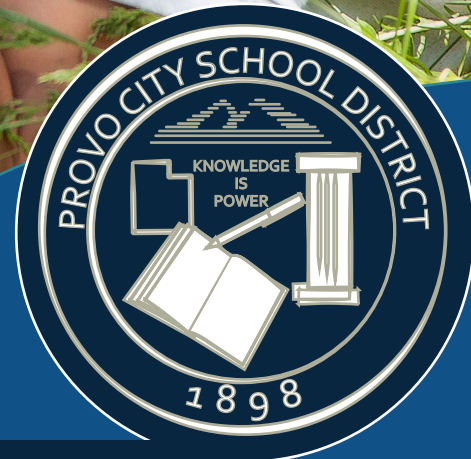


ProvoCitySchoolDistrict



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



Annual Budget 2018-19

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Provo City School District

280 West 940 North

Provo, UT 84604



2018-19

Annual Budget

For Fiscal Year Ending June 30, 2019

Keith Rittel
Superintendent of Schools

Stefanie Bryant, CPA
Business Administrator

Budget *Recognition*

Association of School Business Officials International (ASBO)

The Association of School Business Officials International (ASBO) awarded the *Meritorious Budget Award* for excellence in the preparation and issuance of a 2017-18 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 2018-19 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.

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 2018-19, although the year might be represented as FY 2019, FY19, or 2018-19, depending on the context of the information being presented and space constraints. These variations of the fiscal year or school year are used interchangeably.

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

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



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This Meritorious Budget Award is presented to

PROVO CITY SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2017–2018.

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



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona'. The signature is written in a cursive style and is positioned above a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE, RSBA
Executive Director





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

-John Hattie





“An investment in knowledge pays the best interest.”

-Benjamin Franklin

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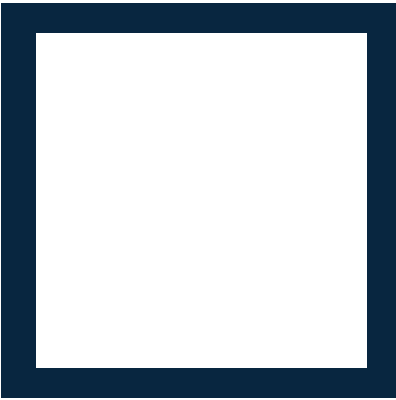
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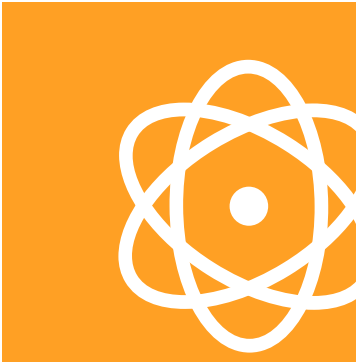


Introductory Section



Provo City School District

Executive Summary



FY
2018-19



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Board of Education



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

Provo City School District: *Elected and Appointed Officials*

2018-19

Board of Education

McKay Jensen – President
 District 3
 Email: mckayj@provo.edu

Jim Pettersson - Vice President
 District 7
 Email: petterji@uvu.edu

Taz Murray
 District 1
 Email: tazm@provo.edu

Melanie Hall
 District 2
 Email: melanieh@provo.edu

Shannon Poulsen
 District 4
 Email: shannonp@provo.edu

Julie Rash
 District 5
 Email: julier@provo.edu

Rebecca Nielsen
 District 6
 Email: rnielsen@provo.edu

District Administration

Keith Rittel
 Superintendent
 Initial Appointment: 2012

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

Doug Finch
 Executive Director of Student Services

Gary Wilson
 Director of Student Services

Jason Cox
 Executive Director of Human Resources

Morgan Anderson
 Director of Special Programs

Alex Judd
 Executive Director of Elementary Education

Dr. Todd McKee
 Executive Director of Secondary Education

Anne-marie Harrison
 Executive Director of Teaching & Learning

Lyndsay Huntsman
 Director of Career Technology Education

Devyn Dayley
 Director of Accounting

Chad Duncan
 Director of Technology Support

Laura Larsen
 Director of Food Services

Mark Wheeler
 Director of Facilities

School Administration

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



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

Budget *Message*



Dear Patrons:

We are once again very appreciative of the continued input and guidance from the community and local leadership that helps to mold Provo City School District into the effective and exciting learning institution it is. Never content to rest on our laurels, we are again looking forward to a successful new school year. We are passionate about the role we play in our students' lives, as well as that of the families and other individuals and organizations within our community we work with to support education in Provo City. As such, the District continues to make efforts to align our energies with both board-developed goals, our District Improvement Plan, as well as wider education initiatives within our locality, state, and nation. We continue to strive to involve a wide range of stakeholders in all major planning endeavors and to ensure that the District continues to be progressive, innovative, and responsive to our students' needs.

For FY 2019, total District revenue is projected to be \$154,676,743 which is a decrease of roughly \$2 million compared to FY 2018, primarily due to eSchool program and enrollment changes.

The District prides itself on being able to manage its finances in such a way as to be in a position to take full advantage of the opportunities presented by today's economic landscape. The District budget includes conservative estimates in regards to expected cash flows, while maintaining an aggressive pursuit of strategic initiatives. By maintaining a focus on providing resources for the classroom, the District is assuring that the most competent teachers and administrators are employed and retained within the District. Our primary goal is to provide the highest quality learning experience for the students of Provo City, and we continue to take the steps necessary to reach that target.

To this end, teacher compensation is paramount in the budgeting process. Utah's teacher compensation landscape is changing dramatically, and the District feels well-positioned to offer our teachers generous compensation this coming fiscal year, as well as exploring how we can continue to be on the forefront of Utah's compensation trends. Specifically, during the last fiscal year District administration commissioned a full teacher salary study committee to analyze teacher compensation trends, both within Utah County as well as the state as a whole. This committee was comprised of teacher representatives, administration, and other relevant employees in order to facilitate a wide range of discussion and potential solutions to a variety of issues regarding our teacher compensation. We are proud of our commitment to attracting and retaining highly qualified employees, and especially proud that we have been able to find enough funding to provide a significant increase in both entry level salaries, where we have lagged behind in the past, as well as those teachers who have remained employees of the District through the years. The District is committed to maintaining a balanced budget and the funding for these increases is sustainable and well-managed. We are excited for the direction we are headed as a District in regards to teacher compensation and look forward to working with our teachers to continue to ensure their financial concerns are met.

Total expenditures for FY 2019 are budgeted at \$161,503,727 a decrease of \$42 million when compared to FY 2018.

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

The District maintains its emphasis on teacher development and providing excellent classroom learning environments for the children of Provo City. District leadership has implemented key district strategies to ensure student achievement goals are reached in the coming year.

Provo City School District continues to evaluate both the method and effectiveness of our teacher evaluations with the goal of providing functional evaluations which continue to improve our teacher effectiveness and push the District forward.

The District also continues to build on its implementation of the District Improvement Plan to provide classrooms where the usage of Learning Targets make learning visible, as well as to guide continuous improvement of the contribution of instructional leaders, teachers, students, and parents to aide in the successful learning of every District student.

The Provo City School District Board of Education first developed the five board goals in Spring 2013, and updated/ revised them in Spring 2017. The board goals are the foundation for our researched-based District Improvement Plan, along with the district AIM Statement: “Every student will end each school year having met or exceeded the essential learning standards, fully prepared for the next grade/course.” The board goals, district improvement plan, and district AIM statement are tightly aligned, and serve as the foundation for focusing both the work and the majority of expenditures in the district.

“We are both excited and optimistic about the challenges and opportunities ahead.”

Beginning in FY 2018, the Board introduced a new goal of achieving a 100% graduation rate at our high schools. This goal has been driving a variety of changes in the way that we approach student education within the District, including allocating more resources towards helping students with a variety of non-traditional challenges which place them at risk of not graduating. These resources include more social workers, a focus on early education reading skills, health personnel, and other outreach programs. Graduation rates did rise this past year, and we expect that upward trend to continue until we reach this goal set by our Board.

We as a District would once again like to offer our thanks to the community in helping to pass the Bond and provide us with the funding needed to replace 5 aging schools. We cannot underestimate the value that this bond continues to have regarding the quality of our District facilities, as well as the ability to provide state of the art learning environments for the children we serve. As school started at the end of this summer, the doors of the new Provost Elementary and Provo High School welcomed students into these outstanding facilities. This marks the completion of construction using the 2014 bond funds, though there will be some trailing expenses into this fiscal year as we wrap up construction punch tickets and otherwise outfit the remaining items in the buildings. While such large projects are not without their challenges, and have consumed innumerable additional hours of staff time and effort, we are excited to see the impact these buildings will continue to have on our student population’s education as the years go by!

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

By harnessing the power of changing technology and education expectations, Provo eSchool has been able to capitalize on educational trends and offers a competitive and attractive alternative to traditional education. It continues to be the most comprehensive online school in the state, with over four hundred courses including premier offerings in the languages and information technology. In addition to eSchool, Provo School District continues its commitment to providing educational options that fit each student’s needs by offering elementary and now secondary immersion programs as well as additional rigorous education

opportunities. The District continues to operate its Elementary School Accelerated Program (CAS) at two locations, Provo Peaks and Sunset View Elementary. Additionally, our high school students continue to compete and excel in various state and national extra-curricular activities proving that Provo City School District provides a well-rounded educational environment for all students, regardless of where their passion lies.

All of these items cost money, however, and for FY 2019 total expenditures are budgeted at \$161,503,727 with revenues of \$154,676,743. The excess of expenses to revenues is due largely to the remaining bond reconstruction expenses at Provost Elementary and Provo High School. The Bond proceeds which are used to fund these projects were received in prior years and held within our Capital Fund balances for this purpose. Additional large projects in the coming year include the Timpview High School softball field project, various HVAC upgrades, as well as various school technology upgrades. These deferred maintenance expenses are coming out of reserves designated or restricted for those purposes and none of these large expenditures are considered to be ongoing.

It is important to note that the District plans to use one-time revenues on one-time or non-recurring projects, and ongoing revenues on ongoing expenses, such as compensation, supplies, and routine facility and grounds maintenance. This element of fiscal discipline is one reason the District continues to be in a position to thrive in 2019 and beyond.

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

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

Respectfully Submitted,



Keith C. Rittel
Superintendent



Stefanie Bryant
Business Administrator



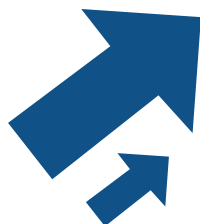
Districtwide Goals: *Long-term*



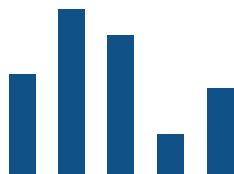
Goal 1: Continuous Academic Improvement



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



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



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



Goal 5: Teamwork, Professional Conduct, and Civility

Districtwide Goals: *Detailed Expectations*

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

Goal I: Continuous Academic Improvement and Transparency

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Significant aspects of the operations within this goal will be reported and updated periodically on the District Progress Report.

Goal 5: Teamwork, Professional Conduct, and Civility

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

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

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

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

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

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

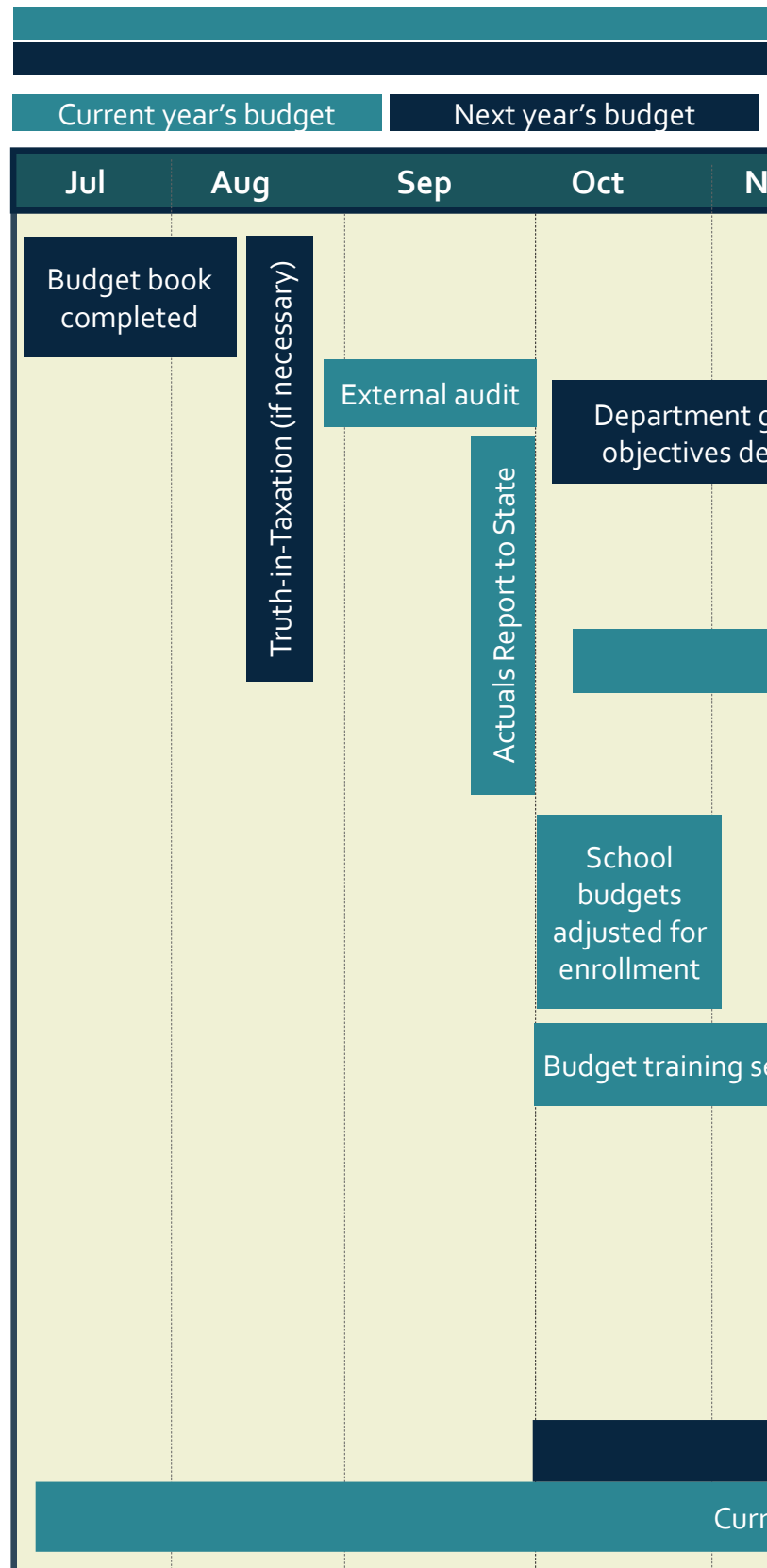
Budget Input: *The Process*

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

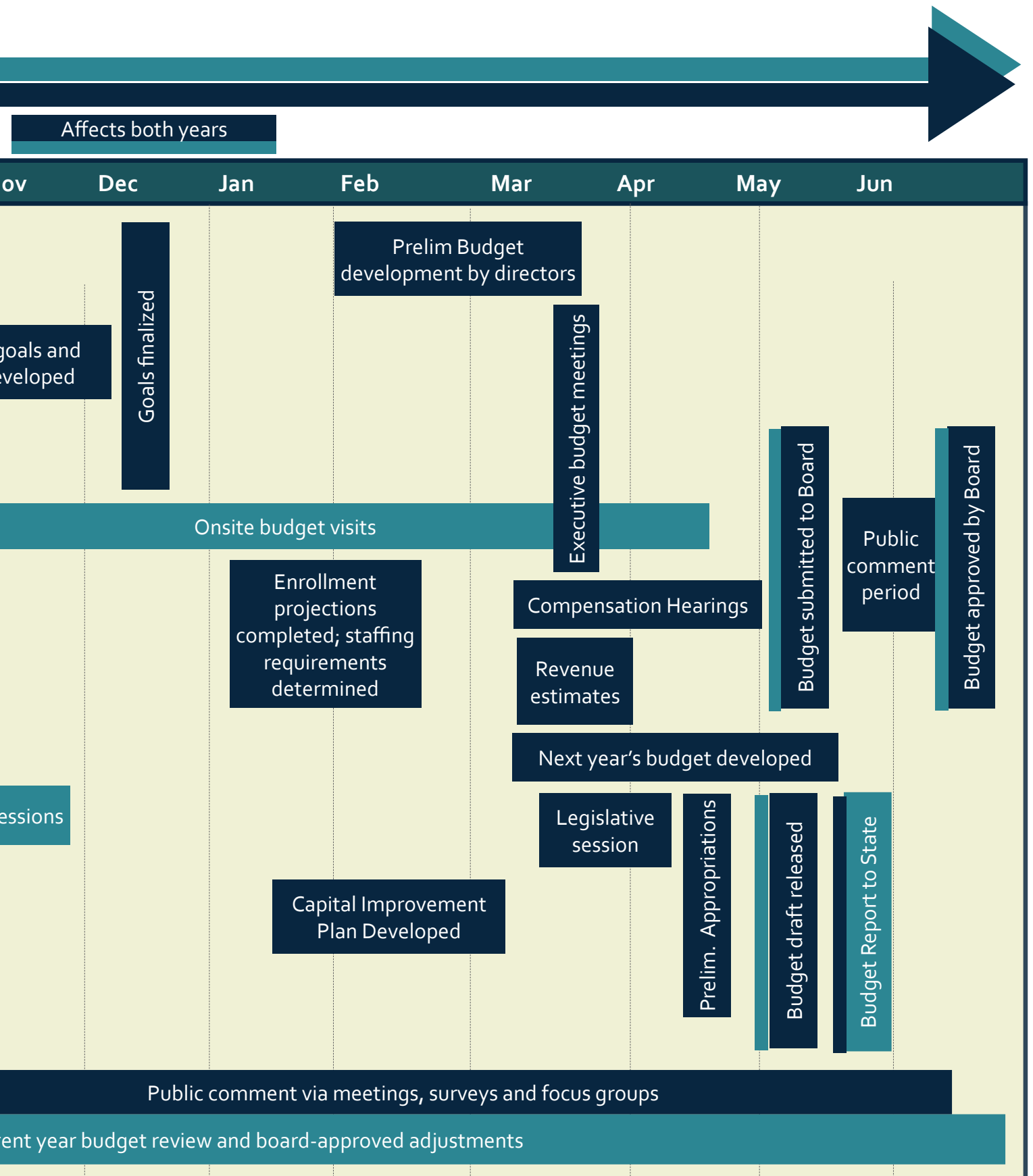
There were no significant changes to the budget process and/or budget policies relative to those used in the past. The following pages highlight that process, with more details shared later in this document.



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



Budget Development and Review Process: *Budget Timeline*



Allocation of Resources: *Human & Financial*

District Staffing and Resource Allocation

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

For 2018-19, the Board of Education and management have made the decision to maintain staffing levels for full-time equivalent employees. Some growth is budgeted in instruction functions to account for projected enrollment changes in our secondary schools. However, some departments at the District have found it difficult to maintain full staffing levels due to various factors, including changes in employee benefits resulting from federal ACA regulations. District administration has made a determined effort to provide the most competitive compensation possible in order to attract and retain our highly qualified employees. As a result of these factors and management decisions there is a projected slight increase in budgeted staffing levels in the FY 2018-19 budget when compared to the previous year and class sizes will remain at roughly 28 students per class.

