### *Business 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.



# 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.

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



## Staffing Levels by Function: *FY 2005 to FY 2013 (proposed)*

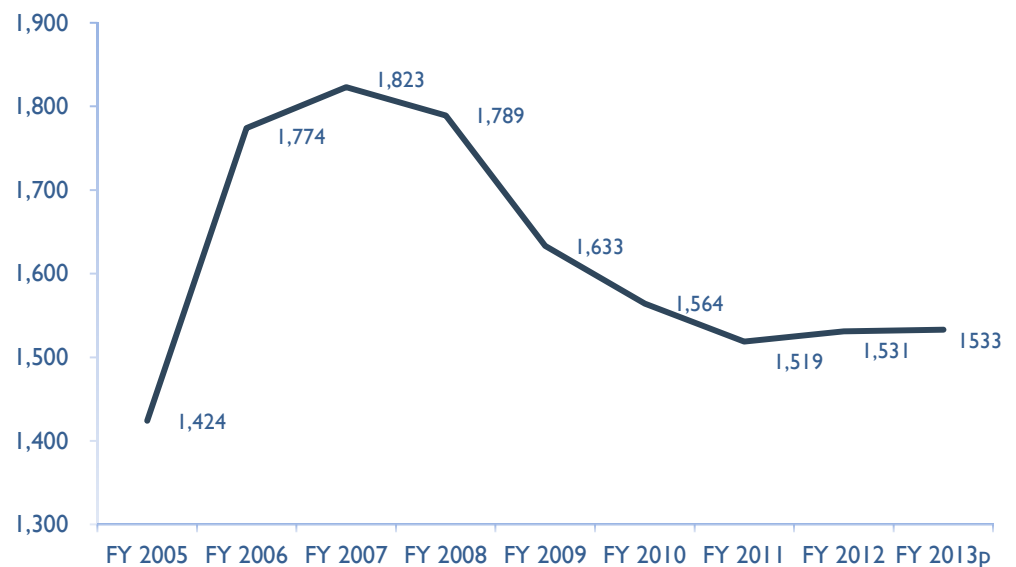
Function	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013 <sup>P</sup>
Instruction	981	1,117	1,141	1,148	1,000	984	977	984	998
Students	50	59	54	52	52	51	49	50	50
Instructional Staff	40	36	33	38	40	41	31	32	32
General Administration	9	24	24	20	16	15	16	17	17
School Administration	75	79	80	74	74	70	70	70	70
Business and Central	22	24	25	22	20	26	27	26	26
Operation and Maintenance	85	119	152	139	148	148	95	95	95
Transportation	39	47	50	60	44	46	44	46	46
Other Support				11	1	1	25	26	26
Food Services	58	83	91	90	92	82	92	92	80
Community Services	65	186	173	135	146	100	93	93	93
<b>Total FTEs</b>	<b>1,424</b>	<b>1,774</b>	<b>1,823</b>	<b>1,789</b>	<b>1,633</b>	<b>1,564</b>	<b>1,519</b>	<b>1,531</b>	<b>1533</b>

<sup>P</sup>Proposed

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

For 2012-13, the Board of Education and management have made the decision to keep average class-sizes at 28.2, the same figure as FY 2011-12. Some growth is budgeted to account for projected enrollment increases, particularly in eSchool. Some technology support positions were cut as a result of budget constraints. **Overall, budgeted staffing levels are roughly flat in the FY 2012-13 budget when compared to the previous year.**

### Staffing Levels by Function: *FY 2005 to FY 2013*



## District Funds: *Description*

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

**Note: all funds are appropriated for use in FY 2013**

# Relationship Between Funds & District Departments

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

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: *Explained*

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

### *Instruction*

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

### *Student Support Services*

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

### *Instructional Support Services*

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

### *General Administration Support Services*

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

### *School Admin Support Services*

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

### *Central Support Services*

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

### *School Food Services*

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

## Expenditure Functions: *Continued*

### *Maintenance & Operation*

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

### *Student Transportation*

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

### *Other Support*

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

### *Community Services*

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

### *Recreation*

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

### *Facilities & Construction*

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

### *Debt Service*

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





# 54 Financial Section

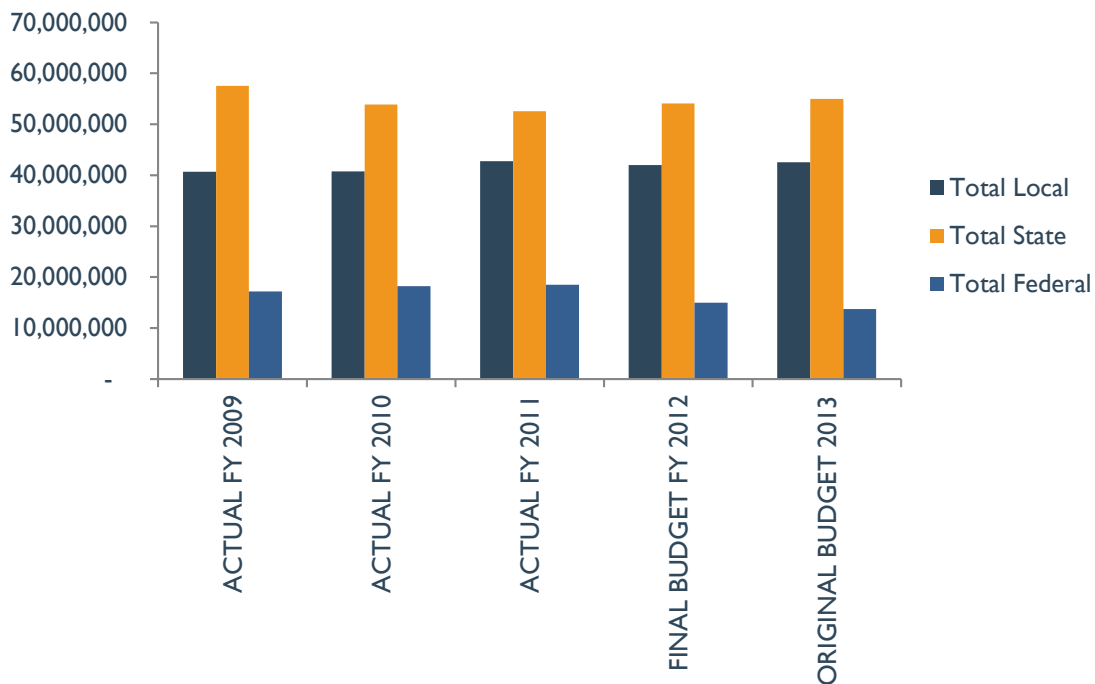


# Major Revenue Sources

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

## Revenues by Source: *FY 2009 - FY 2013*

SUMMARY: ALL FUNDS	ACTUAL FY 2009	ACTUAL FY 2010	ACTUAL FY 2011	FINAL BUDGET FY 2012	ORIGINAL BUDGET 2013
Total Local	40,680,715	40,748,575	42,763,889	42,020,502	42,564,694
Total State	57,520,714	53,877,288	52,601,369	54,072,408	54,971,080
Total Federal	<u>17,170,415</u>	<u>18,258,540</u>	<u>18,491,842</u>	<u>15,018,590</u>	<u>13,771,991</u>
	<u><u>115,371,844</u></u>	<u><u>112,884,403</u></u>	<u><u>113,857,100</u></u>	<u><u>111,111,500</u></u>	<u><u>111,307,765</u></u>





## Revenue Projection Assumptions: *FY 2013*

The District is always as conservative as possible when estimating revenues. Accordingly, several assumptions were made when projecting revenue for FY 2013. For example, in the past the District assumed federal revenue would be flat or slightly decreased for each coming year. However, unprecedented economic conditions meant a dramatic increase in federal funding for the District, in the form of stimulus funds (ARRA), in FY 2010 and FY 2011. Some ARRA funding remained in FY 2012, but none is available to be spent in FY 2013. Overall, federal revenues are projected to be down substantially in FY 2013.

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

Local revenues are projected to be up in FY 2013, but not due to increasing property taxes resulting from higher property values. Rather, local revenues are projected to increase primarily due to an increase in the District’s indirect cost rate, which affects local revenues. A very slight increase in interest rates of return is also budgeted.

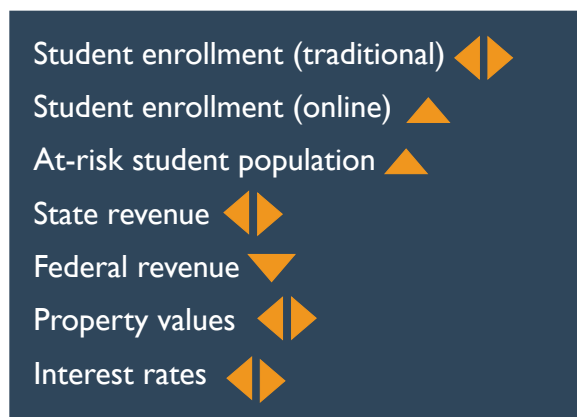
State revenue had shown strong growth in years leading up to the recession, as a robust state economy along with a supportive legislature, fueled heavy education funding increases. However, the recession that hit much of the world economy also hit Utah, meaning substantial cuts to state revenue. This trend continued for three years.

In FY 2013, revenues from state sources are projected to increase. Most of the increase is due to eSchool, which, due to its projected growth rate, generates WPU and other state revenues. Generally speaking, state revenues are based on enrollment, and with eSchool and other innovative programs being introduced by the District (e.g. dual immersion language programs), enrollment is trending up for the first time in decades.

As a general rule, the District relied on the following assumptions when projecting FY 2013 revenues:

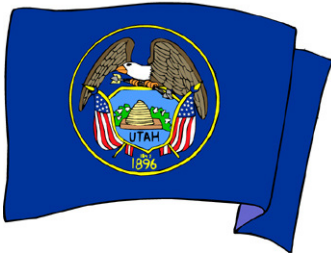
- Slight “brick and mortar” student enrollment growth (student enrollment is by far the largest determinant of funding)
  - Moderate to heavy increases in online eSchool enrollment (online school enrollment is funded differently by the State than traditional programs in many cases)
  - Decreases in federal revenue as ARRA funding runs out and other programs are cut
- Increasing “at-risk” student population, which helps drive federal revenue and could offset some federal funding cuts
- Interest rates flat or climbing very slowly
- Moderating property values due to a declining housing market, which affects property tax rates and receipts
- Participation fees, such as school lunch prices, will bring in some additional revenues, although price increases will affect demand
- Flat or slight increases in donations to the District foundation

### Key Revenue Assumption Indicators for FY 2013



# Major Revenue Sources: *State of Utah*

The State of Utah is the largest revenue source of the school district, with revenues of \$55 million budgeted for FY 2013. However, this is down substantially from FY 2008, when the District received over \$59 million from state sources. State revenue is divided among approximately 50 programs. The largest component of state funding is the Minimum School Program (MSP), which acts



as a series of large block grants (or programs) provided by the State to support local level educational services.

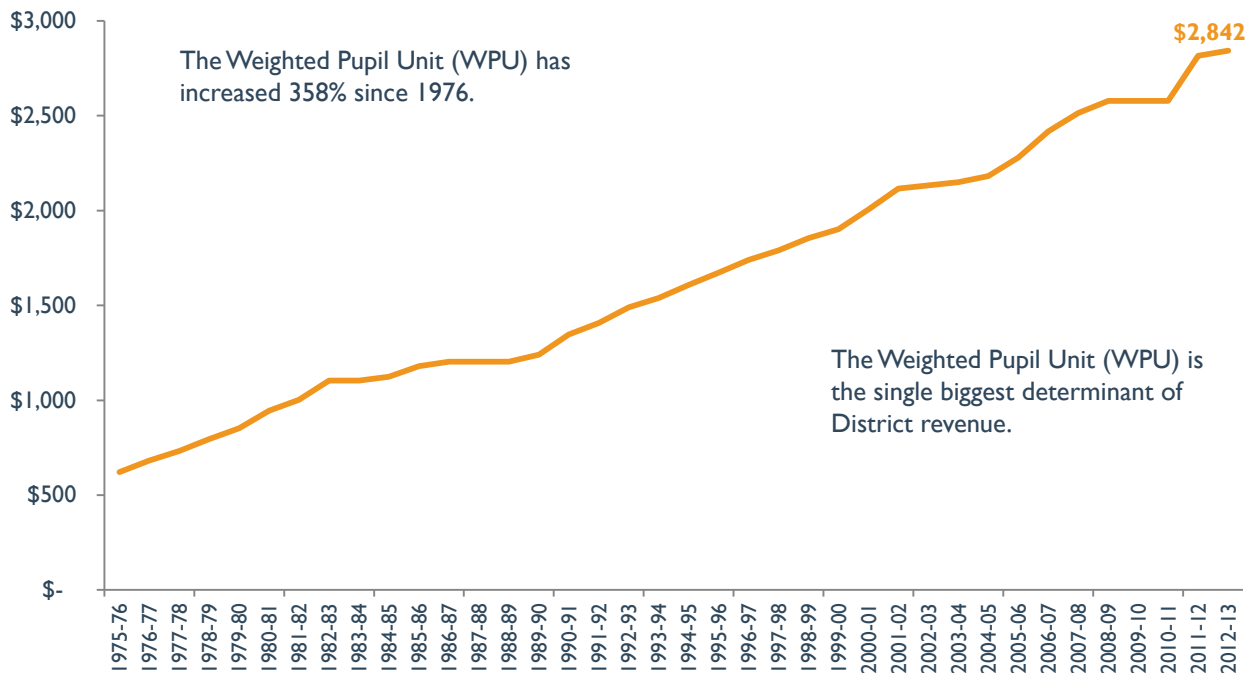
The Weighted Pupil Unit (WPU), part

of the Minimum School Program, is a measure of student enrollment based on a pro-rated amount of days in attendance per student. The WPU is \$2,842 in FY 2013, which is up from \$2,816 in FY 2012. Utah's economy is rated among the best in the nation as of July 2012, and that improves the District's financial position.

Approximately 76% of revenue from the State, or \$40 million, comes directly from WPU figures.

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

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



## Major Revenue Sources: *State of Utah*



The Weighted Pupil Unit (WPU) will increase \$26 in FY 2012-13, from \$2,816 to \$2,842.

### Weighted Pupil Unit (WPU)

Year	WPU Amount	Change	% 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%
2011-12	2,816	239	9.27%
2012-13	2,842	26	0.9%

# Major Revenue Sources: State of Utah

## Weighted Pupil Unit (WPU)

### Description of Large State Programs: WPU Sources

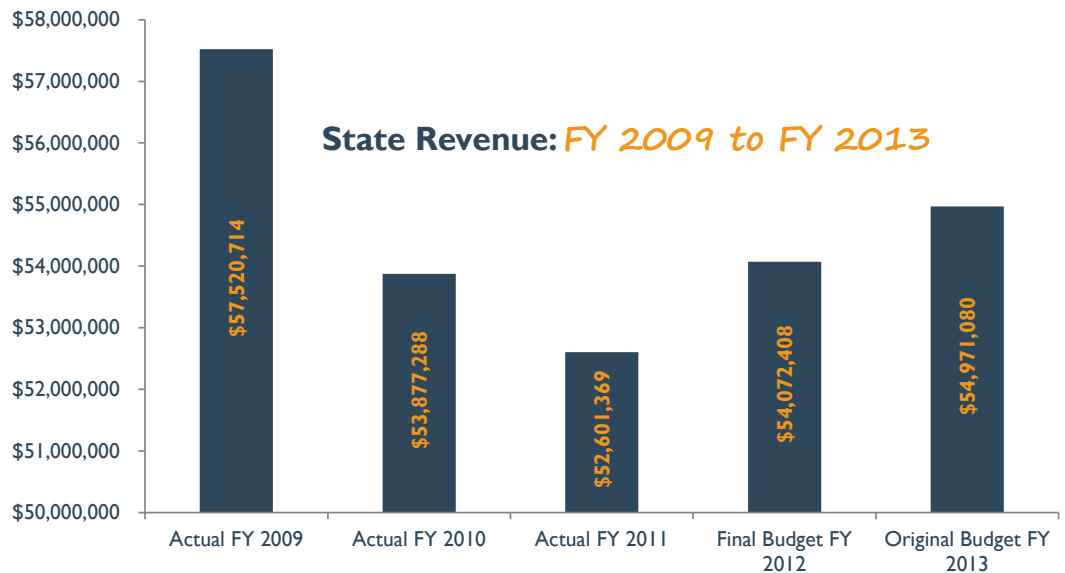
Funding resulting through the Weighted Pupil Unit (WPU) is comprised of several individual state programs of varying size. All combined, the District anticipates receiving \$41.7 million, or roughly 76% of total state revenues from WPU-related state programs in FY 2013. This is an increase over FY 2012 and is due primarily to the WPU increase and projected enrollment increases in eSchool. As illustrated in the chart below, overall state revenues have decreased in the past few years but are now slowly increasing again.

The largest individual state funding source, referred to as **“Regular School Programs,”** is projected to be \$28.6 million for the District in FY 2013. This source is based on the WPU amount and the District’s levied property taxes. The District uses this funding source to pay part of the overall cost of teachers.

**Special Education** is the second-largest state funded program the District operates, with \$6.1 million in WPU revenues projected for FY 2013. This program is restricted to be used on students considered disabled.

### Career and Technical Education

**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 \$1.9 million in FY 2013.



The District also anticipates receiving nearly \$2.8 million to pay for **“Professional Staff.”** This is tied to the other WPU-related funding sources and is designed to cover administrative overhead costs.

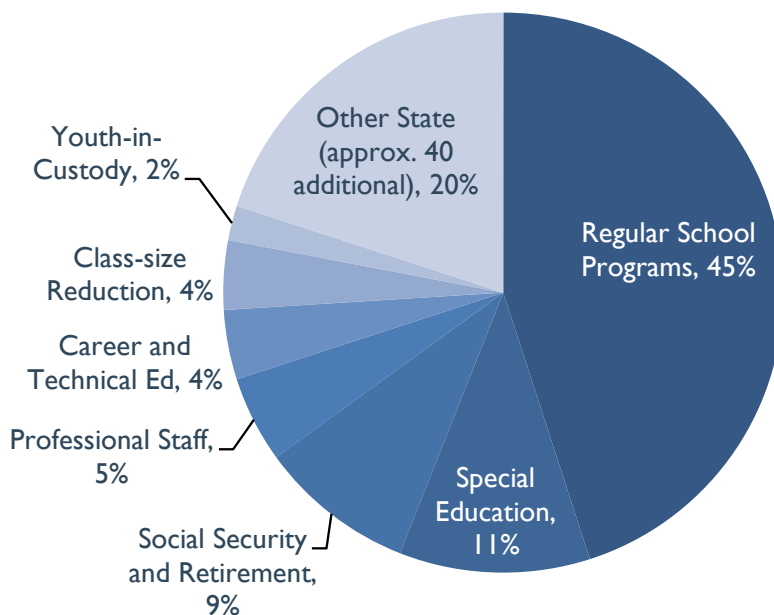
The District also receives money through the WPU to facilitate **Class-size Reduction.** Along with state money, the District must also levy local property taxes to help pay for this program. The District anticipates receiving nearly \$2.3 million from state sources for this program in FY 2013.

## Major Revenue Sources Continued: *State of Utah*

**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 \$1.1 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%

## Distribution of State Revenues: *FY 2013*



# Major Revenue Sources: *Local*

## Property Tax

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

Property taxes are the District's second largest funding source, and the largest component of local revenues at 80%. For FY 2013, the overall tax rate is proposed to be .007319.

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

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

**The majority of local funding consists of revenue from six different taxes (down from 13) 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.

Effective January 2012, the Utah State Legislature decreased the amount of individual taxes a district could levy, from 13 to six. This change didn't affect the overall amount of tax the districts could receive, and actually simplifies things for districts and taxpayers.



### Property Taxes by Levy FY 2012 to FY 2013

	FY 2012	FY 2013	Change
Basic Program (53A-17a-135)	0.001591	0.001651	0.000060
Voted Leeway (53A-17a-133)	0.001434	0.001300	-0.000134
Board Leeway (53A-17a-164)	0.000400	0.001467	0.001067
Board Leeway (53A-17a-151) (Reading Program)	0.000121	-	-0.000121
Transportation (53A-17a-127)	0.000100	-	-0.000100
Tort Liability (63-30-27)	0.000080	-	-0.000080
10% of Basic (53A-17a-145) Operating	0.000602	-	-0.000602
Board Levy split to Non K-12 fund (11-2-7)	0.000600	0.000592	-0.000008
Gen Oblig Debt (11-14-19/53A-17a-145/53A-21-103)	0.001399	0.001432	0.000033
Capital Local Levy (53A-17a-164)	0.000250	-	-0.000250
10% of Basic (53A-17a-145) Capital	0.000576	-	-0.000576
Voted Capital (53A-16-110)	0.000000	0.000877	0.000877
<b>Total - All Funds</b>	<b>0.007153</b>	<b>0.007319</b>	<b>0.000166</b>

# Major Revenue Sources: *Local*

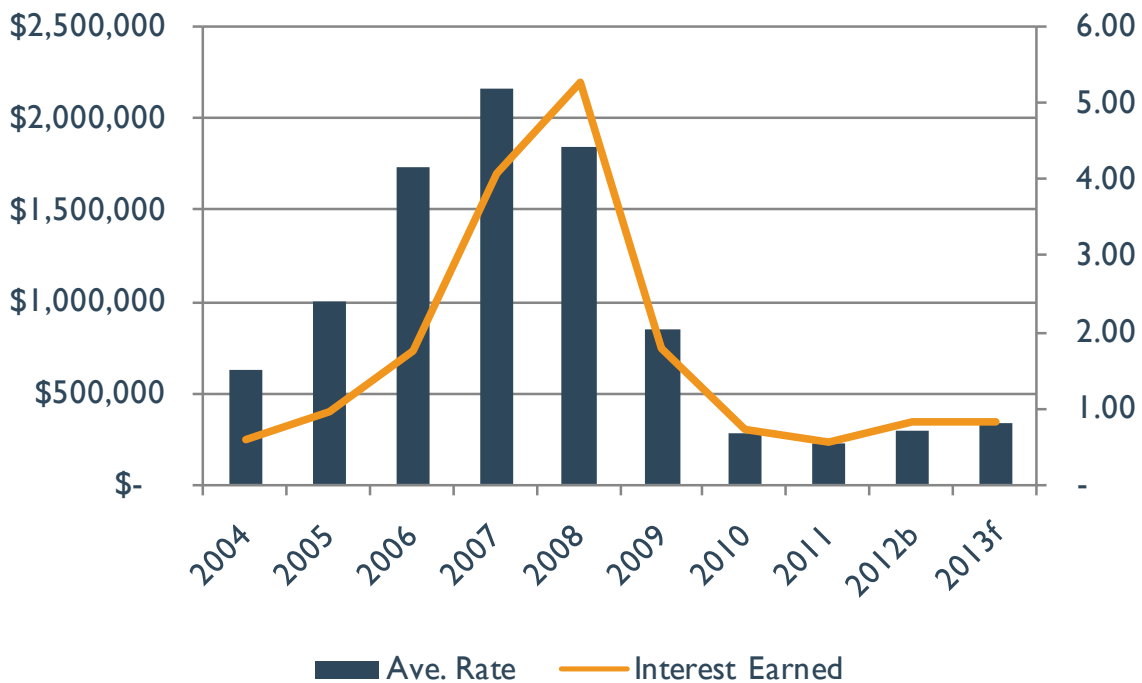
## Other Local Revenue

District management has placed a strong emphasis on sound cash management. Among other things, this means as grant expenditures are made, reimbursement from the federal government or awarding agency is requested as soon as possible, with monthly reimbursement requests typical. However, historically low rates will continue to adversely impact the District’s interest income in 2013, meaning less flexibility and difficulty launching innovative programs.

The graph below shows the rates of return and the District’s actual interest income (or budgeted & projected amounts for FY 12 and FY 13) for the past several years. Rates have declined rapidly over the past year, which means the District receives substantially less interest income from its investments. Interest income is *typically* not restricted for specific use, so declining rates mean less money that goes into the classroom for general purposes, such as teacher pay, instructional assistants, and supplies.

In the summary budgets, other local revenues are often combined with property taxes. These other local revenues include earnings from investments (interest earned), and income from students, such as school lunches. Interest earned is projected to remain flat in FY 2013.

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.

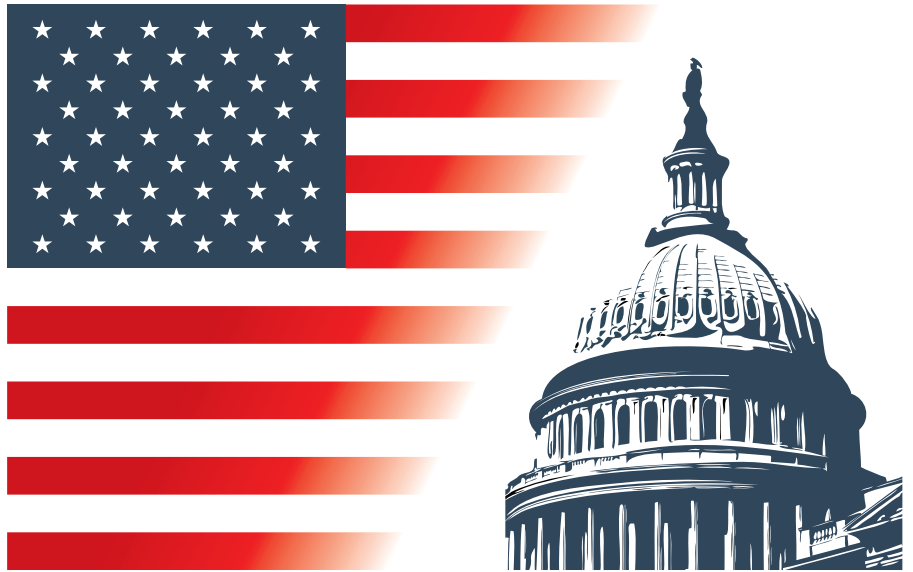


<sup>b</sup>Budgeted; <sup>f</sup>Forecast



## Major Revenue Sources: *Federal*

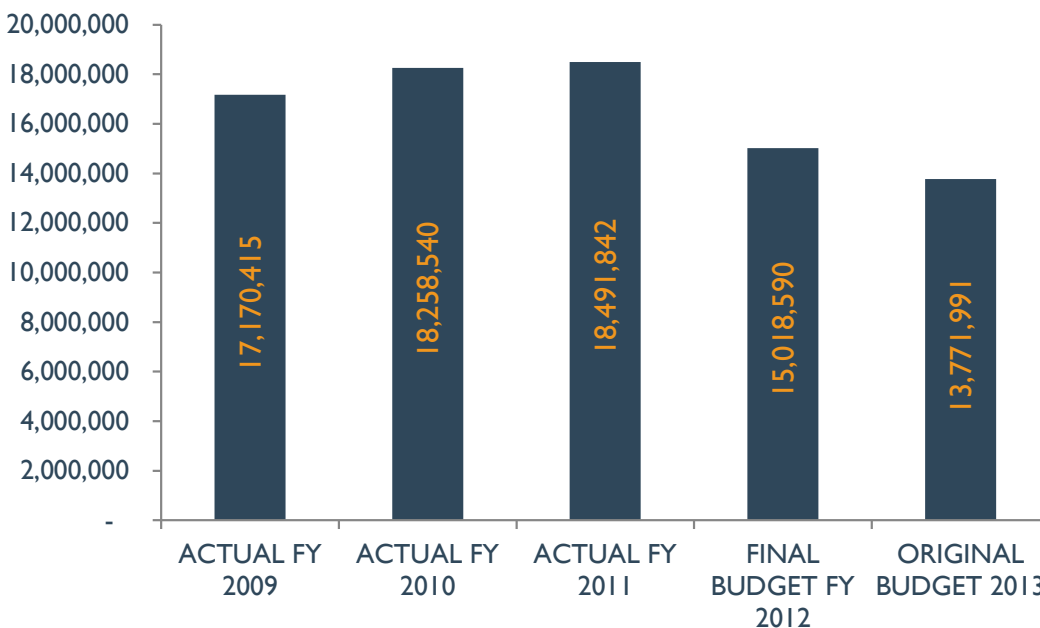
The federal government provides direct and flow-through support to specific programs in the District. For FY 2013 it's anticipated that the District will receive just under \$13.8 million in federal revenue.



The largest programs the District operates with federal funding are IDEA, Title I, Improving Teacher Quality, 21st Century Community Learning Centers and the school lunch program. These five programs make up roughly 80% of all the federal grants the District receives.

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

## Federal Revenue: *FY 2009 to FY 2013 (projected)*



## Major Revenue Sources: *Federal*

### Largest Federal Funding Sources

The following five programs make up approximately 80% of all District federal grants for FY 2013. 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 \$3.6 million in FY 2013 to assist with providing quality, nutritious meals to children most in need. The funding is determined by the amount of meals served to students, multiplied by a reimbursement amount that is predetermined by the federal government. The District has seen steady growth in the amount of free and reduced price lunch waivers from students in recent years, resulting in increases to federal revenues. In the Food Services program, the District receives more revenue from federal sources than local sources.