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

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

The Big Picture: *Revenue and Expenditures*

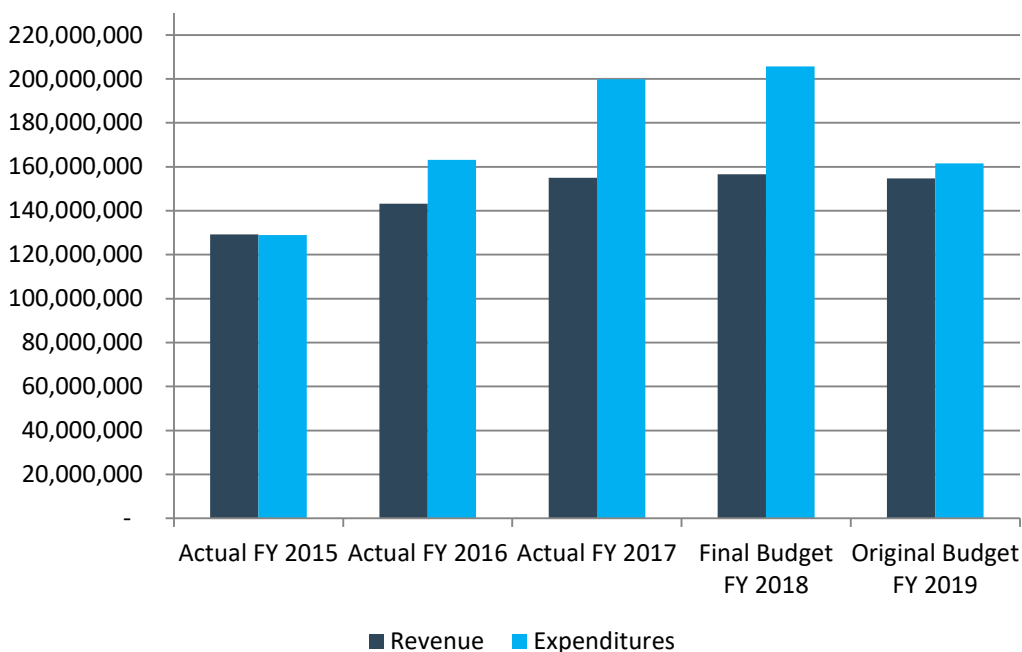
Revenue Summary by Fund FY 2015-FY 2019

Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
General	\$105,072,363	\$113,473,053	\$123,204,815	\$125,829,344	\$123,878,880
Student Activities	3,920,332	4,042,552	4,020,280	4,070,234	4,110,937
Non K-12	-	-	-	-	-
Tax Increment Fund	1,110,000	1,245,711	628,288	1,250,000	1,250,000
Debt Service	6,728,677	10,679,802	9,874,905	9,737,000	9,834,370
Capital Projects	6,632,400	7,884,799	11,656,010	10,383,490	10,247,427
Food Services	5,718,850	5,921,258	5,598,240	5,410,585	5,355,129
TOTAL	129,182,622	143,247,175	154,982,538	156,680,653	154,676,743

Expense Summary by Fund FY 2015-FY 2019

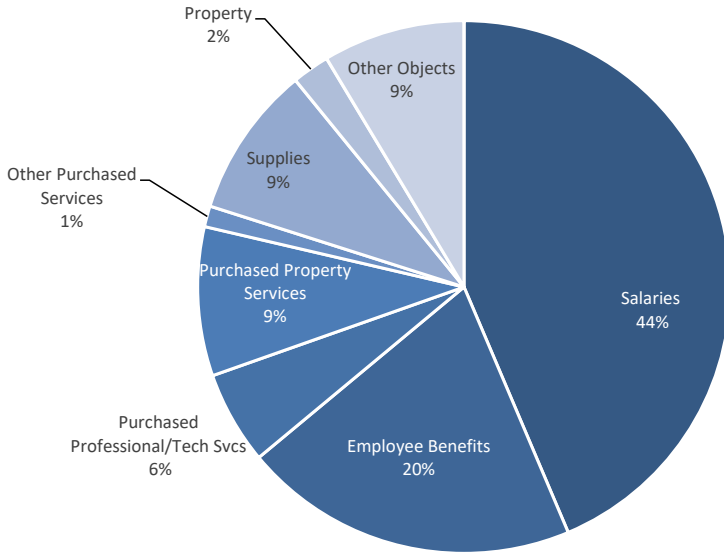
Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
General	\$103,134,712	\$109,219,337	\$118,671,664	\$125,784,477	\$125,307,299
Student Activities	3,763,176	3,863,852	3,665,417	4,268,000	4,268,000
Non K-12	273,856	-	-	-	-
Tax Increment Fund	1,110,000	1,245,711	628,288	1,250,000	1,250,000
Debt Service	6,455,797	9,834,812	9,837,978	9,737,000	9,737,000
Capital Projects	8,916,210	33,639,629	61,545,901	58,646,385	15,270,908
Food Services	5,336,939	5,387,139	5,527,221	6,019,509	5,670,520
TOTAL	128,990,690	163,190,480	199,876,469	205,705,371	161,503,727

Total Revenues & Expenditures: *FY 2015 to FY 2019*

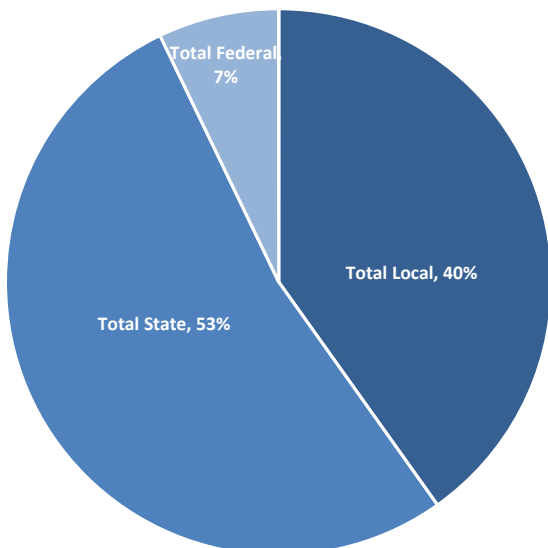


Summary: Revenue & Expenditures

Expenditures by Source: FY19



Revenue by Source: FY19

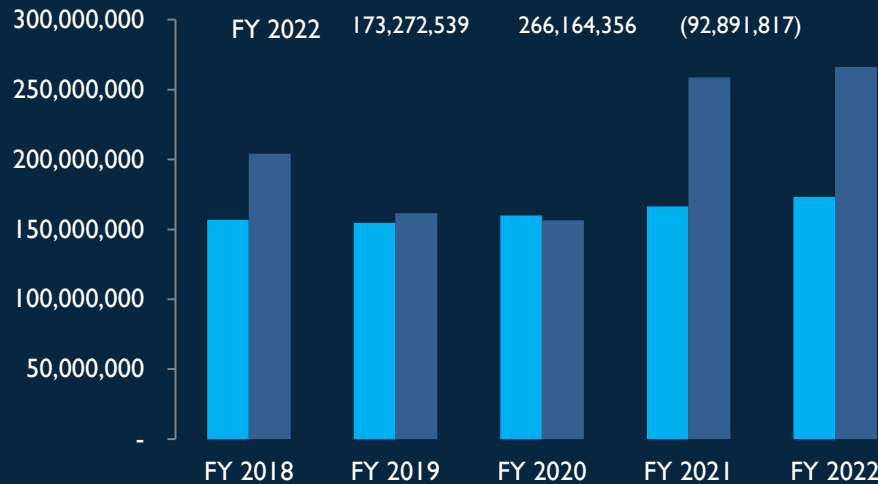


The Big Picture: Budget Summary

- WPU increase of 2.5%
- Enrollment stays flat
- Property tax revenues increase slightly due to basic rate freeze
- Minimal change in indirect rates
- Overall decrease in federal revenue
- State revenue down due to delayed enrollment adjustment (decrease in FY 18 enrollment held harmless)
- FTE's see slight increase
- Large teacher salary compensation increase (Average of 8%)
- FY19 capital expenditures includes \$7m in bond construction expenses
- Medical premium increases of 2%
- Retirement rate remains flat
- Professional services, travel and supplies decrease due to district austerity measures

Future Outlook

Fiscal Year	Revenues	Expenditures	Net
FY 2018	156,680,653	204,093,405	(47,412,752)
FY 2019	154,676,743	161,503,727	(6,826,984)
FY 2020	159,881,000	156,608,298	3,272,702
FY 2021	166,479,410	258,703,503	(92,224,093)
FY 2022	173,272,539	266,164,356	(92,891,817)



■ Revenues ■ Expenditures

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

Summary: Revenue & Expenditures

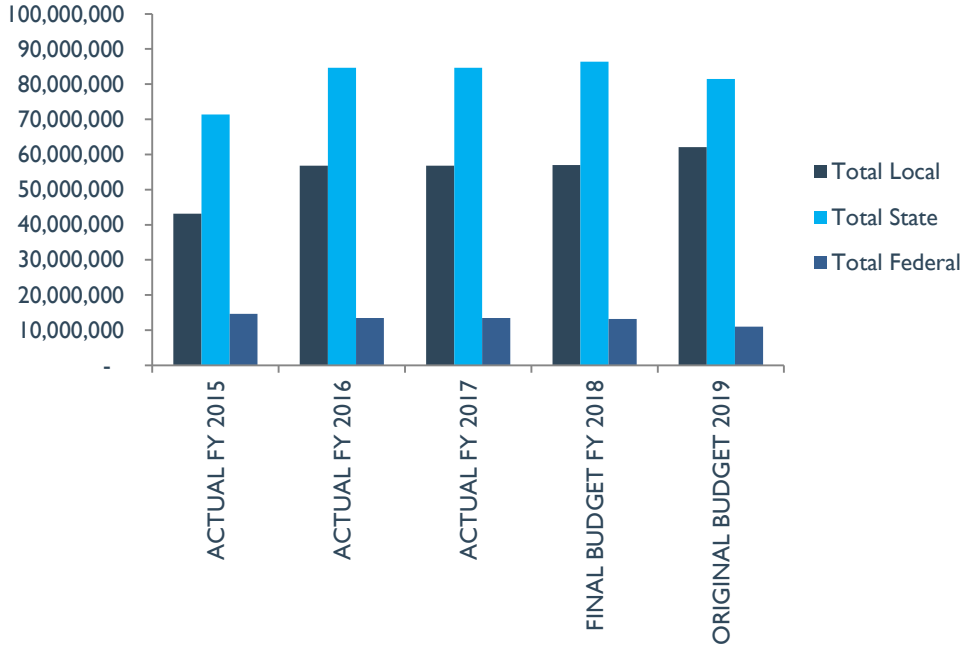
Revenue

State revenue as a percentage of total revenues will remain at roughly 53%, similar to prior years. Federal revenue continues to trend downward, and these funds are not replaced by the district. Local revenue, which comes primarily in the form of property taxes, is projected to see a larger increase in FY19 due to legislative adjustments to the basic tax rate which allows Districts to capture a greater portion of tax increases related to assessment value growth..

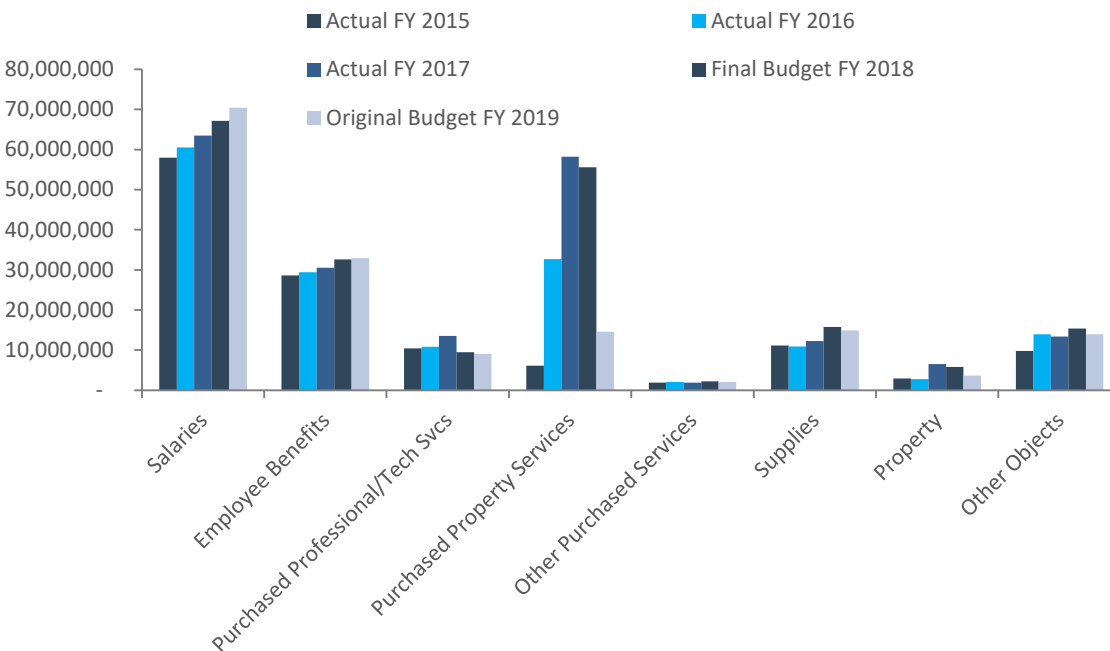
Expenditures

As a service organization, most District expenditures come in the form of salaries and benefits. As a result, when budget cuts are required, employee compensation isn't spared. Health insurance costs continue to increase, and in FY19 the District will continue to offer alternative plans to help alleviate the expense exposure. As health expenses continue to outgain revenue increases, it is expected that eventually the District will need to adjust coverage plans to maintain fiscal responsibility. The District has implemented an Employee Wellness program in FY19 with the hopes that participation in this program will minimize rate increases as well as employee health plan usage rates. The District's property services expenses will taper off this year as the remaining building construction projects related to our prior bond come to a close in FY19.

Revenues by Source: *FY15 to FY19*



Expenditures by Object Grouping: *FY15 to FY19*



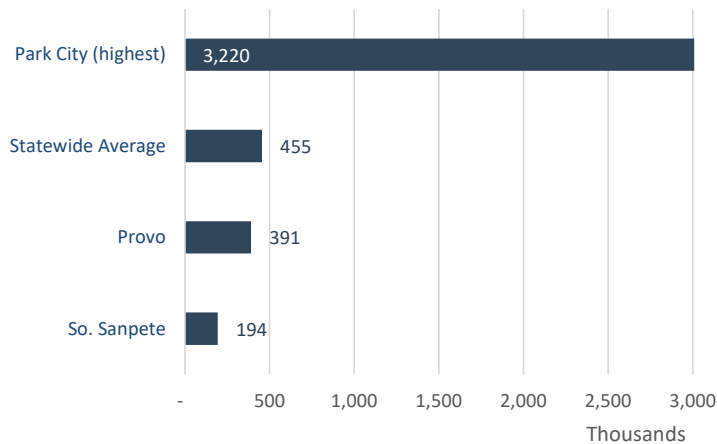


Quality choices for every child's future.

Budget Forecast, All Funds: *FY 2015 - FY 2022*

Summary: All Funds	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 43,153,390	\$ 50,929,001	\$ 56,839,919	\$ 57,000,408	\$ 62,123,174	\$ 63,455,000	\$ 66,355,000	\$ 69,300,000
Total State	71,360,702	78,150,999	84,634,484	86,447,561	81,497,178	84,789,000	88,201,410	91,751,539
Total Federal	<u>14,668,529</u>	<u>14,167,175</u>	<u>13,508,136</u>	<u>13,232,684</u>	<u>11,056,391</u>	<u>11,637,000</u>	<u>11,923,000</u>	<u>12,221,000</u>
TOTAL REVENUES	<u>129,182,621</u>	<u>143,247,175</u>	<u>154,982,539</u>	<u>156,680,653</u>	<u>154,676,743</u>	<u>159,881,000</u>	<u>166,479,410</u>	<u>173,272,539</u>
Salaries	57,989,807	60,539,697	63,513,827	67,121,627	70,419,804	72,512,000	74,708,000	77,685,000
Employee Benefits	28,601,716	29,397,236	30,544,657	32,622,687	32,898,791	33,558,000	34,587,000	35,649,000
Purchased Professional/Tech Svcs	10,444,964	10,853,624	13,535,970	9,472,770	9,110,500	9,223,157	9,402,073	9,585,008
Purchased Property Services	6,158,328	32,672,279	58,228,147	55,605,943	14,581,387	6,748,845	104,162,000	106,672,000
Other Purchased Services	1,871,878	2,094,497	1,935,457	2,248,623	2,036,960	2,060,773	2,085,796	2,111,820
Supplies	11,143,455	10,904,896	12,241,412	15,812,080	14,876,221	14,821,980	14,872,130	14,930,393
Property	2,962,404	2,794,731	6,517,077	5,793,818	3,660,601	3,688,000	3,768,000	3,850,000
Other Objects	<u>9,818,137</u>	<u>13,933,520</u>	<u>13,359,922</u>	<u>15,415,856</u>	<u>13,919,463</u>	<u>13,995,544</u>	<u>15,118,504</u>	<u>15,681,135</u>
TOTAL EXPENDITURES	<u>128,990,690</u>	<u>163,190,480</u>	<u>199,876,469</u>	<u>204,093,405</u>	<u>161,503,727</u>	<u>156,608,298</u>	<u>258,703,503</u>	<u>266,164,356</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>191,931</u>	<u>(19,943,305)</u>	<u>(44,893,930)</u>	<u>(47,412,752)</u>	<u>(6,826,984)</u>	<u>3,272,702</u>	<u>(92,224,093)</u>	<u>(92,891,817)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>53,482,888</u>	<u>58,573,261</u>	<u>25,432,557</u>	<u>165,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000,000</u>	<u>105,000,000</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>53,674,819</u>	<u>38,629,956</u>	<u>(19,461,373)</u>	<u>(47,247,752)</u>	<u>(6,726,984)</u>	<u>3,272,702</u>	<u>7,775,907</u>	<u>12,108,183</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>37,364,259</u>	<u>91,039,078</u>	<u>129,669,034</u>	<u>110,207,661</u>	<u>62,959,909</u>	<u>56,232,925</u>	<u>59,505,627</u>	<u>67,281,534</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS / FUND BALANCE -	<u>\$ 91,039,078</u>	<u>\$ 129,669,034</u>	<u>\$ 110,207,661</u>	<u>\$ 62,959,909</u>	<u>\$ 56,232,925</u>	<u>\$ 59,505,627</u>	<u>\$ 67,281,534</u>	<u>\$ 79,389,716</u>

Property Taxes: Tax Base and Rate Trends



Property value per student is estimated to be approximately **\$391,083** in FY 2018-19 (total assessed value in Provo divided by estimated enrollment).

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

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

Year	Assessed Valuation	Percent Change
2020-21P	\$7,198,009,998	4.3%
2019-20P	\$6,902,517,266	5.0%
2018-19F	\$6,571,342,032	5.1%
2017-18	\$6,253,812,944	17.6%
2016-17	\$5,319,149,189	6.6%
2015-16	\$4,991,750,387	11.1%
2014-15	\$4,492,633,509	5.4%
2013-14	\$4,263,318,359	3.6%

Residential

Year	2017-18	2018-19
Home Value	\$250,000	\$250,000
Residential Exemption	45%	45%
Assessed Value	\$137,500	\$137,500
District Total Tax Rate	0.007327	0.007576
District Property Taxes	\$1,007.46	\$1,041.70
Taxes per \$1,000 of value:	\$4.03	\$4.17



Residential
Taxes per \$1,000
of Assessed
Value: **\$4.17**

Business

Year	2014-15	2015-16
Business Value	250,000	250,000
Assessed Value	250,000	250,000
District Total Tax Rate	0.007327	0.007576
District Property Taxes	\$1,831.75	\$1,894.00
Taxes per \$1,000 of value:	\$7.33	\$7.58



Business
Taxes per \$1,000
of Assessed
Value: **\$7.58**

Long-term Debt: *as of June 30, 2018*

GENERAL OBLIGATION BONDS

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
2015A Series G.O. Bonds	Bond Refunding	22,790,000	2.13%	June 15, 2027	19,750,000
2015 Series G.O. Bonds	School Building	50,615,000	2.25% to 5%	June 15, 2035	45,690,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	48,875,000
Total General Obligation Bonds Payable as of June 30, 2017					<u>\$ 114,315,000</u>

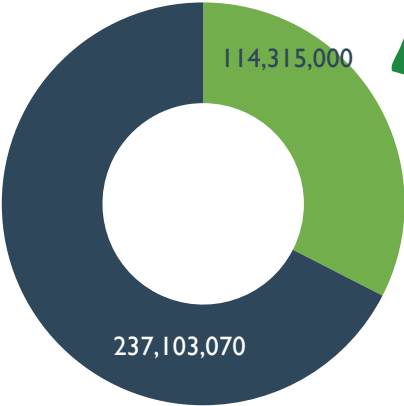
(Principal only)

District Actual Debt & Debt Level

The approximate fair market value of taxable properties in Provo is \$8.8 billion, meaning the District's general obligation debt limit is approximately \$351 million ($\$8.8 \text{ billion} \times 4\%$). The District's general obligation debt is at 1.30% of the assessed fair market value of Provo - far less than what is allowed by law.

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

G.O. Debt vs. Debt Limit
As of June 30, 2018

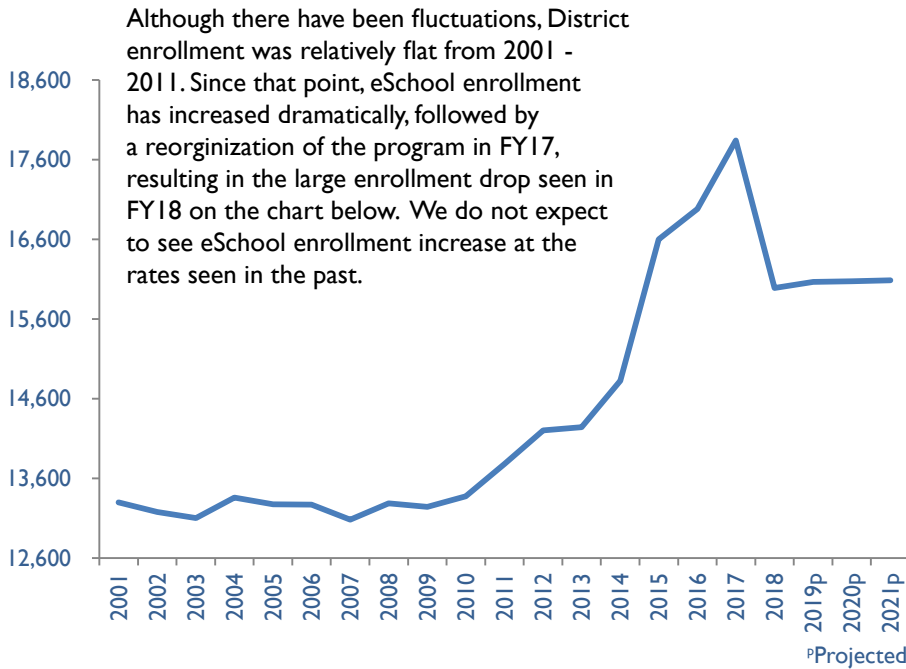


This figure represents the District's remaining possible debt burden.



District Enrollment

2001 - 2021

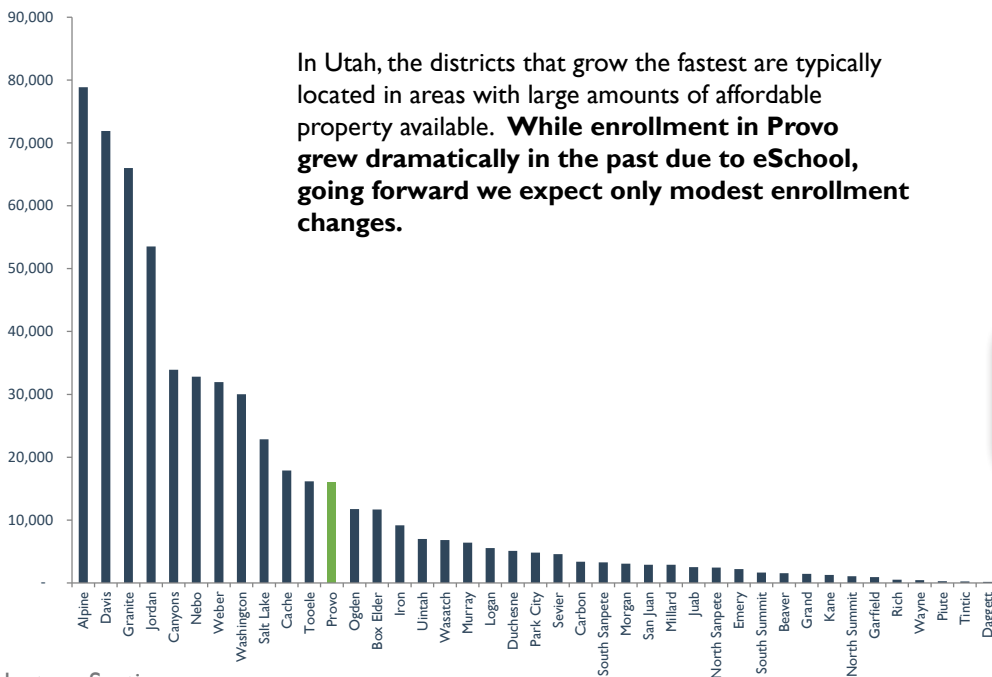


Over the next several years, the school-age population in Utah is expected to grow dramatically, while in Provo it's projected to remain relatively flat.

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

Year	Enrollment
2003	13,103
2004	13,359
2005	13,273
2006	13,272
2007	13,083
2008	13,288
2009	13,241
2010	13,376
2011	13,779
2012	14,202
2013	14,241
2014	14,824
2015	16,600
2016	16,983
2017	17,840
2018	15,991
2019	16,067
2020	16,076
2021	16,085

Statewide Enrollment: Fall 2017



Projected

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

Function	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 ^p
Instruction	977	984	998	1,005	1,002	1,022	1,020	1,022	1,020
Student Support	49	50	50	50	50	68	84	101	102
Teacher Support	31	32	32	32	27	29	42	90	92
General Administration	16	17	17	17	17	24	26	17	17.5
School Administration	70	70	70	72	65	71	76	81	81
Business and Central	27	26	26	26	41	47	51	43	44
Operation and Maintenance	95	95	95	95	133	109	114	114	115
Transportation	44	46	46	46	66	51	39	48	48
Other Support	25	26	26	26	0	0	-	-	-
Food Services	92	92	80	84	77	82	87	76	80
Community Services	93	93	93	93	103	62	47	4	5
Total FTEs	1,519	1,531	1,533	1,546	1,583	1,566	1,587	1,596	1,604

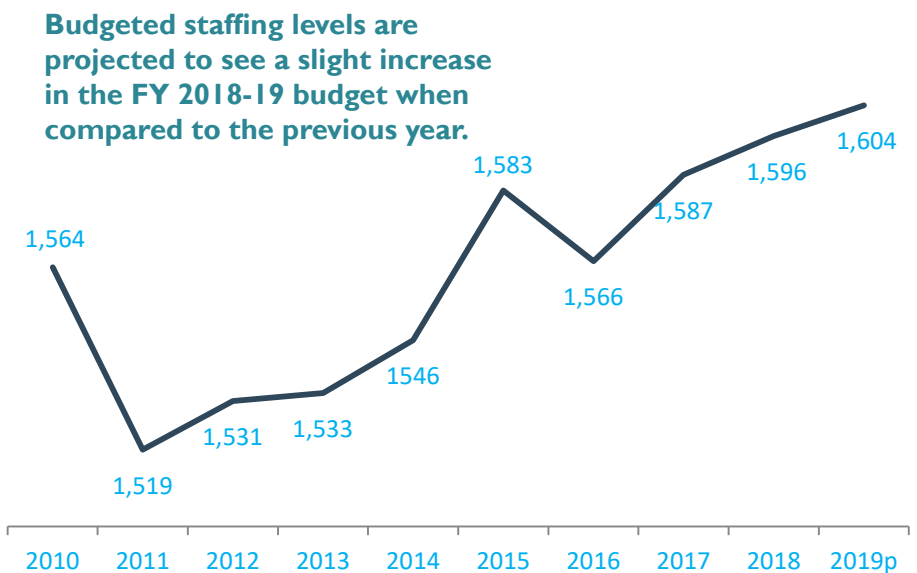
^pProposed

** FY 2018 FTE employee functions were adjusted to align with new State-mandated reporting standards, resulting in the large function shifts seen in the totals above.

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 2018-19 the Board of Education and management have made the decision to try to keep average class-sizes at 27.5, roughly the same size as in the prior year. As regular school enrollment flattens out we expect to see minimal instructional staffing changes.. The District is always striving to reduce instructional class sizes while balancing that desire with the financial constraints we operate within.

Staffing Levels by FTE: *FY 2010 to FY 2019*



Student Achievement & Per Pupil Spending

True ROI

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

Some of the District's noteworthy accomplishments include:

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

FY 2019 Spending Per Student: **\$8,953**

(excluding debt and long-term capital expenditures)

Support:
38%

Instruction:
62%

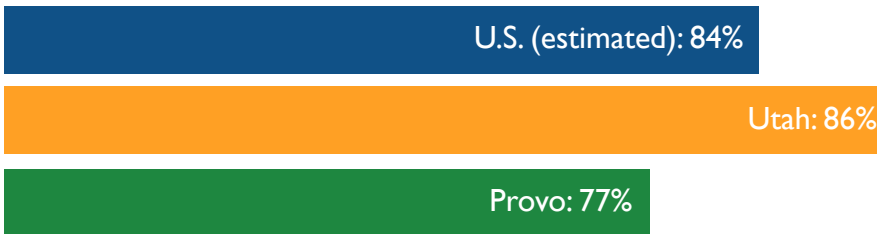


Note regarding per pupil spending: It can be misleading to compare Provo City School District's per pupil spending to other districts in Utah and in the U.S.. A lack of recent comparable data and varying methods of computing expenditures can distort figures and make comparisons confusing and inaccurate.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

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

Student Achievement: *Graduation Rates and ACT® Scores*

Graduation Rates, 2016-17



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

ACT Scores, 2012-16 (most recent year available)

ACT % of students with score = 18+		
	District	State
2012	73%	74%
2013	73%	74%
2014	75%	74%
2015	74%	69%
2016	68%	65%
2017		

Source: Utah State Office of Education

At 77%, the District's graduation rate for the 2017 school year is substantially lower than the average rate in the State of Utah, and also lower than the last available national rate of 84% (FY2016). While Provo High's rate for FY17 was 89% and Timpview High's was 92%, Provo also offers other options for students that don't fit well into these traditional school programs but are still factored in to the overall District graduation rates. Provo School District's alternative high school, Independence High, for example, lagged far behind our traditional high schools with a graduation rate of 50% and our eSchool program's rate of 18% also drastically affected the district's overall graduation rate last year. While the District average is lower than desired, it is important to note that looking at just the District rate as a whole does not necessarily indicate programmatic success.

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

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



Organizational Section

The District *Entity*

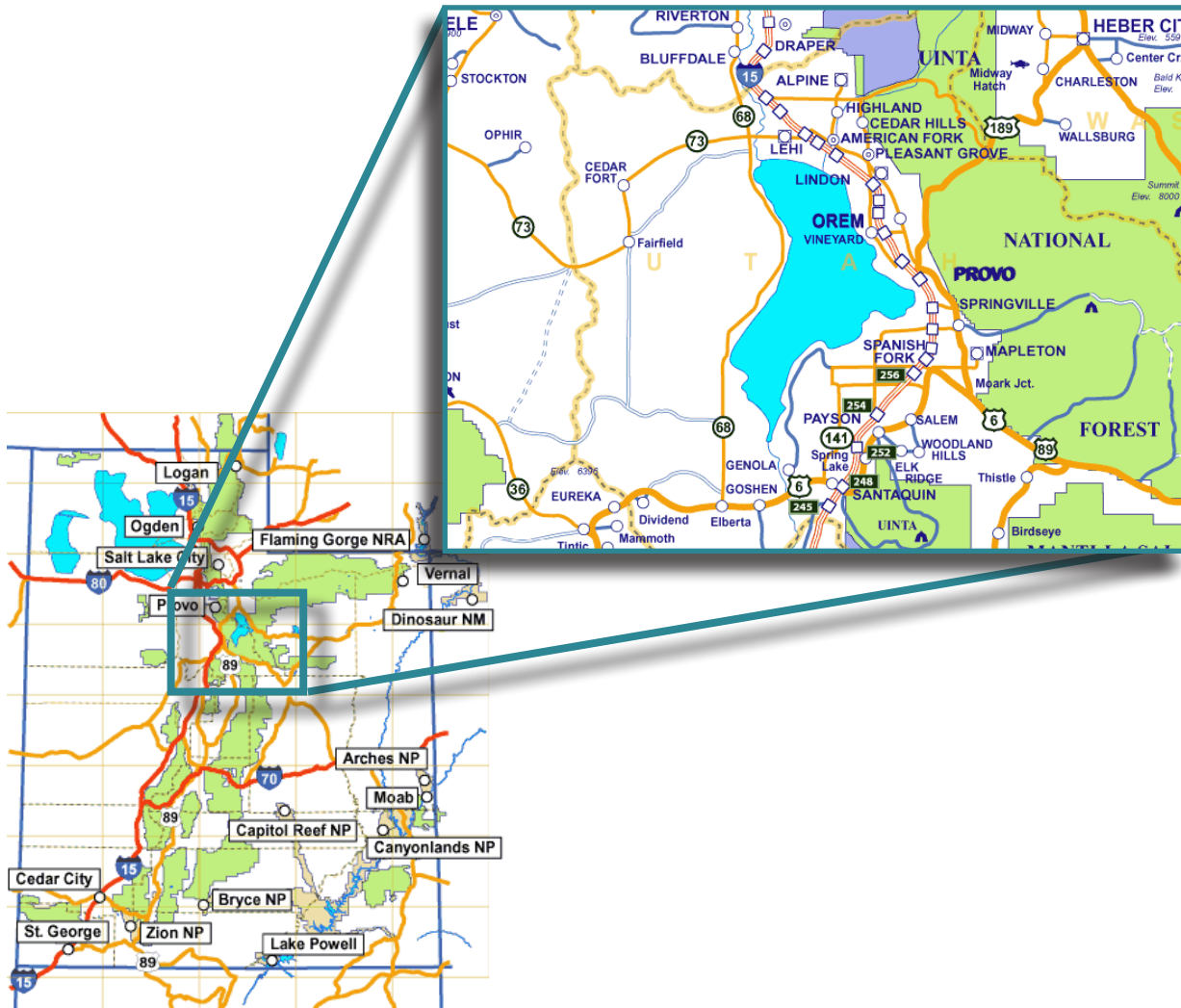
Legal and Fiscal Considerations

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

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

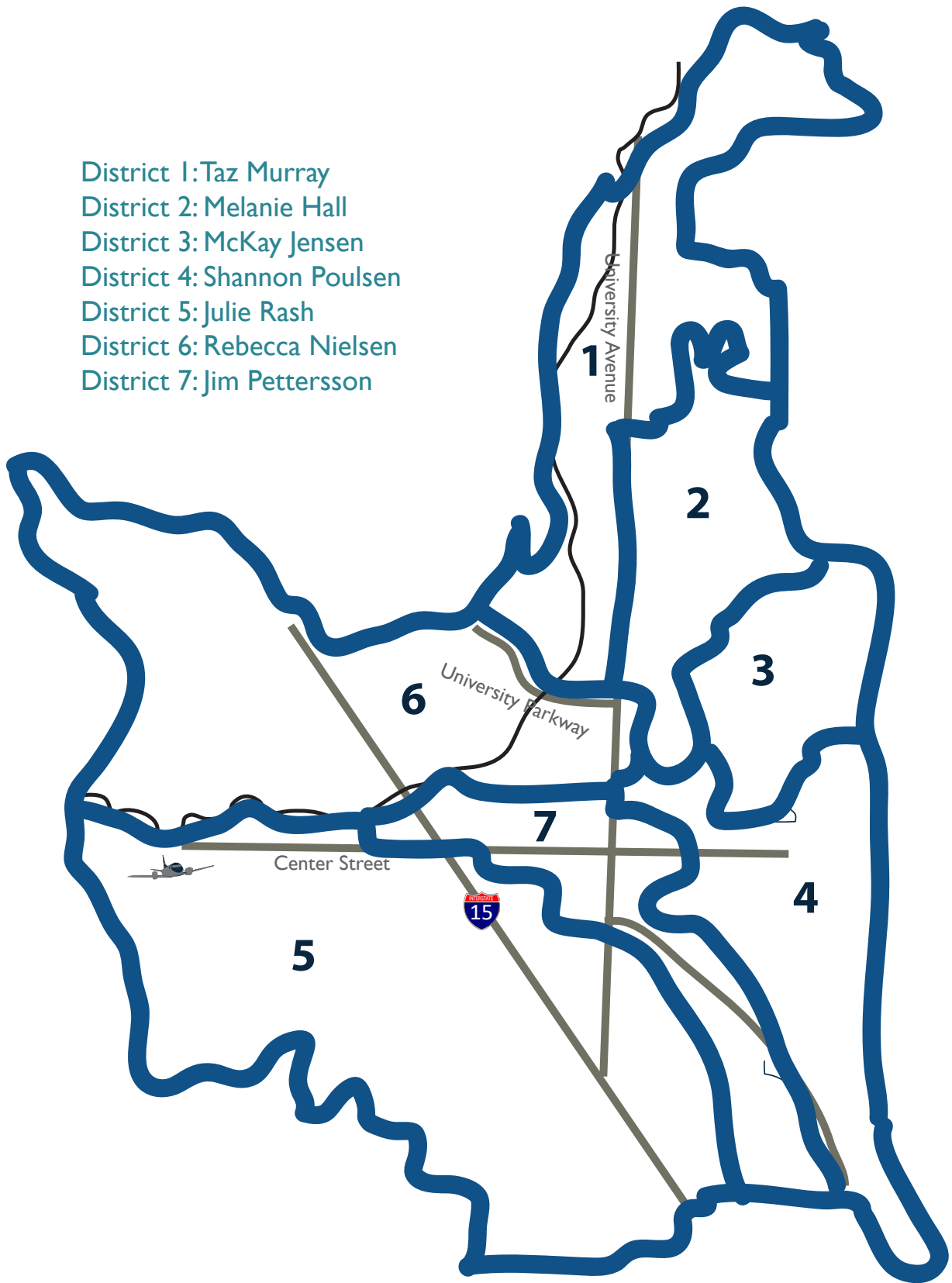
Service Area

It was mentioned previously that the District resides wholly within Provo City boundaries. Provo, with a population of approximately 117,335 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, 2017, the District had 15,991 students enrolled, making it the 12th largest of Utah's 41 school districts.**



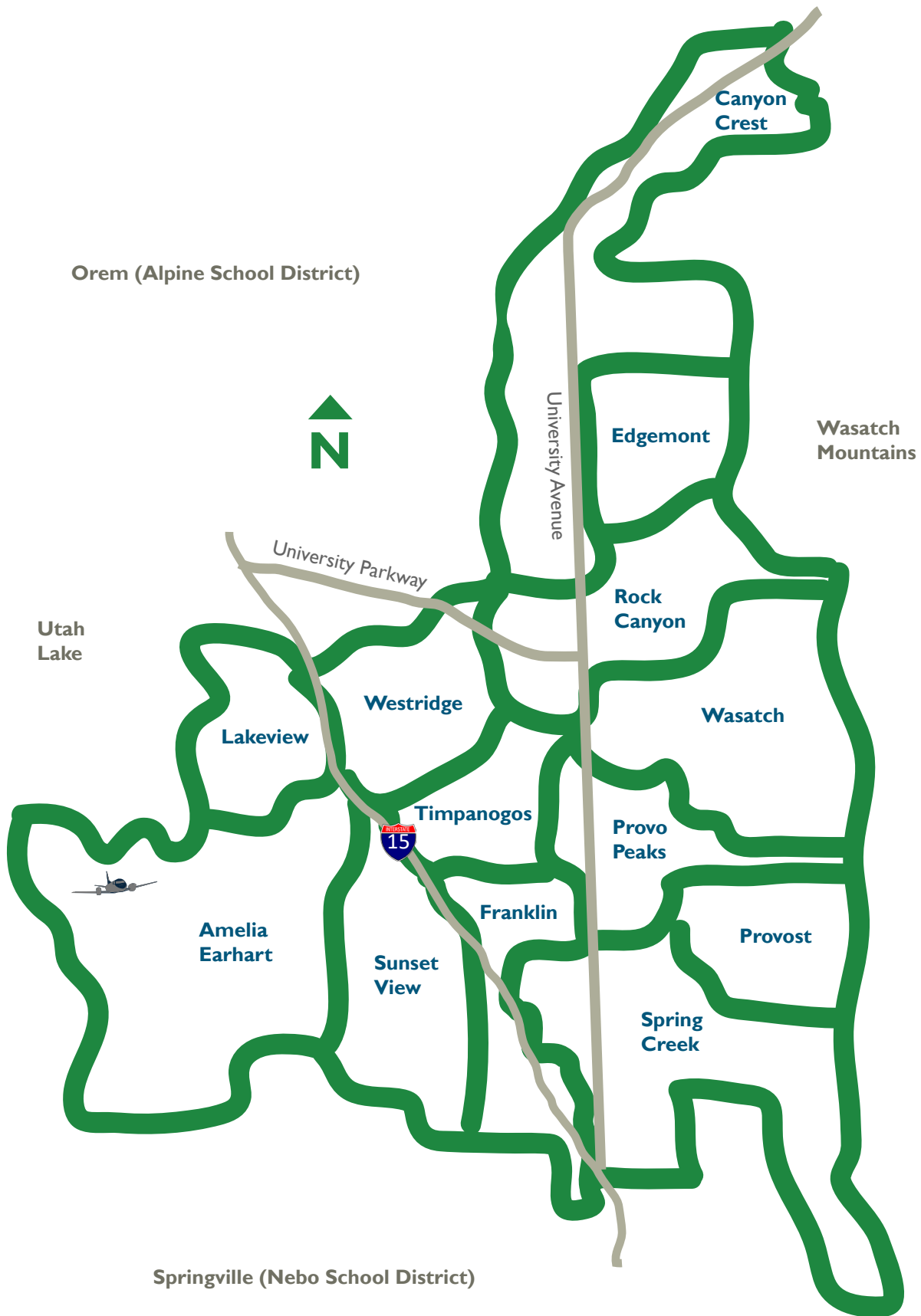
Voter Precincts: 2018-19

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



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

District Elementary School Boundaries: 2018-19



District Departments

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

Teaching & Learning

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

Student Services

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

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

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

Food Services

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

Transportation

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

Maintenance

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

Personnel

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

District Departments: *Continued*

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

Career and Technology Education

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

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

Special Programs

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

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

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

Business Administration

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



Staffing Levels by Function: *FY 2011 to FY 2019 (proposed)*

Function	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019p
Instruction	977	984	998	1,005	1,002	1,022	1,020	1,022	1,020
Students	49	50	50	50	50	68	84	101	102
Instructional Staff	31	32	32	32	27	29	42	90	92
General Administration	16	17	17	17	17	24	26	17	17.5
School Administration	70	70	70	72	65	71	76	81	81
Business and Central	27	26	26	26	41	47	51	43	44
Operation and Maintenance	95	95	95	95	133	109	114	114	115
Transportation	44	46	46	46	66	51	39	48	48
Other Support	25	26	26	26	0	0	-	-	-
Food Services	92	92	80	84	77	82	87	76	80
Community Services	93	93	93	93	103	62	47	4	5
Total FTEs	1,519	1,531	1,533	1,546	1,583	1,566	1,587	1,596	1,604

^pProposed

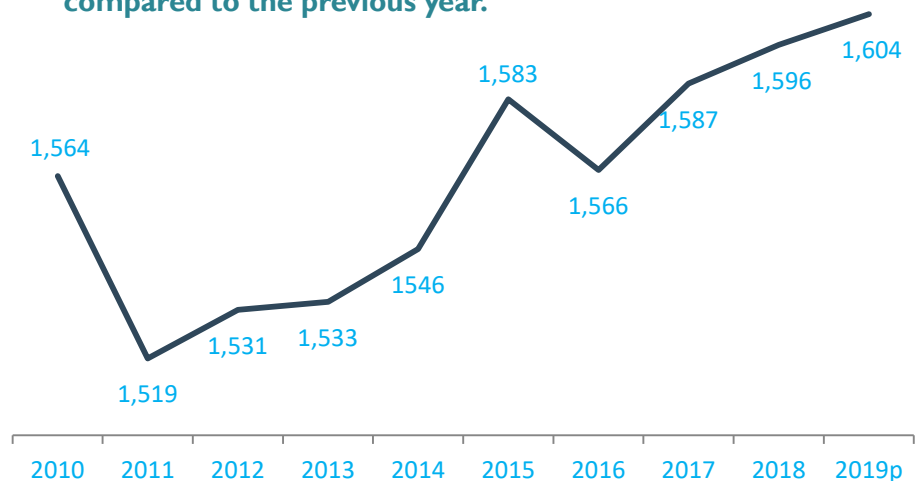
** FY 2018 FTE employee functions were adjusted to align with new State-mandated reporting standards, resulting in the large function shifts seen in the totals above.