#### *Title I*

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

The funding of this grant is contingent upon the number of low-income students in the District. The District is projected to receive \$3.3 million in Title I funding in FY 2013.

#### *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 \$2.8 million from this grant in FY 2013.

#### *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 \$580,000 from this grant in FY 2013. Funding for this budget has been cut dramatically the past two years.

#### *21st Century Community Learning Centers*

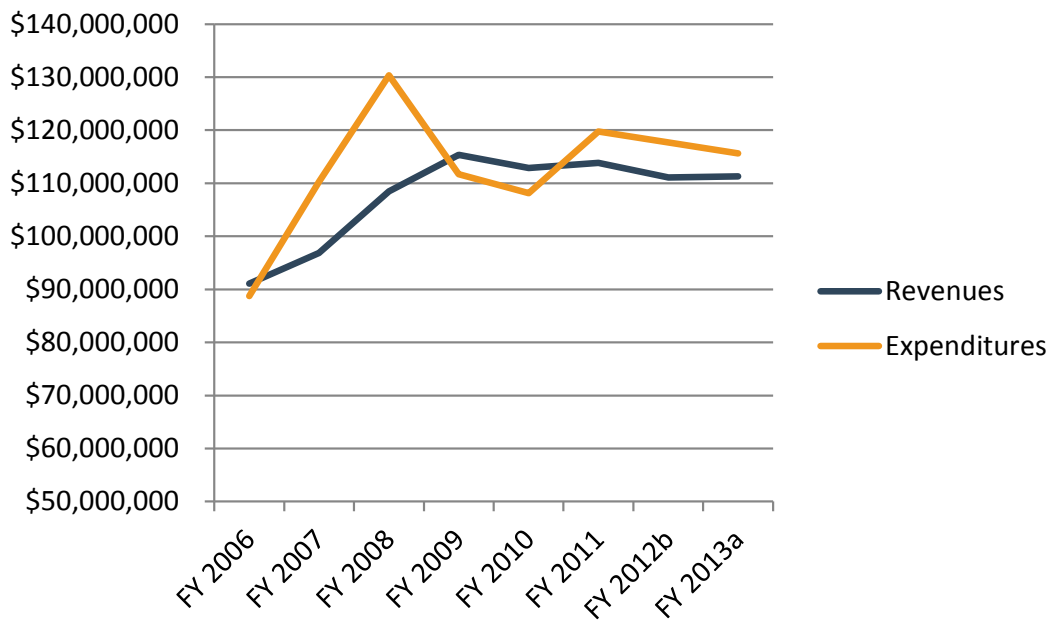
This grant, also part of No Child Left Behind, is actually several smaller grants that are awarded to the District to help it provide quality instruction outside of regular school hours. The awarding of 21st Century grants is very competitive. Much of the funding is determined by the number of low-income students enrolled. Schools without substantial low-income enrollments typically aren't considered for these grants. All combined, the District anticipates receiving \$1.0 million in 21st Century grants for FY 2013.

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

**Have feedback?** Please send an email to [budget@provo.edu](mailto:budget@provo.edu).

# Financial Schedules and Charts

*Including Supplementary Financial Information*



**Revenue and Expenditure Summary: FY 2006 to FY 2013**

## Revenue and Expenditure Summary FY 2006-FY 2013

Fiscal Year	Revenues	Expenditures	Net
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	112,884,403	108,158,033	4,726,370
FY 2011	113,857,100	119,725,864	(5,868,764)
FY 2012 <sup>b</sup>	111,111,500	117,702,420	(6,590,920)
FY 2013 <sup>a</sup>	111,307,765	115,648,954	(4,341,189)

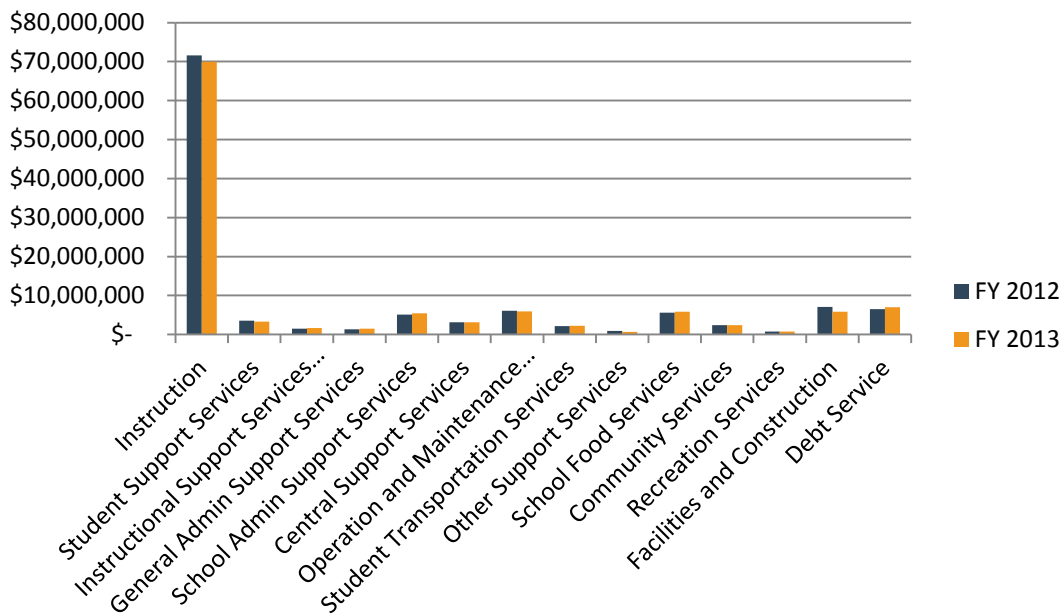
<sup>b</sup>Final Budget

<sup>a</sup>Projected (Original Budget)

# Expenditure Comparison by Function: *All Funds*

FY 2012 to FY 2013

Function	FY 2012	FY 2013	% Change
Instruction	\$ 71,597,423	\$ 69,913,720	-2%
Student Support Services	3,548,366	3,338,864	-6%
Instructional Support Services (staff)	1,480,181	1,670,646	11%
General Admin Support Services	1,309,554	1,525,790	14%
School Admin Support Services	5,129,968	5,463,702	6%
Central Support Services	3,115,522	3,177,461	2%
Operation and Maintenance Services	6,124,254	5,934,687	-3%
Student Transportation Services	2,164,496	2,197,969	2%
Other Support Services	956,106	640,059	-49%
School Food Services	5,570,368	5,876,094	5%
Community Services	2,369,544	2,361,967	0%
Recreation Services	786,647	722,480	-9%
Facilities and Construction	7,082,469	5,812,515	-22%
Debt Service	<u>6,467,522</u>	<u>7,013,000</u>	<u>8%</u>
<b>Total</b>	<b><u>\$ 117,702,420</u></b>	<b><u>\$ 115,648,954</u></b>	<b><u>-2%</u></b>



# FY 2013 Budget Summary, Revenues by Source and Expenditures by Object: *All Funds*

## FY 2013 Budget Summary: Revenues by Source and Expenditures by Object

Revenues by Source	General	Other Governmental Funds	Debt Service	Capital Projects	Total
Property Taxes	\$ 19,855,000	\$ 2,753,000	\$ 6,418,000	\$ 3,790,000	\$ 32,816,000
Earnings on Investment	340,185	-	-	-	340,185
Other Local Revenue	3,915,310	5,339,199	-	154,000	9,408,509
State Sources	53,120,388	1,850,692	-	-	54,971,080
Federal Sources	9,505,131	4,266,860	-	-	13,771,991
Total Revenues:	<u>86,736,014</u>	<u>14,209,751</u>	<u>6,418,000</u>	<u>3,944,000</u>	<u>111,307,765</u>

Expenditures by Function	General	Other Governmental Funds	Debt Service	Capital Projects	Total
Instruction	\$ 66,256,338	\$ 3,657,382	\$ -	\$ -	\$ 69,913,720
Student Support Services	3,338,864	-	-	-	3,338,864
Instructional Support Services (staff)	1,670,646	-	-	-	1,670,646
General Admin Support Services	1,525,790	-	-	-	1,525,790
School Admin Support Services	5,463,702	-	-	-	5,463,702
Central Support Services	3,177,461	-	-	-	3,177,461
Operation and Maintenance Services	5,435,687	-	-	499,000	5,934,687
Student Transportation Services	2,197,969	-	-	-	2,197,969
Other Support Services	640,059	-	-	-	640,059
School Food Services	-	5,876,094	-	-	5,876,094
Community Services	-	2,361,967	-	-	2,361,967
Recreation Services	-	722,480	-	-	722,480
Facilities and Construction	-	-	-	5,812,515	5,812,515
Debt Service	-	-	6,473,000	540,000	7,013,000
Total Expenditures:	<u>89,706,516</u>	<u>12,617,923</u>	<u>6,473,000</u>	<u>6,851,515</u>	<u>115,648,954</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,970,502)</u>	<u>1,591,828</u>	<u>(55,000)</u>	<u>(2,907,515)</u>	<u>(4,341,189)</u>
Other Financing Sources (Uses) and Other Items	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,000</u>
Net Change in Fund Balance	<u>\$ (2,958,502)</u>	<u>\$ 1,591,828</u>	<u>\$ (55,000)</u>	<u>\$ (2,907,515)</u>	<u>\$ (4,329,189)</u>

Figures may vary slightly due to rounding.

## Expenditures by Fund and Object: *FY 2012*

### Expenditures by Fund and Object: FY 2013

Object	General	Capital Projects	Debt Service
Salaries	\$ 53,217,494	\$ 663,075	\$ -
Benefits	24,453,664	277,440	-
Purchased/Professional Services	3,476,598	40,000	-
Purchased Property Services	253,137	4,872,000	-
Other Purchased Services	766,593		-
Supplies	6,173,353	24,000	-
Equipment	582,593	435,000	-
Other Objects	<u>783,084</u>	<u>540,000</u>	<u>6,473,000</u>
Total:	<u>89,706,516</u>	<u>6,851,515</u>	<u>6,473,000</u>

Object	Student Activities	Non K-12	Food Services
Salaries	\$ -	\$ 1,933,459	\$ 1,877,002
Benefits	-	668,108	661,654
Purchased/Professional Services	321,830	91,278	8,320
Purchased Property Services	49,877	166,051	104,500
Other Purchased Services	794,540	15,534	4,188
Supplies	1,846,994	169,088	2,411,096
Equipment	25,000	-	306,000
Other Objects	<u>619,141</u>	<u>40,929</u>	<u>503,334</u>
Total:	<u>3,657,382</u>	<u>3,084,447</u>	<u>5,876,094</u>

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.

## Summary of Budgets, All Funds: *FY 2009 to FY 2013*

Summary: All Funds	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Total Local	\$ 40,680,715	\$ 40,748,575	\$ 42,763,889	\$ 42,020,502	\$ 42,564,694
Total State	57,520,714	53,877,288	52,601,369	54,072,408	54,971,080
Total Federal	<u>17,170,415</u>	<u>18,258,540</u>	<u>18,491,842</u>	<u>15,018,590</u>	<u>13,771,991</u>
<b>TOTAL REVENUES</b>	<u><b>115,371,844</b></u>	<u><b>112,884,403</b></u>	<u><b>113,857,100</b></u>	<u><b>111,111,500</b></u>	<u><b>111,307,765</b></u>
Salaries	58,491,006	55,816,699	55,464,569	57,961,267	57,691,030
Employee Benefits	21,802,306	21,854,604	23,932,153	25,495,197	26,060,866
Purchased Professional/Tech Svcs	2,406,362	3,198,346	3,789,212	4,246,156	3,938,026
Purchased Property Services	6,491,945	5,154,177	12,288,082	6,313,429	5,445,565
Other Purchased Services	1,715,871	1,422,442	1,618,957	1,780,637	1,580,855
Supplies	8,206,202	9,711,388	10,513,667	11,373,551	10,624,531
Property	5,139,447	3,602,365	3,514,494	2,266,232	1,348,593
Other Objects	<u>7,432,957</u>	<u>7,398,012</u>	<u>8,604,730</u>	<u>8,265,951</u>	<u>8,959,488</u>
<b>TOTAL EXPENDITURES</b>	<u><b>111,686,096</b></u>	<u><b>108,158,033</b></u>	<u><b>119,725,864</b></u>	<u><b>117,702,420</b></u>	<u><b>115,648,954</b></u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,685,748</u>	<u>4,726,370</u>	<u>(5,868,764)</u>	<u>(6,590,920)</u>	<u>(4,341,189)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>13,655</u>	<u>6,955,893</u>	<u>29,427</u>	<u>20,000</u>	<u>12,000</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>3,699,403</u>	<u>11,682,263</u>	<u>(5,839,337)</u>	<u>(6,570,920)</u>	<u>(4,329,189)</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>24,273,610</u>	<u>37,083,496</u>	<u>48,765,759</u>	<u>42,926,425</u>	<u>36,355,505</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	<u>9,110,483</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>-</u>
NET ASSETS / FUND BALANCE - Ending	<u><b>\$ 37,083,496</b></u>	<u><b>\$ 48,765,759</b></u>	<u><b>\$ 42,926,425</b></u>	<u><b>\$ 36,355,505</b></u>	<u><b>\$ 32,026,316</b></u>

Figures may vary slightly due to rounding.



# Summary of Budgets, General Fund: *FY 2009 to FY 2013*

## Summary of Budgets, General Fund: FY 2009 - FY 2013

Summary: General Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Total Local	\$ 18,096,985	\$ 21,376,900	\$ 22,682,823	\$ 23,665,990	\$ 24,110,495
Total State	55,099,892	51,756,518	51,001,740	52,284,353	53,120,388
Total Federal	<u>13,499,470</u>	<u>14,486,136</u>	<u>14,610,869</u>	<u>10,892,094</u>	<u>9,505,131</u>
<b>TOTAL REVENUES</b>	<b><u>86,696,347</u></b>	<b><u>87,619,554</u></b>	<b><u>88,295,432</u></b>	<b><u>86,842,437</u></b>	<b><u>86,736,014</u></b>
Salaries	52,741,102	50,656,427	50,624,270	53,328,113	53,217,494
Employee Benefits	19,899,607	20,192,228	22,359,152	23,984,747	24,453,664
Purchased Professional/Tech Svcs	1,914,468	2,777,596	3,202,732	3,545,266	3,476,598
Purchased Property Services	481,252	214,876	301,514	309,284	253,137
Other Purchased Services	889,076	894,769	848,127	860,997	766,593
Supplies	4,275,113	6,098,827	6,562,837	7,320,962	6,173,353
Property	1,436,583	2,107,222	1,441,074	664,077	582,593
Other Objects	<u>(76,109)</u>	<u>(203,654)</u>	<u>1,090,463</u>	<u>727,424</u>	<u>783,084</u>
<b>TOTAL EXPENDITURES</b>	<b><u>81,561,092</u></b>	<b><u>82,738,291</u></b>	<b><u>86,430,169</u></b>	<b><u>90,740,870</u></b>	<b><u>89,706,516</u></b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,135,255</u>	<u>4,881,263</u>	<u>1,865,263</u>	<u>(3,898,433)</u>	<u>(2,970,502)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>11,564</u>	<u>142,494</u>	<u>(76,904)</u>	<u>20,000</u>	<u>12,000</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>5,146,819</u>	<u>5,023,757</u>	<u>1,788,359</u>	<u>(3,878,433)</u>	<u>(2,958,502)</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>5,652,827</u>	<u>20,224,728</u>	<u>25,419,285</u>	<u>27,207,646</u>	<u>23,329,213</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	<u>9,425,082</u>	<u>170,800</u>	<u>2</u>	<u>-</u>	<u>-</u>
NET ASSETS / FUND BALANCE - Ending	<b><u>\$ 20,224,728</u></b>	<b><u>\$ 25,419,285</u></b>	<b><u>\$ 27,207,646</u></b>	<b><u>\$ 23,329,213</u></b>	<b><u>\$ 20,370,711</u></b>

Figures may vary slightly due to rounding.

## Summary of Budgets, Capital Projects Fund: FY 2009 to FY 2013

Summary: Capital Projects Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Total Local	9,495,755	7,195,204	8,056,026	3,890,000	3,944,000
Total State	-	200,000	-	-	-
Total Federal	-	-	-	-	-
<b>TOTAL REVENUES</b>	<u>9,495,755</u>	<u>7,395,204</u>	<u>8,056,026</u>	<u>3,890,000</u>	<u>3,944,000</u>
Salaries	1,160,676	1,267,179	1,099,431	713,276	663,075
Employee Benefits	391,741	452,080	402,872	256,828	277,440
Purchased Professional/Tech Svcs	30,466	67,058	146,460	100,000	40,000
Purchased Property Services	5,478,610	4,580,194	11,679,400	5,642,882	4,872,000
Other Purchased Services	8,573	10,045	9,217	-	-
Supplies	25,871	-	10,594	-	24,000
Property	3,354,243	1,305,755	1,842,230	1,275,000	435,000
Other Objects	<u>30,073</u>	<u>67,943</u>		<u>79,483</u>	<u>540,000</u>
<b>TOTAL EXPENDITURES</b>	<u>10,480,253</u>	<u>7,750,254</u>	<u>15,190,204</u>	<u>8,067,469</u>	<u>6,851,515</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(984,498)</u>	<u>(355,050)</u>	<u>(7,134,178)</u>	<u>(4,177,469)</u>	<u>(2,907,515)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>(1,940,240)</u>	<u>4,811,899</u>	<u>(2,000,000)</u>	<u>900,000</u>	<u>1,868,000</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>(2,924,738)</u>	<u>4,456,849</u>	<u>(9,134,178)</u>	<u>(3,277,469)</u>	<u>(1,039,515)</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>12,869,560</u>	<u>9,944,822</u>	<u>14,401,671</u>	<u>5,267,494</u>	<u>1,990,025</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	1	-	-
<b>NET ASSETS / FUND BALANCE -</b>	<u>9,944,822</u>	<u>14,401,671</u>	<u>5,267,494</u>	<u>1,990,025</u>	<u>950,510</u>

Figures may vary slightly due to rounding.

## Summary of Budgets, Debt Service Fund: FY 2009 to FY 2013

Summary: Debt Service Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Total Local	\$ 6,424,380	\$ 6,432,102	\$ 6,263,180	\$ 6,418,000	\$ 6,418,000
TOTAL REVENUES	<u>6,424,380</u>	<u>6,432,102</u>	<u>6,263,180</u>	<u>6,418,000</u>	<u>6,418,000</u>
Other Objects	6,414,138	6,419,576	6,425,229	6,467,522	6,473,000
TOTAL EXPENDITURES	<u>6,414,138</u>	<u>6,419,576</u>	<u>6,425,229</u>	<u>6,467,522</u>	<u>6,473,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>10,242</u>	<u>12,526</u>	<u>(162,049)</u>	<u>(49,522)</u>	<u>(55,000)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS					
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>10,242</u>	<u>12,526</u>	<u>(162,049)</u>	<u>(49,522)</u>	<u>(55,000)</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>972,841</u>	<u>983,083</u>	<u>995,609</u>	<u>833,560</u>	<u>784,038</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS / FUND BALANCE -	<u>983,083</u>	<u>995,609</u>	<u>833,560</u>	<u>784,038</u>	<u>729,038</u>

Figures may vary slightly due to rounding.

## Summary of Budgets, Student Activity Fund: FY 2009 to FY 2013

Summary: Student Activity Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Total Local	\$ 3,496,177	\$ 3,284,270	\$ 3,449,587	\$ 3,500,000	\$ 3,534,536
Total State	-	-	-	-	-
Total Federal	-	-	-	-	-
<b>TOTAL REVENUES</b>	<u>3,496,177</u>	<u>3,284,270</u>	<u>3,449,587</u>	<u>3,500,000</u>	<u>3,534,536</u>
Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Purchased Professional/Tech Svcs	321,426	261,490	340,339	490,212	321,830
Purchased Property Services	55,049	51,599	49,141	59,044	49,877
Other Purchased Services	760,165	497,293	746,047	900,000	794,540
Supplies	1,772,526	1,686,579	1,821,290	1,601,774	1,846,994
Property	45,058	-	14,004	-	25,000
Other Objects	<u>688,516</u>	<u>555,600</u>	<u>527,394</u>	<u>648,970</u>	<u>619,141</u>
<b>TOTAL EXPENDITURES</b>	<u>3,642,740</u>	<u>3,052,561</u>	<u>3,498,215</u>	<u>3,700,000</u>	<u>3,657,382</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(146,563)</u>	<u>231,709</u>	<u>(48,628)</u>	<u>(200,000)</u>	<u>(122,846)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>(146,563)</u>	<u>231,709</u>	<u>(48,628)</u>	<u>(200,000)</u>	<u>(122,846)</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>2,008,233</u>	<u>1,703,390</u>	<u>1,935,099</u>	<u>1,886,471</u>	<u>1,686,471</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	<u>(158,280)</u>	-	-	-	-
<b>NET ASSETS / FUND BALANCE -</b>	<u>1,703,390</u>	<u>1,935,099</u>	<u>1,886,471</u>	<u>1,686,471</u>	<u>1,563,625</u>

Figures may vary slightly due to rounding.

## Summary of Budgets, Non K-12 Fund: FY 2009 to FY 2013

Summary: Non K-12 Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Total Local	\$ 1,845,437	\$ 1,242,176	\$ 1,162,826	\$ 3,269,538	\$ 3,269,538
Total State	1,810,073	1,242,987	1,072,698	1,172,055	1,215,692
Total Federal	<u>797,967</u>	<u>662,142</u>	<u>660,316</u>	<u>666,466</u>	<u>666,015</u>
<b>TOTAL REVENUES</b>	<b><u>4,453,477</u></b>	<b><u>3,147,305</u></b>	<b><u>2,895,840</u></b>	<b><u>5,108,059</u></b>	<b><u>5,151,245</u></b>
Salaries	2,781,434	2,110,557	1,922,784	2,019,240	1,933,459
Employee Benefits	786,597	644,038	589,608	646,635	668,108
Purchased Professional/Tech Svcs	124,155	84,725	86,577	92,678	91,278
Purchased Property Services	380,871	187,075	139,322	166,051	166,051
Other Purchased Services	55,069	16,865	10,931	15,534	15,534
Supplies	309,158	197,213	175,088	183,544	169,088
Property	27,498	-	10,625	-	-
Other Objects	<u>45,153</u>	<u>46,825</u>	<u>38,508</u>	<u>32,509</u>	<u>40,929</u>
<b>TOTAL EXPENDITURES</b>	<b><u>4,509,935</u></b>	<b><u>3,287,298</u></b>	<b><u>2,973,443</u></b>	<b><u>3,156,191</u></b>	<b><u>3,084,447</u></b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(56,458)</u>	<u>(139,993)</u>	<u>(77,603)</u>	<u>1,951,868</u>	<u>2,066,798</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>-</u>	<u>-</u>	<u>106,331</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>(56,458)</u>	<u>(139,993)</u>	<u>28,728</u>	<u>(48,132)</u>	<u>66,798</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>570,375</u>	<u>357,598</u>	<u>46,805</u>	<u>75,534</u>	<u>27,402</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	<u>(156,319)</u>	<u>(170,800)</u>	<u>1</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS / FUND BALANCE -</b>	<b><u>357,598</u></b>	<b><u>46,805</u></b>	<b><u>75,534</u></b>	<b><u>27,402</u></b>	<b><u>94,200</u></b>

Figures may vary slightly due to rounding.

# Summary of Budgets, Building Reserve Fund:

## FY 2009 to FY 2013

Summary: Building Reserve Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Total Local	\$ -	\$ -	\$ -	\$ -	\$ -
Total State	-	-	-	-	-
Total Federal	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>
Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Purchased Professional/Tech Svcs	-	-	-	-	-
Purchased Property Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Supplies	-	-	-	-	-
Property	-	-	-	-	-
Other Objects	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>1,940,240</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,100,000</u>	<u>132,000</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>1,940,240</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,100,000</u>	<u>132,000</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	-	<u>1,940,240</u>	<u>3,940,240</u>	<u>5,940,240</u>	<u>7,040,240</u>
Adjustment to Beginning Net Assets/ Fund Balance	-	-	-	-	-
<b>NET ASSETS / FUND BALANCE -</b>	<b><u>1,940,240</u></b>	<b><u>3,940,240</u></b>	<b><u>5,940,240</u></b>	<b><u>7,040,240</u></b>	<b><u>7,172,240</u></b>

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

## Summary of Budgets, Food Services Fund: FY 2009 to FY 2013

Summary: Food Services Fund	Actual FY 2009	Actual FY 2010	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Total Local	\$ 1,321,981	\$ 1,217,923	\$ 1,149,447	\$ 1,276,974	\$ 1,288,125
Total State	610,749	677,783	526,931	616,000	635,000
Total Federal	<u>2,872,978</u>	<u>3,110,262</u>	<u>3,220,657</u>	<u>3,460,030</u>	<u>3,600,845</u>
<b>TOTAL REVENUES</b>	<u><b>4,805,708</b></u>	<u><b>5,005,968</b></u>	<u><b>4,897,035</b></u>	<u><b>5,353,004</b></u>	<u><b>5,523,970</b></u>
Salaries	1,807,794	1,782,536	1,818,084	1,900,638	1,877,002
Employee Benefits	724,361	566,258	580,521	606,987	661,654
Purchased Professional/Tech Svcs	15,847	7,477	13,104	18,000	8,320
Purchased Property Services	96,163	120,433	118,705	136,168	104,500
Other Purchased Services	2,988	3,470	4,635	4,106	4,188
Supplies	1,823,534	1,728,769	1,943,858	2,267,271	2,411,096
Property	276,065	189,388	206,561	327,155	306,000
Other Objects	<u>331,186</u>	<u>511,722</u>	<u>523,136</u>	<u>310,043</u>	<u>503,334</u>
<b>TOTAL EXPENDITURES</b>	<u><b>5,077,938</b></u>	<u><b>4,910,053</b></u>	<u><b>5,208,604</b></u>	<u><b>5,570,368</b></u>	<u><b>5,876,094</b></u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(272,230)</u>	<u>95,915</u>	<u>(311,569)</u>	<u>(217,364)</u>	<u>(352,124)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>2,091</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>(270,139)</u>	<u>97,415</u>	<u>(311,569)</u>	<u>(217,364)</u>	<u>(352,124)</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>2,199,774</u>	<u>1,929,635</u>	<u>2,027,050</u>	<u>1,715,481</u>	<u>1,498,117</u>
Adjustment to Beginning Net Assets/ Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS / FUND BALANCE -</b>	<u><b>1,929,635</b></u>	<u><b>2,027,050</b></u>	<u><b>1,715,481</b></u>	<u><b>1,498,117</b></u>	<u><b>1,145,993</b></u>

Figures may vary slightly due to rounding.



# Fund Balance: *Adjustment Schedule*

FY 2012 to FY 2013

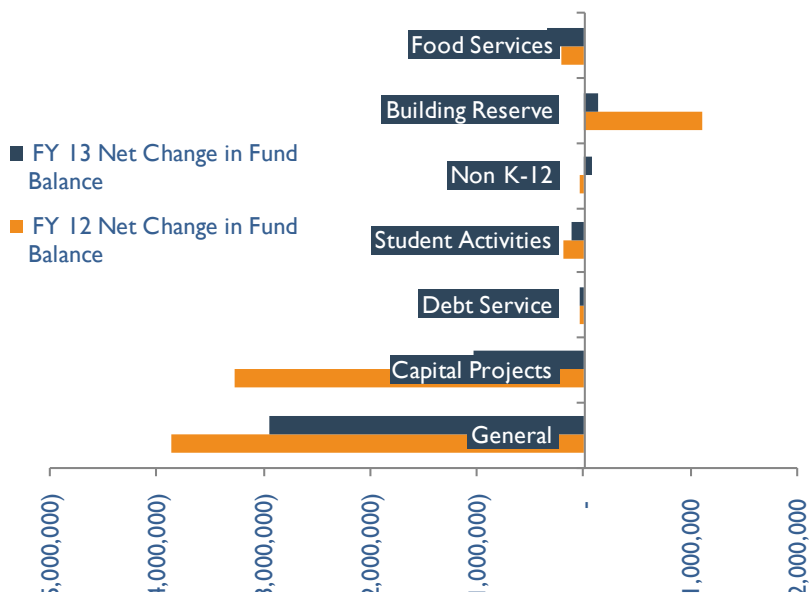
Major Funds	FY2012			FY2013		
	Beginning Balance	Net Change in Fund Balance	Ending Balance	Beginning Balance	Net Change in Fund Balance	Ending Balance
General	\$ 27,207,646	\$ (3,878,433)	\$ 23,329,213	\$ 23,329,213	\$ (2,958,502)	\$ 20,370,711
Capital Projects	5,267,494	(3,277,469)	1,990,025	1,990,025	(1,039,515)	950,510
Debt Service	833,560	(49,522)	784,038	784,038	(55,000)	729,038
Total Major Funds	33,308,700	(7,205,424)	26,103,276	26,103,276	(4,053,017)	22,050,259
Non-major Funds						
Student Activities	1,886,470	(200,000)	1,686,470	1,686,470	(122,846)	1,563,624
Non K-12	75,534	(48,132)	27,402	27,402	66,798	94,200
Building Reserve	5,940,240	1,100,000	7,040,240	7,040,240	132,000	7,172,240
Food Services	1,715,481	(217,364)	1,498,117	1,498,117	(352,124)	1,145,993
Total Non-major Funds	9,617,725	634,504	10,252,229	10,252,229	(276,172)	9,976,057
Total All Funds	\$ 42,926,425	\$ (6,570,920)	\$ 36,355,505	\$ 36,355,505	\$ (4,329,189)	\$ 32,026,316

## Fund Balance *Definition*

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

## Fund Balance *Changes*

FY 2012 to FY 2013



## Statement of *Changes to Fund Balance (Equity)*

### General Fund: (\$2,958,502)

The District is projected to spend down nearly \$3 million of its General fund residual balances during FY 2013. Non-routine expenditures make up most of the spend-down. For instance, \$2.5 million of Other Post Employment Benefits is budgeted, and this money has already been set aside in previous years. The amount is projected to continue to go down as the District eliminated much of its OPEB benefits in 2005.