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.

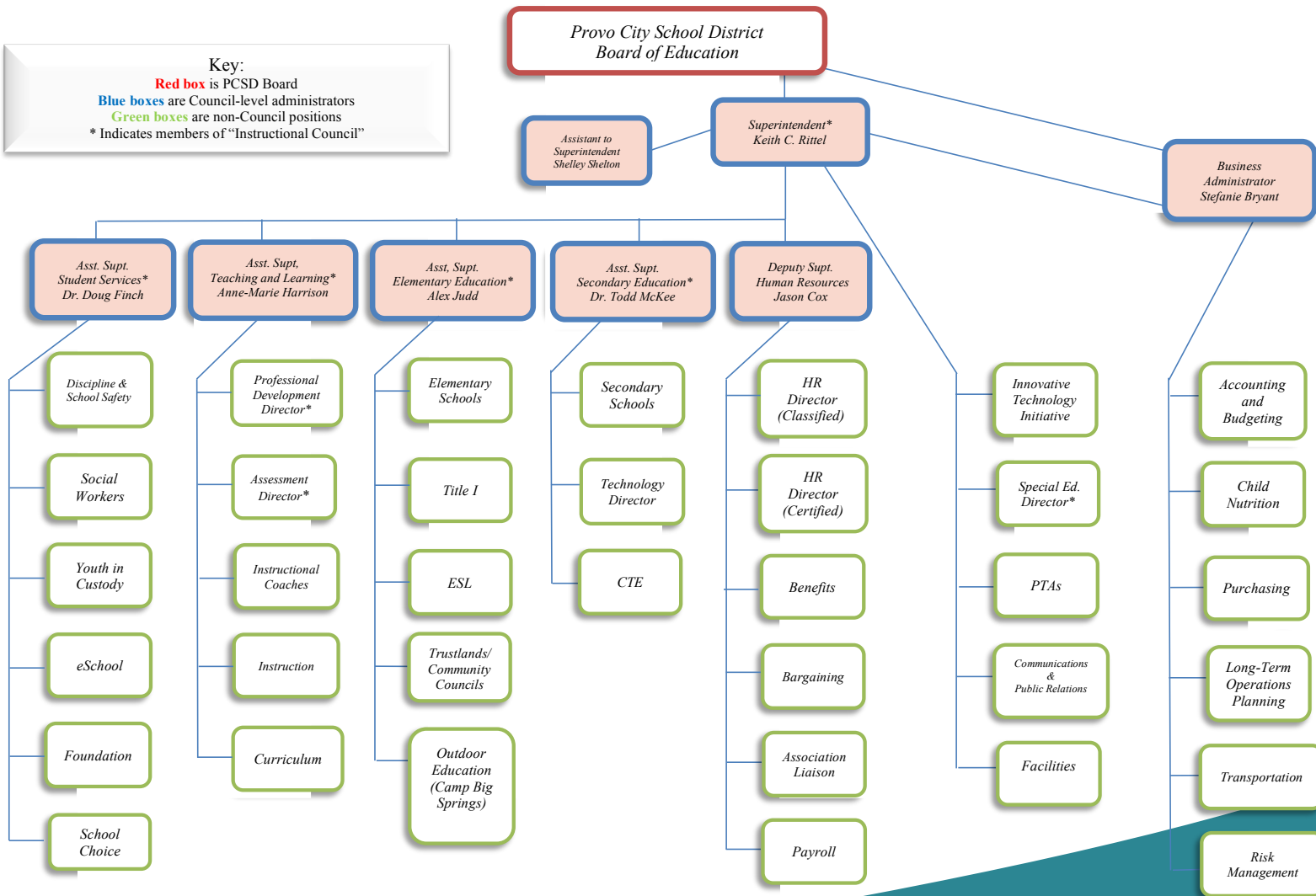
For 2018-19 the Board of Education and management have made the decision to try to keep average class-sizes at 27.5, roughly the same size as in the prior year. As regular school enrollment flattens out we expect to see minimal instructional staffing changes.. The District is always striving to reduce instructional class sizes while balancing that desire with the financial constraints we operate within.

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

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



Organizational Chart



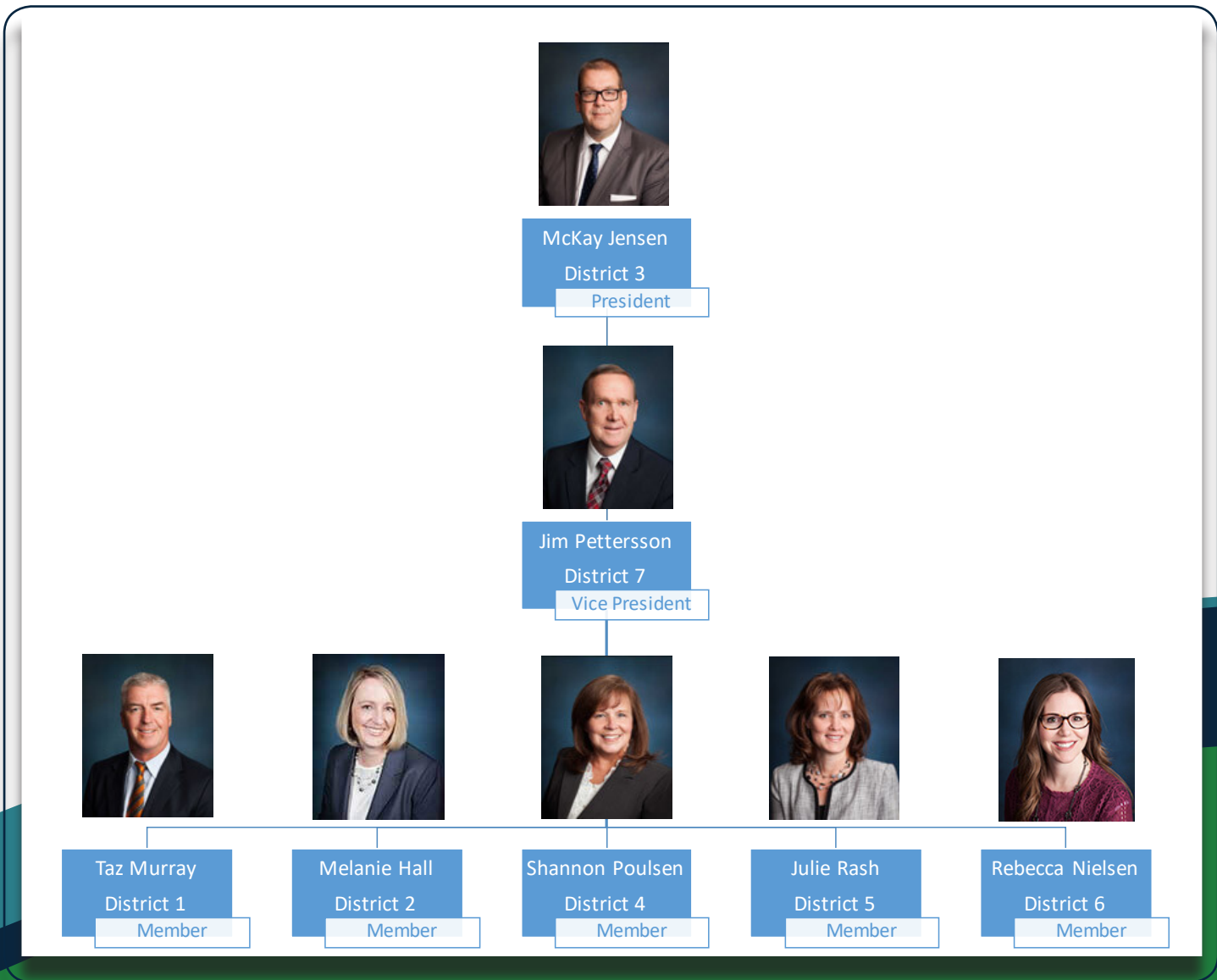
Updated 7.26.18

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

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

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

School Board of Education



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

Goals, Planning, and Achievement
Provo City School District

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

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

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

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

1. Pursuit of Excellence

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

2. Lifelong Learning

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

3. Individual Potential

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

4. Inclusion of All

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

5. Family Partnerships

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

6. Civic Engagement

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

7. Literacy

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

20/20

Long-range 20/20 Plan: *Imperatives*

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

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

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

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

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

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

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

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

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



District Improvement Plan: *The Provo Way*

With guidance from the community, experts in the field, District Administration and the School Board, the District continues to operate under the guiding umbrella of the District Improvement Plan (DIP). This plan builds on the continuing effort of the District to use Learning Targets to make learning visible in our classrooms. Continuous improvement and implementation of this plan continues the District on the path towards creating a unique culture within the District: **The Provo Way.**

DISTRICT AIM

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

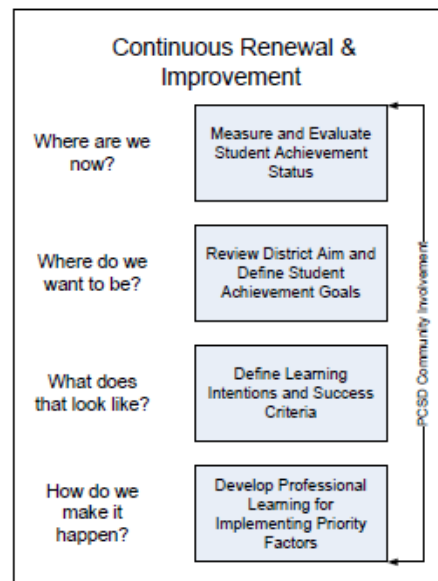


District Improvement Plan: *The Provo Way*

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

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

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



Where are we?

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

Where would we like to be?

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

Board Goals

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

20-20 Initiative – Guiding Principles

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

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

District Improvement Plan: *The Planning Process*

INTRODUCTION

The students and educators of Provo City School District enjoy a legacy of commitment and caring in a community rich with diversity. The community has rallied to support the building of four new schools, and rebuilding five schools, in the past decade. This community support and interest in its schools has been a hallmark of Provo City.

GOALS

Superintendent Keith Rittel and the Board of Education define the aim for the district improvement plan:

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

Because, as emphasized by Connie Moss and Susan Brookhart in *Learning Targets*, “our beliefs are the best predictors of our actions in any situation,” the district aim statement establishes our core belief and is the foundation of the actions we plan and take.

And, this belief predicts our actions –

- We have an improvement plan that focuses on student outcomes.
- We will execute our plan together.
- We will review and measure our performance.
- We will continuously improve teaching and learning.



Board of Education Goals

Our actions will focus on achieving five goals set by the board of education:

1. Continuous academic improvement and transparency.
2. Support for teachers and teaching aligned with research, best practices, and teacher-identified needs.
3. Improved certainty and stability in the direction of the district.
4. Financial prioritization, long-term planning, and transparency.
5. 91% of students receiving a high school diploma.

Additionally, the district commits to the state goal of ensuring reading proficiency for students by the end of third grade.

PLAN

To accomplish our goals, we collaborate to set our priorities in this district improvement plan. As we implement this plan, we evaluate our impact and improve our actions as needed with a focus on student success.

The District Improvement Plan has two phases; each phase includes a goal in each of John Hattie’s *Visible Learning* categories.

Category	Phase 1	Phase 2
<i>Student</i>	Active Learner	Student Expectations
<i>Home</i>	Active Parental Engagement	Positive Parental Communication
<i>School</i>	Instructional Leadership	Acceleration of Learning
<i>Teacher</i>	Teacher Clarity	Teacher Credibility
<i>Curriculum</i>	Repeated Readings	Vocabulary Programs
<i>Teaching Approach</i>	Feedback	Formative Assessment

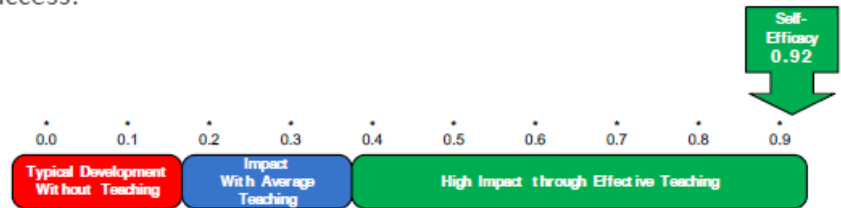
District Improvement Plan: *In Action*

1. ACTIVE LEARNER (SELF-EFFICACY)

STUDENT FACTORS – PHASE 1

DEFINITION

Students who believe they can learn will be motivated to master the learning targets and persistently be able to use the success criteria to measure success.



EVIDENCE OF IMPLEMENTATION

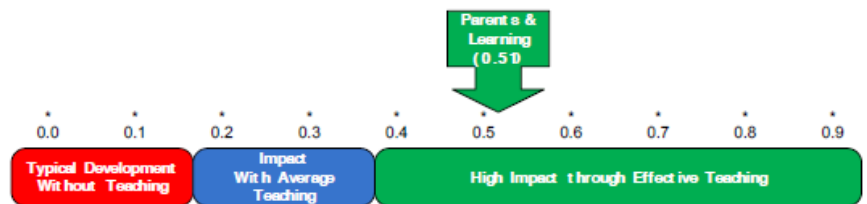
- Students will demonstrate grit/perseverance/a growth mindset in their learning.
- Students demonstrate a belief that, with work, they can learn difficult concepts and skills.
- Students will know learning targets and success criteria and will seek feedback as they assess themselves in their learning.

2. ACTIVE PARENTAL ENGAGEMENT

HOME FACTORS – PHASE 1

DEFINITION

Parents actively engaged in their child's learning at school and at home.



EVIDENCE OF IMPLEMENTATION

- Parents create a home environment that promotes and supports education.
- Parents have high expectations for their child's learning.
- Parents regularly participate in school activities and communicate with school staff members, particularly when they are concerned about their child's learning.

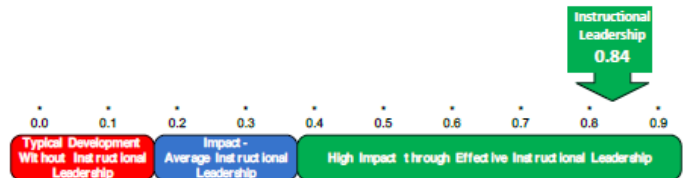
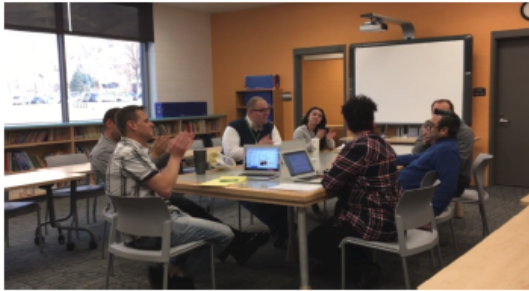
District Improvement Plan: *In Action*

3. INSTRUCTIONAL LEADERSHIP

SCHOOL FACTORS – PHASE 1

DEFINITION

Administrators focus on teaching and learning—especially measurable student progress—to help ensure student and teacher success.



EVIDENCE OF IMPLEMENTATION

- Administrators make instructional decisions based on student achievement data.
- Administrators demonstrate strong pedagogical skills and knowledge.
- Administrators focus their schools on student learning by measuring learning, providing coaching and clinical supervision, and communicating goals and progress.

4. TEACHER CLARITY

TEACHER FACTORS – PHASE 1

DEFINITION

Teacher clarity is the effective use of learning targets, success criteria, performances of understanding, feedback, and formative assessment.



EVIDENCE OF IMPLEMENTATION

- Teachers post, share, and embed learning targets with success criteria in daily lessons to promote self-regulated learners.
- Teachers assess students and give targeted feedback based on success criteria.
- Teachers elicit and apply student feedback to improve instruction.
- Teachers foster student ownership of learning.

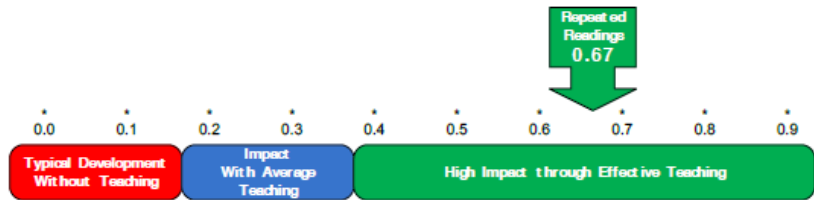
District Improvement Plan: *In Action*

5. REPEATED READINGS

CURRICULUM FACTORS – PHASE 1

DEFINITION

Repeated readings in curriculum means curricular materials provide beginning readers with short passages of text to reread until a satisfactory level of fluency is achieved.



EVIDENCE OF IMPLEMENTATION

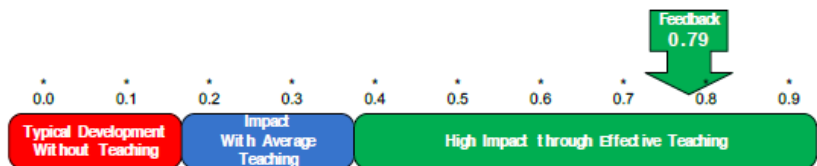
- Elementary ELA curricular materials include texts for repeated readings and guidance to teachers on their use.
- Elementary ELA curricular materials guide teachers in knowing how and when to use the repeated reading method.
- Supplementary and intervention ELA curricula, for struggling readers, includes repeated reading to build student fluency.

6. FEEDBACK

TEACHING APPROACH FACTORS – PHASE 1

DEFINITION

Feedback is timely information about the performance of a task, given from one person to another. Teachers give feedback to students, students give feedback to teachers, and teachers train students to give peer feedback.



EVIDENCE OF IMPLEMENTATION

- Teachers provide timely feedback to students throughout the learning process.
- Teachers seek feedback from students to improve instruction.
- Teachers and students base feedback on success criteria.

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District Goals: *Department Priorities and Financial Impacts*

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

Teaching & Learning – Curriculum Replacement Plan

Continuing with the District's Math and Language Arts implementation plan, the District has set aside \$750k to implement a new math curriculum in FY 2019. Mountain State Schoolbook Depository is providing this curriculum to the District.

Technology – District Provo Way Learning Initiative

This initiative focuses on putting technology into the hands of elementary students to aid in classroom instruction and assessment. Now in its third year, the District has set aside \$550k for equipment, training, and payroll expenses related to managing the program. This will bring total participation in this program to over 120 classrooms.

Teaching & Learning – Orchestra FTE

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

Teaching & Learning – PSAT Testing

The District is placing an increased focus on ensuring that our students are taking a long-term approach to their education, with the goal of reaching a 100% graduation rate. In order to help achieve that goal we are allocating additional funds to provide additional PSAT testing preparation and to help cover student testing fees as necessary.

Teaching & Learning – Positive Behavior Interventions and Supports (PBIS) Data and Coordinator FTE

As the District continues to increase its focus on tracking educational progress of all students, it was decided that additional staffing was needed to more closely understand and track students with behavioral needs so that we can provide effective educational solutions for these students who many times fall at risk of not graduating. A total of \$50k is set aside in this year's budget for this purpose.

District Goals: *Department Priorities and Financial Impacts*

Teaching & Learning - Data Dashboard

Again, in order to more effectively track student assessment data, along with gauging teacher instructional effectiveness, the District will be implementing a new data dashboard system that will make student and teacher data accessible to evaluators in a way never before possible at the District. We have set aside \$80k for this purpose in the FY 2019 budget.

Teaching & Learning - DIBELS Testing Grades 4-6+

DIBELS is a standardized test which evaluates basic early literacy skills in students. By allocating an additional \$10.5k towards this testing the District believes it can better identify and provide literacy interventions for those students requiring additional educational support during these early elementary years.

Teaching & Learning - Curriculum Specialist FTE

The District has identified a need for an additional Curriculum Specialist to assist with the implementation of curriculum changes and tracking usage/effectiveness. There is \$80k allocated in this year's budget for this purpose.

Personnel - Teacher Salary Increases

The District has put a large emphasis on attracting and retaining highly effective teachers. To this end, a significant teacher salary increase was implemented, along with teacher salary schedule structure changes, with the intent of minimizing certified staff turnover and rewarding those teachers who contribute so much to the success of our students. Both one-time funds and ongoing funds combine to result in a total budget allocation of \$5M dedicated to this priority.

Personnel - District Wellness Program

As part of the District's health insurance agreement we are implementing an employee wellness program. Sufficient participation in this program allows the District to minimize health insurance premium rate increases. In order to ensure we achieve the participation rates necessary, we have allocated \$300k for participation incentives and program implementation costs.