The remaining fund balance spend down, nearly \$500,000, is a structural issue that the District must address through ongoing savings through energy efficiency programs, healthcare inflation mitigation (premium participation, healthy lifestyles programs, etc.) and other “belt-tightening” methods.

### Capital Projects Fund: (\$1,039,515)

The Capital Projects fund balance is projected to decrease by over \$1 million in FY 2013. This amount is due to a non-routine increase in capital projects, as the District is taking advantage of low construction costs.

### Debt Service Fund: (\$55,000)

There is only a minor projected change to the Debt Service fund balance for FY 2013. This difference is essentially the result of variations between the District’s tax rate and projected principal and interest expenses. The amount is within the District’s expected margin of error and sufficient fund balance in this fund will cover the difference.

### Student Activities Fund: \$(122,846)

The increase to fund balances in this fund results from an expected increase in school-level revenues.

### Non K-12 Fund: 66,798

There is only a minor net change projected for this fund in FY 2013. The reason for the difference is a property tax shift that generates more income in this fund, combined with less maintenance costs projected on assets such as the pool at Provo High. Savings are expected in District grounds budgets as well.

### Building Reserve Fund: \$132,000

For FY 13, large-scale capital renovations are taking place at sites throughout the District. Much of these projects will be funded through the Building Reserve Fund, which is in place to handle these types of capital improvements. Pulling funds from the Building Reserve Fund is considered a non-routine event and a vote by the Board of Education must take place each time it occurs.

### Food Service Fund: (\$352,124)

This fund balance decrease is the result of non-routine kitchen upgrades at several schools and heavy inflation on food costs. The food cost inflation, which represents approximately half of the fund balance spend down, is especially troubling to the District as federal regulations will increase costs even more in FY 13. School lunch fees are being increased by \$0.25 to help offset some of the loss, but more increases are likely in future years.

### Summary of Fund Balances

Overall, District fund balances are projected to decrease by \$4,329,109 in FY 2013. The vast majority of this decrease is a planned spend down of current fund balances. This spend down is due primarily to non-routine expenditures, although it’s important to note that if funds don’t increase, especially in the General and Capital Projects funds, then substantial budget cuts will have to occur in FY 2014 and beyond.

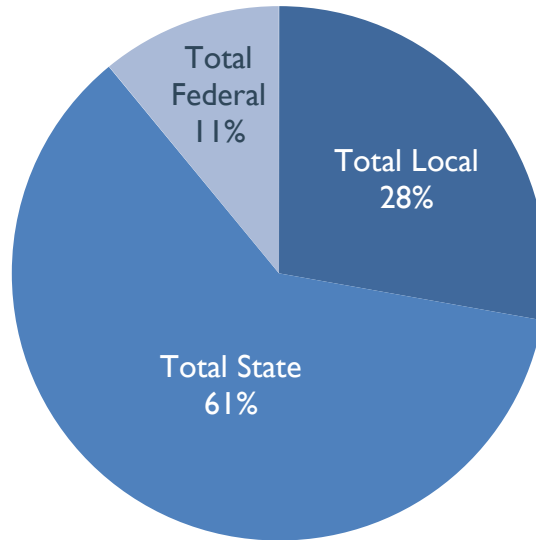
# Major Revenues and Expenditures by Fund

## *Major Funds*

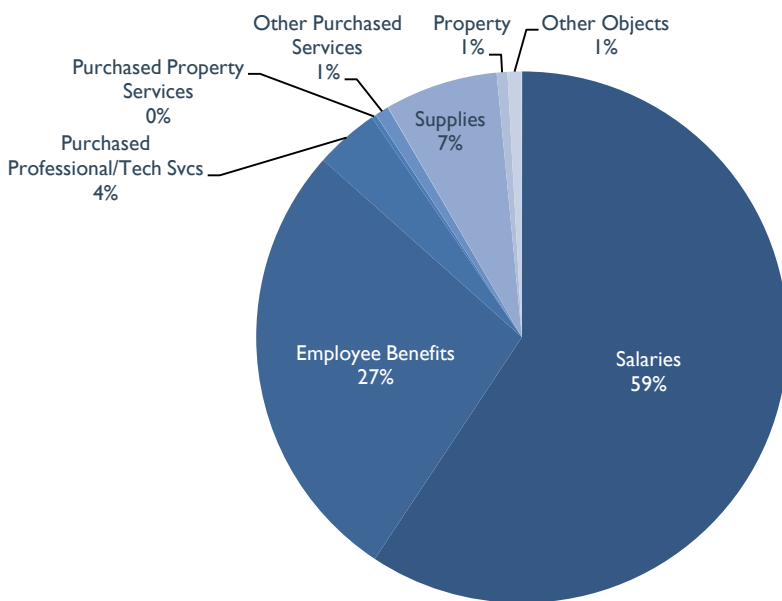
# Revenues and Expenditure Budgets by Source: *General Fund*

## General Fund Revenues: *FY 2013*

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



## General Fund Expenditures: *FY 2013*



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

## Major Revenue Sources, General Fund: FY 2011 through FY 2013

Revenues from State Sources	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Regular School Program K-12	\$ 23,913,024	\$ 28,000,000	\$ 28,658,291
Professional Staff	2,525,996	2,759,680	2,778,994
Special Education -- Add-On	4,084,792	4,069,083	4,120,000
Special Education -- Self-Contained	1,632,228	1,782,528	1,800,000
Extended Year Program -- Severely Disabled	25,406	28,160	28,000
Special Education -- State Programs	111,501	121,088	122,000
Career & Technology Ed -- Add-On	2,107,017	1,858,335	1,880,000
Class Size Reduction (State Funds)	2,039,807	2,230,272	2,275,000
Enhance for Accelerated Stud Prog	42,388	54,700	95,000
Advanced Placement	40,531	40,000	40,000
Concurrent Enrollment	82,680	82,680	77,500
At-Risk Enhancement	153,295	514,396	660,000
At-Risk -- Homeless and Minority	47,993	-	-
At-Risk -- Gang Prevention	67,856	54,000	54,000
At-Risk -- Youth-in-Custody	1,340,297	1,173,526	1,126,821
English Language Learner Family Literacy Centers (3640 - Extended Day Kindergarten)	63,388 234,730	- 229,442	- 255,000
Interventions for Student Success Block Grant	411,382	-	-
Social Security and Retirement	3,868,603	517,080	530,000
Pupil Transportation	1,311,156	1,311,156	1,185,960
Highly Impacted Schools	324,990	-	-
School Land Trust Program	531,860	601,217	630,000
Board Leeway	-	220,000	100,000
K-3 Reading Achievement	328,989	340,898	340,000
Other State Sources MSP	<u>159,876</u>	<u>702,264</u>	<u>774,000</u>
Total Minimum School Program Generated	45,449,785	46,690,505	47,530,566
Other Revenues from State Sources			
Other Revenues From State Sources (Non-MSP)	1,295,791	1,198,567	1,206,244
Driver Education (State Driver Training Tax)	117,500	98,479	150,992
Library Books & Electronic Resources	14,583	9,000	5,500
Supplementals / Other Bills	3,779,226	3,958,617	3,965,000
Revenues From Other State Agencies	<u>344,855</u>	<u>329,185</u>	<u>262,086</u>
<b>Total State Revenue</b>	<u><u>51,001,740</u></u>	<u><u>52,284,353</u></u>	<u><u>53,120,388</u></u>

## Major Revenue Sources, General Fund: FY 2011 through FY 2013

Revenues from Local Sources	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Property Taxes	\$ 18,126,128	\$ 19,855,000	\$ 19,855,000
Tuition From Pupils or Parents	71,881	5,000	5,000
Tuition From Other LEAs Outside the State	3,350	125,000	122,815
Transportation Fees From Pupils or Parents	121,668	107,000	193,258
Earnings on Investments	231,938	342,000	340,185
Student Activities	180,969	-	-
Other Revenues From Local Sources	3,197,709	2,815,373	3,257,620
Contributions and Donations from Private Sources/ Foundation	749,180	400,000	320,000
Miscellaneous	-	16,617	16,617
<b>Total Local Revenue</b>	<u>22,682,823</u>	<u>23,665,990</u>	<u>24,110,495</u>

Revenue from Federal Sources	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Restricted Revenue Direct From Federal	559,147	430,660	396,195
Restricted Federal Through State	305,084	286,268	100,000
Programs for the Disabled (IDEA)	2,762,936	2,806,702	2,816,193
Career & Technology Education	318,112	279,581	279,581
ARRA Programs	4,111,568	407,544	-
Other Restricted Federal Through State	154,905	92,842	-
Federal Received Through Other Agencies	874,464	932,264	800,000
No Child Left Behind (NCLB)	<u>5,524,653</u>	<u>5,656,233</u>	<u>5,113,162</u>
Total Federal Revenue	<u>14,610,869</u>	<u>10,892,094</u>	<u>9,505,131</u>
<b>TOTAL REVENUES, GENERAL FUND</b>	<u>88,295,432</u>	<u>86,842,437</u>	<u>86,736,014</u>

Figures may vary slightly due to rounding.

## Major Expenditures, General Fund: FY 2011 through FY 2013

General Fund Expenditures	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
<b>Function: Instruction</b>			
Salaries - Teachers	\$ 32,870,819	\$ 34,707,048	\$ 35,065,676
Salaries - Teacher Aides and Paraprofessionals	5,296,880	5,643,746	5,145,161
Salaries - All Other	363,173	415,478	434,852
Total Salaries (100)	38,530,872	40,766,272	40,645,689
Retirement	6,319,212	7,029,634	6,929,868
Social Security	2,751,692	3,076,013	2,638,868
Insurance (Health/Dental/Life)	6,180,948	7,011,560	6,470,153
Other Benefits	2,741,738	1,972,439	2,940,864
Total Benefits (200)	17,993,590	19,089,646	18,979,753
Purchased Professional and Technical Services	2,147,615	2,417,600	2,308,611
Purchased Property Services	62,023	85,176	55,950
Other Purchased Services	391,371	394,450	318,678
Supplies	3,314,186	3,819,480	2,613,036
Textbooks	183,309	-	-
Property (Instructional Equipment)	1,372,283	664,077	582,593
Other Objects	1,023,972	649,822	741,052
Dues and Fees	8,612	10,900	10,976
<b>TOTAL INSTRUCTION (1000)</b>	<b><u>65,027,833</u></b>	<b><u>67,897,423</u></b>	<b><u>66,256,338</u></b>
<b>Function: Student Support</b>			
Salaries - Attendance and Social Work Personnel	292,504	293,366	194,166
Salaries - Guidance Personnel	729,394	731,242	745,468
Salaries - Health Services Personnel	39,676	41,271	41,684
Salaries - Psychological Personnel	649,786	470,554	444,390
Salaries - Secretarial and Clerical	208,473	220,064	224,143
Salaries - All Other	596,620	619,662	578,176
Retirement	421,398	406,756	397,564
Social Security	181,347	177,901	157,329
Insurance (Health/Dental/Life)	336,954	331,789	323,818
Other Benefits	25,166	23,864	20,569
Purchased Professional and Technical Services	133,560	165,207	157,500
Other Purchased Services	9,367	10,250	6,315
Supplies	30,112	41,009	32,022
Other Objects	20,738	15,431	15,720
<b>TOTAL STUDENT SUPPORT (2100)</b>	<b><u>3,675,095</u></b>	<b><u>3,548,366</u></b>	<b><u>3,338,864</u></b>

Figures may vary slightly due to rounding.



## Major Expenditures, General Fund: FY 2011 through FY 2013

General Fund Expenditures	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Function: Instructional Staff Support			
Salaries - Media Personnel - Certificated	\$ 214,449	\$ 210,817	\$ 180,531
Salaries - Secretarial and Clerical	324,288	324,219	288,869
Salaries - Media Personnel - Noncertificated.	354,919	365,107	372,391
Salaries - All Other	124,076	148,204	158,363
Retirement	159,088	183,238	184,845
Social Security	73,347	77,980	307,449
Insurance (Health/Dental/Life)	80,896	98,171	87,349
Other Benefits	10,157	10,374	40,206
Purchased Professional and Technical Services	3,777	-	-
Purchased Property Services	-	500	500
Other Purchased Services	5,311	6,213	6,083
Supplies	63,691	47,931	43,624
Library Books	6,070	7,000	-
Periodicals	97	-	-
Other Objects	734	427	436
Dues and Fees	<u>180</u>	<u>-</u>	<u>-</u>
<b>TOTAL INSTRUCTIONAL STAFF SUPPORT (2200)</b>	<b><u>1,421,080</u></b>	<b><u>1,480,181</u></b>	<b><u>1,670,646</u></b>
Function: District Admin Support			
Salaries - District Board and Administration	274,604	278,737	282,973
Salaries - Supervisors and Directors	307,711	338,174	397,392
Salaries - Secretarial and Clerical	162,056	158,494	180,986
Salaries - All Other	14,820	7,092	7,092
Retirement	142,906	157,902	239,543
Social Security	53,011	62,721	78,700
Insurance (Health/Dental/Life)	106,275	121,159	138,122
Other Benefits	7,592	8,189	12,855
Purchased Professional and Technical Services	21,521	46,150	80,000
Purchased Property Services	587	-	-
Other Purchased Services	35,718	35,975	28,380
Supplies	72,675	76,161	76,747
Other Objects	5,375	1,000	900
Dues and Fees	<u>11,525</u>	<u>17,800</u>	<u>2,100</u>
<b>TOTAL DISTRICT ADMINISTRATION (2300)</b>	<b><u>1,216,376</u></b>	<b><u>1,309,554</u></b>	<b><u>1,525,790</u></b>

Figures may vary slightly due to rounding.

## Major Expenditures, General Fund: FY 2011 through FY 2013

General Fund Expenditures	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
<b>Function: School Admin Support</b>			
Salaries - Principals and Assistants	\$ 2,430,153	\$ 2,485,588	\$ 2,504,188
Salaries - Secretarial and Clerical	1,161,422	1,173,037	1,373,809
Salaries - All Other	42,237	34,151	34,151
Retirement	663,185	641,596	731,208
Social Security	262,102	278,381	298,525
Insurance (Health/Dental/Life)	394,003	449,515	481,376
Other Benefits	36,345	36,532	39,557
Other Purchased Services	25,333	25,279	888
Supplies	3,552	-	-
Dues and Fees	4,738	5,889	-
<b>TOTAL SCHOOL ADMIN SUPPORT (2400)</b>	<u>5,023,070</u>	<u>5,129,968</u>	<u>5,463,702</u>
<b>Function: Central Support</b>			
Salaries	\$ 1,520,378	\$ 1,560,680	\$ 1,573,983
Retirement	268,481	284,251	312,753
Social Security	108,644	118,377	120,116
Insurance (Health/Dental/Life)	179,146	218,174	237,754
Other Benefits	15,524	15,320	15,545
Purchased Professional and Technical Services	335,461	401,810	408,750
Purchased Property Services	26,535	39,500	39,500
Other Purchased Services	320,671	314,600	309,350
Supplies	105,814	146,910	149,810
Other Objects	3,499	2,900	900
Dues and Fees	4,229	13,000	9,000
<b>TOTAL CENTRAL SUPPORT (2500)</b>	<u>2,888,382</u>	<u>3,115,522</u>	<u>3,177,461</u>

Figures may vary slightly due to rounding.

## Major Expenditures, General Fund: FY 2011 through FY 2013

General Fund Expenditures	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Function: Maintenance and Operations Support			
Salaries - Operation and Maintenance	\$ 950,013	\$ 1,472,745	\$ 1,472,233
Salaries - All Other	19,215	21,608	21,933
Retirement	128,693	217,728	241,646
Social Security	69,392	113,870	116,122
Insurance (Health/Dental/Life)	108,402	240,377	261,980
Other Benefits	9,692	15,139	15,379
Purchased Professional and Technical Services	560,304	474,499	521,737
Purchased Property Services	94,020	73,678	66,757
Other Purchased Services	45,653	57,777	78,946
Supplies	2,183,743	2,561,833	2,638,954
Property	<u>82</u>	<u>-</u>	<u>-</u>
<b>TOTAL MAINTENANCE AND OPERATIONS (2600)</b>	<b><u>4,169,209</u></b>	<b><u>5,249,254</u></b>	<b><u>5,435,687</u></b>

Function: Student Transportation			
Salaries - Secretarial and Clerical	\$ 13,137	\$ 8,834	\$ 41,300
Salaries - Supervisors	48,288	44,700	95,270
Salaries - Bus Drivers	833,133	854,583	875,300
Salaries - Mechanics and Other Garage Employees	170,249	164,372	165,600
Salaries - Other (Trainers, etc.)	612	-	-
Retirement	138,995	197,124	230,000
Social Security	77,712	82,045	90,076
Insurance (Health / Accident / Life)	94,649	124,232	149,000
Other Benefits	10,665	10,725	11,775
Purchased Property Services	65,283	75,000	55,000
Student Allowance	351	-	-
Payments in Lieu of Transportation - Subsistence	430	-	-
Communications (Telephone and Other)	483	500	2,000
Travel / Per Diem	3,643	3,300	3,300
Motor Fuel	232,279	301,242	326,848
Other Supplies	166,953	177,584	150,500
Equipment	38,000	0	-
Miscellaneous Expenditures	3,958	7,000	2,000
Training	<u>2,903</u>	<u>3,255</u>	<u>-</u>
<b>TOTAL STUDENT TRANSPORTATION (2700)</b>	<b><u>1,901,723</u></b>	<b><u>2,054,496</u></b>	<b><u>2,197,969</u></b>

Figures may vary slightly due to rounding.

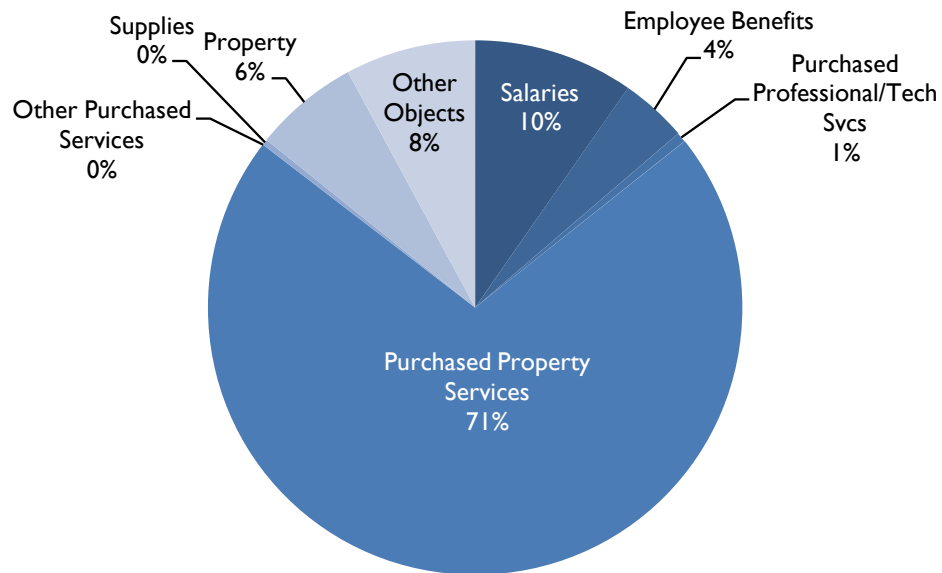
## Major Expenditures, General Fund: FY 2011 through FY 2013

General Fund Expenditures	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Function: Other Support Services			
Salaries	\$ 611,185	\$ 534,540	\$ 317,414
Retirement	96,984	94,626	58,588
Social Security	45,225	40,814	24,019
Insurance (Health / Accident / Life)	53,463	50,913	47,003
Other Benefits	6,123	5,318	3,140
Purchased Professional and Technical Services	494	40,000	-
Purchased Property Services	53,066	35,430	35,430
Other Purchased Services	9,796	12,653	12,653
Supplies	200,356	141,812	141,812
Property	<u>30,709</u>	<u>-</u>	<u>-</u>
TOTAL OTHER SUPPORT SERVICES (2900)	<u>1,107,401</u>	<u>956,106</u>	<u>640,059</u>
TOTAL EXPENDITURES, GENERAL FUND	<u>\$ 86,430,169</u>	<u>\$ 90,740,870</u>	<u>\$ 89,706,516</u>
OTHER FINANCING			
OTHER FINANCING SOURCES (USES)			
Transfers Out to Other Funds	(106,331)	-	-
Proceeds From Sale of Capital Assets	<u>29,427</u>	<u>20,000</u>	<u>12,000</u>
TOTAL OTHER FINANCING	<u>(76,904)</u>	<u>20,000</u>	<u>12,000</u>

Figures may vary slightly due to rounding.

# Revenues and Expenditure Budgets by Source: *Capital Projects Fund*

## Capital Projects Fund: *FY 2013*



Note: All revenue in the Capital Projects Fund comes from local sources - most notably property taxes. Total FY 2013 revenues for this fund are \$3,944,000.

## Major Revenue Sources, Capital Projects Fund: FY 2011 through FY 2013

Revenues from Local Sources	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Property Taxes	\$ 6,874,280	\$ 3,790,000	\$ 3,790,000
Earnings on Investments	41,005	-	-
Other Revenues from Local Sources	<u>1,140,741</u>	<u>100,000</u>	<u>154,000</u>
<b>TOTAL REVENUES, CAPITAL PROJECTS FUND</b>	<u>\$ 8,056,026</u>	<u>\$ 3,890,000</u>	<u>\$ 3,944,000</u>

Figures may vary slightly due to rounding.

# Major Expenditures, Capital Projects Fund: FY 2011 through FY 2013

Capital Projects Fund Expenditures	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Function: Operation and Maintenance of Facilities			
Salaries	\$ -	\$ 60,000	\$ -
Purchased Professional and Technical Services	12,164	100,000	40,000
Purchased Property Services	821,744	-	-
Other Purchased Services	760	-	-
Supplies	10,594	-	24,000
Property	-	455,000	435,000
<b>TOTAL OPERATION AND MAINTENANCE OF FACILITIES</b>	<b>845,262</b>	<b>615,000</b>	<b>499,000</b>
Function: Operation and Maintenance of Facilities (10% of Basic)			
Equipment	\$ 1,823,005	\$ 260,000	\$ -
<b>TOTAL OPERATION AND MAINTENANCE OF FACILITIES (10%)</b>	<b>1,823,005</b>	<b>260,000</b>	<b>-</b>
Function: Student Transportation (10% of Basic)			
School Buses	\$ -	\$ 110,000	\$ -
<b>TOTAL STUDENT TRANSPORTATION (10%)</b>	<b>-</b>	<b>110,000</b>	<b>-</b>
Function: Building Acquisition and Construction (10% of Basic)			
Construction and Remodeling	\$ 1,244,822	\$ 1,800,000	\$ 2,100,000
Furniture and Fixtures	-	450,000	-
<b>TOTAL BUILDING ACQUISITION AND CONSTRUCTION (10%)</b>	<b>1,244,822</b>	<b>2,250,000</b>	<b>2,100,000</b>
Function: Debt Services (10% of Basic)			
Interest	\$ -	\$ -	\$ 80,000
Redemption of Principal	-	-	460,000
<b>TOTAL DEBT SERVICES (10%)</b>	<b>-</b>	<b>-</b>	<b>540,000</b>
Function: Building Acquisition and Construction (Non 10% of Basic)			
Salaries	\$ 1,099,431	\$ 653,276	\$ 663,075
Retirement	166,718	120,072	132,319
Social Security	80,359	49,976	50,726
Insurance (Health/Dental/Life)	144,763	80,948	88,476
Other Benefits	11,032	5,832	5,919
Purchased Professional and Technical Services	134,296	-	-
Purchased Property Services	581,664	500,000	500,000
Construction and Remodeling	9,031,170	3,342,882	2,272,000
Other Purchased Services	8,457	-	-
Buildings	11,916	-	-
Other Equipment	7,309	-	-
Interest	-	79,483	-
<b>TOTAL BUILDING ACQUISITION/CONSTRUCTION (Non 10%)</b>	<b>11,277,115</b>	<b>4,832,469</b>	<b>3,712,515</b>
<b>TOTAL EXPENDITURES, CAPITAL PROJECTS FUND</b>	<b>15,190,204</b>	<b>8,067,469</b>	<b>6,851,515</b>
OTHER FINANCING SOURCES (USES)			
Transfers In From Other Funds	-	900,000	1,868,000
Transfers Out to Other Funds	(2,000,000)	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>(2,000,000)</b>	<b>900,000</b>	<b>1,868,000</b>

## Major Revenues and Expenditures, Debt Service Fund: FY 2011 through FY 2013

Revenues from Local Sources	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Property Taxes	\$ 6,263,180	\$ 6,418,000	\$ 6,418,000
TOTAL REVENUE, DEBT SERVICE	<u>6,263,180</u>	<u>6,418,000</u>	<u>6,418,000</u>
Expenditures by Object			
Interest	\$ 2,230,729	\$ 2,078,522	\$ 1,967,000
Redemption of Principal	4,186,000	4,339,000	4,456,000
Miscellaneous Expenditures	<u>8,500</u>	<u>50,000</u>	<u>50,000</u>
TOTAL EXPENDITURES, DEBT SERVICE	<u>\$ 6,425,229</u>	<u>\$ 6,467,522</u>	<u>\$ 6,473,000</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 2011 through FY 2013

Student Activity Fund	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
<b>REVENUES FROM LOCAL SOURCES</b>			
Earnings on Investments	\$ 7,629	\$ 8,000	\$ -
Student Fees	1,111,076	949,608	959,296
School Vending	33,542	34,000	26,691
Community Services Activities	543,388	687,124	689,674
Other Revenues From Local Sources	<u>1,753,952</u>	<u>1,821,268</u>	<u>1,858,875</u>
<b>TOTAL REVENUE FROM LOCAL SOURCES</b>	<b><u>3,449,587</u></b>	<b><u>3,500,000</u></b>	<b><u>3,534,536</u></b>
<b>TOTAL REVENUE, STUDENT ACTIVITY FUND</b>	<b><u>3,449,587</u></b>	<b><u>3,500,000</u></b>	<b><u>3,534,536</u></b>
Function: Instruction			
Purchased Professional and Technical Services	340,339	490,212	321,830
Purchased Property Services	49,141	59,044	49,877
Other Purchased Services	746,047	900,000	794,540
Supplies	1,821,290	1,601,774	1,846,994
Property	14,004	-	25,000
Other Objects	<u>527,394</u>	<u>648,970</u>	<u>619,141</u>
<b>TOTAL EXPENDITURES, STUDENT ACTIVITY FUND</b>	<b><u>3,498,215</u></b>	<b><u>3,700,000</u></b>	<b><u>3,657,382</u></b>

Figures may vary slightly due to rounding.

## Major Revenues, Non K-12 Fund

### FY 2011 through FY 2013

Non-K-12 Fund	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
<b>REVENUES FROM LOCAL SOURCES</b>			
Property Taxes	\$ 627,745	\$ 2,753,000	\$ 2,753,000
Tuition from Pupils or Parents	59,362	60,000	60,000
Earnings on Investments	469	-	-
Other Revenues From Local Sources	<u>475,250</u>	<u>456,538</u>	<u>456,538</u>
<b>TOTAL REVENUES FROM LOCAL SOURCES</b>	<u><u>1,162,826</u></u>	<u><u>3,269,538</u></u>	<u><u>3,269,538</u></u>
<b>REVENUES FROM STATE SOURCES</b>			
Preschool-Handicapped	715,732	795,030	842,000
Adult Education	314,461	327,225	323,892
Revenues from Other State Agencies	<u>42,505</u>	<u>49,800</u>	<u>49,800</u>
<b>TOTAL REVENUES FROM STATE SOURCES</b>	<u><u>1,072,698</u></u>	<u><u>1,172,055</u></u>	<u><u>1,215,692</u></u>
<b>REVENUES FROM FEDERAL SOURCES</b>			
Special Ed - Preschool	99,729	98,451	98,000
Adult Education	77,016	99,881	99,881
Other Revenues From Federal Sources	<u>483,571</u>	<u>468,134</u>	<u>468,134</u>
<b>TOTAL REVENUES FROM FEDERAL SOURCES</b>	<u><u>660,316</u></u>	<u><u>666,466</u></u>	<u><u>666,015</u></u>
<b>TOTAL REVENUES, NON-K-12 FUND</b>	<u><u>2,895,840</u></u>	<u><u>5,108,059</u></u>	<u><u>5,151,245</u></u>

Figures may vary slightly due to rounding.

## Major Expenditures, Non K-12 Fund

### FY 2011 through FY 2013

Non-K-12 Fund Expenditures	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Function: Other Community Services/Recreation			
Salaries	\$ 393,589	\$ 478,740	\$ 409,277
Retirement	46,980	56,032	61,159
Social Security	28,563	30,887	31,310
Insurance (Health/Dental/Life)	17,546	19,150	20,930
Other Benefits	3,909	4,039	4,094
Purchased Professional and Technical Services	1,390	5,400	4,000
Purchased Property Services	1,185	159,655	159,655
Other Purchased Services	2,704	4,599	4,599
Supplies	<u>29,753</u>	<u>28,145</u>	<u>27,456</u>
<b>TOTAL OTHER COMMUNITY SERVICES/RECREATION</b>	<b><u>525,619</u></b>	<b><u>786,647</u></b>	<b><u>722,480</u></b>
Function: Community Services			
Salaries	1,529,195	1,540,500	1,524,182
Retirement	214,203	219,445	245,155
Social Security	112,209	118,878	113,903
Insurance (Health/Dental/Life)	150,913	182,724	176,172
Other Benefits	15,285	15,480	15,385
Purchased Professional and Technical Services	85,187	87,278	87,278
Purchased Property Services	138,137	6,396	6,396
Other Purchased Services	8,227	10,935	10,935
Supplies	145,335	155,399	141,632
Property	10,625	-	-
Other Objects	38,502	32,409	40,929
Dues and Fees	<u>6</u>	<u>100</u>	<u>-</u>
<b>TOTAL COMMUNITY SERVICES</b>	<b><u>2,447,824</u></b>	<b><u>2,369,544</u></b>	<b><u>2,361,967</u></b>
<b>TOTAL EXPENDITURES, NON-K-12 FUND</b>	<b><u>2,973,443</u></b>	<b><u>3,156,191</u></b>	<b><u>3,084,447</u></b>
OTHER FINANCING SOURCES			
OTHER FINANCING SOURCES (USES)			
Transfers In from Other Funds	106,331	-	-
Transfers Out to Other Funds	<u>-</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>106,331</u></b>	<b><u>(2,000,000)</u></b>	<b><u>(2,000,000)</u></b>

Figures may vary slightly due to rounding.

## Other Financing Sources (Uses), Building Reserve Fund *FY 2011 through FY 2013*

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."

For FY 2012-13, the Building Reserve fund will be funded through a transfer from the Non K-12 fund. Prior to FY 2012, this transfer came through the Capital Projects fund.

Building Reserve Fund	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
OTHER FINANCING SOURCES (USES)			
Transfers In from Other Funds	\$ 2,000,000	\$ 1,100,000	\$ 132,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,000,000</u>	<u>1,100,000</u>	<u>132,000</u>

## Major Revenues, Food Service Fund: FY 2011 through FY 2013

Food Services Fund	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
<b>REVENUES FROM LOCAL SOURCES</b>			
Sales to Students	\$ 1,010,260	\$ 1,073,977	\$ 1,076,641
Sales to Adults	105,080	150,264	152,632
Other Revenues From Local Sources	34,107	52,733	52,997
Gains (Losses From Sale of Capital Assets)	-	-	5,855
<b>TOTAL REVENUES FROM LOCAL SOURCES</b>	<u>1,149,447</u>	<u>1,276,974</u>	<u>1,288,125</u>
<b>REVENUES FROM STATE SOURCES</b>			
School Lunch	526,931	616,000	635,000
<b>TOTAL REVENUES FROM STATE SOURCES</b>	<u>526,931</u>	<u>616,000</u>	<u>635,000</u>
<b>REVENUES FROM FEDERAL SOURCES</b>			
Lunch Reimbursement	376,185	382,500	385,000
Lunch Reimbursement (Free and Reduced Meals)	2,129,528	2,203,000	2,297,345
Special Milk Reimbursement	132	305	3,500
Breakfast Reimbursement	544,916	540,600	565,000
Child and Adult Care Food Program	57,844	60,000	-
Other Child Nutrition Program Revenue	-	-	100,000
Donated Commodities	112,052	273,625	250,000
<b>TOTAL REVENUES FROM FEDERAL SOURCES</b>	<u>3,220,657</u>	<u>3,460,030</u>	<u>3,600,845</u>
<b>TOTAL REVENUES, FOOD SERVICES FUND</b>	<u>4,897,035</u>	<u>5,353,004</u>	<u>5,523,970</u>

Figures may vary slightly due to rounding.

## Major Expenditures, Food Service Fund: FY 2011 through FY 2013

Expenditures	Actual FY 2011	Final Budget FY 2012	Original Budget FY 2013
Function: Food Services			
Salaries	\$ 1,818,084	\$ 1,900,638	\$ 1,877,002
Retirement	271,256	277,783	308,340
Social Security	135,483	140,782	143,598
Insurance (Health/Dental/Life)	155,599	170,019	190,946
Other Benefits	18,183	18,403	18,770
Purchased Professional and Technical Services	13,104	18,000	8,320
Purchased Property Services	118,705	136,168	104,500
Other Purchased Services	4,635	4,106	4,188
Non-Food Supplies	308,839	290,457	290,408
Food	1,635,019	1,976,814	2,120,688
Property	206,561	327,155	306,000
Other Objects	522,622	307,683	503,334
Dues and Fees	<u>514</u>	<u>2,360</u>	<u>-</u>
<b>TOTAL EXPENDITURES, FOOD SERVICES FUND</b>	<u><u>5,208,604</u></u>	<u><u>5,570,368</u></u>	<u><u>5,876,094</u></u>

Figures may vary slightly due to rounding.

**Capital Projects & Debt Service**  
*Supplementary Information*

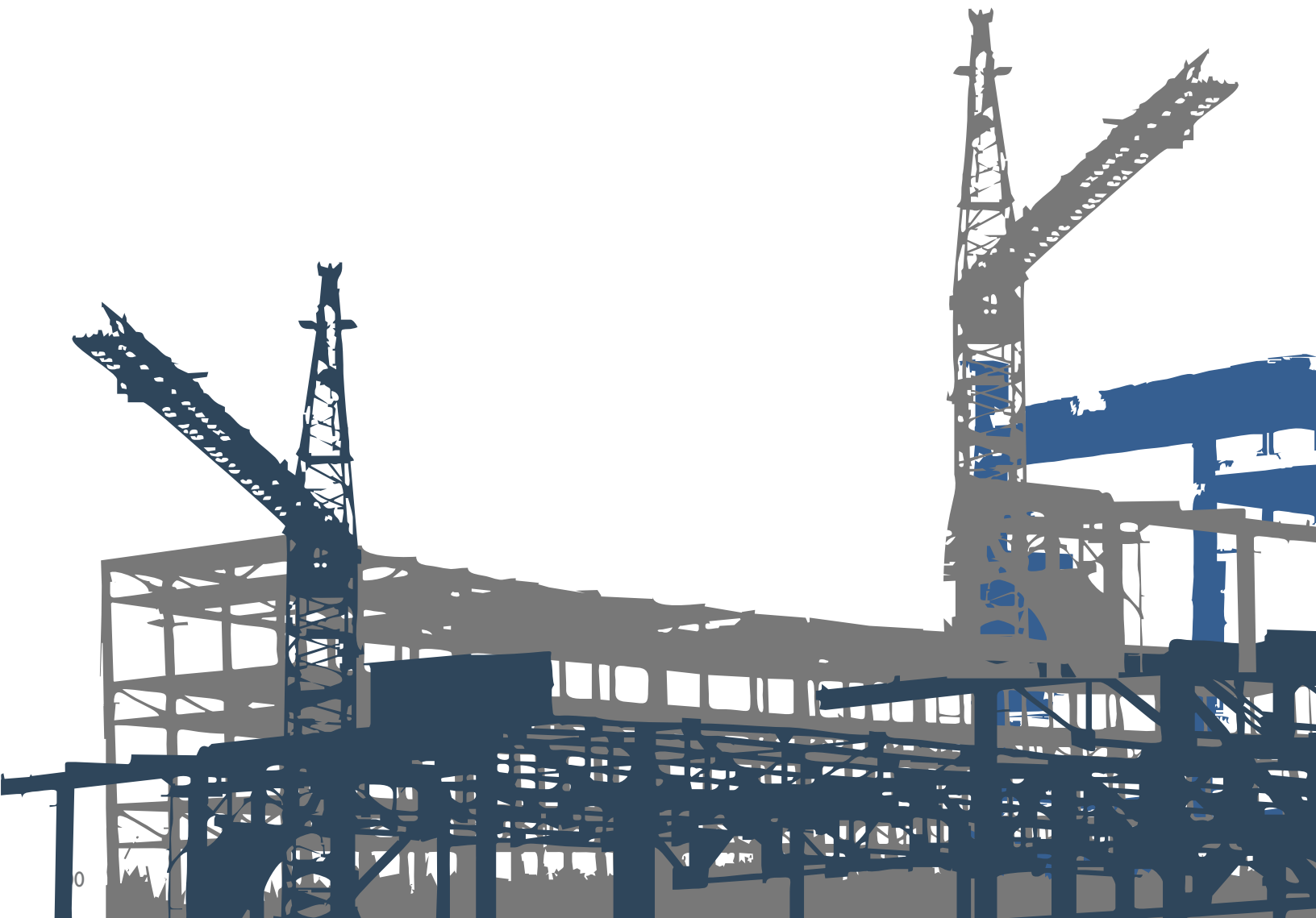


## Capital Expenditures: *Definition*

The District defines capital expenditures as “*tangible property of a more or less permanent nature with a useful life of at least three years, and costing at least \$20,000.*” Examples of capital expenditures include buildings, copy machines, buses, land, and computer/information technology equipment. Capital expenditures can occur in any fund 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 Capital Expenditures: *Non-routine*

The District’s significant, non-routine capital expenditures are represented in the tables on page 105-106. For FY 2013, there are no significant square footage increases.



## Other Significant Capital Expenditures: *Non-routine*

The short-term capital improvement list 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 2012, the Capital Improvement list includes projects totaling \$2,300,000. Most of the projects will begin on or around July 1, 2011, and be completed by June 30, 2012.

## Effect on Operations: *Major Capital Projects*

### Financial

There is no material financial impact on operations resulting from the FY 2013 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 three years, there will be an 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 2012 dollars, closing one elementary school could result in \$553,000 of ongoing operational savings. While teacher costs are variable based on student enrollment, savings to fixed costs such as administration, custodial, transportation and utilities could be realized.

#### Ongoing Annual Operational Savings from Capital Improvement Projects

Time Range <sup>1</sup>	Compensation	Maintenance/ Utilities	Other Non- compensation	Total
FY 2013	\$ -	\$ -	\$ -	\$ -
Short-term (2-5 years)	-	50,000	-	50,000
Long-term (5+ years) <sup>2</sup>	485,000	270,000	148,000	903,000

<sup>1</sup>All savings are annual and are reflected in FY 2012 dollars; in other words, no adjustment for inflation is shown.

<sup>2</sup>Long-term savings include \$553,000 in ongoing savings from closing one elementary school and additional district-wide utilities savings resulting from HVAC and energy efficiency projects.

### Non-financial

The short-term capital projects list 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
- Improved public perception leading to increased enrollment in an increasingly competitive marketplace (**students have more education choices than ever before. Safe, clean, and efficient buildings give the District a competitive advantage when attracting students**)

## Capital Improvement Plan: *Long-term Outlook*

The District continues its targeted and aggressive capital improvement schedule, which is part of the master plan of 2003. **Capital improvements are funded through three major sources: the capital outlay tax levy, building reserve fund (tax levied through the Non K-12 fund for FY13), 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.

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

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

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

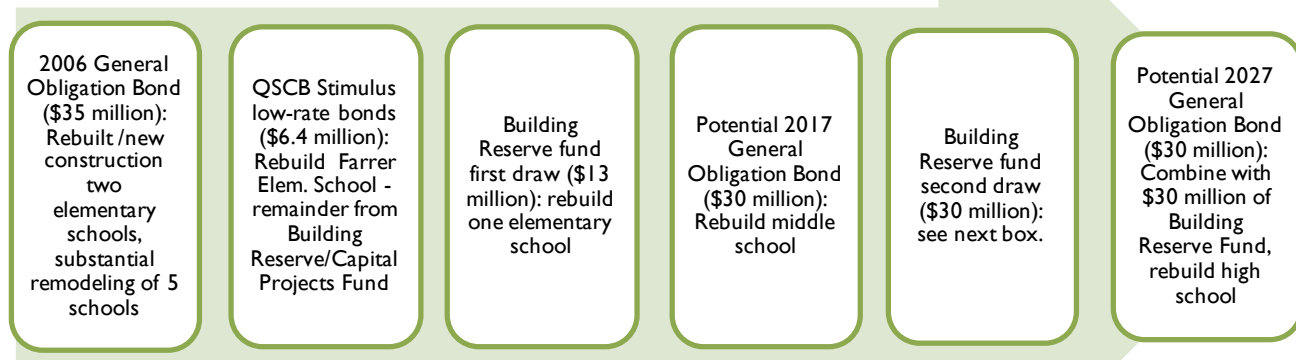
The rest of the cost to rebuild the school came from the Capital Projects property tax levy. The rebuild of Farrer was a part of the District’s overall long-term master plan; the QSCB funds just moved the project forward earlier than originally planned. All capital projects and maintenance efforts are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

The 2013 projects will start on or around July 1, 2012, and be completed by June 30, 2013. Most of the FY 2013 projects are improvements to existing square footage (e.g. HVAC efficiency projects). It’s anticipated that the District

won’t need to issue general obligation bonds until 2017 at the earliest. This allows for some operational flexibility as the District can redirect more tax dollars to the classroom rather than to building improvement and replacement costs. Maintaining safe, efficient and modern buildings is a critical need. However, it’s important to minimize the impact of these large expenditures on the classroom.

## Long-term *Capital Improvement Plan*

### Funding Schedule



# Long-term Capital Improvement Study

To FY 2018

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	Cost				Investment
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%
Middle School								
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%
High School								
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	1,998,288		\$ 340,195,280	\$	94,943,100	\$ 31,565,311	\$ 126,508,411	

## Short-term Capital Improvement List: *FY 2012-13*

### Category Key

ASPH: Asphalt  
 SECR: Security  
 CONT: Contingency  
 CONTHVAC: HVAC Contingency  
 RPAR: General Repairs  
 GRND: Grounds  
 HVAC: Heating, Vent., A/C  
 FIRE: Fire suppression and safety  
 ITINF: Information Technology Infrastructure  
 ROOF: Exterior roofing

Each project on the 2012-13 capital improvement list will begin during the first three quarters of the fiscal year and will be completed by June 30, 2013 - with possible exceptions being HVAC and some general contingency projects. **Firm start dates with detailed timelines will be announced as bids are received.** Any updates to this list will be announced on the District website as a Board agenda item or as a general announcement.

<u>Location</u>	<u>Category</u>	<u>Description</u>	<u>Cost</u>
Sunset	ASPH	Playground	45,000
Timpview High	ASPH	Area 3	33,000
Timpview High	ASPH	Area 3	20,000
Provost	ASPH	North Side	15,000
Small Projects	ASPH	See list	41,000
District Security	SECR	Most Needed Items	10,000
District Contingency	CONT	General Contingency	650,000
District HVAC Contingency	CONTHVAC	HVAC Contingency Projects	381,000
District Playgrounds	RPAR	General maintenance for playground safety throughout the District	38,000
Centennial	GRND	Damaged Concrete repair	14,000
Edgemont	RPAR	Remove damaged lath & plaster soffit & fascia / replace with custom aluminum material	13,500
Franklin	HVAC	New Boiler & related mechanical work	110,000
Timpview High	HVAC	Large Air handler Unit covering academic wing, over 15+ yrs old. Replace unit	62,000
Provo High	HVAC	Steam traps repaired/replaced /steam piping & controls	55,000
Westridge/Gview	HVAC	HVAC controls for classroom and computer for Alerton controls	44,000
Centennial	HVAC	Need to balance building and continue repairs on Alerton system	44,000
Wasatch 2 / Oakridge	HVAC	Continue HVAC and controls upgrades	39,000

Continued on next page

## Short-term Capital Improvement List: *FY 2012-13*

<u>Loc Desc</u>	<u>Category</u>	<u>Description</u>	<u>Cost</u>
Dixon	HVAC	Aeon Air Handler Unit replacement / 20 yrs old / supplies Auditorium area	55,000
CUE / EBPH	HVAC	Boiler Replacement / Swamp cooler replacement	37,000
Timpanogos	HVAC	Replace failing heat pumps / Budget will replace 4 units & associated mechanical work	45,000
Wasatch 2 / Oakridge	HVAC	RTU for new computer room	13,000
Provo High	HVAC	Move small boiler from Gview / Demo existing # 3 boiler/ cap steam line header/reconnect lines	32,000
District Small Projects	HVAC	HVAC Small projects, see list	48,000
Canyon Crest	HVAC	Continue control work for new RTU units installed	13,000
Provost	HVAC	New domestic hot water boiler plus plumbing	11,000
Dixon	HVAC	Large 6" steam valve leaks, failing	11,000
District IT	ITINF	Discretionary	38,000
District IT	ITINF	Centennial	50,000
Timpview High	RPAR	Repair Auditorium Ceiling	22,000
Provost	RPAR	New carpet in the last 4 classrooms, all the others have been done	11,000
Edgemont	RPAR	Portable	11,000
Centennial	RPAR	Replace Water Softener	18,000
Canyon Crest	RPAR	Replace Carpet, 4 Classrooms	13,100
Edgemont	FIRE	Fire Alarm & Strobe System as per State Fire Marshal's request	123,000
Sunset View	ROOF	Replace 18,600 sf	144,000
Bldg Master Plan	CONT	Continue with Master Plan / Life Cycle Assessment of Buildings throughout District	85,000
Westridge/Gview	HVAC	Purchase 20 ton RTU (3 yr old unit) for south side of Giew facility & related mechanical install	29,400
Timpview High	HVAC	Complete repairs to west boiler and install new flame safe guard & burner housing on east boiler	76,000
<b>Total</b>			<b>2,500,000</b>

# Debt Obligations

As of June 30, 2012

## 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	520,000
2004 Series G.O. Refunding Bonds	Bond Refunding	18,690,000	2.0% to 5.0 %	June 15, 2017	12,000,000
2006 Series G.O. Bonds	School Building	9,400,000	4%	June 15, 2026	7,225,000
2007A Series G.O. Refunding Bonds	Bond Refunding	8,220,000	3.807%	June 15, 2015	2,648,000
2007B Series G.O. Bonds	School Building	25,600,000	4.00% to 4.50%	June 15, 2027	21,450,000
Total General Obligation Bonds Payable as of June 30, 2012					\$ 43,843,000

## LEASE AGREEMENTS

2010 Capital Lease	Equipment	\$	81,721.00	2.35%	March 1, 2014	8,506
Total obligations under lease agreements, June 30, 2012						\$ 8,506

## COMBINED GENERAL OBLIGATION BONDS

Combined G.O Bonds

Year Ending June 30	Principal	Interest	Debt Service Fund
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	5,240,000	1,293,563	6,533,563
2017	3,650,000	1,048,063	4,698,063
2018-2022	9,675,000	3,631,938	13,306,938
2023-2027	11,125,000	1,384,750	12,509,750
	\$ 43,843,000	\$ 12,508,714	\$ 56,351,714

Accrued obligation of Other Post Employment Benefits (OPEB): **12,498,244**

(these are funds that have been designated to cover the costs associated with previous commitments to employees upon retirement, such as extended medical coverage, retirement stipends, etc. **All such arrangements have been discontinued but previous commitments remain**).

## Debt Obligation (continued)

As of June 30, 2012

### Virtual Driver Lease

	Year Ending 30	June	Principal	Interest	General Fund
	2013		8,506	200	8,706
Total Minimum Lease Payments					8,706
Amount Representing Interest					(200)
Present Value of Minimum Lease Payments					\$ 8,506

### Lease Revenue Bond (QSCB)

	Year Ending 30	June	Principal	Interest	Municipal Building Authority Fund
	2013		-	79,483	79,483
	2014		-	79,483	79,483
	2015		-	79,483	79,483
	2016		-	79,483	79,483
	2017		-	79,483	79,483
	2018-2022		-	397,413	397,413
	2023-2026		6,462,000	298,060	6,760,060
			\$ 6,462,000	\$ 1,092,886	\$ 7,554,886

### COMBINED LEASE AGREEMENTS

	Year Ending 30	June	Principal	Interest	General Fund
	2013		8,506	200	8,705
Total Minimum Lease Payments					8,705
Amount Representing Interest					(200)
Present Value of Minimum Lease Payments					\$ 8,506

### COMBINED MATURITIES ON ALL LONG-TERM BORROWINGS

	Year Ending 30	June	Principal	Interest	Total
	2013		4,524,506	1,986,434	6,510,940
	2014		4,701,000	1,807,181	6,508,181
	2015		4,936,000	1,595,434	6,531,434
	2016		5,240,000	1,373,045	6,613,045
	2017		3,650,000	1,127,545	4,777,545
	2018-2022		9,675,000	4,029,351	13,704,351
	2023-2027		17,587,000	1,682,810	19,269,810
			\$ 50,313,506	\$ 13,601,799	\$ 63,915,305



## General Obligation Debt: *Actual to Limit*

The approximate adjusted assessed value<sup>1</sup> of taxable properties in Provo is \$4.01 billion, meaning the District's general obligation debt limit is approximately \$160 million (\$4.01 billion x 4%). It was noted previously that the District's general obligation debt is at 1.4% of the assessed market value of Provo - far less than what is allowed by law.

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

The current administration has been very progressive in creating a 20-year building replacement plan. Part of this plan was the passing of a bond in 2006. 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, were available to the District at an extremely low interest rate, making it possible to accelerate the construction of Provo Peaks Elementary, which replaced the aging Farrer building on the east side of the city. Provo Peaks opened its doors in August 2011 and will be celebrating its second year in FY 2012-13.

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

## Impact of Debt on Operations

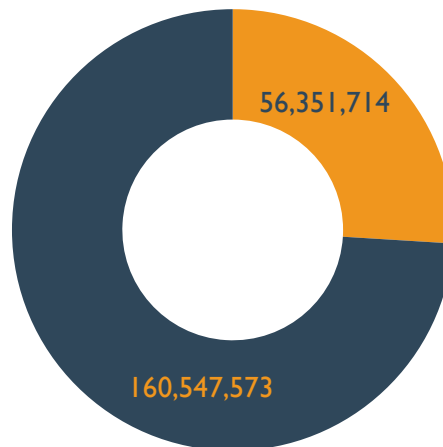
There is no direct impact of the District's current debt on regular operations. For example, choosing to go to the public for a bond election won't raise class sizes, lower teacher pay, etc. The main reason for this is the fact that long-term debt is funded through a separate tax levy than the General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

What can be said, however, is choosing to allow buildings to fall into disrepair has a negative impact on the learning environment the District provides.

By properly maintaining buildings, and replacing buildings when repairs would cost more than is feasible, the District provides a safe learning environment for students, while also being conservative and mindful of taxpayers. The District's 20 year building replacement plan, referenced above, accomplishes this goal.

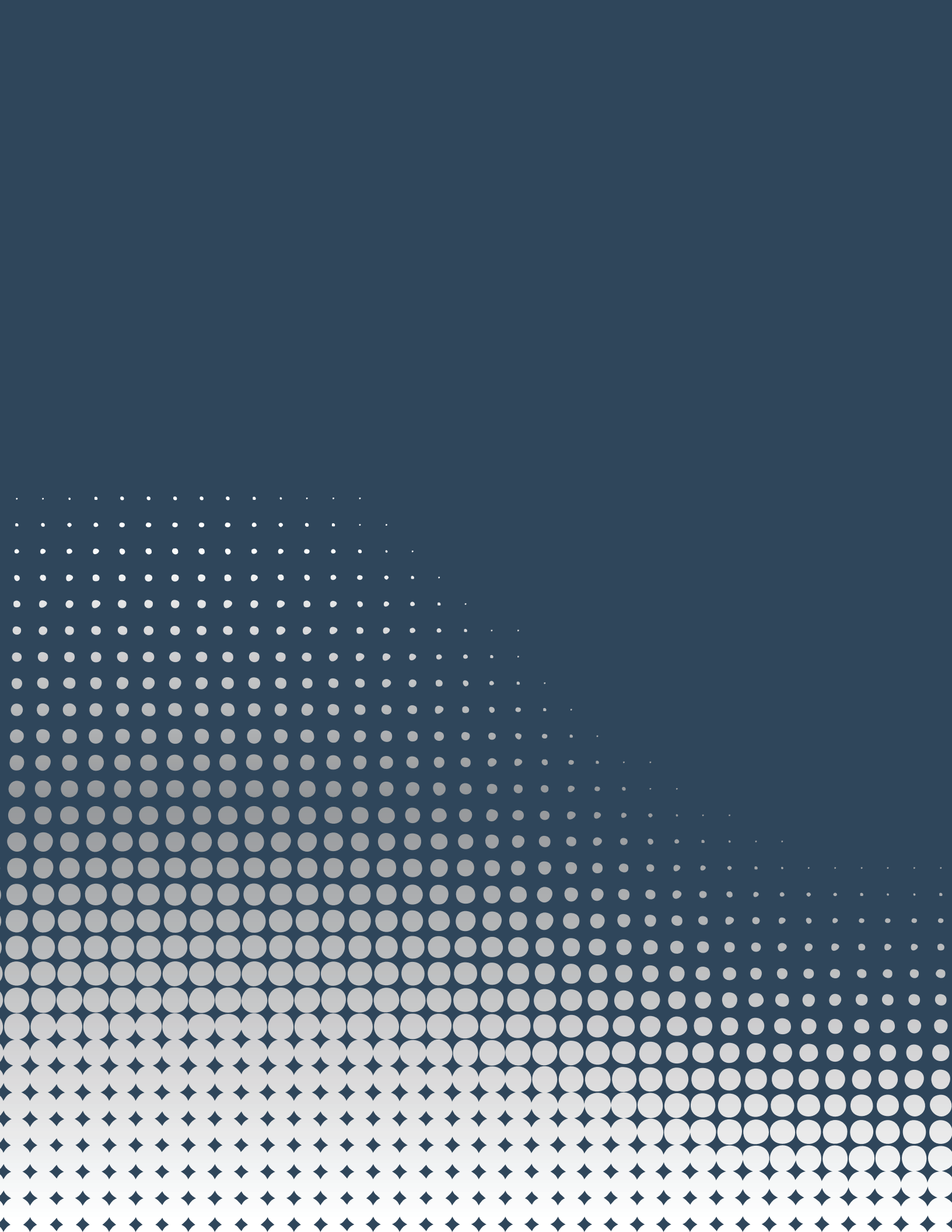
### G.O. Debt vs. Debt Limit

*As of June 30, 2011*



<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.





111

# InformationalSection

# Demographic & Economic Profile

*Provo - Utah County - Utah*



## 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.

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

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

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

*“With a population of 115,000 and a land area of 43 square miles, Provo is the county seat of Utah County”*

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

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

With a population of 115,000 and a land area of 43 square miles, Provo, which uses a mayor-council form of government, is the county seat of Utah County and home to the county offices and courts. It also has one of the highest population densities in the state of Utah. Its close proximity to the mountains and Utah Lake gives its residents superior recreational opportunities throughout both the winter and summer months.





## Provo: Past and Present Continued

With a population of 115,000, Provo is located in north-central Utah, approximately 45 miles south of Salt Lake City. Provo is the county seat of Utah County, which has seen explosive growth in recent years. In 2000, the U.S. Census Bureau counted Utah County's population at 368,536. The 2010 U.S. Census indicated that Utah County's population had grown to 516,564.

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 80% of Utah's population.