Transportation - School Bus Replacements/Additions

The District has allocated \$675k for 4 buses to replace aging vehicles and an additional 3 buses that are required as a result of route changes at the new Provo High School.

Facilities - Building Security FTE

The District has allocated \$70k in this year's budget for a facilities security FTE to help ensure that our facilities are safe for students and also are secured after hours. This is in response to both national trends as well as concerns regarding potential issues from our patrons.

District Goals: *Department Priorities and Financial Impacts*

Facilities – BOND Construction Management

Principal construction at both Provo Elementary and Provo High School was completed this past summer. However, as the facilities team and contractors work through final punchlist items we will see the last of the project expenses roll in during this fiscal year. We have allocated a total of \$7.35M in this year's budget for these items on company personnel, as well as the community which will be paid from one-time rollover funds from the prior fiscal year.

Technology – Bus/Other Security Cameras

The District has a need to update the security cameras both within our buses as well as at some of our older schools. To achieve this we have budgeted \$200k for bus cameras and other security related technology.

Technology – Audio/Visual Replacement and Personnel

The District is allocating \$180k for both general A/V technology updates within our classrooms as well as for a new position within the Technology department dedicated to ensuring these systems work for our teachers & students effectively, and that they are properly maintained going forward.

Student Services – After School Programs

The District runs a significant number for after school clubs and programs including education interventions, supplementary education, and other enrichment activities. However, as changes are made at the federal level, the we have allocated an additional \$100k in local funds for after school programs with the intention of mitigating some of the impacts federal funding reductions will have on these programs.

Personnel – Intern Hiring Incentive

The District has set aside \$50k for the purpose of retaining those interns we identify as high quality teachers, and which we would like to have return to fill openings at our District the next year. This incentive is for those who agree to a contract the following year prior to the end of the current school year.

Technology – Tech Replacement

The District continues to maintain its technology replacement cycle and has set aside \$900k in this year's budget for the purpose of ensuring that classroom technology is refreshed on a regular basis. This includes teacher and student computers as well as school technology infrastructure such as wireless access points, routers, etc.

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



Goal 1: Continuous Academic Improvement and Transparency

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



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

Professional Development

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

Staff Retention

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

Teacher Coaching

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



District Goals: *Prior Year Accomplishments*



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

Safe Schools

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

Revision of Policies: 27 Approved/13 Revised

Weekly Staff newsletters



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

Utilities Conservation

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

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

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

Finance Accomplishments

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



Goal 5: Teamwork, Professional Conduct, and Civility

School Board Recognitions: 109 (31% increase)

Instructional Strategies Committee Meetings: 9

Math Committee Meetings: 9

Literacy Committee Meetings: 9

HR/Employee Committee Meetings: 33

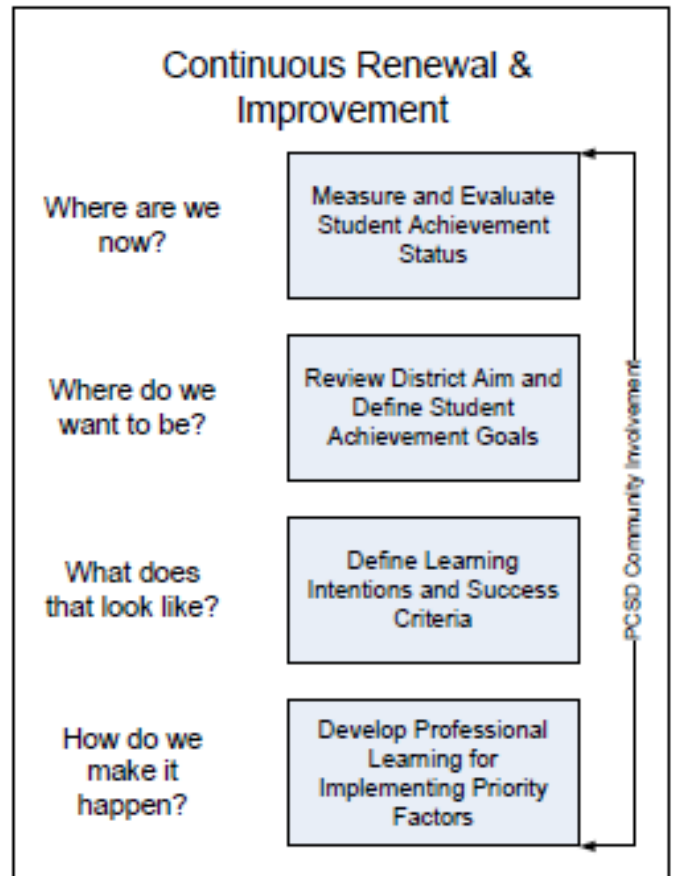


“In partnership with parents and community, we cultivate highly effective learning environments where all students engage, think, and learn in order to contribute, create and innovate for a lifetime.”

Connecting the *Short and Long Terms*

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

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



District Budgeting Process
Provo City School District

Significant Laws *Affecting the Budget*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

for appropriation in the budget of the following year.

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

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

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

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

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

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

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

53A-19-107. Emergency expenditures.

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

53A-19-108. Monthly budget reports.

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

A. the amounts of all budget appropriations;

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

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

Financial & Budget Administration Policies

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

I. Operating Budget Policies

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

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

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

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

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

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

2. Capital Improvement Budget Policies

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

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

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

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

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

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

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

3. Debt Management Policies

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

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

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

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

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

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

Financial & Budget Administration Policies *Continued*

4. Revenue Estimation Policies

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

5. Fund Balance and Reserve Policy

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

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

6. Accounting, Auditing, and Financial Reporting Policies

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

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

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

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

Some Notes on Policy *Compliance*

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

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

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

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

Budget Development & Review Process

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

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

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

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

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

Capital Budget *Development*

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

How Policies and Processes Affect *Budget Development*

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

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

Budget Administration & Management Process

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

Balanced Budget: *Definition*

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

“The District’s budget is balanced under Scenario Three for FY 2019.”

Balanced Budget Scenarios

Scenario One: Revenues = Expenditures

Scenario Two: Revenues > Expenditures

Scenario Three: Revenues + Appropriated Fund Balances = Expenditures

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

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

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

For FY 2019, the District’s budget is balanced under Scenario Three. With the voter-approved Bond construction now in full swing, the District will tap into that funding source during this fiscal year. The District is also in the process of purchasing new Math and Language Arts curriculum materials. These projects are planned spend-downs that are the result of one-time projects.

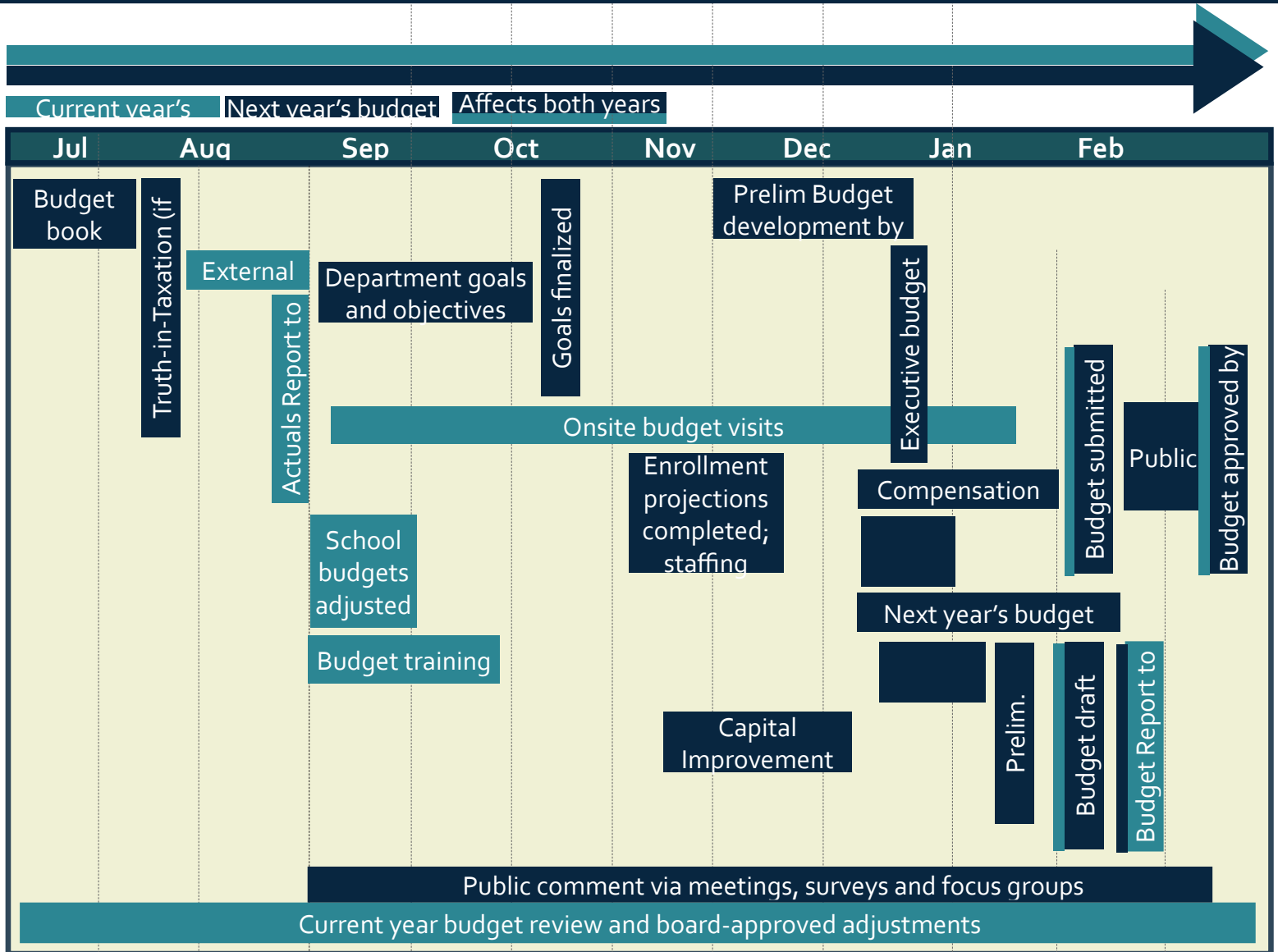
Have feedback? Please send an email to budget@provo.edu. This email account is checked regularly by District administrators.

Budget Approval & Adjustment Process

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



Budget Development and Review Process: *Budget Timeline*



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

Key Budget Dates:

- July 15 Previous year Final budget and current year Original budget submitted to State Office of Education
- Sep 30 External audit completed
- Oct 1 Annual Enrollment report is released
- Feb 28 Future year enrollment projections/staffing needs calculated
- Late March State Legislative revenue estimates released
- Late May Preliminary budget presented to Board of Education
- May - June Public input
- July - Aug Truth in Taxation debate and public comment period
- August 14 Official budget approved by the Board of Education

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

Budget Process: *Stakeholder Involvement*

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

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

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.

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

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. Additionally, the District's public relations department has now implemented a

formal social media presence for all schools within the District to encourage interaction at the school level with parents and community members. Ensuring a uniform and informative social media presence is becoming increasingly necessary for both the District and its

schools.

Public Committees

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



Significant Revenue Sources

State Revenue: WPU

Funding resulting through the Weighted Pupil Unit (WPU) is comprised of several individual state programs of varying size. All combined, the District anticipates receiving \$71.8 million, nearly 90% of total state revenues from WPU-related state programs in FY 2019. This is a decrease compared to FY 2018 and is due primarily to delayed enrollment decrease funding impacts by the State. Due to changes in State-mandated reporting, several of the individual programs have been rolled into larger line items.

The largest individual state funding source, referred to as “**Regular School Programs,**” is projected to be \$41.3 million for the District in FY 2019. 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.

Restricted Basic School Program is the second-largest state funded program the District operates, with \$14.7 million in WPU revenues projected for FY 2019. This program primarily includes Special Education funding, programs related to minimizing class-sizes, as well as various other smaller programs targeting specific student groups.

Related to Basic Programs is a WPU-related state program and primarily includes funding for Career and Technical education programs designed to provide vocational training and opportunities for secondary students in the District. The District must substantially match funding received through the state with local revenue in order to qualify, and expects to receive approximately \$2.96 million in FY 2019.

The District also anticipates receiving \$7.2 million as a “**Flexible Allocation.**” This is tied to the other WPU-related funding sources and is designed to cover administrative overhead costs and other expenses as needed by the District for operations.

Local Revenue: Property Taxes

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

Property taxes are the District’s second largest funding source, and the largest component of local revenues at approximately 87%. For Tax Year 2019, the overall tax rate is .007576, an increase of .000249 over the prior year.

Property Taxes by Levy Fiscal Year 2018 to 2019

	FY 2018	FY 2019	Change
Basic Program (53A-17a-135)	0.001568	0.001666	0.000098
Voted Leeway (53A-17a-133)	0.001024	0.001094	0.000070
Board Leeway (53A-17a-164)	0.001416	0.001682	0.000266
Charter School Levy (53A-1a-513.1)	0.000083	0.000089	0.000006
Gen Oblig Debt (11-14-19/53A-17a-145/53A-21-103)	0.001812	0.001692	-0.000120
Voted Capital (53A-16-110)	0.001424	0.001353	-0.000071
Total - All Funds	0.007327	0.007327	0.000249

Local Revenue: Other Local Revenue

In the summary budgets, other local revenues are often combined with property taxes. These other local revenues include earnings from investments (interest earned), and income from students, such as school lunches. Interest rates do continue to slowly recover and, though we do not expect large changes in rates this coming year, we do project that interest earned will see continued growth in FY 2019.

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

Federal Revenue: Other Programs

The federal government provides direct and flow-through support to specific programs in the District. For FY 2019 it’s anticipated that the District will receive about \$11.1 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 over 90% of all the federal grants the District receives.

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



Key Revenue Assumption Indicators for FY 2019

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

Significant Expense Sources

Compensation

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

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

In 2018 the District embarked on a comprehensive analysis of teacher compensation, and after meeting with Board members, administration, and teacher representatives, the Board agreed to significantly increase teacher wages beginning in 2019. This wage increase amounts to an average of an 8% increase, with entry level teachers receiving up to 16% more in their starting salary compared to the prior year. The hope is that by increasing wages the District can continue to attract and retain highly qualified candidates for our instructional employment openings.

The District forecasts that benefits costs will remain steady with salary costs, primarily due to adjustments in the District medical program. As part of our medical coverage contract we are implementing an Employee Wellness program in FY 2019, and if participation is steady the District will be able to minimize the medical premium expense increase we would have otherwise seen over the next several years. In addition, we do not expect the retirement contribution rate to change in FY 2019.

The District continues to find creative ways to continue to provide comprehensive medical coverage for employees while minimizing the increase in expense.

Other Expenditures

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

Projecting forward into the next few years, all of the expenses related to the November 2014 Bond projects should be completed by the end of FY 2019. However, the Board and Facilities Action Committee (FAC) have identified other school buildings that are in desperate need of repair. As such, expenses related to the repair of those facilities are included in the following projections.

Summary

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

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

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

Budget Development: *Key Factors*

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

Wage Increases

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

Health Benefits

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

Bond-Related Expenses

As discussed previously, in November 2014 the city voted on and passed a Bond with an overwhelming 71% majority voting in favor of the measure. The final two school rebuild projects have completed and we expect some lingering expense related to that construction to occur this fiscal year. The budget was built to best reflect our expectations regarding expense and project completion.

Utilities

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

eSchool

eSchool continues to be a wild card for the District. After the prior year refocus of our eSchool program we expect to see flat enrollment this year. Because WPUs make up a significant portion of our state revenue, and due to the delayed financial impact of the prior year enrollment reduction, we have also budgeted for reduced state WPU revenue. While not a significant revenue creator for the District, eSchool continues to offer a unique option for Provo students' education.

Revenue

Much of the increase in revenue that we have budgeted for in the coming year will come from increased tax collections due to a Board-voted increase to the levy as well as a rate freeze implemented by the Legislature this past year. In other words, although our revenue is expected to increase, much of that increase is merely to cover added expenses as part of our Bond construction projects and our increased eSchool enrollment.

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

Method of Classifying Revenue & Expenditures

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

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

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

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

Basis of Budgeting

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

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

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

Revenue Projection Methodology

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

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 2019 is covered in greater detail in the capital projects section of this book.** The master plan has been the driving force behind many of the improvements to the District over the past several years, and it continues to play a key role in future planning. These improvements include larger initiatives such as the relocation of the District's Transportation Bus Depot to less significant projects such as school roof unit replacements and asphalt repairs.

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

As we begin FY 2019, construction on Provost Elementary and Provo High School (the final 2 of the 5 schools identified as the most in need of renovation) are substantially completed, pending final punch list item completion. Construction on Rock Canyon, Sunset View, and Edgemont Elementaries were completed in prior years. In total, as of the beginning of the 2018-19 school year, five of the District's oldest and structurally needy schools will have been completely rebuilt using Bond proceeds.

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

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

District Funds: *Description*

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

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

General Fund (Major Fund)

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

Capital Projects Fund (Major Fund)

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

Debt Service Fund (Major Fund)

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

Student Activities Fund

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

Non K-12 Fund

No budget is allocated to this fund for FY19, but historically this special revenue fund was used to account for activities not related to regular, K-12 operations. Adult education, pre-school and recreation are examples of programs that operated in this fund previously, but State reporting requires those to now be included in the General Fund.

Food Service Fund

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

Building Reserve Fund

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

Tax Increment Fund

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

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

*Not appropriated for use in 2018-19.

Note: all funds are appropriated for use in FY 2018-19 except Non K-12.

Relationship Between Funds & District Departments

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

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

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

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

Expenditure Functions: *Explained*

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

Instruction

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

Student Support Services

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

Instructional Support Services

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

General Administration Support Services

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

School Admin Support Services

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

Central Support Services

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

School Food Services

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

Expenditure Functions: *Continued*

Maintenance & Operation

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

Student Transportation

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

Other Support

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

Community Services

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

Recreation

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

Facilities & Construction

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

Debt Service

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



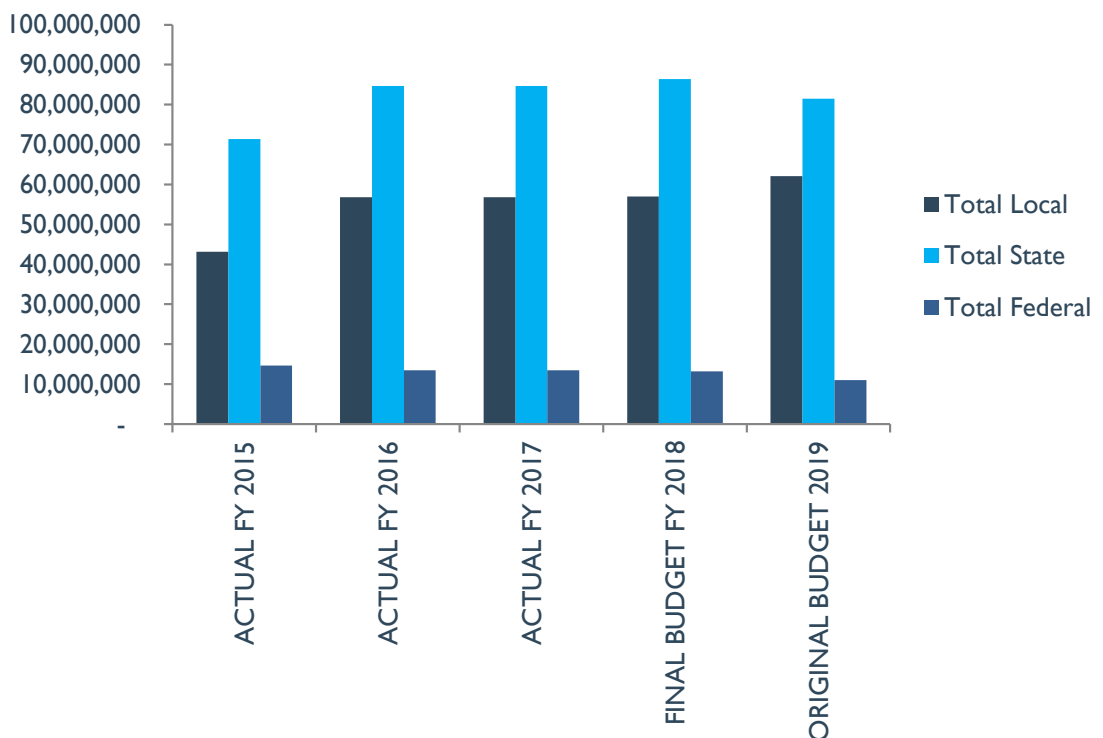
Financial Section

Major Revenue Sources

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

Revenue by Source: *FY 2015 - FY 2019*

SUMMARY:	ACTUAL FY	ACTUAL FY	ACTUAL FY	FINAL BUDGET FY	ORIGINAL BUDGET
ALL FUNDS	2015	2016	2017	2018	2019
Total Local	43,153,390	56,839,919	56,839,919	57,000,408	62,123,174
Total State	71,360,702	84,634,484	84,634,484	86,447,561	81,497,178
Total Federal	14,668,529	13,508,136	13,508,136	13,232,684	11,056,391
	<u>129,182,621</u>	<u>154,982,539</u>	<u>154,982,539</u>	<u>156,680,653</u>	<u>154,676,743</u>



Revenue Projection Assumptions: *FY 2019*

The District is always as conservative as possible when estimating revenues. Accordingly, several assumptions were made when projecting revenue for FY 2019. For example, for the past several years federal revenue received by the District has been on a downward trend.