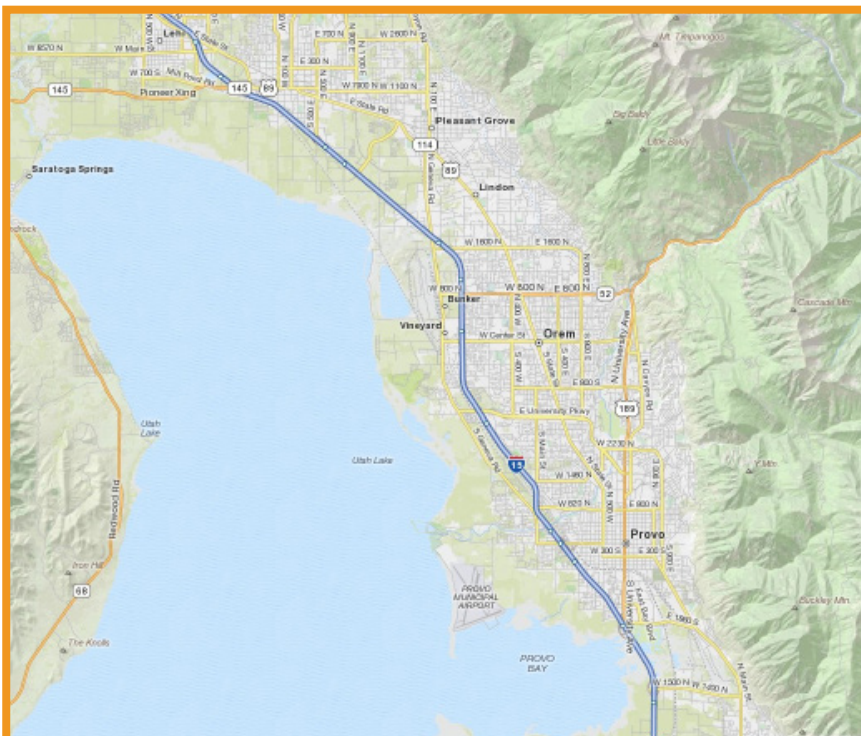
Although Provo City continues to grow at a moderate pace, the percentage of Utah County residents residing in Provo continues to decrease as the northern and southern parts of the county are seeing explosive growth. In 2000, Provo made up 29% of the county population. But in 2010, Provo made up less than 22% 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 12 out of every 100 Provo residents is a student in the Provo School District, compared with 22 out of 100 in Alpine School District.

Source: District data, Provo City, US Census Bureau

## Wasatch Front



## Utah County Area

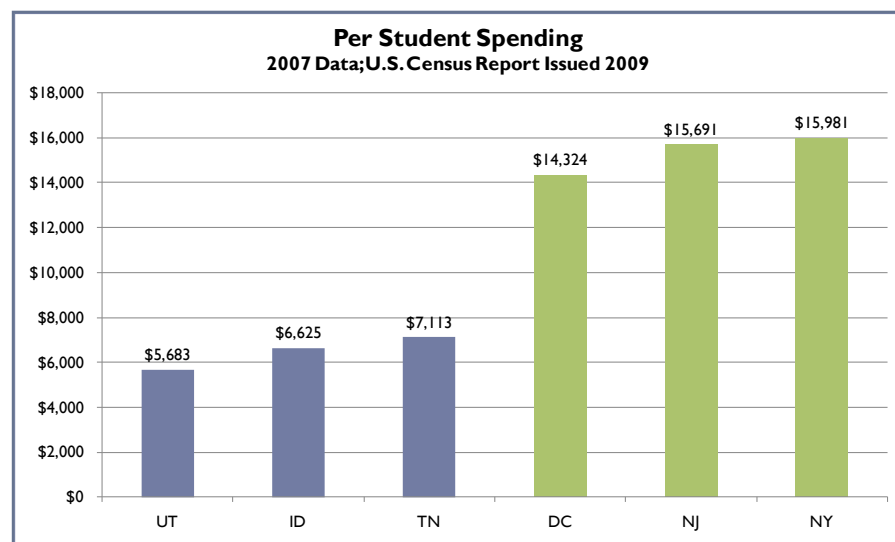


## Utah Economic Indicators

The economic outlook of the District is heavily dependent on state aid, which for FY 2012 will provide 49% of total revenues, and 61% 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:** Utah's 2011 total population count was 2,817,222. This represents a population increase of 53,337 people, or 1.9% from 2010, ranking Utah third among states in population growth. Utah grew more than twice as fast as the nation from 2010 to 2011.

**2012 Outlook:** Utah will continue to experience population growth at a rate higher than most states in 2012 on account of strong natural increase in addition to in-migration. Natural increase (births less deaths) is anticipated to add 39,100 people to Utah's population. While net in-migration has slowed since the peak of the economic expansion, Utah's net migration is projected to remain positive at 5,000 people.

**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.

**Public School Enrollment:** In October 2011, there were more than 600,000 students in Utah public schools, an increase of approximately 25,000 from the previous year.



## Economic Indicators (continued)

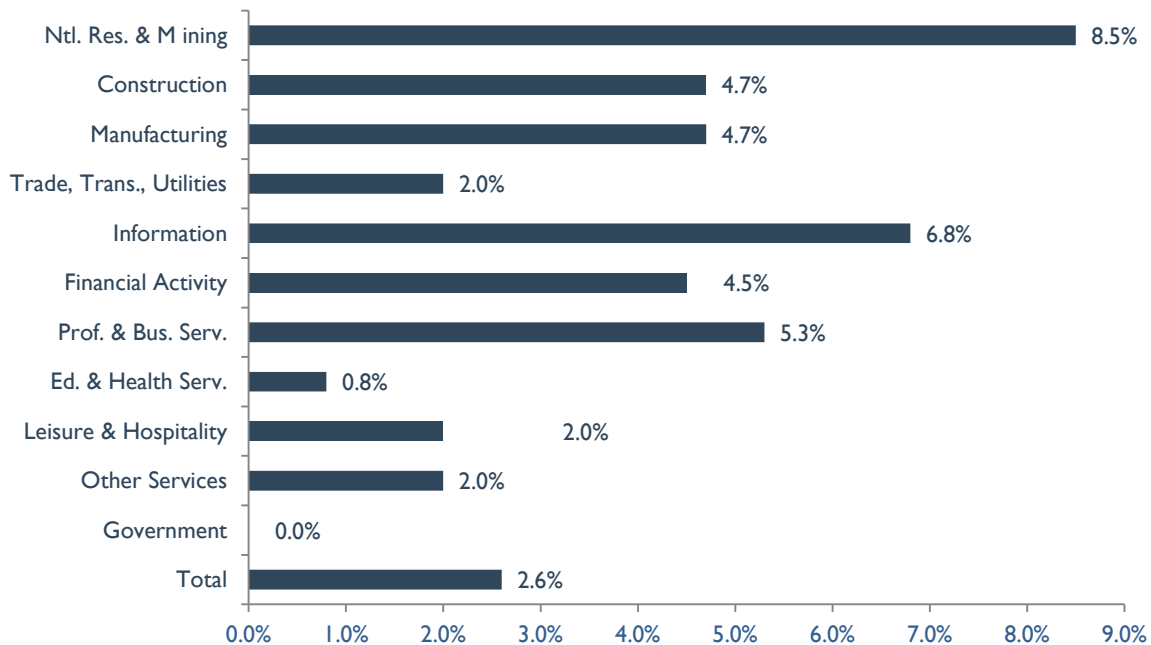
**Employment Change:** Utah's nonagricultural employment increased an estimated 2.6%, or 32,000 jobs, between June 2011 and June 2012. Nationally, employment increased 1.4%, or 1.8 million jobs, from June 2011 and June 2012.

**Unemployment:** Utah's unemployment rate was 6.0% during June 2012, lower than the June 2011 unemployment rate of 6.9%. The national unemployment rate was 8.2% in June 2012 lower than the June 2011 rate of 9.1%.

**Total Personal Income:** Utah's total personal income reached \$97.4 billion\* in first quarter of 2012. The change of 3.9% from first quarter 2011 was 8th in the nation. National change in personal income over the same period was 2.9%.

**Average Annual Pay:** Utah's average annual pay grew 2.5% to reach \$39,811 in 2011. Annual pay is forecast to increase 3.2% to \$41,070 in 2012. Average annual pay for the nation in 2011 was \$50,606 and is forecast to be \$51,605 in 2012, an increase of 2.0%.

**Percent Change in Utah Employment by Industry: May 2011 to May 2012**



MSA	Median Sales Price	Percent Change
Logan, UT-ID MSA	\$126,850	-0.40%
Salt Lake City, UT MSA	\$136,020	-0.70%
Ogden-Clearfield, UT MSA	\$134,040	-0.70%
Provo-Orem, UT MSA	\$176,260	-0.68%
St. George	\$120,530	1.50%
Utah	\$143,760	-3.60%
U.S.	\$165,700	-0.80%

**Home Prices:** According to the Federal Housing Finance Agency (FHFA) House Price Appreciation Ranking, Utah's house prices were up 3.0% in the first quarter of 2012 from first quarter of 2011. This ranks Utah 8th in the nation.

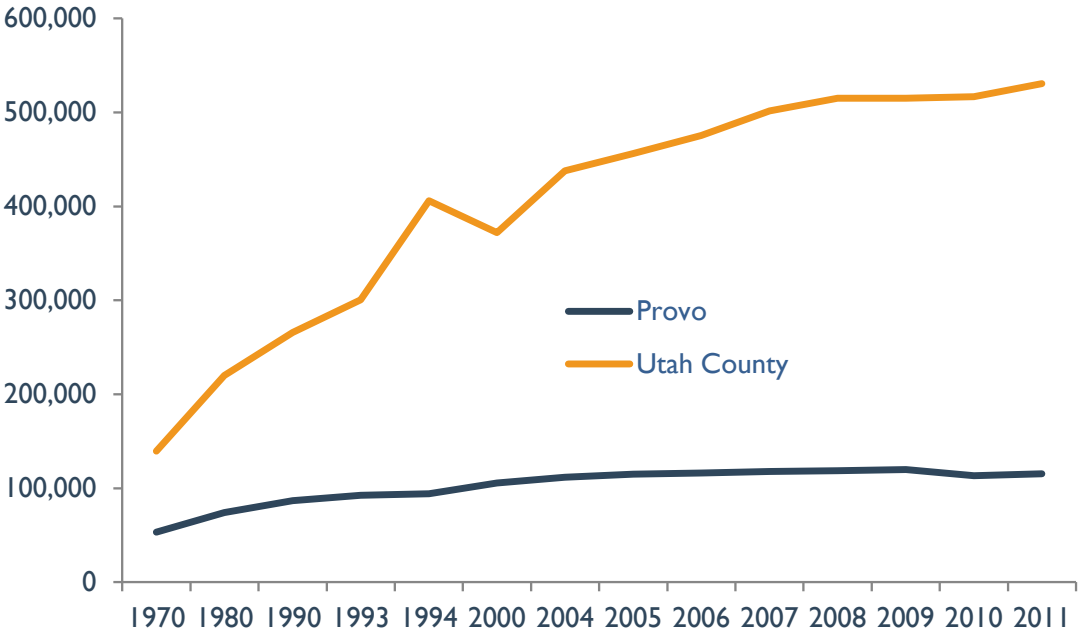
Source: 2012 Economic Outlook, State of Utah Governor's Office

# Population, Utah County and Provo City: 1970-2011

Year	Provo	Utah County
1970	53,131	139,300
1980	74,111	220,000
1990	86,835	265,766
1993	92,630	300,447
1994	94,210	405,977
2000	105,439	371,894
2004	111,718	437,627
2005	115,135	456,073
2006	116,217	475,425
2007	117,791	501,447
2008	118,468	515,000
2009	119,775	515,000
2010	113,153	516,564
2011	115,321	530,499

According to the U.S. Census Bureau, Utah County has added more than 150,000 residents since 2000. As the population of Utah County has grown dramatically, Provo has grown at a moderate pace, making it one of Utah's most livable and well-planned cities.

# Population, Utah County and Provo City: 1970-2011



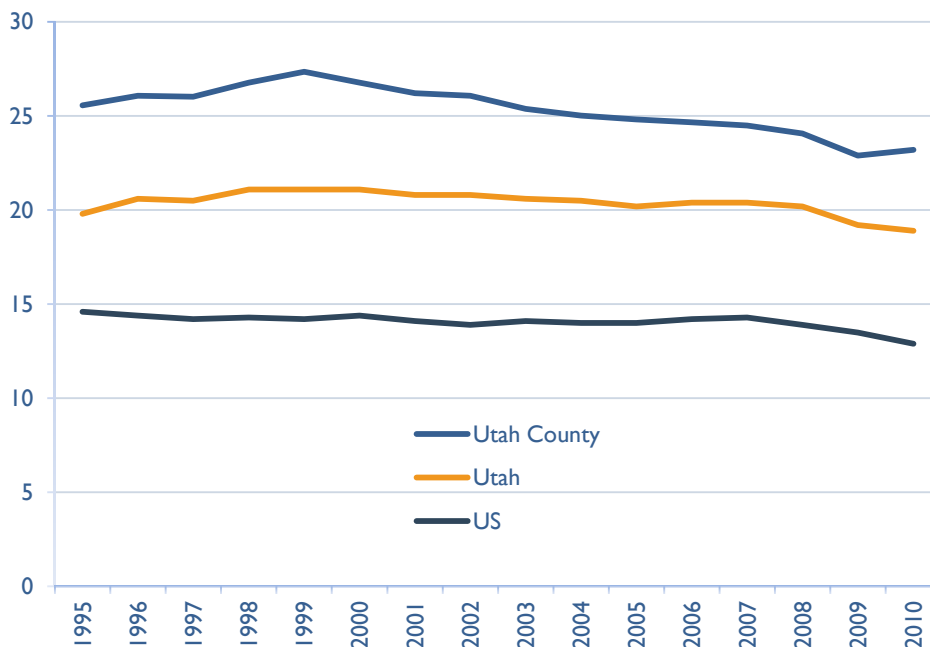
Source: U.S. Census

## Birth Rates<sup>1</sup>: 1995-2010

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	24.5	20.4	14.3
2008	24.07	20.2	13.9
2009	22.9	19.2	13.5
2010	23.2	18.9	12.9

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

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



Source: Utah Department of Health, "Utah's Vital Statistics: Births and Deaths, 2010";

## Provo: *Information and Attractions*



### Points of Interest and Special Events

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

### Provo Compared to Utah State Average

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

### Recreation

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

### Culture

Museums	8
Live Theatrical Venues	14

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

## Largest Employers: *State of Utah and City of Provo*

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

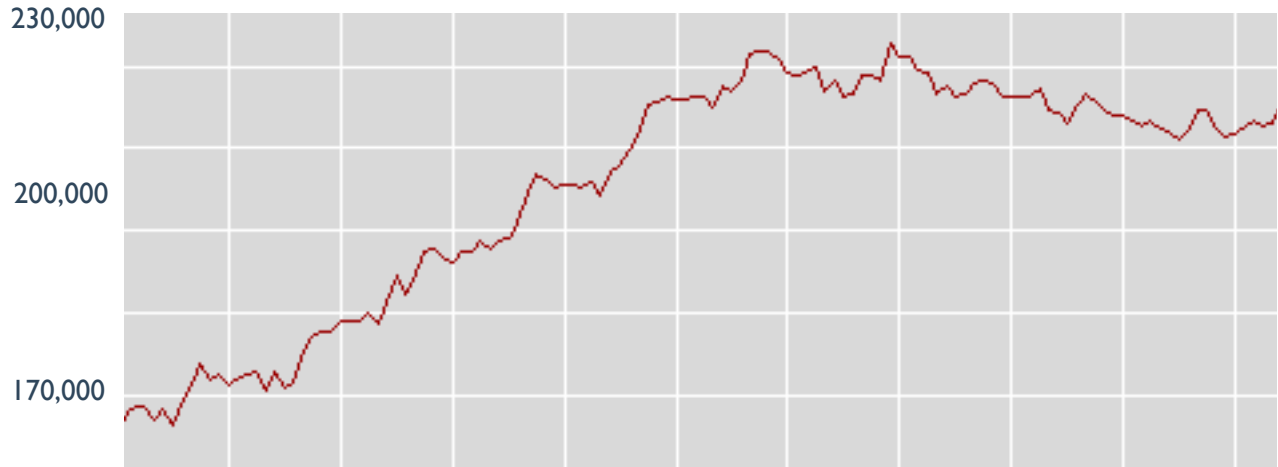
### Largest Employers in Provo City

2011 (most recent year available)

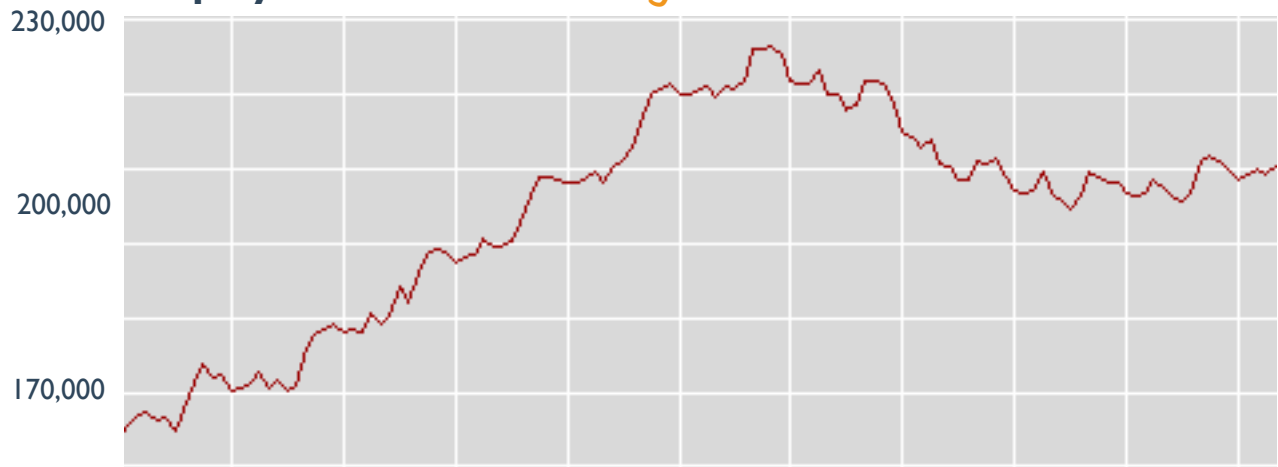
Company Name	Employees	Type of Company
Brigham Young University	15,000-19,999	Education
Utah Valley Regional Medical Center	2,000-2,999	Health Care
Novell	1,000-1,999	Information
Provo School District	1,000-1,999	Educational Services
Utah County	500-999	Government
Ancestry.com	500-999	Information
Nuskin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

# Utah County Labor Statistics: 2002 to 2012

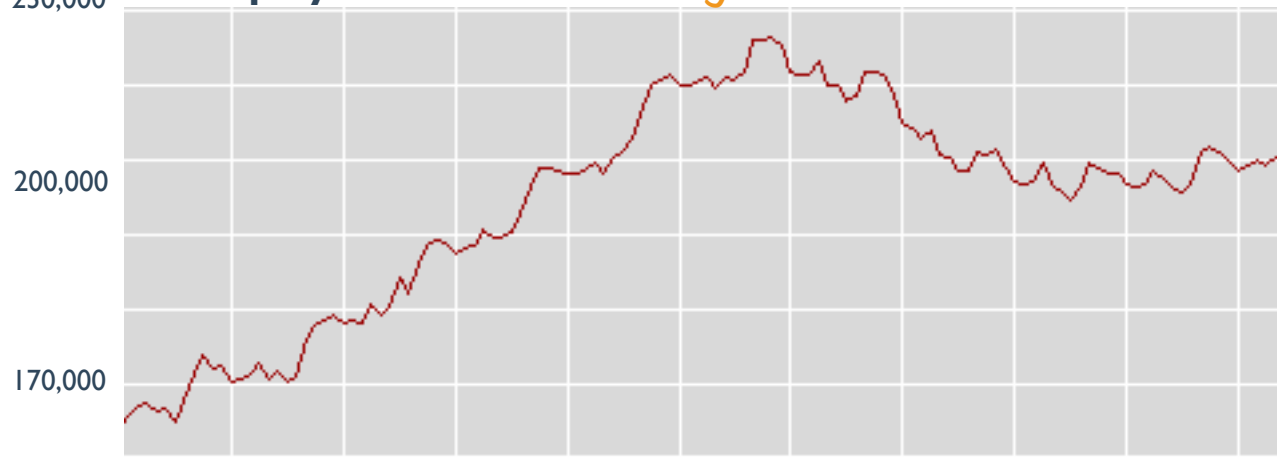
## Labor Force: Utah County



## Employment: Utah County



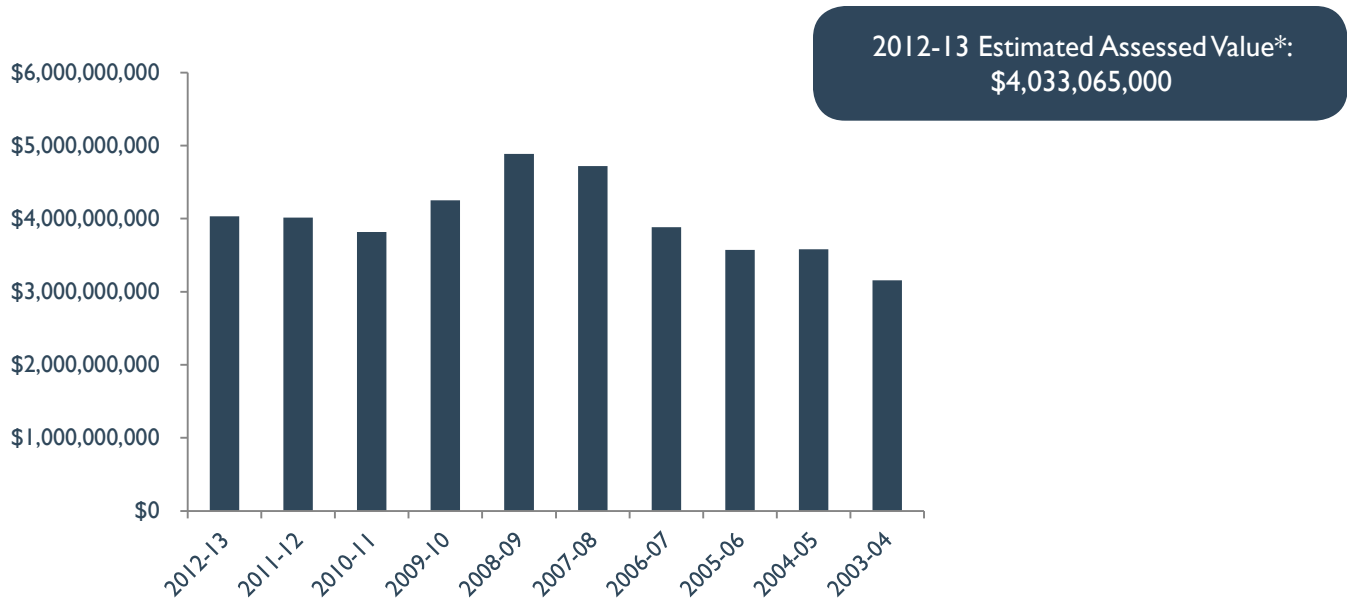
## Unemployment: Utah County



Source: U.S. Bureau of Labor Statistics

# Assessed Market Value of Property in Provo City

## 2003-04 to 2012-13



Source: Utah County Auditor/Utah State Office of Education

## Explanation of Property Tax Schedules on Following Pages

The detailed property tax schedules on the following 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 schedule contains tax rates and actual receipts for the fiscal years 2007, 2008 and 2009. The second schedule contains tax rates and anticipated and/or budgeted amounts for fiscal years 2010, 2011 and 2012. The last schedule contains detailed tax information for the budget year, 2013. Revenue received from various fees and redemptions are reported on this schedule but are not subject to a tax rate.

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

Year	Assessed Valuation	Percent Change
2012-13*	\$4,033,065,000	0.50%
2011-12	\$4,013,000,000	5.01%
2010-11	\$ 3,819,255,687	-0.1014652
2009-10	\$4,250,537,208	-13.00%
2008-09	\$4,887,984,782	3.60%
2007-08	\$4,717,762,297	21.50%
2006-07	\$3,883,034,322	8.60%
2005-06	\$3,573,893,056	-0.20%
2004-05	\$3,579,680,617	13.30%
2003-04	\$3,158,130,838	n/a

\*Estimated



# Property Tax Rates & Collections: *FY 2007 to FY 2009*

Levy	FY 2007		FY 2008		FY 2009	
	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue
Basic Program	0.001515	\$ 5,623,849	0.001311	5,353,161	0.001250	5,294,800
Voted Leeway	0.001034	3,655,014	0.000877	3,581,024	0.001275	5,675,765
Board Leeway (Class Size Reduction)	0.000400	1,358,300	0.000339	1,656,900	0.000214	1,157,100
Board Leeway (Reading Program)	0.000000	-	0.000000	-	0.000121	529,989
Transportation	0.000113	383,752	0.000096	388,651	0.000093	422,359
Tort Liability	0.000071	241,141	0.000060	242,866	0.000058	262,620
Recreation	0.000302	1,061,800	0.000256	1,066,236	0.000249	1,101,302
Gen Oblig Debt	0.001201	4,198,811	0.001018	4,239,950	0.001242	5,491,824
Capital Outlay Foundation	0.000435	1,530,001	0.000369	1,536,878	0.000828	3,659,895
10% of Basic Capital	0.001076	3,784,555	0.000913	3,802,626	0.000884	3,910,262
Redemptions - Basic Levy	-	413,193	-	399,913	-	314,494
Redemptions - Voted Leeway	-	538,662	-	370,933	-	337,311
Redemptions - Board Leeway	-	-	-	-	-	56,549
Redemptions - Special Transportation	-	54,473	-	29,035	-	25,261
Redemptions - Tort Liability	-	32,522	-	18,144	-	16,099
Redemptions - Reading Levy	-	-	-	-	-	31,779
Vehicle Fees in Lieu of Tax Basic	-	662,428	-	742,603	-	584,343
Vehicle Fees in Lieu of Tax - Voted Leeway	-	429,873	-	688,791	-	105,162
Vehicle Fees in Lieu of Tax - Board Leeway	-	-	-	-	-	627,003
Vehicle Fees in Lieu of Tax - Sp.Trans.	-	49,575	-	53,914	-	46,480
Vehicle Fees in Lieu of Tax - Tort Liab.	-	30,737	-	33,691	-	29,180
Vehicle Fees in Lieu of Tax - Reading Levy	-	-	-	-	-	58,432
Vehicle Fees in Lieu of Tax (Non K12)	-	199,813	-	79,654	-	121,489
Tax Sales and Redemptions & Other (Non K12)	-	76,102	-	147,910	-	65,189
Vehicle Fees in Lieu of Tax (Debt Service)	-	516,932	-	316,749	-	606,260
Tax Sales and Redemptions & Other (Debt Svc)	-	284,769	-	588,176	-	326,296
Vehicle Fees in Lieu of Tax Cap Found	-	256,440	-	213,199	-	371,608
Vehicle Fees in Lieu of Tax 10% Basic	-	445,766	-	527,509	-	464,263
Tax Sales and Redemption Cap Foundation	-	536,899	-	114,814	-	200,097
Tax Sales and Redemptions 10% Basic	-	248,760	-	284,079	-	249,382
<b>TOTALS - ALL FUNDS</b>	<u>.006147</u>	<u>\$26,614,167</u>	<u>.005239</u>	<u>\$ 26,477,406</u>	<u>.006214</u>	<u>\$ 32,142,593</u>



## Property Tax Rates & Collections: *FY 2010 to FY 2012*

Levy	FY 2010		FY 2011		FY 2012	
	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue	Tax Rate	Amount Budgeted
Basic Program	0.001433	\$ 5,906,437	0.001495	5,915,149	0.001591	6,076,000
Voted Leeway	0.001346	5,547,846	0.001340	5,301,870	0.001434	5,477,000
Board Local Levy	-	-	-	-	0.000400	1,528,000
Board Leeway (Class Size Reduction)	0.000226	1,130,696	0.000392	1,550,995	-	-
Board Leeway (Reading Program)	0.000121	509,183	0.000121	478,751	0.000121	462,000
Transportation	0.000098	411,879	-	-	0.000100	382,000
Tort Liability	0.000061	257,727	-	-	0.000080	306,000
Recreation	0.000132	543,049	0.000132	522,205	0.000600	2,292,000
Gen Oblig Debt	0.001307	5,377,002	0.001317	5,210,185	0.001399	5,343,000
Capital Outlay Foundation	0.000930	3,690,400	0.000982	3,883,550	0.000250	955,000
10% of Basic Capital	0.000493	1,954,325	0.000464	1,834,996	0.000576	2,200,000
10% of Basic Operating	0.000492	2,029,951	0.000463	1,831,915	0.000602	2,299,000
Redemptions - Basic Levy	-	581,009	-	615,755	-	622,000
Redemptions - Voted Leeway	-	545,734	-	551,915	-	560,000
Redemptions - Board Leeway	-	91,631	-	161,456	-	156,000
Redemptions - Special Transportation	-	40,399	-	-	-	39,000
Redemptions - Tort Liability	-	25,352	-	-	-	31,000
Redemptions - Reading Levy	-	50,087	-	49,837	-	47,000
Redemptions - 10% of Basic	-	-	-	190,699	-	235,000
Vehicle Fees in Lieu of Tax Basic	-	577,978	-	579,714	-	601,000
Vehicle Fees in Lieu of Tax - Voted Leeway	-	542,888	-	519,610	-	151,000
Vehicle Fees in Lieu of Tax - Board Leeway	-	91,154	-	152,005	-	542,000
Vehicle Fees in Lieu of Tax - Sp.Trans.	-	40,022	-	-	-	38,000
Vehicle Fees in Lieu of Tax - Tort Liab.	-	24,971	-	-	-	30,000
Vehicle Fees in Lieu of Tax - Reading Levy	-	49,826	-	46,920	-	46,000
Vehicle Fees in Lieu of Tax - 10% of Basic	-	-	-	179,537	-	227,000
Vehicle Fees in Lieu of Tax (Non K-12)	-	53,141	-	51,179	-	227,000
Tax Sales and Redemptions & Other (Non K-12)	-	53,419	-	54,361	-	234,000
Vehicle Fees in Lieu of Tax (Debt Service)	-	526,171	-	510,625	-	528,000
Tax Sales and Redemptions & Other (Debt Svc)	-	528,929	-	542,370	-	547,000
Vehicle Fees in Lieu of Tax Cap Found	-	382,483	-	404,269	-	94,000
Vehicle Fees in Lieu of Tax 10% Basic	-	361,126	-	191,019	-	218,000
Tax Sales and Redemption Cap Foundation	-	384,489	-	380,607	-	98,000
Tax Sales and Redemptions 10% Basic	-	363,020	-	179,839	-	225,000
<b>TOTALS - ALL FUNDS</b>	<u>.006639</u>	<u>\$ 32,672,324</u>	<u>.006706</u>	<u>\$ 31,891,333</u>	<u>.007153</u>	<u>\$ 32,816,000</u>

## Property Tax Rates & Collections: *FY 2013*

Levy	FY 2013	
	Tax Rate	Amount Anticipated
Basic Program (53A-17a-135)	0.001651	\$ 6,135,000
Voted Leeway (53A-17a-133)	0.001300	4,831,000
Board Local Levy (53A-17a-164)	0.001467	5,451,000
Redemptions - Basic Levy	-	600,000
Redemptions - Voted Leeway	-	472,000
Redemptions - Board Leeway	-	583,000
Vehicle Fees in Lieu of Tax (59-2-405) - Basic	-	645,000
Vehicle Fees in Lieu of Tax Board Leeway	-	508,000
Vehicle Fees in Lieu of Tax - Voted Leeway	-	630,000
Recreation (11-2-7)	0.000592	2,200,000
Vehicle Fees in Lieu of Tax (59-2-405)	-	288,000
Tax Sales and Redemptions & Other	-	265,000
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.001432	5,323,000
Vehicle Fees in Lieu of Tax (59-2-405)	-	575,000
Tax Sales and Redemptions & Other	-	520,000
Voted Capital (53A-16-110)	0.000877	3,259,000
Vehicle Fees in Lieu of Tax (59-2-405) Cap Found	-	273,000
Tax Sales and Redemptions 10% of Basic	<u>-</u>	<u>258,000</u>
 TOTALS - ALL FUNDS	 <u>.007319</u>	 <u>\$ 32,816,000</u>

## Impact of Property Taxes on Taxpayers: 2007 to 2013

Residential						
Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Home Value	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$175,000
Residential Exemption	45%	45%	45%	45%	45%	45%
Assessed Value	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500	\$96,250
District Total Tax Rate	0.005239	0.006214	0.006639	0.006706	0.007153	0.007319
District Property Taxes	\$720.36	\$854.43	\$912.86	\$922.08	\$983.54	\$704.45
Taxes per \$1,000 of value:	\$2.88	\$3.42	\$3.65	\$3.69	\$3.93	\$2.82

Business						
Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
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	0.005239	0.006214	0.006639	0.006706	0.007153	0.007319
District Property Taxes	\$ 1,310	\$ 1,554	\$ 1,660	\$ 1,677	\$ 1,788	\$ 1,830
Taxes per \$1,000 of value:	\$ 5.24	\$ 6.21	\$ 6.64	\$ 6.71	\$ 7.15	\$ 7.32

Note: For comparability purposes, \$250,000 is used as the business value for all five years, as this is the value used by Utah County as average. For residential property the average has been decreased to \$175,000 for this comparison, as that amount is the approximate value of a home in Provo in 2012.

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

### SIMPLE PROPERTY TAX DETERMINATION

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

On a \$175,000 home, 2012-13 property tax attributable to the District would be:  $\$175,000 \times 0.55 \times .007319$ , or \$704.45.

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

On a \$250,000 business, 2011-12 property tax attributable to the District would be:  $\$250,000 \times .007319$ , or \$1,830.00.

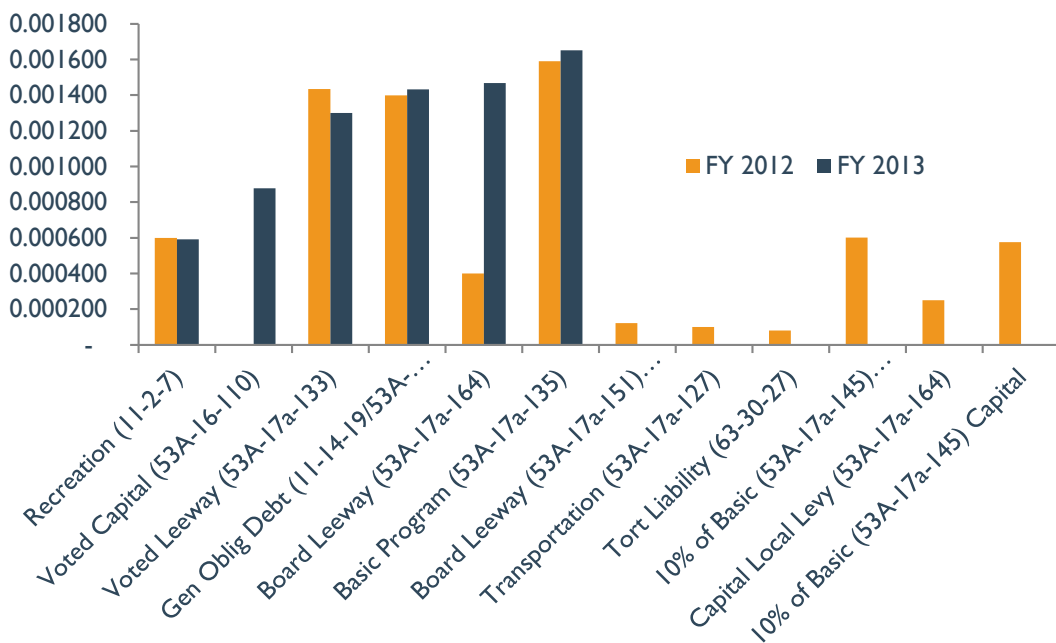
## Property Taxes: *Levy Comparison*

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

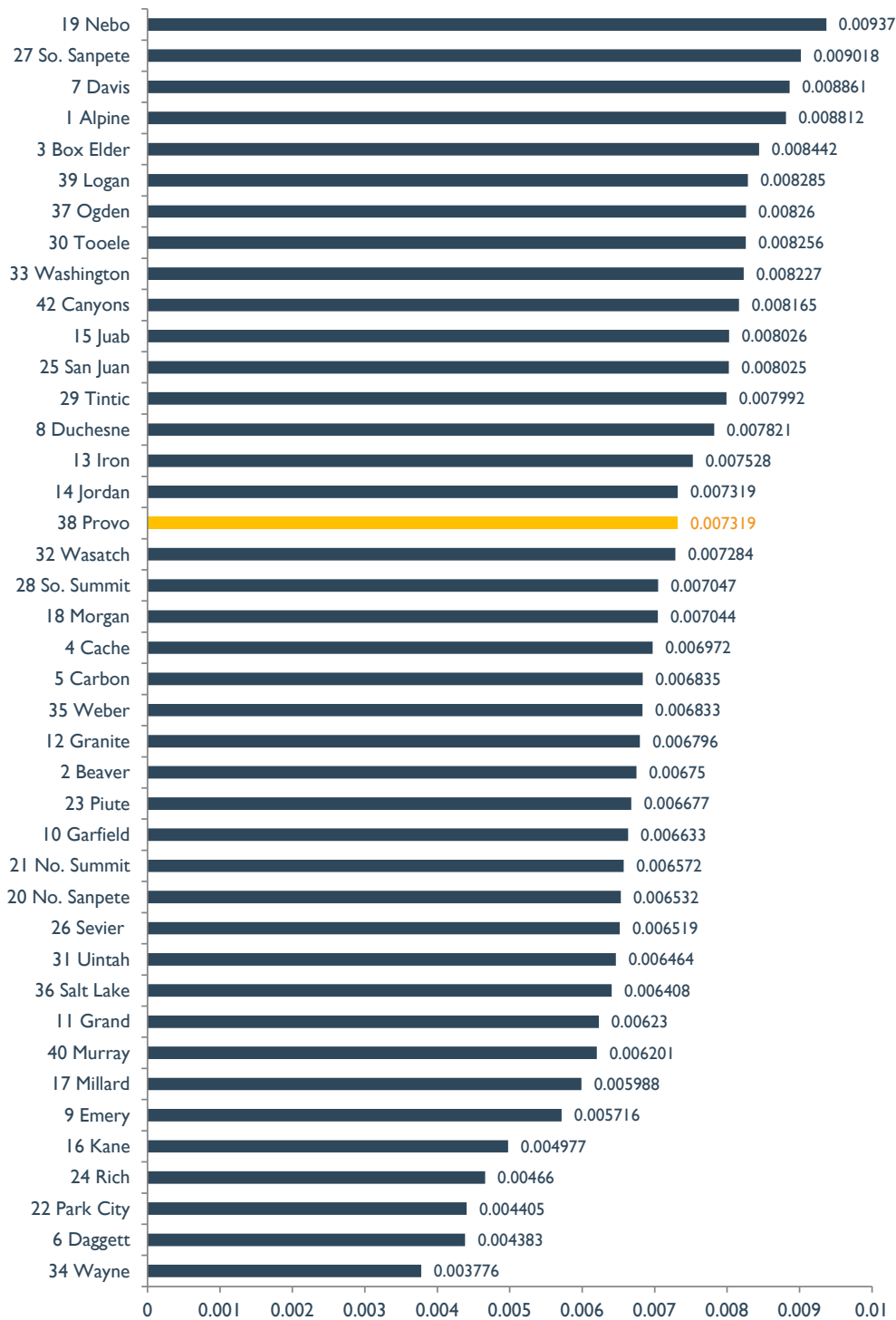
**School districts previously had the authority to levy thirteen different taxes to collect funds for the education of students. Effective January 1, 2012, there are only six tax rates**

<b>Property Taxes by Levy FY 2012 to FY 2013</b>			
	<b>FY 2012</b>	<b>FY 2013</b>	<b>Change</b>
Basic Program (53A-17a-135)	0.001591	0.001651	0.000060
Voted Leeway (53A-17a-133)	0.001434	0.001300	-0.000134
Board Leeway (53A-17a-164)	0.000400	0.001467	0.001067
Board Leeway (53A-17a-151) (Reading Program)	0.000121	-	-0.000121
Transportation (53A-17a-127)	0.000100	-	-0.000100
Tort Liability (63-30-27)	0.000080	-	-0.000080
10% of Basic (53A-17a-145) Operating	0.000602	-	-0.000602
Recreation (11-2-7)	0.000600	0.000592	-0.000008
Gen Oblig Debt (11-14-19/53A-17a-145/53A-21-103)	0.001399	0.001432	0.000033
Capital Local Levy (53A-17a-164)	0.000250	-	-0.000250
10% of Basic (53A-17a-145) Capital	0.000576	-	-0.000576
Voted Capital (53A-16-110)	0.000000	0.000877	0.000877
<b>Total - All Funds</b>	<b>0.007153</b>	<b>0.007319</b>	<b>0.000166</b>

## Levy Comparison: *2011-12 to 2012-13*



## School District Property Tax Rate Comparison: 2012-13



**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). For availability reasons, Provo's FY 2013 rate is compared against the FY 2012 rates of the other districts.

## Basis of Budget Forecast: *Revenues*

The following pages contain original budgets for FY 2013 (budgets that have been approved by the Board of Education), and projected budgets for FY 2014 through FY 2016. 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 2013, the District anticipates receiving the same amount in property tax when compared to the final FY 2012 budget. After FY 2013, 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 show significant increases until around 2014, but due to the volatility of the housing market it's difficult to make any realistic projections regarding property values at this time. Another component of local revenue, return on investments, is heavily dependent on market interest rates. Those rates are projected to remain flat in FY 2013, with slight to moderate increases coming thereafter.

### *State Sources*

Revenues from state sources are projected to be up over \$900,000 in FY 2013 compared to FY 2012 levels. This is primarily due to a slight increase in the WPU amount and enrollment gains expected from eSchool. The budget forecast projects moderate funding increases from state sources from FY 2014 to FY 2016. This is based on the assumption that Utah will continue to grow economically at a faster pace than most states in the country, and state lawmakers will continue to make education a top priority.

This forecast is based on the assumption that the recession has run its course. Any return of recessionary pressures - specially increases in unemployment and declining home values - will require an adjustment to this forecast.

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 in FY 2013 as some federal programs have been discontinued.

Beginning in FY 2014, slight increases in federal revenues are forecasted as a result of three primary factors: 1) an increasing at-risk student population, 2) a stronger effort to research and be awarded top competitive grants, and 3) more foreign language grants becoming available.

### *Summary*

Simply put, the District is adjusting to a new funding that includes less money from local, state and federal sources. Besides applying for even more in federal grants, it used to be that the only funding source that the District could directly exercise control over was revenue from local sources in the form of property tax increases.

In Utah today, legislation has made it increasingly possible to recruit other students from areas outside District boundaries to participate in the District's online school (eSchool). This is one way to increase enrollment and thereby bolster declining state revenues. It's typically cheaper to educate an online student than a traditional student, but it's more expensive to recruit and enroll an online student.

## Basis of Budget Forecast: *Expenditures*

### *Compensation*

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

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

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

The District forecasts that benefits costs will outpace salary costs, mainly for two reasons: first, the State of Utah's retirement system took a big hit during the recession, and districts 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.

### *Other Expenditures*

Final remaining federal stimulus bill money (ARRA) ran out in FY 2012. As a result, expenditures on supplies and materials will decrease.

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

Projecting forward into the next few years, large building replacement-type construction projects will likely not happen until FY 2017 at the earliest, meaning most capital project expenditures, which are classified as "other objects," will be limited to relatively small-scale projects.

### *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.

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

# Budget Forecast: *General Fund*

FY 2013 through FY 2016

## SUMMARY - 10 GENERAL FUND

<b>REVENUES BY SOURCE</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Total Local	\$ 24,110,495	\$ 24,702,000	\$ 25,567,000	\$ 26,712,000
Total State	53,120,388	54,183,000	55,402,000	56,649,000
Total Federal	<u>9,505,131</u>	<u>9,495,000</u>	<u>9,685,000</u>	<u>9,976,000</u>
<b>TOTAL REVENUES</b>	<b>86,736,014</b>	<b>88,380,000</b>	<b>90,654,000</b>	<b>93,337,000</b>
<b>EXPENDITURES BY OBJECT</b>				
Salaries	53,217,494	53,617,000	53,885,000	54,154,000
Employee Benefits	24,453,664	25,187,274	25,569,000	26,464,000
Purchased Professional and Technical Services	3,476,598	3,511,000	3,546,000	3,581,000
Purchased Property Services	253,137	256,000	259,000	262,000
Other Purchased Services	766,593	774,000	782,000	790,000
Supplies	6,173,353	6,328,000	6,486,000	6,616,000
Property	582,593	598,000	614,000	630,000
Other Objects	<u>783,084</u>	<u>810,000</u>	<u>834,000</u>	<u>859,000</u>
<b>TOTAL EXPENDITURES</b>	<b>89,706,516</b>	<b>91,081,274</b>	<b>91,975,000</b>	<b>93,356,000</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,970,502)	(2,701,274)	(1,321,000)	(19,000)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	12,000	20,000	25,000	30,000
NET CHANGE IN FUND BALANCE	(2,958,502)	(2,681,274)	(1,296,000)	11,000
FUND BALANCE - BEGINNING (From Prior Year)	23,329,213	20,370,711	17,689,437	16,393,437
Adjustments to Beginning Fund Balance (Attach Detail)	-	-	-	-
<b>FUND BALANCE - ENDING</b>	<b><u>\$ 20,370,711</u></b>	<b><u>\$ 17,689,437</u></b>	<b><u>\$ 16,393,437</u></b>	<b><u>\$ 16,404,437</u></b>



# Budget Forecast: *Capital Projects Fund*

FY 2013 through FY 2016

## SUMMARY - 32 CAPITAL PROJECTS FUND

<b>REVENUES BY SOURCE</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Total Local	\$ 3,944,000	\$ 4,062,000	\$ 4,164,000	\$ 4,268,000
Total State	-	-	-	-
Total Federal	-	-	-	-
<b>TOTAL REVENUES</b>	<b>3,944,000</b>	<b>4,062,000</b>	<b>4,164,000</b>	<b>4,268,000</b>
<b>EXPENDITURES BY OBJECT</b>				
Salaries	663,075	673,000	680,000	687,000
Employee Benefits	277,440	289,000	302,000	316,000
Purchased Professional and Technical Services	40,000	40,000	40,880	41,779
Purchased Property Services	4,872,000	4,440,000	4,551,000	4,665,000
Other Purchased Services	-	-	-	-
Supplies	24,000	-	-	-
Property	435,000	400,000	410,000	420,000
Other Objects	540,000	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>6,851,515</b>	<b>5,842,000</b>	<b>5,983,880</b>	<b>6,129,779</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,907,515)</b>	<b>(1,780,000)</b>	<b>(1,819,880)</b>	<b>(1,861,779)</b>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<b>1,868,000</b>	<b>1,868,000</b>	<b>1,868,000</b>	<b>1,868,000</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,039,515)</b>	<b>88,000</b>	<b>48,120</b>	<b>6,221</b>
<b>FUND BALANCE - BEGINNING (From Prior Year)</b>	<b>1,990,025</b>	<b>950,510</b>	<b>1,038,510</b>	<b>1,086,630</b>
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-
<b>FUND BALANCE - ENDING</b>	<b>\$ 950,510</b>	<b>\$ 1,038,510</b>	<b>\$ 1,086,630</b>	<b>\$ 1,092,851</b>

# Budget Forecast: *Student Activity Fund*

FY 2013 through FY 2016

## SUMMARY - 21 STUDENT ACTIVITY FUND

<b>REVENUES BY SOURCE</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Total Local	\$ 3,534,536	\$ 3,596,000	\$ 3,686,000	\$ 3,741,000
Total State	-	-	-	-
Total Federal	-	-	-	-
<b>TOTAL REVENUES</b>	<b>3,534,536</b>	<b>3,596,000</b>	<b>3,686,000</b>	<b>3,741,000</b>
<b>EXPENDITURES BY OBJECT</b>				
Salaries	-	-	-	-
Employee Benefits	-	-	-	-
Purchased Professional and Technical Services	321,830	330,000	335,000	340,000
Purchased Property Services	49,877	51,000	52,000	53,000
Other Purchased Services	794,540	814,000	826,000	838,000
Supplies	1,846,994	1,875,000	1,903,000	1,932,000
Property	25,000	25,000	25,000	25,000
Other Objects	<u>619,141</u>	<u>628,000</u>	<u>637,000</u>	<u>647,000</u>
<b>TOTAL EXPENDITURES</b>	<b>3,657,382</b>	<b>3,749,000</b>	<b>3,805,000</b>	<b>3,835,000</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(122,846)	(153,000)	(119,000)	(94,000)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-
NET CHANGE IN FUND BALANCE	(122,846)	(153,000)	(119,000)	(94,000)
FUND BALANCE - BEGINNING (From Prior Year)	1,686,471	1,563,625	1,410,625	1,291,625
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 1,563,625</u>	<u>\$ 1,410,625</u>	<u>\$ 1,291,625</u>	<u>\$ 1,197,625</u>

# Budget Forecast: *Debt Service Fund*

FY 2013 through FY 2016

## SUMMARY - 31 DEBT SERVICE FUND

<b>REVENUES BY SOURCE</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Total Local	\$ 6,418,000	\$ 6,515,000	\$ 6,580,000	\$ 6,645,000
Total State	-	-	-	-
<b>TOTAL REVENUES</b>	<b>6,418,000</b>	<b>6,515,000</b>	<b>6,580,000</b>	<b>6,645,000</b>
<b>EXPENDITURES BY OBJECT</b>				
Other Objects	<u>6,473,000</u>	<u>6,540,000</u>	<u>6,575,000</u>	<u>6,643,055</u>
<b>TOTAL EXPENDITURES</b>	<b>6,473,000</b>	<b>6,540,000</b>	<b>6,575,000</b>	<b>6,643,055</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(55,000)	(25,000)	5,000	1,945
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-
NET CHANGE IN FUND BALANCE	(55,000)	(25,000)	5,000	1,945
FUND BALANCE - BEGINNING (From Prior Year)	784,038	729,038	704,038	709,038
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-
<b>FUND BALANCE - ENDING</b>	<b><u>\$ 729,038</u></b>	<b><u>\$ 704,038</u></b>	<b><u>\$ 709,038</u></b>	<b><u>\$ 710,983</u></b>

# Budget Forecast: *Non K-12 Fund*

FY 2013 through FY 2016

## SUMMARY - 23 NON K-12 PROGRAMS FUND

<b>REVENUES BY SOURCE</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Total Local	\$ 3,269,538	\$ 3,286,000	\$ 3,368,000	\$ 3,452,000
Total State	1,215,692	1,239,000	1,270,000	1,302,000
Total Federal	<u>666,015</u>	<u>630,000</u>	<u>649,000</u>	<u>668,000</u>
<b>TOTAL REVENUES</b>	<b>5,151,245</b>	<b>5,155,000</b>	<b>5,287,000</b>	<b>5,422,000</b>
<b>EXPENDITURES BY OBJECT</b>				
Salaries	1,933,459	1,962,000	1,996,000	2,031,000
Employee Benefits	668,108	695,000	726,000	759,000
Purchased Professional and Technical Services	91,278	38,000	40,000	40,000
Purchased Property Services	166,051	179,000	182,000	182,000
Other Purchased Services	15,534	20,000	22,000	22,000
Supplies	169,088	162,000	167,000	167,000
Property	-	-	-	-
Other Objects	<u>40,929</u>	<u>33,000</u>	<u>36,000</u>	<u>36,000</u>
<b>TOTAL EXPENDITURES</b>	<b>3,084,447</b>	<b>3,089,000</b>	<b>3,169,000</b>	<b>3,237,000</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,066,798	2,066,000	2,118,000	2,185,000
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
NET CHANGE IN FUND BALANCE	66,798	66,000	118,000	185,000
FUND BALANCE - BEGINNING (From Prior Year)	27,402	94,200	160,200	278,200
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 94,200</u>	<u>\$ 160,200</u>	<u>\$ 278,200</u>	<u>\$ 463,200</u>

# Budget Forecast: *Building Reserve Fund*

FY 2013 through FY 2016

## SUMMARY - 40 BUILDING RESERVE FUND

<b>REVENUES BY SOURCE</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</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 OVER (UNDER) EXPENDITURES</b>				
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	132,000	132,000	132,000	132,000
<b>NET CHANGE IN FUND BALANCE</b>	132,000	132,000	132,000	132,000
FUND BALANCE - BEGINNING (From Prior Year)	7,040,240	7,172,240	7,304,240	7,436,240
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-
<b>FUND BALANCE - ENDING</b>	<u>\$ 7,172,240</u>	<u>\$ 7,304,240</u>	<u>\$ 7,436,240</u>	<u>\$ 7,568,240</u>

# Budget Forecast: *Food Services Fund*

FY 2013 through FY 2016

## SUMMARY - 49 or 51 FOOD SERVICE FUND

<b>REVENUES BY SOURCE</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Total Local	\$ 1,288,125	\$ 1,330,000	\$ 1,377,000	\$ 1,425,000
Total State	635,000	669,925	723,519	781,401
Total Federal	<u>3,600,845</u>	<u>3,637,000</u>	<u>3,717,000</u>	<u>3,799,000</u>
<b>TOTAL REVENUES</b>	<b>5,523,970</b>	<b>5,636,925</b>	<b>5,817,519</b>	<b>6,005,401</b>
<b>EXPENSES / EXPENDITURES BY OBJECT</b>				
Salaries	1,877,002	1,915,000	1,956,000	1,998,000
Employee Benefits	661,654	688,000	716,000	745,000
Purchased Professional and Technical Services	8,320	12,000	13,000	13,000
Purchased Property Services	104,500	121,500	126,000	126,000
Other Purchased Services	4,188	5,000	5,000	5,000
Supplies	2,411,096	2,459,000	2,520,000	2,583,000
Property	306,000	350,000	120,000	120,000
Other Objects	<u>503,334</u>	<u>528,501</u>	<u>541,713</u>	<u>555,256</u>
<b>TOTAL EXPENSES/EXPENDITURES</b>	<b>5,876,094</b>	<b>6,079,001</b>	<b>5,997,713</b>	<b>6,145,256</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENSES/EXPENDITURES</b>	<b>(352,124)</b>	<b>(442,076)</b>	<b>(180,194)</b>	<b>(139,856)</b>
<b>OTHER FINANCING SOURCES (USES) AND OTHER ITEMS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN NET ASSETS / FUND BALANCE</b>	<b>(352,124)</b>	<b>(442,076)</b>	<b>(180,194)</b>	<b>(139,856)</b>
<b>NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)</b>	<b>1,498,117</b>	<b>1,145,993</b>	<b>703,917</b>	<b>523,723</b>
Adjustment to Beginning Net Assets/Fund Balance (Add Explanation)	-	-	-	-
<b>NET ASSETS / FUND BALANCE - ENDING</b>	<b><u>\$ 1,145,993</u></b>	<b><u>\$ 703,917</u></b>	<b><u>\$ 523,723</u></b>	<b><u>\$ 383,868</u></b>

## Debt: General Obligation Bonds

As of June 30, 2012

### 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	520,000
2004 Series G.O. Refunding Bonds	Bond Refunding	18,690,000	2.0% to 5.0 %	June 15, 2017	12,000,000
2006 Series G.O. Bonds	School Building	9,400,000	4%	June 15, 2026	7,225,000
2007A Series G.O. Refunding Bonds	Bond Refunding	8,220,000	3.807%	June 15, 2015	2,648,000
2007B Series G.O. Bonds	School Building	25,600,000	4.00% to 4.50%	June 15, 2027	21,450,000
Total General Obligation Bonds Payable as of June 30, 2012					\$ 43,843,000

### COMBINED GENERAL OBLIGATION BONDS

Combined G.O Bonds

Year Ending June 30	Principal	Interest	Debt Service Fund
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	5,240,000	1,293,563	6,533,563
2017	3,650,000	1,048,063	4,698,063
2018-2022	9,675,000	3,631,938	13,306,938
2023-2027	11,125,000	1,384,750	12,509,750
	\$ 43,843,000	\$ 12,508,714	\$ 56,351,714





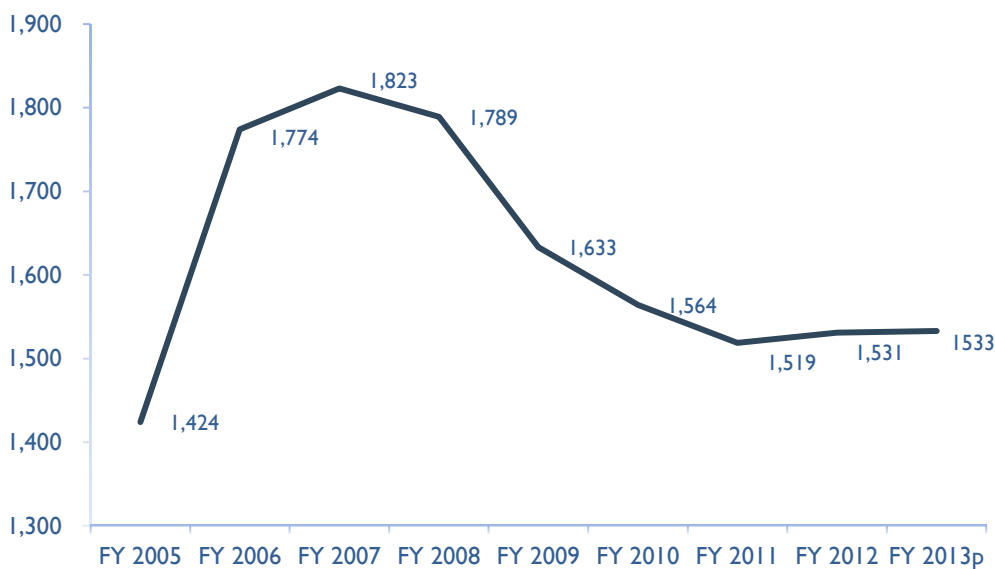
## Personnel Resource Allocation: *Full-time Equivalents*