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

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

Local revenues are projected to increase in FY 2019, primarily due to projected growth increases combined with a freeze on the State Basic levy.

State revenue has shown strong growth in recent years, as a robust state economy along with a supportive legislature, fueled heavy education funding increases. In FY 2019 revenues from state sources are projected to decrease, primarily as a result of delayed impacts of the planned enrollment decrease the District experienced during last school year. In recent years, breakneck enrollment additions in our eSchool program have fueled massive increases in overall state revenue for the District. However, this quick growth has also caused strain on our ability to oversee such a large program. Administration has chosen to refocus our eSchool efforts, resulting in an overall reduction in enrollment during the prior school year whose financial impact is being felt this fiscal year. Helping to mitigate some of the impact, the State increased the Weighted Pupil Unit (WPU), the largest funding source the State awards, by 2.5% and some additional legislative items were implemented which increased what would have otherwise been a severe reduction in State revenue.

As a general rule, the District relied on the following assumptions when projecting FY 2019 revenues:

- Flat “brick and mortar” student enrollment growth (student enrollment is by far the largest determinant of funding)
 - Flat enrollment in online eSchool programs (online school enrollment is funded differently by the State than traditional programs in many cases)
 - Decreases in federal revenue due to reduced funding trends
 - Increasing “at-risk” student population, which helps drive federal & state revenue and could offset some federal funding cuts
- Interest rates climbing moderately
- Slightly increasing property values
- Flate participation rates for school lunch programs, although a shift in location for Provo HS could spur more demand at that location
- Flat or slight increases in donations to the District foundation

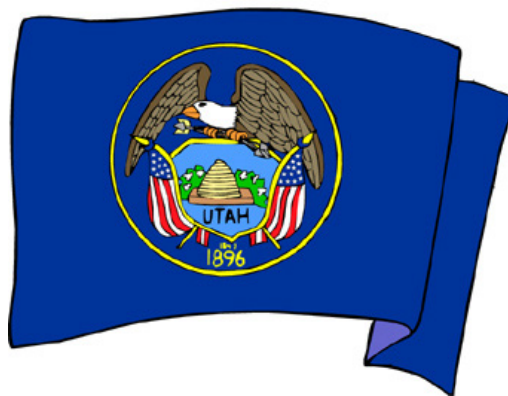
Key Revenue Assumption Indicators for FY 2019

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

Major Revenue Sources: *State of Utah*

The State of Utah is the largest revenue source of the school district, with revenues of \$81.5 million budgeted for

FY 2019. State revenue is divided among many different programs, though changes in State-mandated reporting has consolidated many of them. 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.



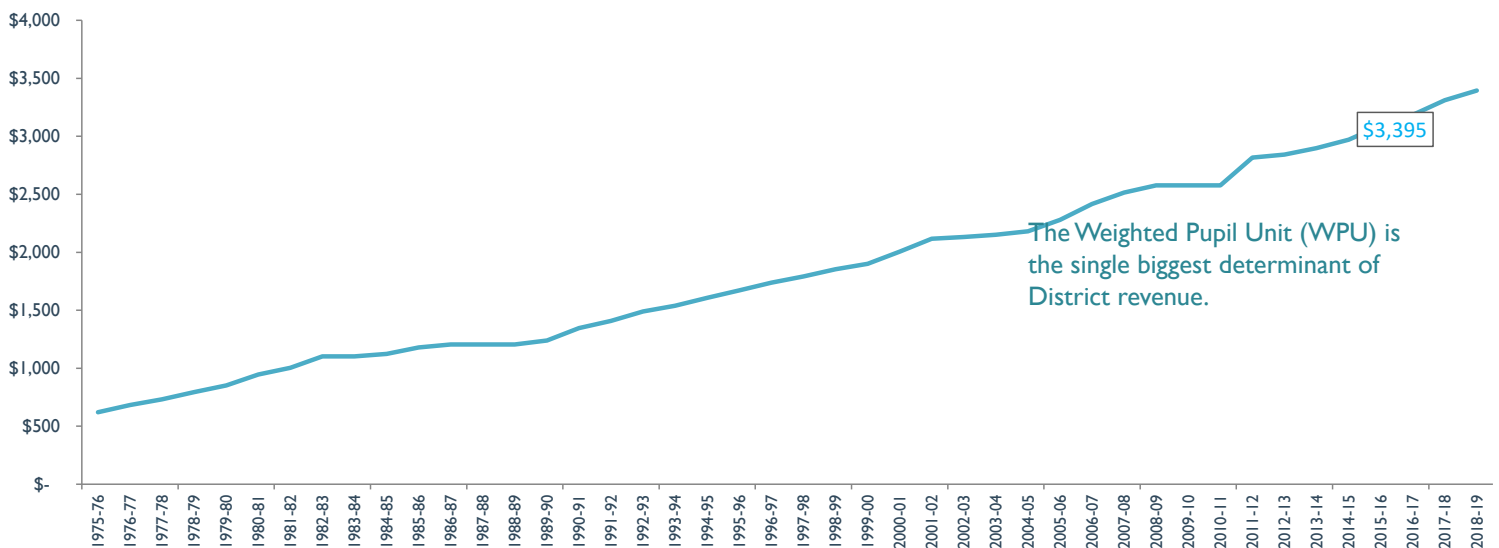
Approximately 90% of revenue from the State, or \$71.8 million, comes directly from WPU figures.

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

The Weighted Pupil Unit (WPU), part of the Minimum School Program, is a measure of student enrollment based on a pro-rated amount of days in attendance per student. The WPU is \$3,395 in FY 2019, which is up from \$3,311 in FY 2018 (2.5% increase). Utah's economy is rated among the best in the nation as of July 2018, and that improves the District's financial position.

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

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



Major Revenue Sources: *State of Utah*

Weighted Pupil Unit (WPU)



The Weighted Pupil Unit (WPU) will increase \$84 in FY 2018-19 from \$3,311 to \$3,395.

Year	WPU Amount	Change	% Change
1975-76	\$621		----
1976-77	\$683	62	10.0%
1977-78	\$732	49	7.2%
1978-79	\$795	63	8.6%
1979-80	\$852	57	7.2%
1980-81	\$946	94	11.0%
1981-82	\$1,003	57	6.0%
1982-83	\$1,103	100	10.0%
1983-84	\$1,103	0	0.0%
1984-85	\$1,124	21	1.9%
1985-86	\$1,180	56	5.0%
1986-87	\$1,204	24	2.0%
1987-88	\$1,204	0	0.0%
1988-89	\$1,204	0	0.0%
1989-90	\$1,240	36	3.0%
1990-91	\$1,346	106	8.6%
1991-92	\$1,408	62	4.6%
1992-93	\$1,490	82	5.8%
1993-94	\$1,539	49	3.3%
1994-95	\$1,608	69	4.5%
1995-96	\$1,672	64	4.0%
1996-97	\$1,739	67	4.0%
1997-98	\$1,791	52	3.0%
1998-99	\$1,854	63	3.5%
1999-00	\$1,901	47	2.5%
2000-01	\$2,006	105	5.5%
2001-02	\$2,116	110	5.5%
2002-03	\$2,132	16	0.8%
2003-04	\$2,150	18	0.8%
2004-05	\$2,182	32	1.5%
2005-06	\$2,280	98	4.5%
2006-07	\$2,417	137	6.0%
2007-08	\$2,514	97	4.0%
2008-09	\$2,577	63	2.5%
2009-10	\$2,577	0	0.0%
2010-11	\$2,577	0	0.0%
2011-12	\$2,816	239	9.3%
2012-13	\$2,842	26	0.9%
2013-14	\$2,899	57	2.0%
2014-15	\$2,971	72	2.5%
2015-16	\$3,092	121	4.0%
2016-17	\$3,184	92	3.0%
2017-18	\$3,311	127	4.0%
2018-19	\$3,395	84	2.5%

Major Revenue Sources: State of Utah

Weighted Pupil Unit (WPU)

Description of Large State Programs: WPU Sources

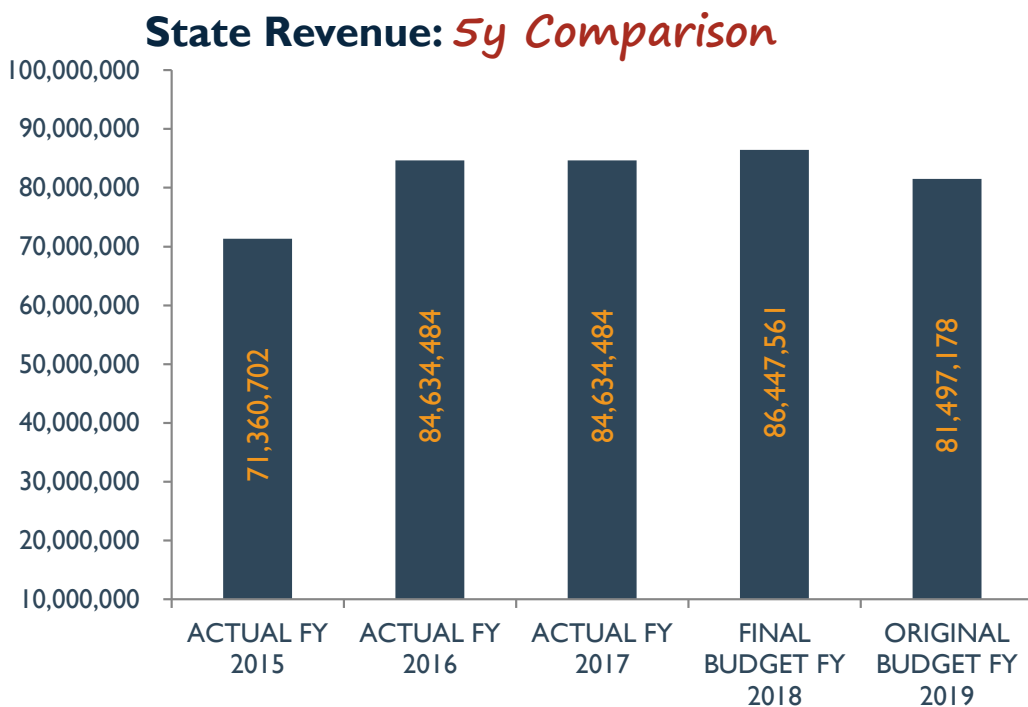
Funding resulting through the Weighted Pupil Unit (WPU) is comprised of several individual state programs of varying size. All combined, the District anticipates receiving \$71.8 million, nearly 90% of total state revenues from WPU-related state programs in FY 2019. This is a decrease compared to FY 2018 and is due primarily to delayed enrollment decrease funding impacts by the State. Due to changes in State-mandated reporting, several of the individual programs have been rolled into larger line items.

The largest individual state funding source, referred to as “**Regular School Programs,**” is projected to be \$41.3 million for the District in FY 2019. 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.

Restricted Basic School Program is the second-largest state funded program the District operates, with \$14.7 million in WPU revenues projected for FY 2019. This program primarily includes Special Education funding, programs related to minimizing class-sizes, as well as various other smaller programs targeting specific student groups.

Related to Basic Programs is a WPU-related state program and primarily includes funding for Career and Technical education programs designed to provide vocational training and opportunities for secondary students in the District. The District must substantially match funding received through the state with local revenue in order to qualify, and expects to receive approximately \$2.96 million in FY 2019.

The District also anticipates receiving \$7.2 million as a “**Flexible Allocation.**” This is tied to the other WPU-related funding sources and is designed to cover administrative overhead costs and other expenses as needed by the District for operations.

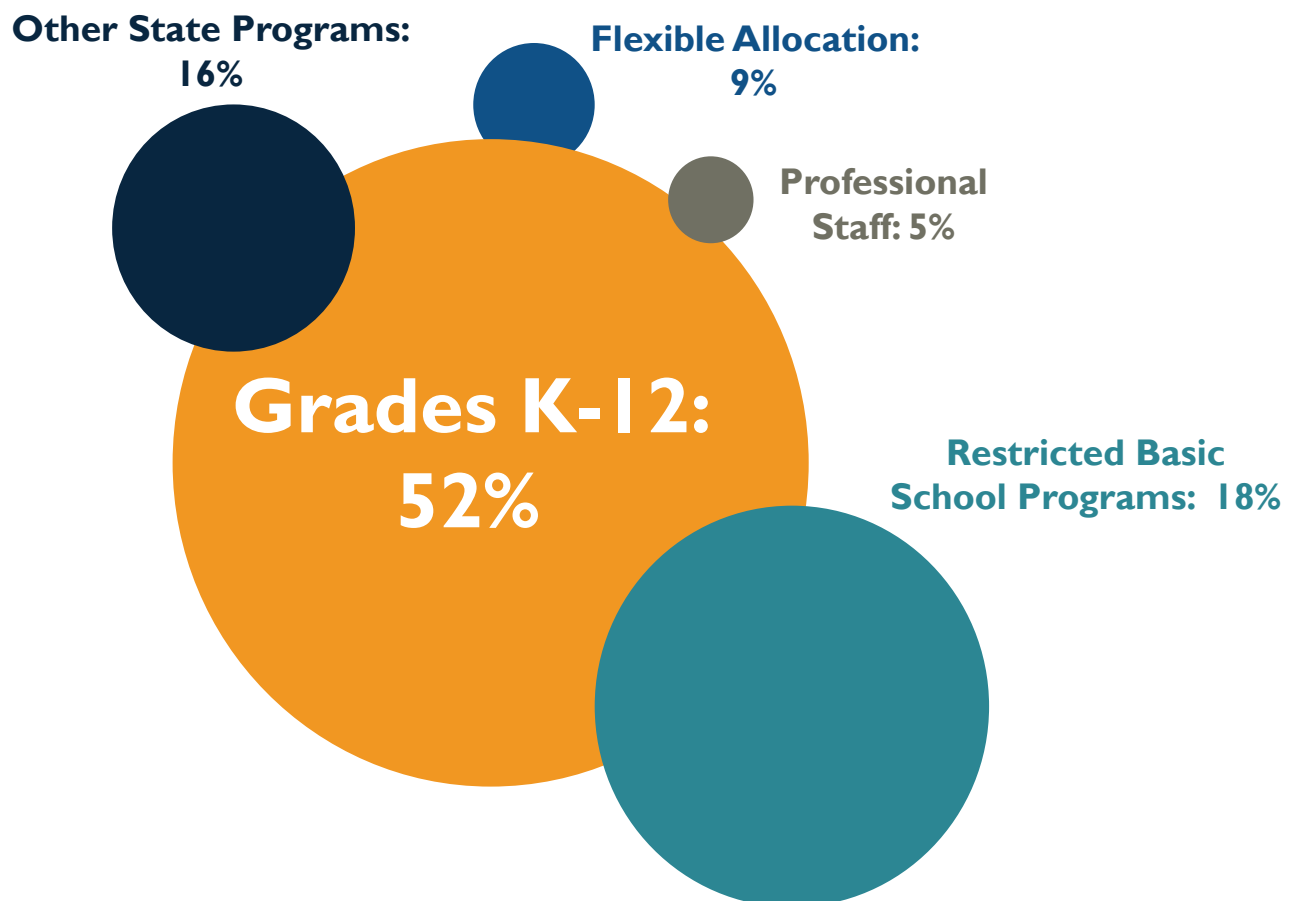


Major Revenue Sources Continued: *State of Utah*

Many state revenue sources have been consolidated over the past few fiscal years as a result of Utah State Legislature actions. The top four programs make up 84% of the overall state revenue budget, with approximately 40 programs consolidated to make up the remaining 16%.

Program	% of Total
Grades K-12	52%
Restricted Basic School Program	18%
Flexible Allocation	9%
Professional Staff	5%
Other State Programs	16%

Distribution of State Revenue: *FY 2019*



Major Revenue Sources: *Local*

Property Tax

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

Property taxes are the District's second largest funding source, and the largest component of local revenues at approximately 87%. For Tax Year 2019, the overall tax rate is .007576, an increase of .000249 compared to the prior year.

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

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

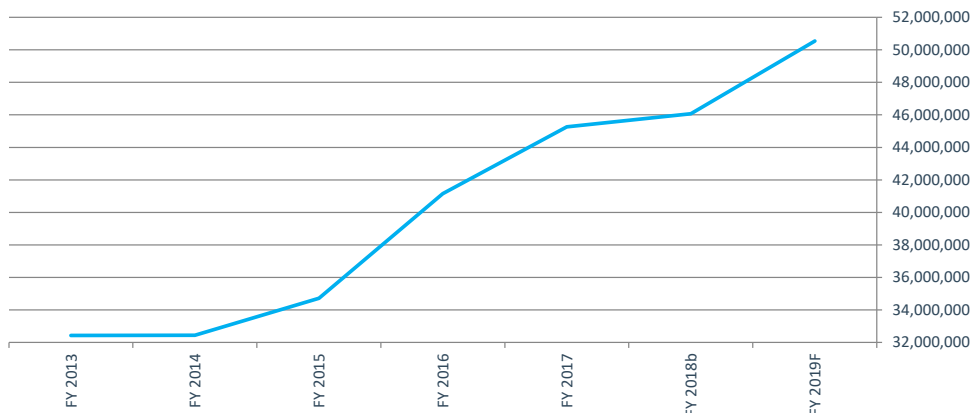
The majority of local funding consists of revenue from five different taxes that a local school board may levy. Each district must impose a

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

Property Taxes by Levy Fiscal Year 2017 to 2018

	FY 2018	FY 2019	Change
Basic Program (53A-17a-135)	0.001568	0.001666	0.000098
Voted Leeway (53A-17a-133)	0.001024	0.001094	0.000070
Board Leeway (53A-17a-164)	0.001416	0.001682	0.000266
Charter School Levy (53A-1a-513.1)	0.000083	0.000089	0.000006
Gen Oblig Debt (11-14-19/53A-17a-145/53A-21-103)	0.001812	0.001692	-0.000120
Voted Capital (53A-16-110)	0.001520	0.001353	-0.000071
Total - All Funds	0.007327	0.007576	0.000249

Property Taxes Collected



Major Revenue Sources: *Local*

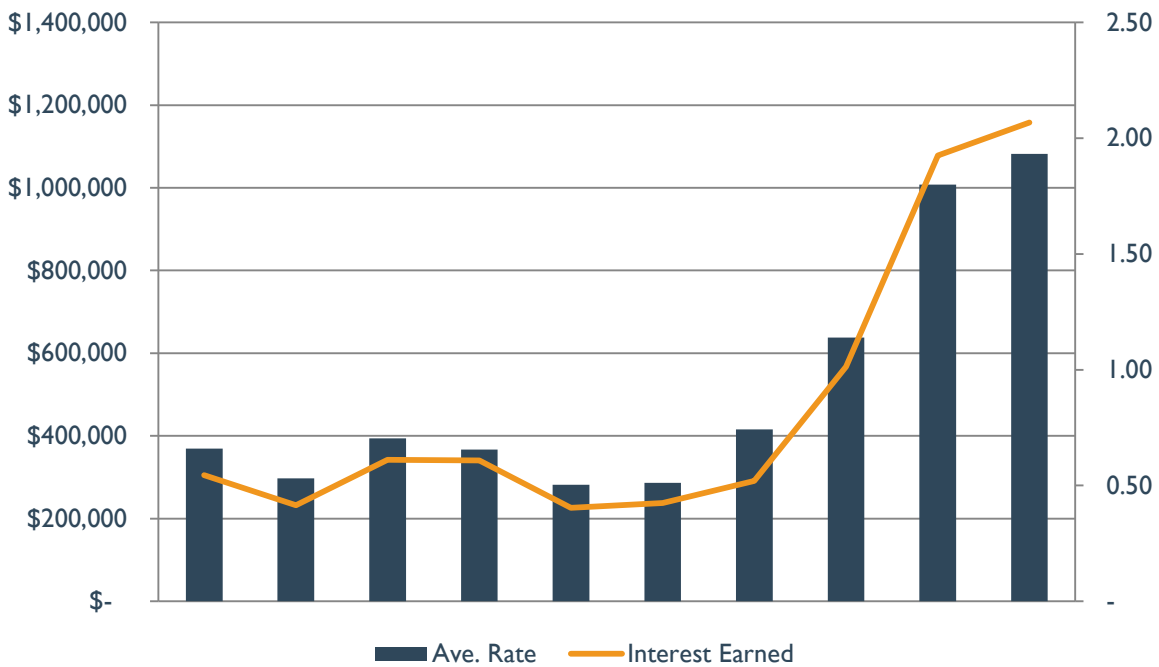
Other Local Revenue

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

The graph below shows the rates of return and the District’s actual interest income (or budgeted & projected amounts for FY18 and FY19) for the past several years. Rates had declined rapidly and then remained at historically low rates, which meant the District received substantially less interest income from its investments than in years with higher rates. Interest income is *typically* not restricted for specific use, so low rates mean less money that goes into the classroom for general purposes, such as teacher pay, instructional assistants, and supplies. However, as rates begin rising again these funds allow more flexibility when considering these types of expenses.

In the summary budgets, other local revenues are often combined with property taxes. These other local revenues include earnings from investments (interest earned), and income from students, such as school lunches. We do expect moderate increases to interest rates over the coming year and, as a result, interest earned is projected to rise moderately in FY 2019.

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.

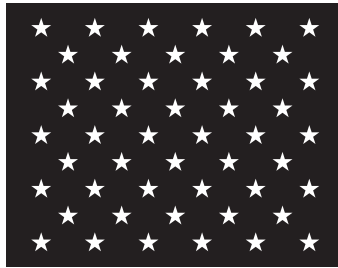


2010.....2019

2019 forecasted rate : 1.93%

Major Revenue Sources: *Federal*

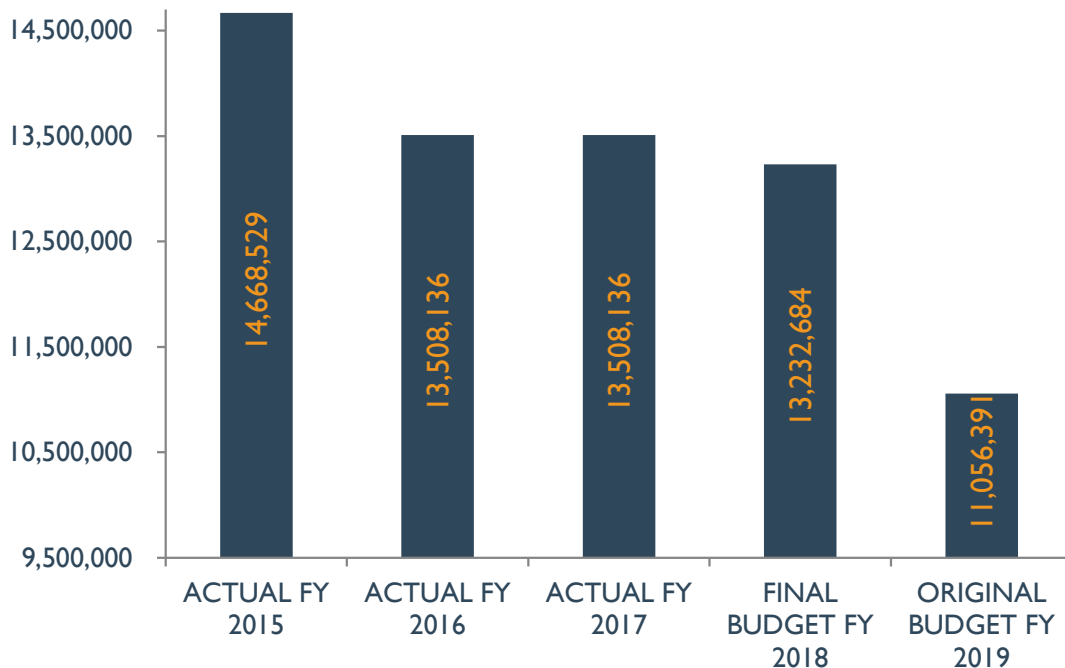
The federal government provides direct and flow-through support to specific programs in the District. For FY 2019 it's anticipated that the District will receive about \$11.1 million in federal revenue.



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 over 90% of all the federal grants the District receives.

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

Federal Revenue: *FY 2015 to FY 2019 (projected)*



Major Revenue Sources: *Federal*

Largest Federal Funding Sources

The following five programs make up over 90% of all District federal grants for FY 2019. The remainder of federal revenue is made up of a number of smaller grants. Most federal grants, large and small, are first awarded to the Utah State Office of Education, which then awards districts based on enrollment, demographics, and demonstrated need.

Federal Food Programs

The District is expected to receive \$3.2 million in FY 2019 to assist with providing quality, nutritious meals to children most in need.

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

Title I

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

The funding of this grant is contingent upon the number of low-income students in the District. The District is projected to receive just over \$3.1 million in Title I funding in FY 2019.

IDEA

In terms of funding amount, this grant is similar in size to Title I. It too is part of No Child Left Behind. It is designed to help disabled individuals receive improved opportunities for success, with a substantial focus on technology to meet this goal. The District anticipates receiving just under \$2.9 million from this grant in FY 2019.

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 \$500,000 from this grant in FY 2019. Funding for this budget continues to see dramatic cuts.

21st Century Community Learning Centers

This grant, also part of No Child Left Behind, is actually several smaller grants that are awarded to the District to help it provide quality instruction outside of regular school hours. The awarding of 21st Century grants is very competitive. Much of the funding is determined by the number of low-income students enrolled. Schools without substantial low-income enrollments typically aren’t considered for these grants. All combined, the District anticipates receiving \$700 thousand in 21st Century grants for FY 2019.

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

Significant Expense Sources

Compensation

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

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

In 2018 the District embarked on a comprehensive analysis of teacher compensation, and after meeting with Board members, administration, and teacher representatives, the Board agreed to significantly increase teacher wages beginning in 2019. This wage increase amounts to an average of an 8% increase, with entry level teachers receiving up to 16% more in their starting salary compared to the prior year. The hope is that by increasing wages the District can continue to attract and retain highly qualified candidates for our instructional employment openings.

The District forecasts that benefits costs will remain steady with salary costs, primarily due to adjustments in the District medical program. As part of our medical coverage contract we are implementing an Employee Wellness program in FY 2019, and if participation is steady the District will be able to minimize the medical premium expense increase we would have otherwise seen over the next several years. In addition, we do not expect the retirement contribution rate to change in FY 2019.

The District continues to find creative ways to continue to provide comprehensive medical coverage for employees while minimizing the increase in expense.

Other Expenditures

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

Projecting forward into the next few years, all of the expenses related to the November 2014 Bond projects should be completed by the end of FY 2019. However, the Board and Facilities Action Committee (FAC) have identified other school buildings that are in desperate need of repair. As such, expenses related to the repair of those facilities are included in the following projections.

Summary

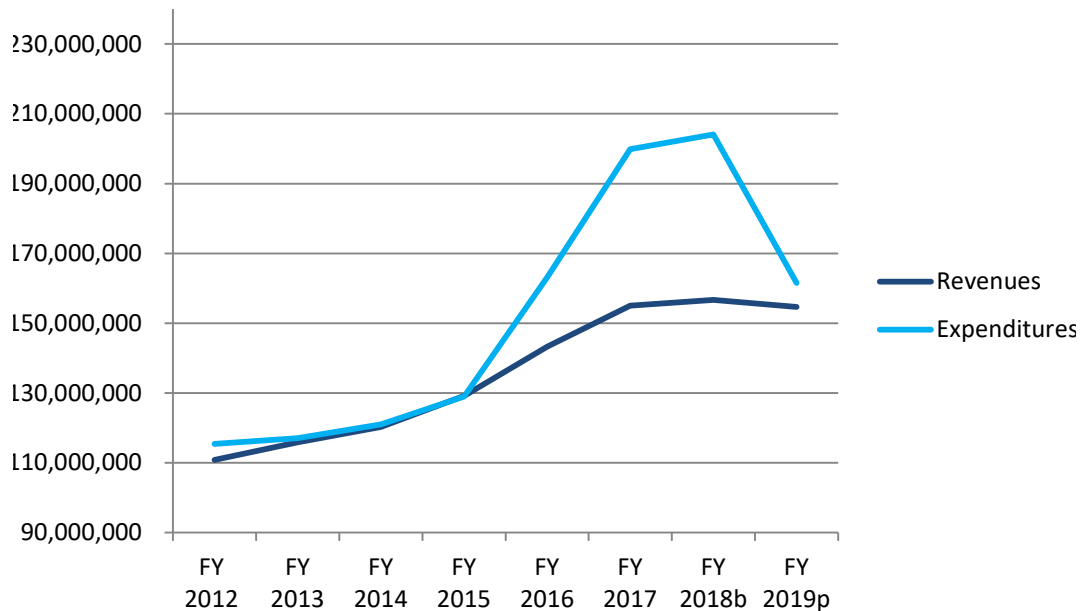
The forecasts on the following pages reflect the fact that the District is in the process of adapting to a changing economic environment.

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

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

Financial Schedules and Charts

Including Supplementary Financial Information



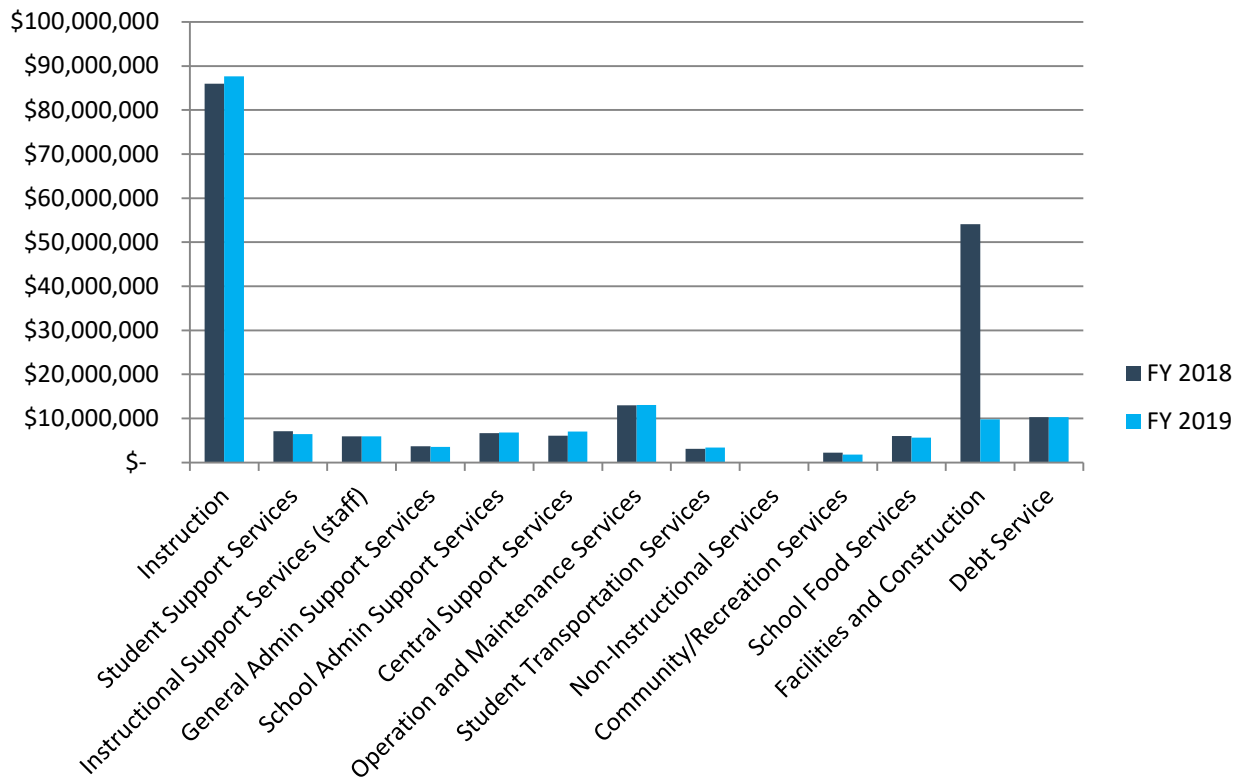
Revenue and Expenditure Summary: *FY 2012 to FY 2019*

Fiscal Year	Revenues	Expenditures	Net
FY 2012	110,802,740	115,367,457	(4,564,717)
FY 2013	115,907,707	117,051,103	(1,143,396)
FY 2014	120,288,218	120,977,759	(689,541)
FY 2015	129,182,622	128,990,690	191,932
FY 2016	143,247,175	163,190,480	(19,943,305)
FY 2017	154,982,539	199,876,469	(44,893,930)
FY 2018 ^b	156,680,653	204,093,405	(47,412,752)
FY 2019 ^p	154,676,743	161,503,727	(6,826,984)

Expenditure Comparison by Function: *All Funds*

FY 2018 to FY 2019

Function	FY 2018	FY 2019	% Change
Instruction	\$ 85,949,406	\$ 87,673,602	2%
Student Support Services	7,065,722	6,435,599	-10%
Instructional Support Services (staff)	5,911,900	5,925,879	0%
General Admin Support Services	3,686,724	3,565,546	-3%
School Admin Support Services	6,684,009	6,824,932	2%
Central Support Services	6,100,118	7,037,938	13%
Operation and Maintenance Services	13,003,964	13,085,304	1%
Student Transportation Services	3,072,452	3,381,622	9%
Non-Instructional Services	-	-	0%
Community/Recreation Services	2,213,917	1,823,535	-21%
School Food Services	6,019,509	5,670,520	-6%
Facilities and Construction	54,087,459	9,775,250	-453%
Debt Service	<u>10,298,225</u>	<u>10,304,000</u>	<u>0%</u>
Total	<u>\$ 204,093,405</u>	<u>\$ 161,503,727</u>	<u>-26%</u>



FY 2019 Budget Summary, Revenue by Source and Expenditures by Object: *All Funds*

Revenues by Source	Other Governmental				Total
	General	Funds	Debt Service	Capital Projects	
Property Taxes	\$ 30,881,885	\$ 1,250,000	\$ 9,834,370	\$ 8,581,723	\$ 50,547,978
Earnings on Investment	1,000,000	5,050	-	450,000	1,455,050
Other Local Revenue	4,127,595	5,356,847	-	635,704	10,120,146
State Sources	80,097,178	900,000	-	500,000	81,497,178
Federal Sources	7,772,222	3,204,169	-	80,000	11,056,391
Total Revenues:	123,878,880	10,716,066	9,834,370	10,247,427	154,676,743

Expenditures by Function	Other Governmental				Total
	General	Funds	Debt Service	Capital Projects	
Instruction	\$ 83,405,602	\$ 4,268,000	\$ -	\$ -	\$ 87,673,602
Student Support Services	6,435,599	-	-	-	6,435,599
Instructional Support Services (staff)	5,925,879	-	-	-	5,925,879
General Admin Support Services	3,565,546	-	-	-	3,565,546
School Admin Support Services	6,824,932	-	-	-	6,824,932
Central Support Services	7,037,938	-	-	-	7,037,938
Operation and Maintenance Services	8,831,646	-	-	4,253,658	13,085,304
Student Transportation Services	2,706,622	-	-	675,000	3,381,622
Non-Instructional Services	-	-	-	-	-
Other Support Services	-	-	-	-	-
School Food Services	-	5,670,520	-	-	5,670,520
Community/Recreation Services	573,535	1,250,000	-	-	1,823,535
Facilities and Construction	-	9,775,250	-	-	9,775,250
Debt Service	-	-	9,737,000	567,000	10,304,000
Total Expenditures:	125,307,299	20,963,770	9,737,000	5,495,658	161,503,727

Excess (Deficiency) of Revenues Over (Under) Expenditures

	<u>(1,428,419)</u>	<u>(10,247,704)</u>	<u>97,370</u>	<u>4,751,769</u>	<u>(6,826,984)</u>
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Other Financing Sources (Uses) and Other Items

	<u>(1,650,000)</u>	<u>1,750,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
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Net Change in Fund Balance

	<u>\$ (3,078,419)</u>	<u>\$ (8,497,704)</u>	<u>\$ 97,370</u>	<u>\$ 4,751,769</u>	<u>\$ (6,726,984)</u>
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Figures may vary slightly due to rounding.

Expenditures by Fund and Object: *FY 2019*

Object	General	Capital Projects	Debt Service	Tax Increment
Salaries	\$ 68,302,733	\$ 98,267	\$ -	\$ -
Benefits	32,104,686	52,007	-	-
Purchased/Professional Services	8,482,742	33,027	-	-
Purchased Property Services	1,345,017	13,101,870	-	-
Other Purchased Services	936,210	-	-	-
Supplies	10,654,916	108,737	-	-
Equipment	2,200,601	1,310,000	-	-
Other Objects	<u>1,280,394</u>	<u>567,000</u>	<u>9,737,000</u>	<u>1,250,000</u>
Total:	<u><u>125,307,299</u></u>	<u><u>15,270,908</u></u>	<u><u>9,737,000</u></u>	<u><u>1,250,000</u></u>

Object	Student Activities	Non K-12	Food Services	Building Reserve
Salaries	\$ -	\$ -	\$ 2,018,804	\$ -
Benefits	-	-	742,098	-
Purchased/Professional Services	577,500	-	17,231	-
Purchased Property Services	-	-	134,500	-
Other Purchased Services	1,100,000	-	750	-
Supplies	1,680,500	-	2,432,068	-
Equipment	-	-	150,000	-
Other Objects	<u>910,000</u>	<u>-</u>	<u>175,069</u>	<u>-</u>
Total:	<u><u>4,268,000</u></u>	<u><u>-</u></u>	<u><u>5,670,520</u></u>	<u><u>-</u></u>

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

Summary of All Funds:

FY 2015 through FY 2022

Summary: All Funds	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 43,153,390	\$ 50,929,001	\$ 56,839,919	\$ 57,000,408	\$ 62,123,174	\$ 63,455,000	\$ 66,355,000	\$ 69,300,000
Total State	71,360,702	78,150,999	84,634,484	86,447,561	81,497,178	84,789,000	88,201,410	91,751,539
Total Federal	<u>14,668,529</u>	<u>14,167,175</u>	<u>13,508,136</u>	<u>13,232,684</u>	<u>11,056,391</u>	<u>11,637,000</u>	<u>11,923,000</u>	<u>12,221,000</u>
TOTAL REVENUES	<u>129,182,621</u>	<u>143,247,175</u>	<u>154,982,539</u>	<u>156,680,653</u>	<u>154,676,743</u>	<u>159,881,000</u>	<u>166,479,410</u>	<u>173,272,539</u>
Salaries	57,989,807	60,539,697	63,513,827	67,121,627	70,419,804	72,512,000	74,708,000	77,685,000
Employee Benefits	28,601,716	29,397,236	30,544,657	32,622,687	32,898,791	33,558,000	34,587,000	35,649,000
Purchased Professional/Tech Svcs	10,444,964	10,853,624	13,535,970	9,472,770	9,110,500	9,223,157	9,402,073	9,585,008
Purchased Property Services	6,158,328	32,672,279	58,228,147	55,605,943	14,581,387	6,748,845	104,162,000	106,672,000
Other Purchased Services	1,871,878	2,094,497	1,935,457	2,248,623	2,036,960	2,060,773	2,085,796	2,111,820
Supplies	11,143,455	10,904,896	12,241,412	15,812,080	14,876,221	14,821,980	14,872,130	14,930,393
Property	2,962,404	2,794,731	6,517,077	5,793,818	3,660,601	3,688,000	3,768,000	3,850,000
Other Objects	<u>9,818,137</u>	<u>13,933,520</u>	<u>13,359,922</u>	<u>15,415,856</u>	<u>13,919,463</u>	<u>13,995,544</u>	<u>15,118,504</u>	<u>15,681,135</u>
TOTAL EXPENDITURES	<u>128,990,690</u>	<u>163,190,480</u>	<u>199,876,469</u>	<u>204,093,405</u>	<u>161,503,727</u>	<u>156,608,298</u>	<u>258,703,503</u>	<u>266,164,356</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>191,931</u>	<u>(19,943,305)</u>	<u>(44,893,930)</u>	<u>(47,412,752)</u>	<u>(6,826,984)</u>	<u>3,272,702</u>	<u>(92,224,093)</u>	<u>(92,891,817)</u>
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	<u>53,482,888</u>	<u>58,573,261</u>	<u>25,432,557</u>	<u>165,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000,000</u>	<u>105,000,000</u>
NET CHANGE IN NET ASSETS / FUND BALANCE	<u>53,674,819</u>	<u>38,629,956</u>	<u>(19,461,373)</u>	<u>(47,247,752)</u>	<u>(6,726,984)</u>	<u>3,272,702</u>	<u>7,775,907</u>	<u>12,108,183</u>
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	<u>37,364,259</u>	<u>91,039,078</u>	<u>129,669,034</u>	<u>110,207,661</u>	<u>62,959,909</u>	<u>56,232,925</u>	<u>59,505,627</u>	<u>67,281,534</u>
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS / FUND BALANCE - Ending	<u>\$ 91,039,078</u>	<u>\$ 129,669,034</u>	<u>\$ 110,207,661</u>	<u>\$ 62,959,909</u>	<u>\$ 56,232,925</u>	<u>\$ 59,505,627</u>	<u>\$ 67,281,534</u>	<u>\$ 79,389,716</u>

Summary of Operating Funds: FY 2015 through FY 2022

Summary: Operating Funds	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 42,043,390	\$ 49,683,290	\$ 56,211,631	\$ 55,750,408	\$ 60,873,174	\$ 62,330,000	\$ 65,230,000	\$ 68,175,000
Total State	71,360,702	78,150,999	84,634,484	86,447,561	81,497,178	84,789,000	88,201,410	91,751,539
Total Federal	14,668,529	14,167,175	13,508,136	13,232,684	11,056,391	11,637,000	11,923,000	12,221,000
TOTAL REVENUES	128,072,621	142,001,464	154,354,251	155,430,653	153,426,743	158,756,000	165,354,410	172,147,539
Salaries	57,989,807	60,539,697	63,513,827	67,121,627	70,419,804	72,512,000	74,708,000	77,685,000
Employee Benefits	28,601,716	29,397,236	30,544,657	32,622,687	32,898,791	33,558,000	34,587,000	35,649,000
Purchased Professional/Tech Svcs	10,444,964	10,853,624	13,535,970	9,472,770	9,110,500	9,223,157	9,402,073	9,585,008
Purchased Property Services	6,158,328	32,672,279	58,228,147	55,605,943	14,581,387	6,748,845	104,162,000	106,672,000
Other Purchased Services	1,871,878	2,094,497	1,935,457	2,248,623	2,036,960	2,060,773	2,085,796	2,111,820
Supplies	11,143,455	10,904,896	12,241,412	15,812,080	14,876,221	14,821,980	14,872,130	14,930,393
Property	2,962,404	2,794,731	6,517,077	5,793,818	3,660,601	3,688,000	3,768,000	3,850,000
Other Objects	8,708,137	12,687,809	12,731,634	14,165,856	12,669,463	12,870,544	13,993,504	14,556,135
TOTAL EXPENDITURES	127,880,690	161,944,769	199,248,181	202,843,405	160,253,727	155,483,298	257,578,503	265,039,356
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	191,931	(19,943,305)	(44,893,930)	(47,412,752)	(6,826,984)	3,272,702	(92,224,093)	(92,891,817)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	55,482,888	57,073,261	25,432,557	(1,835,000)	(1,650,000)	(3,500,000)	99,000,000	104,000,000
NET CHANGE IN NET ASSETS / FUND BALANCE	55,674,819	37,129,956	(19,461,373)	(49,247,752)	(8,476,984)	(227,298)	6,775,907	11,108,183
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	31,992,019	87,666,838	124,796,794	105,335,421	56,087,669	47,610,685	47,383,387	54,159,294
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 87,666,838	\$ 124,796,794	\$ 105,335,421	\$ 56,087,669	\$ 47,610,685	\$ 47,383,387	\$ 54,159,294	\$ 65,267,476