FY 2005 to 2013 (proposed)

Function	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013 <sup>P</sup>
Instruction	981	1,117	1,141	1,148	1,000	984	977	984	998
Students	50	59	54	52	52	51	49	50	50
Instructional Staff	40	36	33	38	40	41	31	32	32
General Administration	9	24	24	20	16	15	16	17	17
School Administration	75	79	80	74	74	70	70	70	70
Business and Central	22	24	25	22	20	26	27	26	26
Operation and Maintenance	85	119	152	139	148	148	95	95	95
Transportation	39	47	50	60	44	46	44	46	46
Other Support				11	1	1	25	26	26
Food Services	58	83	91	90	92	82	92	92	80
Community Services	65	186	173	135	146	100	93	93	93

<sup>P</sup>Proposed

## Staffing Levels by Function: *FY 2005 to FY 2013*



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

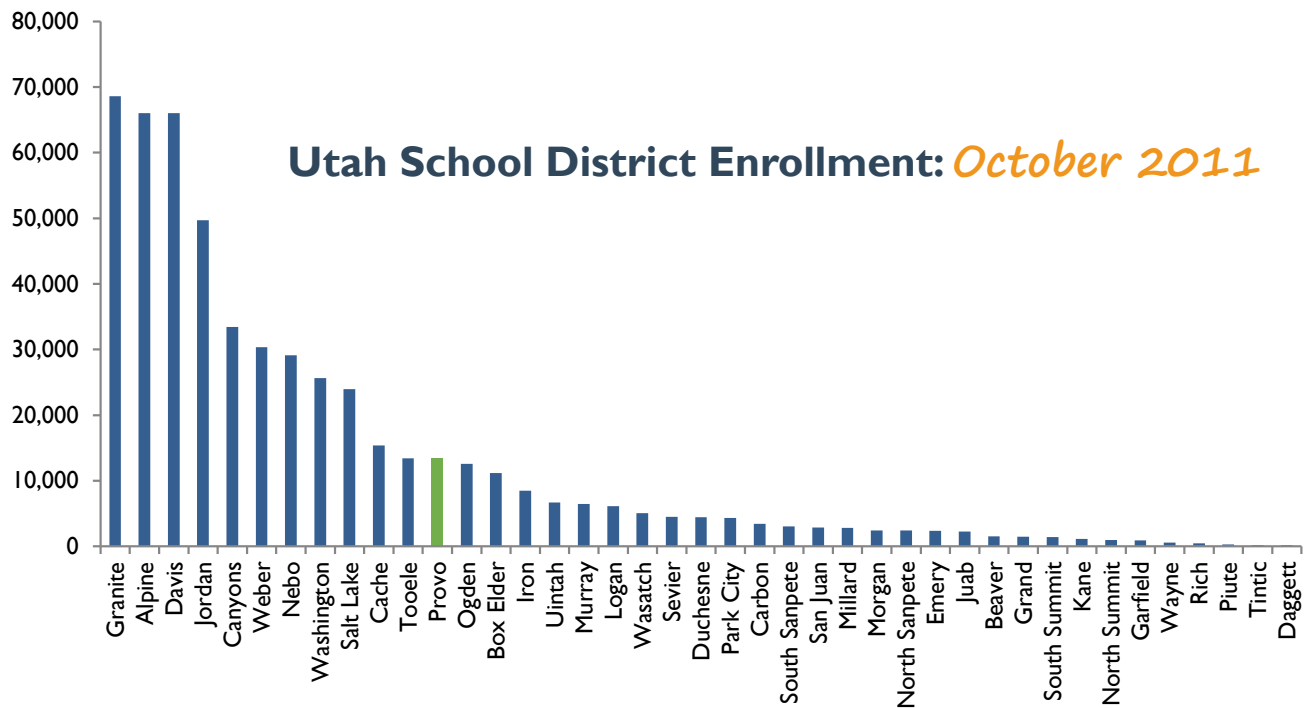
For 2012-13, the Board of Education and management have made the decision to keep average class-sizes at 28.2, the same figure as FY 2011-12. Some growth is budgeted to account for projected enrollment increases, particularly in eSchool. Some technology support positions were cut as a result of budget constraints. **Overall, budgeted staffing levels are roughly flat in the FY 2012-13 budget when compared to the previous year.**

## District Comparison: *Where Provo Fits In*

Utah is made up of 41 school districts. The total enrollment of K-12 students for Fall 2011, including charter schools, was approximately 600,000. With nearly 13,800 students, Provo City School District is the 11th largest district in Utah.

Over the next several years, the school-age population in Utah is expected to grow dramatically, while in Provo it's projected to remain relatively flat, with the exception of eSchool, Provo's online school, which is a promising channel for future District growth.

Rank	District	Fall 2011 Enrollment
1	Alpine	68,233
2	Davis	67,736
3	Granite	67,736
4	Jordan	50,581
5	Canyons	33,490
6	Weber	30,423
7	Nebo	29,724
8	Washington	26,206
9	Salt Lake	23,919
10	Cache	15,605
11	Provo	13,779



Source: Utah State Office of Education

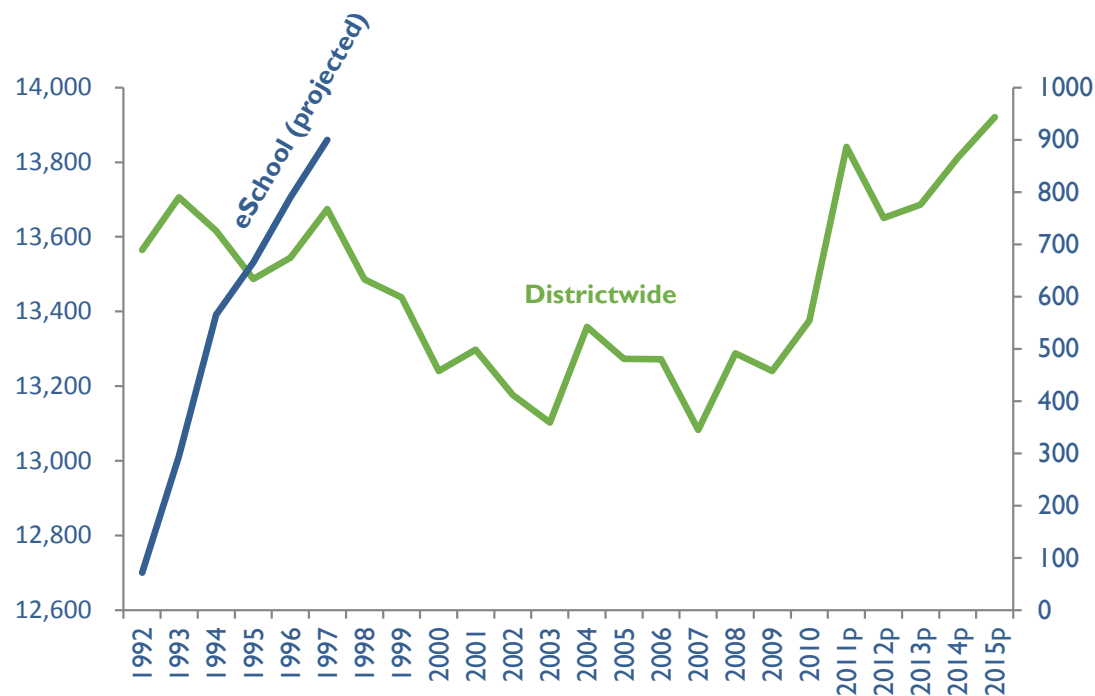
# Enrollment: Projections and Methodology

1992-2015 (projected)

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

Year	Fall Enrollment	Year	Fall Enrollment
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	13,376
1999	13,438	2011	13,779
2000	13,241	2012	14,123
2001	13,298	2013	14,335
2002	13,177	2014	14,479
2003	13,103	2015	14,500

Most future growth for the next four years (Districtwide) is projected to be the result of eSchool. Additional growth in traditional District schools is expected on the west side of the city, while enrollment on the east side is projected to decline.



## Fall Enrollment by School: 2005-06 to 2012-13 (Projected)

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

School	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 <sup>P</sup>
Amelia Earhart Elementary	600	598	537	549	569	560	588	591
Canyon Crest Elementary	549	524	519	497	469	487	494	496
Edgemont Elementary	499	464	467	455	505	525	565	575
Franklin Elementary	528	509	575	571	544	521	517	520
Lakeview Elementary <sup>1</sup>	480	432	694	684	693	680	685	702
Provo Peaks Elementary <sup>2</sup>	422	433	468	439	412	366	462	475
Provost Elementary	435	420	421	428	434	438	457	459
Rock Canyon Elementary	613	602	600	635	580	600	625	628
Spring Creek Elementary	625	661	632	523	567	564	570	573
Sunset View Elementary	655	621	604	572	568	560	531	534
Timpanogos Elementary	608	541	588	601	621	629	630	630
Wasatch Elementary	615	621	635	644	704	774	864	880
Westridge Elementary	791	838	748	851	862	870	889	897
Centennial Middle	956	998	995	1,050	1,030	1,003	996	1,001
Dixon Middle	923	820	844	830	854	863	835	850
Provo High	1,935	1,858	1,716	1,745	1,696	1,705	1,683	1,681
Timpview High	1,715	1,800	1,732	1,826	1,822	1,900	1,938	1,940
Independence High	300	302	288	324	265	277	328	330
Adult Education	23	41	41	44	3	2	-	-
Central Utah Enterprises	-	-	-	20	24	47	51	51
eSchool <sup>3</sup>	-	-	-	-	19	14	90	310
<b>Total:</b>	<b>13,272</b>	<b>13,083</b>	<b>13,104</b>	<b>13,288</b>	<b>13,241</b>	<b>13,019</b>	<b>13,798</b>	<b>14,123</b>

<sup>P</sup>Projected

<sup>1</sup>Grandview Elementary prior to FY 2007-08

<sup>2</sup>Farrer Elementary prior to Fy 2011-12

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



## District *Facilities*

Location/Site	Year Built/ Renovated Substantially	Square Footage
<b>Elementary Schools:</b>		
Amelia Earhart	1999	69,733
Canyon Crest	1982	68,240
Edgemont	1955	47,200
Provo Peaks	2011	80,000
Franklin	1994	75,801
Center for Accelerated Studies	1949	69,546
Lakeview	2007	77,480
Provost	1949	56,799
Rock Canyon	1964	69,883
Spring Creek	2002	70,720
Sunset View	2007	69,305
Timpanogos	2008	69,247
Wasatch	1949	45,326
Westridge	1979	73,928
<b>Secondary Schools:</b>		
Centennial 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
<b>Other:</b>		
Oakridge	1979	43,992
District Office	1965	28,875

## Elementary Schools

### Amelia Earhart

Address: 2585 West 200 South  
Year built or substantially renovated: 1999  
Square footage: 69,733  
Projected FY 2013 enrollment: 591



### Canyon Crest

Address: 4664 N Canyon Road  
Year built or substantially renovated: 1982  
Square footage: 68,240  
Projected FY 2013 enrollment: 496



### Edgemont

Address: 566 East 3650 North  
Year built or substantially renovated: 1955  
Square footage: 47,200  
Projected FY 2013 enrollment: 575



### Lakeview

Address: 2899 West 1390 North  
Year built or substantially renovated: 2007  
Square footage: 77,480  
Projected FY 2013 enrollment: 702



### Franklin

Address: 350 South 600 West  
Year built or substantially renovated: 1994  
Square footage: 75,801  
Projected FY 2013 enrollment: 520





### **Provo Peaks**

Address: 100 North 600 East  
Year built or substantially renovated: 2011  
Square footage: 80,000  
Projected FY 2013 enrollment: 459



### **Provost**

Address: 629 South 1000 East  
Year built or substantially renovated: 1949  
Square footage: 56,799  
Projected FY 2013 enrollment: 459



### **Rock Canyon**

Address: 2495 North 650 East  
Year built or substantially renovated: 1964  
Square footage: 69,883  
Projected FY 2013 enrollment: 628



### **Spring Creek**

Address: 1740 South Nevada Avenue  
Year built or substantially renovated: 2002  
Square footage: 70,720  
Projected FY 2013 enrollment: 573



### **Sunset View**

Address: 525 South 1600 West  
Year built or substantially renovated: 2007  
Square footage: 69,305  
Projected FY 2013 enrollment: 534





## Timpanogos

Address: 449 North 500 West

Year built or substantially renovated: 2008

Square footage: 69,733

Projected FY 2013 enrollment: 630



## Wasatch

Address: 1080 North 900 East

Year built or substantially renovated: 1949

Square footage: 45,326

Projected FY 2013 enrollment: 880



## Westridge

Address: 1720 West 1460 North

Year built or substantially renovated: 1979

Square footage: 73,928

Projected FY 2013 enrollment: 897



## Grandview Learning Center

Address: 1591 North Jordan Avenue

Year built or substantially renovated: 2008

Square footage: 26,000

Projected FY 2013 enrollment<sup>1</sup>

<sup>1</sup>Counted as part of Westridge Elementary in this budget document



## eSchool (K-12)

eSchool service center: 243 E 2320 N

Year built or substantially renovated: 2012

700 total enrollment (310 full-time, 390 part-time - grades K-12)



## Secondary Schools

### Centennial Middle School

Address: 305 East 2320 North  
Year built or substantially renovated: 1996  
Square footage: 144,795  
Projected FY 2013 enrollment: 1001



### Dixon Middle School

Address: 750 West 200 North  
Year built or substantially renovated: 1931  
Square footage: 124,276  
Projected FY 2013 enrollment: 850



### Provo High School

Address: 1125 North University Avenue  
Year built or substantially renovated: 1956  
Square footage: 325,842  
Projected FY 2013 enrollment: 1,681



### Timpview High School

Address: 3570 North 650 East  
Year built or substantially renovated: 1974  
Square footage: 409,803  
Projected FY 2013 enrollment: 1,940



### Independence High School

Address: 636 North Independence Avenue  
Year built or substantially renovated: 1992  
Square footage: 48,121  
Projected FY 2013 enrollment: 330

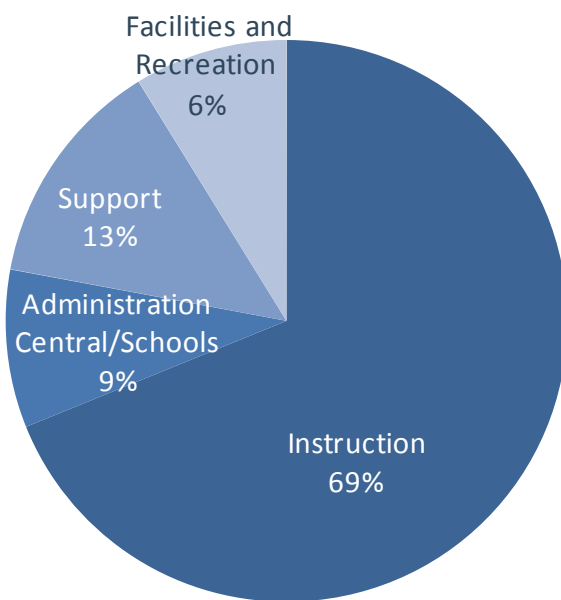


## Per Pupil Expenditures: *FY 2013 compared to FY 2012*

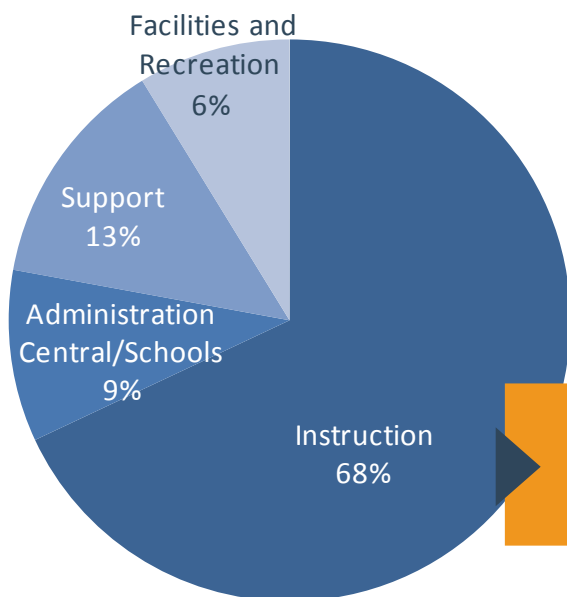
(excludes debt service and long-term capital projects)

For FY 2013, the District is budgeted to spend **\$7,281 per student, a decrease of \$121** when compared to FY 2012. The primary reason for the decrease is projected growth in eSchool, which has a lower per student cost than traditional programs.

### *FY 2012*



### *FY 2013*



In addition to these amounts, **the District is budgeted to spend \$901 per student in FY 2013** for long-term capital improvement projects and debt service related to previous infrastructure capital expenditures.

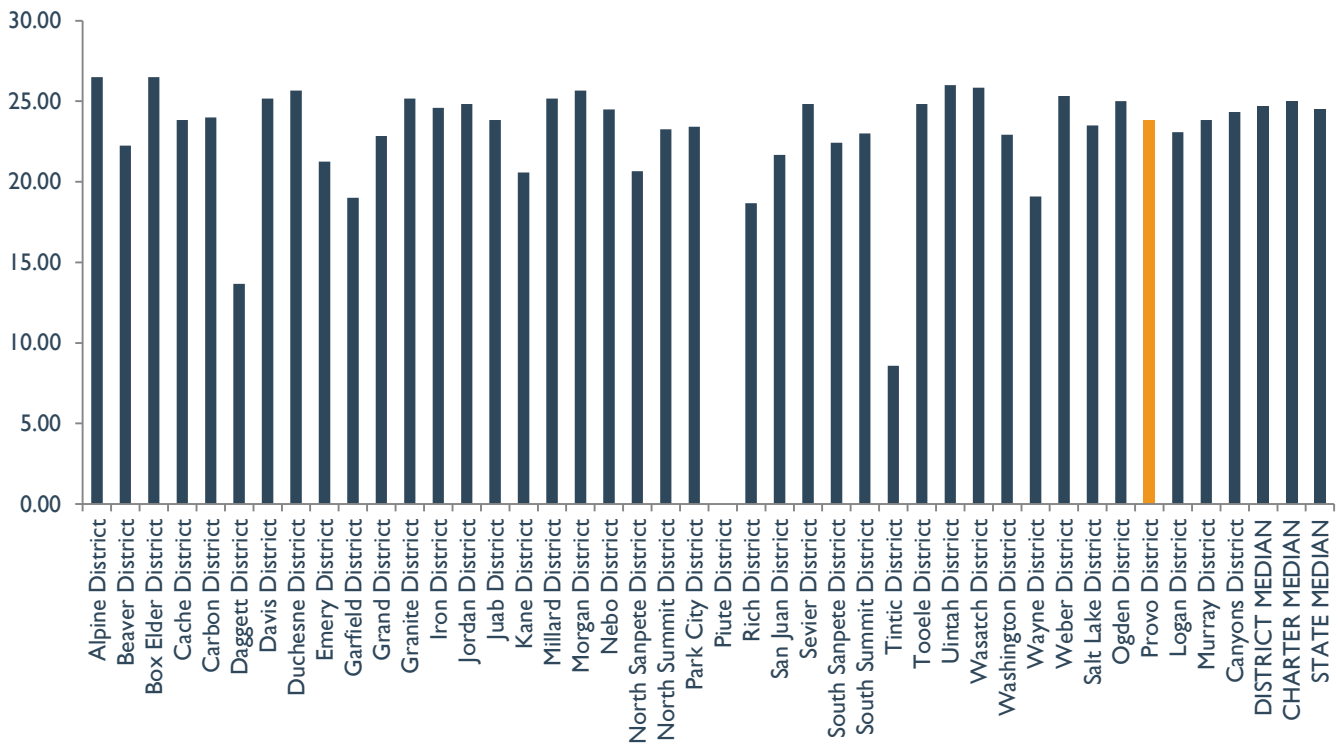
# Median Class Sizes: *State of Utah*

Fall 2011

Provo City School District has smaller class sizes than the median in the State of Utah. Interestingly, charter schools have, as a median, higher class sizes than school districts in Utah.

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

## Median Class Sizes in Utah: *By District*



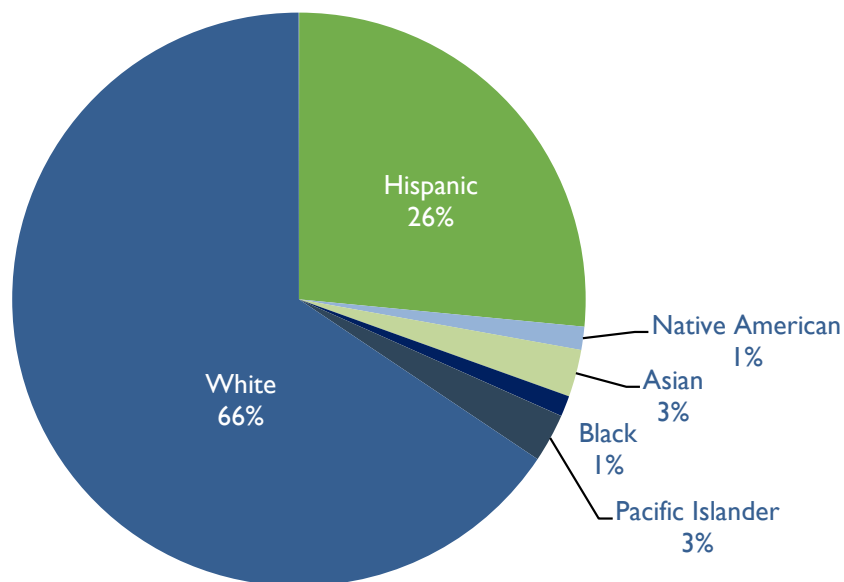
Source: Utah State Office of Education

## Student *Demographics*

The District is becoming much more diverse. This can help provide a healthy and dynamic learning environment for students. However, challenges also occur - especially when 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, 2011.

### Provo School District Enrollment by Race



Source: District data; audited Fall 2011 enrollment reports submitted to State



# Student Enrollment: *Utah County Comparison*

## 1992-2011 Fall Enrollment Report

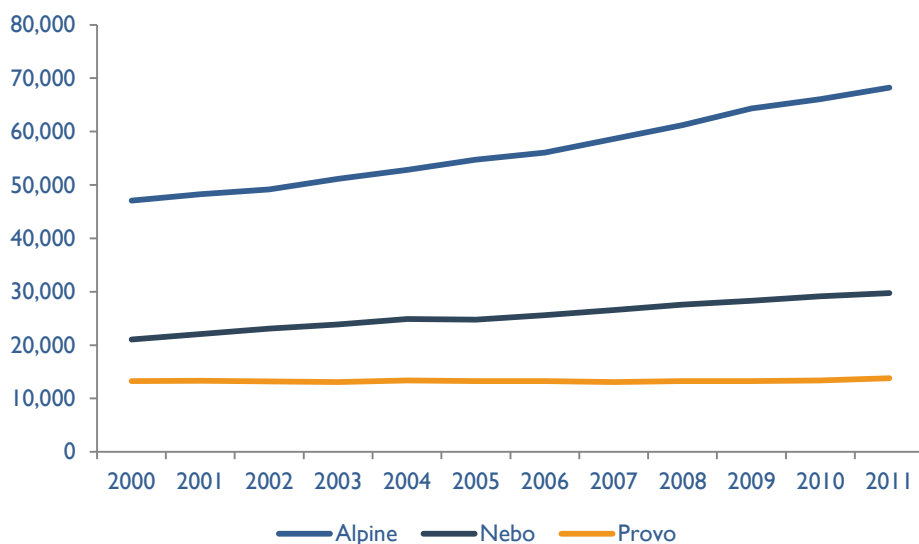
While Alpine School District, to the north, and Nebo School District, to the south, have grown rapidly this decade, enrollment in Provo has been flat until recently. This is the case in most one-city districts throughout the State. Besides having flat enrollment throughout this period, Provo continues to have a substantially higher low-income student population than the other two districts in the county. Overall, the public school (school districts) enrollment in Utah County was over 111,000 in October 2011, while charter schools, which are also public, had over 7,000 students enrolled in Utah County.

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

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



### Utah County School Enrollment by District



Although difficult to discern in the graphic to the left, Provo grew at approximately the same rate as Alpine District from Oct. 2010 to Oct. 2011, and at a faster rate than Nebo District.

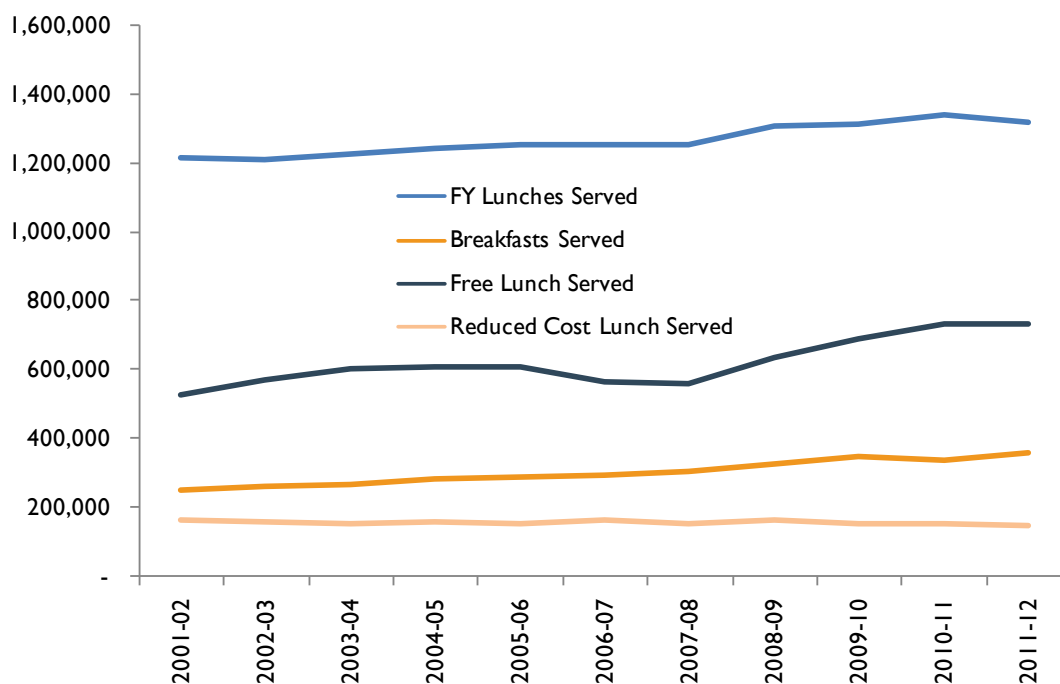
Source: Utah State Office of Education

## District School Lunch Participation: 2001-02 to 2011-12

School meal assistance is available based on financial need. Students with the greatest need qualify for free meals, while students with moderate need qualify for meals at a reduced price. **Participation in school food services is projected to remain flat in 2012-13.**

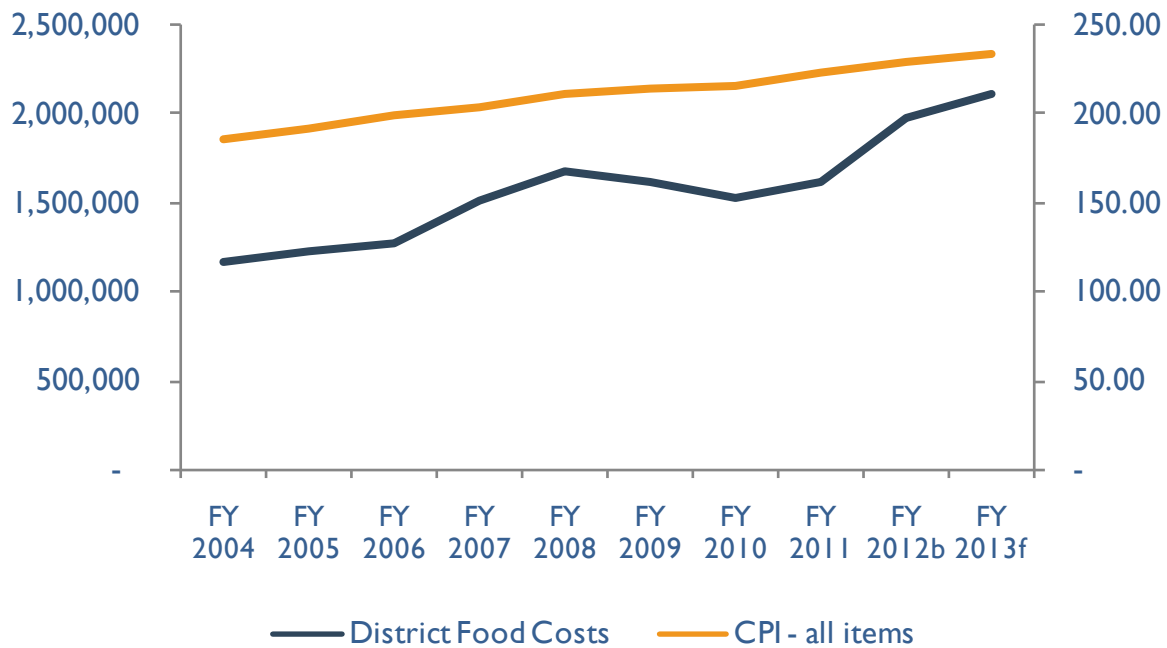
Year	FY Lunches Served	Breakfasts Served	Free Lunch Served	% of Free Lunches to Total Served	Reduced Cost Lunch Served	% of Reduced Cost Lunches to Total Served
2001-02	1,214,770	252,424	526,438	43.34%	164,461	13.54%
2002-03	1,211,667	261,218	571,446	47.16%	157,921	13.03%
2003-04	1,226,062	267,538	603,325	49.21%	156,125	12.73%
2004-05	1,245,816	282,153	612,228	49.14%	160,509	12.88%
2005-06	1,256,839	289,865	609,996	48.53%	152,639	12.14%
2006-07	1,255,951	293,649	567,608	45.19%	164,048	13.06%
2007-08	1,253,673	305,989	560,368	44.70%	155,779	12.43%
2008-09	1,311,952	324,889	639,746	48.76%	162,320	12.37%
2009-10	1,315,197	345,581	693,426	52.72%	155,354	11.81%
2010-11	1,343,858	338,210	736,472	54.80%	152,940	11.38%
2011-12	1,319,933	357,943	736,901	55.83%	150,151	11.38%

## School Lunch Participation: 2001-02 to 2011-12



Source: District data

## Program Costs and Data: *Food Services*



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

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

## Child Nutrition Meal Prices: *2007-08 to 2012-13*

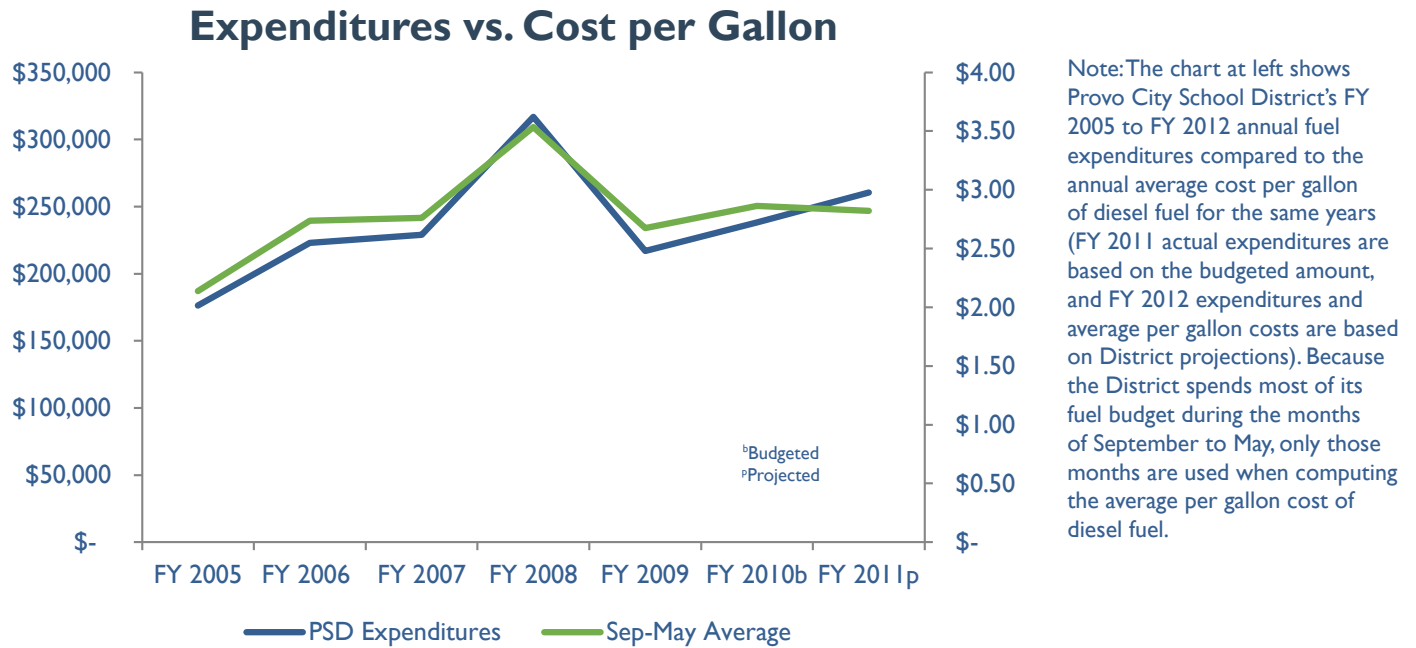
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Breakfast	\$1.00	\$1.25	\$1.25	\$1.25	\$1.25	\$1.50
Adult Breakfast	\$1.25	\$1.50	\$1.50	\$1.50	\$1.50	\$1.75
Elementary Lunch	\$1.50	\$1.75	\$1.75	\$1.75	\$1.75	\$2.00
Secondary Lunch	\$1.75	\$2.00	\$2.00	\$2.00	\$2.00	\$2.25
Adult Lunch	\$2.50	\$2.75	\$2.75	\$2.75	\$2.75	\$3.00

School lunch price increases are the result of inflationary pressures and new federal guidelines that drive costs up. In the end, meals will be even more fresh and nutritional than ever before.



## 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

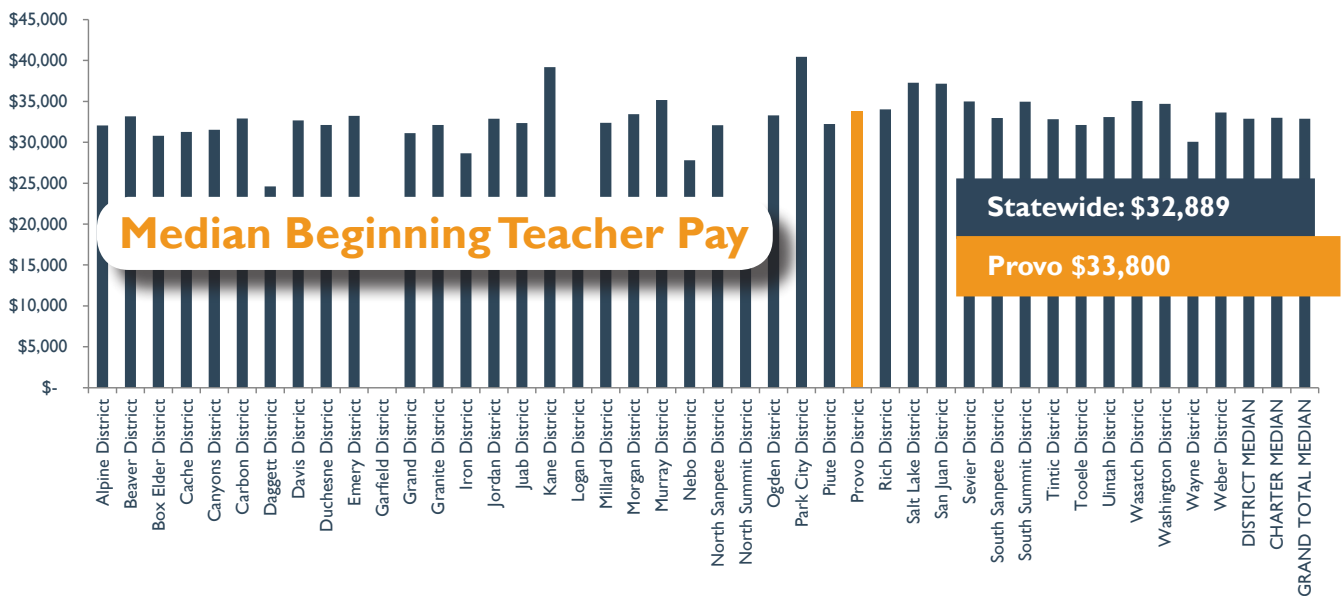
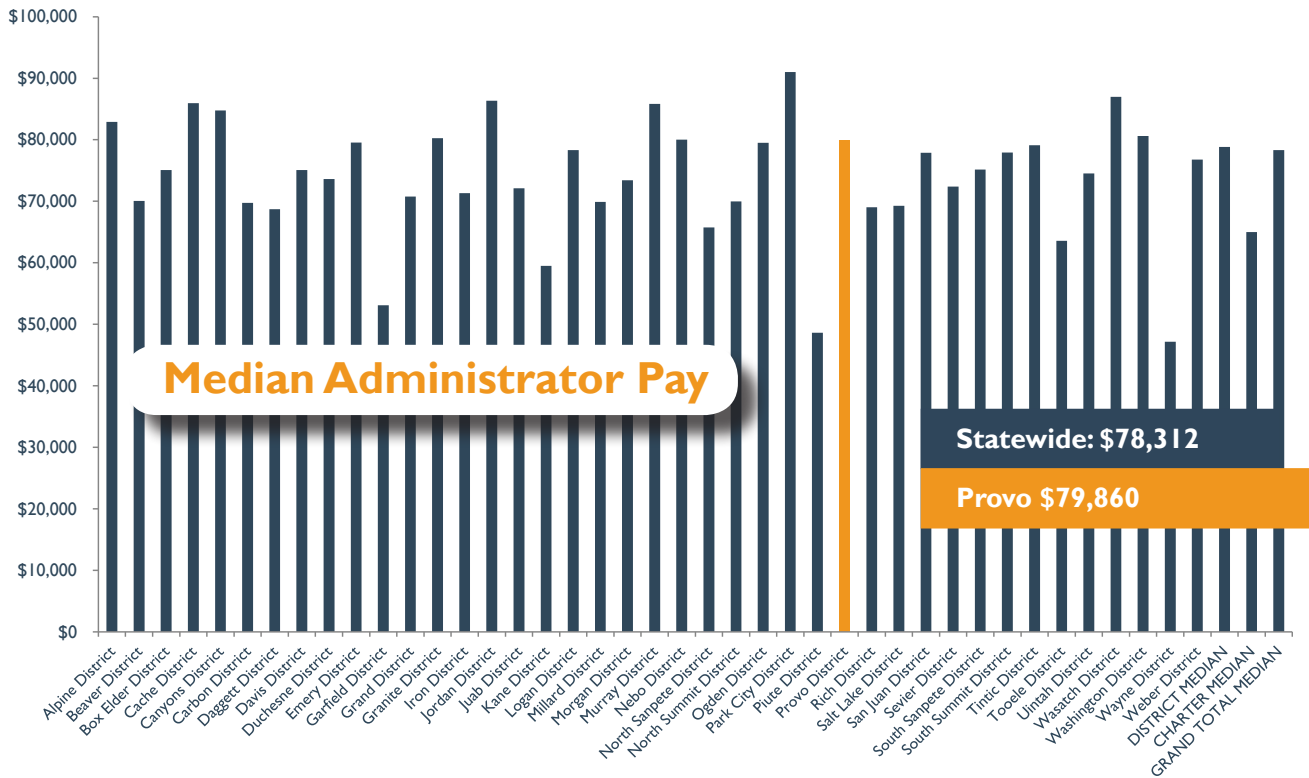
## Data: Transportation/Busing

Year	Miles traveled	Number of students transported daily	Driving hours per day	Route miles driven per day	Field and activity trip miles per day	Cost per student per year to bus	Number of buses
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	524,340	6,208	226	2,699	214	\$366	48
2009-10	514,980	6,332	204	2,650	211	\$315	48
2010-11	527,340	5,903	234	2,699	231	\$394	48

FY 2011-12 statistics unavailable at printing.

# Compensation: Median Pay Comparison

The District pays its teachers and administrators slightly 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

## Health Insurance: *Cost and Statistics*

The rising cost of health care is a concern nationwide, and the District isn't immune. In 2005, a premium participation plan was put in place, with employees paying a percentage of their premiums. This was designed not only to save money, but more importantly to help employees take ownership of their health care. Overall, the District's health care expenditures are projected to increase over 4% in FY 2013, not including OPEB expenditures (see notes below).

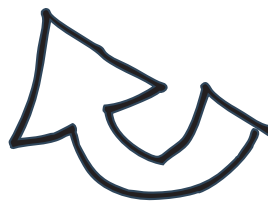
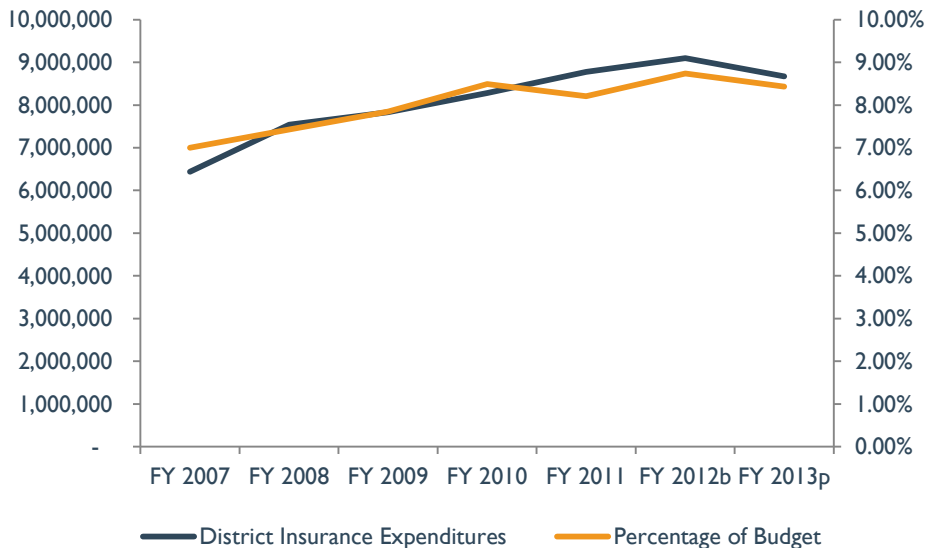
As the adjacent table and graph below indicate, the percentage of the District's budget that goes toward health insurance each year is increasing, meaning inflationary pressure on health care is

Year	District Insurance Expenditures	Percentage of Budget
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	8.49%
FY 2011	8,776,687	8.21%
FY 2012 <sup>b</sup>	9,098,731	7.73%
FY 2013 <sup>p</sup>	8,673,079	7.50%

<sup>b</sup>Budget  
<sup>p</sup>Projected

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

## Health Insurance: *Expenditures and Percentage of Budget*



Reason for decrease in health insurance as a percentage of budget is due to less projected Other Post Employment Benefits (OPEB) for FY 13. A large component of OPEB costs are health insurance. Overall, health insurance rates are increasing for the District at a rapid pace.

## Student Performance: **UPASS**

2010-11 (most recent year available)

U-PASS is the state accountability system for schools. U-PASS determines the proficiency and progress for each school using multiple assessments and indicators. An annual school report card is released each year that indicates if the school achieved the state standard as defined by the U-PASS criteria. The scores below indicate the percentage proficient in each subject area.

School	Language	Math	Science	Whole School
Amelia Earhart	92	90	81	88
Canyon Crest	96	93	79	91
Centennial Middle	90	81	80	85
Dixon Middle	87	79	68	81
Edgemont	93	86	82	87
eSchool		50		8
Franklin	80	75	60	75
Independence	65	26	39	15
Lakeview	85	81	82	84
Provo High	85	43	63	24
Provo Peaks <sup>1</sup>	77	66	51	69
Provost	89	86	82	87
Rock Canyon	89	83	79	85
Spring Creek	75	72	59	72
Sunset View	76	78	70	76
Timpanogos	79	86	65	79
Timpview High	90	64	70	24
Wasatch	97	93	90	93
Westridge	95	93	82	91

## Student Performance: *Annual Yearly Progress (AYP)*

2010-11 (most recent year available)

Adequate Yearly Progress, or AYP, is a measurement defined by the United States federal No Child Left Behind Act that allows the U.S. Department of Education to determine how every public school and school district in the country is performing academically according to results on standardized tests. The results are calculated and presented on a pass/fail basis.

School	Language Arts	Math	Schoolwide AYP	Improvement Plan?
Amelia Earhart	YES	YES	YES	NO
Canyon Crest	YES	YES	YES	NOT TITLE I
Centennial Middle	YES	YES	YES	NOT TITLE I
Dixon Middle	YES	NO	NO	NOT TITLE I
Edgemont	YES	YES	YES	NOT TITLE I
eSchool	YES	YES	YES	NOT TITLE I
Franklin	YES	YES	YES	NO
Independence	YES	YES	YES	NOT TITLE I
Lakeview	YES	YES	YES	NOT TITLE I
Provo High	YES	YES	YES	NOT TITLE I
Provo Peaks <sup>1</sup>	YES	YES	YES	NO
Provost	YES	YES	YES	NO
Rock Canyon	NO	YES	NO	NOT TITLE I
Spring Creek	YES	YES	YES	NO
Sunset View	NO	YES	YES	NO
Timpanogos	YES	YES	YES	YES
Timpview High	YES	YES	YES	NOT TITLE I
Wasatch	YES	YES	YES	NOT TITLE I
Westridge	YES	YES	YES	NOT TITLE I

<sup>1</sup>Test scores recorded as Provo Peaks; school was operating as Farrer in 2010-11

# Student Performance: *Criterion Reference Testing*

2008-09 to 2011-12

	Grade	2008-09		2009-10		2010-11		2011-12	
		Average % Proficient	Number Tested	Average % Proficient	Number Tested	Average % Proficient	Number Tested	Average % Proficient	Number Tested
Language Arts	1	not tested		not tested		not tested		not tested	
	2	79%	1,064	81%	1,027	not tested		not tested	
	3	83%	1,035	81%	1,061	83%	1,018	86%	1,123
	4	82%	995	84%	1,064	85%	1,020	84%	1,007
	5	79%	1,020	80%	996	86%	1,034	88%	1,041
	6	83%	941	86%	1,017	87%	946	88%	1,045
Math	1	not tested		not tested		not tested		not tested	
	2	**	**	77%	1,027	not tested		not tested	
	3	**	**	75%	1,061	80%	1,018	84%	1,126
	4	**	**	76%	1,064	84%	994	83%	980
	5	**	**	77%	1,021	82%	1,031	83%	1,045
	6	**	**	65%	797	79%	751	82%	1038
Science	1-3	not tested		not tested		not tested		not tested	
	4	66%	1,002	65%	1,064	67%	1,021	69%	1,007
	5	68%	1,022	70%	996	74%	1,038	76%	1,047
	6	71%	943	76%	1,017	79%	946	79%	1,048

▲ Elementary  
▼ Secondary

Course	2008-09		2009-2010		2010-11		2011-12	
	Average % Proficient	Number Tested	Average % Proficient	Number Tested	Average % Proficient	Number Tested	Average % Proficient	Number Tested
7th Lang Arts	83%	903	84%	854	85%	966	84%	970
8th Lang Arts	81%	916	83%	926	90%	900	91%	1000
9th Lang Arts	78%	895	76%	959	87%	952	86%	966
10th Lang Arts	82%	901	83%	882	83%	925	85%	924
11th Lang Arts	76%	939	81%	886	83%	854	83%	912
7th grade Math	**	**	68%	567	67%	467	85%	641
PreAlgebra	**	**	79%	1099	79%	1036	58%	690
Algebra	**	**	63%	1,016	66%	1,103	52%	1,551
Geometry	**	**	59%	841	59%	812	68%	914
Science 7th	69%	388	69%	521	75%	553	72%	961
Science 8th	65%	904	70%	910	73%	899	73%	993
Earth Systems	58%	819	52%	598	55%	567	59%	523
Biology	69%	757	68%	1,073	68%	1,075	68%	1,024
Chemistry	65%	431	58%	450	46%	518	61%	449
Physics	66%	357	57%	395	81%	220	85%	223

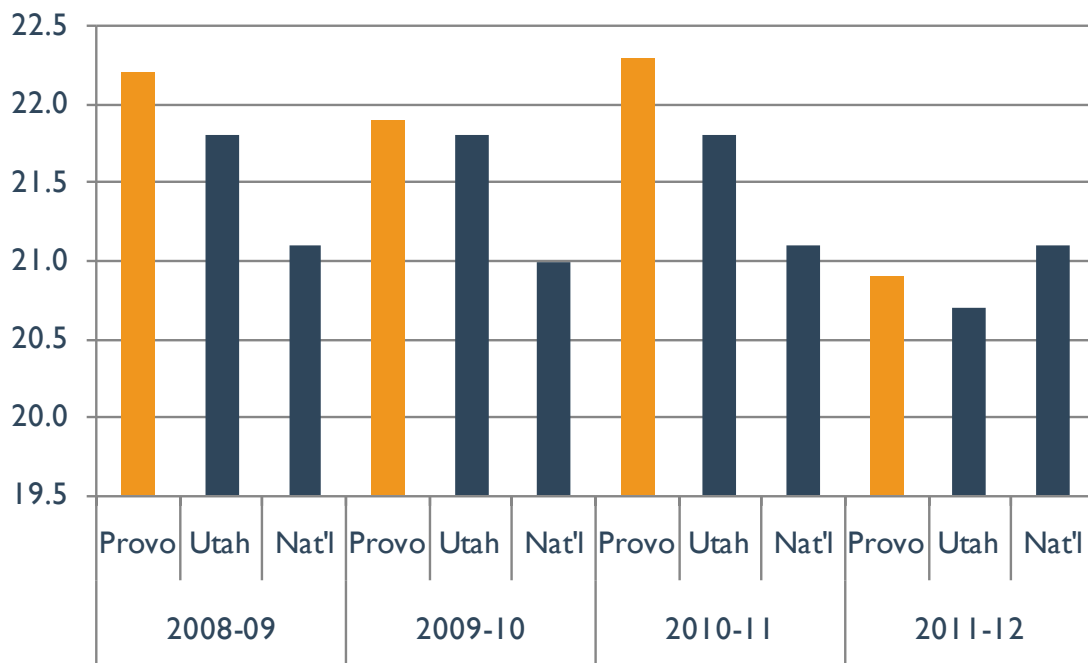
## Student Performance: *ACT® Scores*

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.

### Provo School District ACT Scores by Subject: *2011-12*

	2008-09			2009-10			2010-11			2011-12		
	Provo	Utah	Nat'l	Provo	Utah	Nat'l	Provo	Utah	Nat'l	Provo	Utah	Nat'l
English	21.8	21.4	20.6	21.6	21.4	20.5	22.1	21.4	20.6	20.3	20.0	20.5
Math	21.8	21.1	21.0	21.3	21.1	21.0	21.8	21.2	21.1	20.7	20.3	21.1
Reading	22.9	22.6	21.4	22.5	22.5	21.3	22.8	22.3	21.3	21.4	21.3	21.3
Science	21.8	21.6	20.9	21.6	21.7	20.9	22.0	21.7	20.9	20.9	20.8	20.9
Composite	22.2	21.8	21.1	21.9	21.8	21.0	22.3	21.8	21.1	20.9	20.7	21.1

### Composite ACT® Score Comparison: *2008-09 to 2011-12*



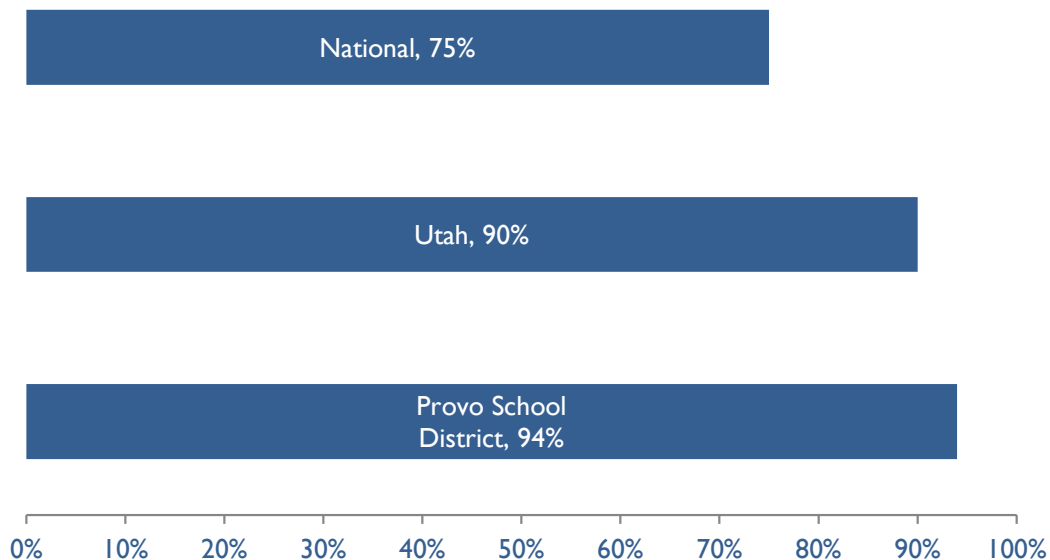
Sources: Utah State Office of Education; District data

## Student Performance: *Advanced Placement Tests*

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	
Total candidates	319	370	370	419	414	400	
Total exams taken	478	571	600	645	666	622	
Total exams passed	389	433	472	458	497	479	
Provo average passed	81%	76%	79%	71%	75%	77%	
	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Total candidates	400	404	408	438	448	570	569
Total exams taken	623	601	690	706	689	918	948
Total exams passed	468	418	480	322	318	379	422
Provo average passed	75%	70%	70%	72%	65%	65%	69%



## Student Performance: *High School Graduation Rates*



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

At 94%, the District's graduation rate for the 2011 school year is higher than the average rate in the State of Utah, and substantially higher than the national rate of 75%.

It should be noted that the U.S. Department of Education might change reporting requirements beginning in 2012, which could impact Utah and Provo School District results.

### Important Note Regarding Satisfaction Surveys

The District regularly conducts satisfaction surveys involving the public, parents, employees, and students. We are currently in the process of loading all surveys online. Please check <http://provo.edu/dep/busadmin/>, then check under the "Surveys" heading. We are also happy to send copies of survey results to interested people by email. Please request any survey results by emailing [surveys@provo.edu](mailto:surveys@provo.edu).

Source: Utah State Office of Education

## Glossary

**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 (AV):** the value of taxable businesses and residences. The District's overall tax rate is determined by the combined assessed value of all businesses and residences in Provo City.

**Asset:** an economic benefit obtained or controlled by the District as a result of a past transaction or event.

**Average Daily Membership (ADM):** the aggregate days of student membership in a school during a typical 180 day school year, divided by the total number of school days in session during the same period.

**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 1 Fall Enrollment Report from the previous year.

**Fiscal Year (FY):** a 12 month period beginning July 1st and ending June 30th each year. The District's budget operates annually on this schedule.

**Full-time Equivalent (FTE):** a unit of workforce measurement. An employee hired to fill a normal contract day of approximately 8 hours is considered 1.0 FTE. An assistant that works 1/2 time is considered 0.5 FTE, and so forth.

**Function:** a relatively broad grouping of related expenditures or revenues aimed at accomplishing a common objective.

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

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

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

**Legal debt limit:** the amount of debt the District can enter into; based on the overall taxable market value of Provo City multiplied by 4%.

**Legal debt margin:** amount of debt the District can enter into after current debt is included. Can be classified as a percentage or dollar amount. See "Legal debt limit."

**Liability:** an obligation of the District arising from past transactions or events. Liabilities are recorded on the District's balance sheet.

**Minimum School Program:** the primary funding source for school districts and charter schools in Utah. MSP funds are distributed according to formulas provided by State law, and State Board rules.

**Modified Accrual Basis:** Government accounting method where revenue is recognized when it becomes available and measurable. Expenditures are typically recognized in the period in which the liability is incurred.

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

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

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

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

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

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

**Regression analysis:** a statistical method that can be used for predicting future numerical values. The District uses a form of regression analysis when projecting future enrollment, revenues, and other figures.

**Revenue:** actual income the District receives from external sources. Donated items of value are not counted as revenue.

**Self-contained (SC):** 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.

See a word or phrase in this book that you feel should be included in the glossary? Let us know:

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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.**



# Provo City School District