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

Summary of General Fund:

FY 2015 through FY 2022

Summary: General Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 24,088,553	\$ 26,681,734	\$ 30,484,260	\$ 31,298,841	\$ 36,009,480	\$ 36,730,000	\$ 37,465,000	\$ 38,589,000
Total State	70,389,904	76,361,890	82,795,715	84,654,737	80,097,178	83,301,000	86,633,000	90,098,000
Total Federal	10,593,906	10,429,429	9,924,840	9,875,766	7,772,222	8,161,000	8,243,000	8,325,000
TOTAL REVENUES	105,072,363	113,473,053	123,204,815	125,829,344	123,878,880	128,192,000	132,341,000	137,012,000
Salaries	55,278,478	58,432,411	61,466,950	64,913,401	68,302,733	70,352,000	72,463,000	75,362,000
Employee Benefits	27,491,518	28,616,567	29,765,253	31,767,409	32,104,686	32,747,000	33,729,000	34,741,000
Purchased Professional/Tech Svcs	9,663,215	10,209,947	13,072,433	8,830,644	8,482,742	8,652,000	8,825,000	9,002,000
Purchased Property Services	243,186	547,873	1,150,170	1,957,642	1,345,017	1,372,000	1,399,000	1,427,000
Other Purchased Services	877,530	1,022,320	912,734	1,142,312	936,210	927,000	918,000	909,000
Supplies	7,072,812	7,034,255	8,064,328	11,395,417	10,654,916	10,548,000	10,443,000	10,339,000
Property	1,684,654	1,755,375	2,947,115	2,435,483	2,200,601	2,245,000	2,312,000	2,381,000
Other Objects	823,320	1,600,589	1,292,680	1,730,201	1,280,394	1,293,000	1,306,000	1,319,000
TOTAL EXPENDITURES	103,134,712	109,219,337	118,671,664	124,172,510	125,307,299	128,136,000	131,395,000	135,480,000
EXCESS (DEFICIENCY) OF REVENUES	1,937,651	4,253,716	4,533,151	1,656,834	(1,428,419)	56,000	946,000	1,532,000
OVER (UNDER) EXPENDITURES								
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	\$ (490,174)	\$ (1,479,269)	\$ 26,217	\$ (1,835,000)	\$ (1,650,000)	(1,500,000)	(1,000,000)	(1,000,000)
NET CHANGE IN NET ASSETS / FUND BALANCE	1,447,477	2,774,447	4,559,368	(178,166)	(3,078,419)	(1,444,000)	(54,000)	532,000
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	27,106,953	28,554,430	31,328,877	35,888,244	35,710,078	32,631,659	31,187,659	31,133,659
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 28,554,430	\$ 31,328,877	\$ 35,888,244	\$ 35,710,078	\$ 32,631,659	\$ 31,187,659	\$ 31,133,659	\$ 31,665,659

Summary of Capital Projects Fund:

FY 2015 through FY 2022

Summary: Capital Projects Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 6,214,368	\$ 6,979,652	\$ 10,685,316	\$ 9,405,755	\$ 9,667,427	\$ 9,957,000	\$ 10,953,000	\$ 12,048,000
Total State	127,370	905,147	970,694	927,735	500,000	525,000	538,000	551,000
Total Federal	290,662	-	-	50,000	80,000	80,000	80,000	80,000
TOTAL REVENUES	6,632,400	7,884,799	11,656,010	10,383,490	10,247,427	10,562,000	11,571,000	12,679,000
Salaries	672,672	223,389	136,174	163,982	98,267	101,000	104,000	107,000
Employee Benefits	289,863	75,372	54,959	76,189	52,007	54,000	56,000	58,000
Purchased Professional/Tech Svcs	227,046	203,301	14,649	33,527	33,027	33,754	34,496	35,255
Purchased Property Services	5,771,741	31,968,314	56,900,081	53,498,115	13,101,870	5,241,000	102,621,000	105,097,000
Other Purchased Services	3,541	5,200	4,879	-	-	-	-	-
Supplies	234,479	61,437	51,134	59,237	108,737	110,912	113,130	115,393
Property	1,150,287	995,403	3,355,780	3,208,335	1,310,000	1,323,000	1,336,000	1,349,000
Other Objects	566,581	107,212	1,028,243	1,607,000	567,000	569,835	572,684	575,548
TOTAL EXPENDITURES	8,916,210	33,639,629	61,545,901	58,646,385	15,270,908	7,433,500	104,837,310	107,337,195
EXCESS (DEFICIENCY) OF REVENUES	(2,283,810)	(25,754,829)	(49,889,891)	(48,262,895)	(5,023,481)	3,128,500	(93,266,310)	(94,658,195)
OVER (UNDER) EXPENDITURES								
OTHER FINANCING SOURCES (USES)	55,396,989	58,551,534	25,406,324	-	-	(2,000,000)	100,000,000	105,000,000
AND OTHER ITEMS								
NET CHANGE IN NET ASSETS / FUND BALANCE	53,113,179	32,796,705	(24,483,567)	(48,262,895)	(5,023,481)	1,128,500	6,733,690	10,341,805
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	1,888,782	55,001,961	87,798,666	63,315,099	15,052,204	10,028,723	11,157,222	17,890,912
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 55,001,961	\$ 87,798,666	\$ 63,315,099	\$ 15,052,204	\$ 10,028,723	\$ 11,157,222	\$ 17,890,912	\$ 28,232,717

Summary of Debt Service Fund: FY 2015 through FY 2022

Summary: Debt Service Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 6,728,677	\$ 10,679,802	\$ 9,874,905	\$ 9,737,000	\$ 9,834,370	\$ 10,080,000	\$ 11,082,000	\$ 11,636,000
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	6,728,677	10,679,802	9,874,905	9,737,000	9,834,370	10,080,000	11,082,000	11,636,000
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-
Other Objects	6,455,797	9,834,812	9,837,978	9,737,000	9,737,000	9,931,740	11,082,000	11,636,000
TOTAL EXPENDITURES	6,455,797	9,834,812	9,837,978	9,737,000	9,737,000	9,931,740	11,082,000	11,636,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	272,880	844,990	36,927	-	97,370	148,260	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	70,075	-	-	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	342,955	844,990	36,927	-	97,370	148,260	-	-
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	533,834	876,789	1,721,779	1,758,706	1,758,706	1,856,076	2,004,336	2,004,336
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 876,789	\$ 1,721,779	\$ 1,758,706	\$ 1,758,706	\$ 1,856,076	\$ 2,004,336	\$ 2,004,336	\$ 2,004,336

Summary of Student Activities Fund: FY 2015 through FY 2022

Summary: Student Activities Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 3,920,332	\$ 4,042,552	\$ 4,020,280	\$ 4,070,234	\$ 4,110,937	\$ 4,275,000	\$ 4,403,000	\$ 4,535,000
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,920,332	4,042,552	4,020,280	4,070,234	4,110,937	4,275,000	4,403,000	4,535,000
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	515,101	413,690	428,048	577,500	577,500	520,000	525,000	530,000
Purchased Property Services	43,977	40,766	52,486	-	-	-	-	-
Other Purchased Services	986,137	1,064,405	1,015,878	1,100,000	1,100,000	1,133,000	1,167,000	1,202,000
Supplies	1,568,322	1,502,780	1,736,698	1,680,500	1,680,500	1,731,000	1,835,000	1,945,000
Property	-	-	-	-	-	-	-	-
Other Objects	649,639	842,211	432,306	910,000	910,000	900,900	856,000	847,000
TOTAL EXPENDITURES	3,763,176	3,863,852	3,665,416	4,268,000	4,268,000	4,284,900	4,383,000	4,524,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	157,157	178,700	354,864	(197,766)	(157,063)	(9,900)	20,000	11,000
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	157,157	178,700	354,864	(197,766)	(157,063)	(9,900)	20,000	11,000
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	1,397,083	1,554,239	1,732,939	2,087,803	1,890,037	1,732,974	1,723,074	1,743,074
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 1,554,239	\$ 1,732,939	\$ 2,087,803	\$ 1,890,037	\$ 1,732,974	\$ 1,723,074	\$ 1,743,074	\$ 1,754,074

Summary of Non K-12 Fund:

FY 2015 through FY 2022

Summary: Non K-12 Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-	-	-
Salaries	171,600	-	-	-	-	-	-	-
Employee Benefits	102,204	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies	52	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	273,856	-	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(273,856)	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	505,997	-	-	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	232,141	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	(232,141)	-	-	-	-	-	-	-
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Summary of Building Reserve Fund: FY 2015 through FY 2022

Summary: Building Reserve Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-	-	-
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	(2,000,000)	1,500,000	-	2,000,000	1,750,000	3,500,000	1,000,000	1,000,000
NET CHANGE IN NET ASSETS / FUND BALANCE	(2,000,000)	1,500,000	-	2,000,000	1,750,000	3,500,000	1,000,000	1,000,000
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	5,372,240	3,372,240	4,872,240	4,872,240	6,872,240	8,622,240	12,122,240	13,122,240
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 3,372,240	\$ 4,872,240	\$ 4,872,240	\$ 6,872,240	\$ 8,622,240	\$ 12,122,240	\$ 13,122,240	\$ 14,122,240

Summary of Food Services Fund:

FY 2015 through FY 2022

Summary: Food Services Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 1,091,461	\$ 1,299,550	\$ 1,146,870	\$ 1,238,578	\$ 1,250,960	\$ 1,288,000	\$ 1,327,000	\$ 1,367,000
Total State	843,428	883,962	868,074	865,089	900,000	963,000	1,030,410	1,102,539
Total Federal	3,783,961	3,737,746	3,583,296	3,306,918	3,204,169	3,396,000	3,600,000	3,816,000
TOTAL REVENUES	5,718,850	5,921,258	5,598,240	5,410,585	5,355,129	5,647,000	5,957,410	6,285,539
Salaries	1,867,058	1,883,897	1,910,702	2,044,243	2,018,804	2,059,000	2,141,000	2,216,000
Employee Benefits	718,132	705,297	724,445	779,089	742,098	757,000	802,000	850,000
Purchased Professional/Tech Svcs	39,602	26,685	20,839	31,099	17,231	17,403	17,577	17,753
Purchased Property Services	99,425	115,326	125,411	150,186	134,500	135,845	142,000	148,000
Other Purchased Services	4,670	2,572	1,966	6,311	750	773	796	820
Supplies	2,267,789	2,306,424	2,389,252	2,676,926	2,432,068	2,432,068	2,481,000	2,531,000
Property	127,463	43,953	214,181	150,000	150,000	120,000	120,000	120,000
Other Objects	212,800	302,986	140,425	181,655	175,069	175,069	176,820	178,588
TOTAL EXPENDITURES	5,336,939	5,387,139	5,527,221	6,019,509	5,670,520	5,697,158	5,881,193	6,062,161
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	381,911	534,118	71,019	(608,924)	(315,391)	(50,158)	76,217	223,378
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	996	16	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	381,911	535,114	71,035	(608,924)	(315,391)	(50,158)	76,217	223,378
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	1,297,510	1,679,422	2,214,536	2,285,572	1,676,647	1,361,256	1,311,098	1,387,316
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	\$ 1,679,422	\$ 2,214,536	\$ 2,285,572	\$ 1,676,647	\$ 1,361,256	\$ 1,311,098	\$ 1,387,316	\$ 1,610,693

Summary of Tax Increment Fund: FY 2015 through FY 2022

Summary: Tax Increment Fund	Actual FY 2015	Actual FY 2016	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022
Total Local	\$ 1,110,000	\$ 1,245,711	\$ 628,288	\$ 1,250,000	\$ 1,250,000	\$ 1,125,000	\$ 1,125,000	\$ 1,125,000
Total State	-	-	-	-	-	-	-	-
Total Federal	-	-	-	-	-	-	-	-
TOTAL REVENUES	<u>1,110,000</u>	<u>1,245,711</u>	<u>628,288</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,125,000</u>	<u>1,125,000</u>	<u>1,125,000</u>
Salaries	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional/Tech Svcs	-	-	-	-	-	-	-	-
Purchased Property Services	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Property	-	-	-	-	-	-	-	-
Other Objects	1,110,000	1,245,711	628,288	1,250,000	1,250,000	1,125,000	1,125,000	1,125,000
TOTAL EXPENDITURES	<u>1,110,000</u>	<u>1,245,711</u>	<u>628,288</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,125,000</u>	<u>1,125,000</u>	<u>1,125,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE BEGINNING (From Prior Year)	-	-	-	-	-	-	-	-
Adjustment to Beginning Net Assets/ Fund Balance (Add Explanation)	-	-	-	-	-	-	-	-
NET ASSETS / FUND BALANCE - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GASB 54 Fund Balance Classification:

FY 2014 through FY 2018

	Actual FY 2018	Actual FY 2017	Actual FY 2016	Actual FY 2015	Actual FY 2014
GENERAL FUND					
Nonspendable	\$ 493,947	\$ 473,722	\$ 499,507	\$ 533,351	\$ 606,666
Restricted	1,686,996	2,913,152	3,105,603	2,016,530	1,209,061
Committed	19,542,646	19,542,646	19,542,646	19,542,646	19,542,646
Assigned	3,523,159	3,110,298	-	-	-
Unassigned	11,129,459	9,000,366	7,337,273	5,712,495	5,025,862
	<u>36,376,207</u>	<u>35,040,184</u>	<u>30,485,029</u>	<u>27,805,022</u>	<u>26,384,235</u>
DEBT SERVICE FUND					
Restricted	1,827,540	1,758,706	1,721,779	876,789	533,835
	<u>1,827,540</u>	<u>1,758,706</u>	<u>1,721,779</u>	<u>876,789</u>	<u>533,835</u>
CAPITAL PROJECTS FUND					
Nonspendable	215,000	-	2,705	-	-
Restricted	24,658,658	63,315,100	87,795,961	55,001,960	1,888,781
	<u>24,873,658</u>	<u>63,315,100</u>	<u>87,798,666</u>	<u>55,001,960</u>	<u>1,888,781</u>
NON K-12 INSTRUCTION FUND					
Restricted	-	-	-	-	273,857
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(506,002)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(232,145)</u>
SCHOOL ACTIVITIES FUND					
Assigned	2,146,124	2,087,804	1,732,942	1,554,242	1,397,081
	<u>2,146,124</u>	<u>2,087,804</u>	<u>1,732,942</u>	<u>1,554,242</u>	<u>1,397,081</u>
FOOD SERVICES FUND					
Nonspendable	140,423	124,915	138,511	146,980	91,355
Restricted	1,738,951	2,160,655	2,076,024	1,532,440	1,206,155
	<u>1,879,374</u>	<u>2,285,570</u>	<u>2,214,535</u>	<u>1,679,420</u>	<u>1,297,510</u>
BUILDING RESERVE FUND					
Restricted	6,872,240	4,872,240	4,872,240	3,372,240	5,372,240
	<u>6,872,240</u>	<u>4,872,240</u>	<u>4,872,240</u>	<u>3,372,240</u>	<u>5,372,240</u>
MUNICIPAL BUILDING AUTHORITY					
Committed	-	-	-	-	-
Restricted	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
PROVO SCHOOL DISTRICT FOUNDATION					
Restricted	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ALL GOVERNMENT FUNDS					
Nonspendable	849,370	598,637	640,723	680,331	698,021
Committed	19,542,646	19,542,646	19,542,646	19,542,646	19,542,646
Restricted	36,784,385	75,019,853	99,571,607	62,799,959	10,483,929
Assigned	5,669,283	5,198,102	1,732,942	1,554,242	1,397,081
Unassigned	11,129,459	9,000,366	7,337,273	5,712,495	4,519,860
	<u>\$ 73,975,143</u>	<u>\$ 109,359,604</u>	<u>\$ 128,825,191</u>	<u>\$ 90,289,673</u>	<u>\$ 36,641,537</u>

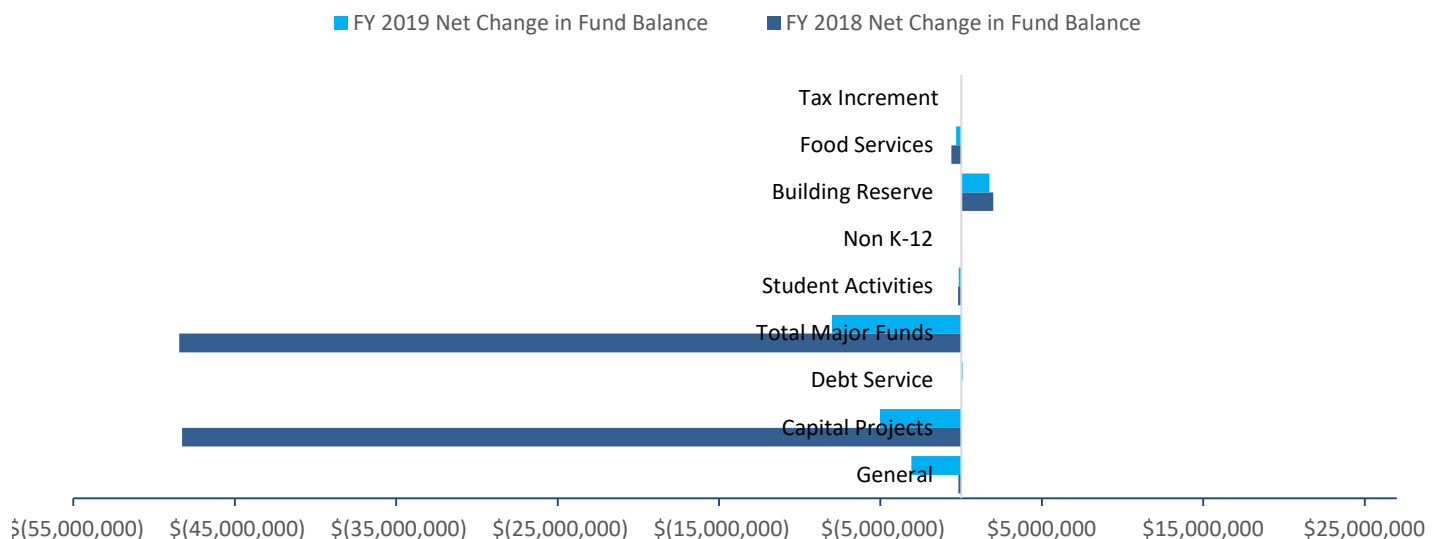
Fund Balance: *Adjustment Schedule*

FY 2017 to FY 2018

Major Funds	FY 2018			FY 2019		
	Beginning Balance	Net Change in Fund Balance	Ending Balance	Beginning Balance	Net Change in Fund Balance	Ending Balance
General	35,888,249	(178,166)	35,710,083	35,710,083	(3,078,419)	32,631,664
Capital Projects	63,315,099	(48,262,895)	15,052,204	15,052,204	(5,023,481)	10,028,723
Debt Service	1,758,706	0	1,758,706	1,758,706	97,370	1,856,076
Total Major Funds	\$100,962,054	(\$48,441,061)	\$52,520,993	\$52,520,993	(\$8,004,530)	\$44,516,463
Non-major Funds						
Student Activities	2,087,803	(197,766)	1,890,037	1,890,037	(157,063)	1,732,974
Non K-12	0	0	0	0	0	0
Building Reserve	4,872,240	2,000,000	6,872,240	6,872,240	1,750,000	8,622,240
Food Services	2,285,572	(608,924)	1,676,647	1,676,647	(315,391)	1,361,256
Tax Increment	0	0	0	0	0	0
Total Non-major Funds	\$9,245,615	\$1,193,310	\$10,438,925	\$10,438,925	\$1,277,546	\$11,716,471
Total All Funds	\$110,207,670	(\$47,247,752)	\$62,959,918	\$62,959,918	(\$6,726,984)	\$56,232,934

Fund Balance *Definition*

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



Statement of *Changes to Fund Balance (Equity)*

General Fund: (\$3,078,419)

The District is projected to reduce its General fund residual balances during FY 2019 by roughly \$3.1M. Much of this reduction is due to planned prior year expenditures rolling into this fiscal year. These items include curriculum replacement, infrastructure, and employee compensation changes.

Capital Projects Fund: (\$5,023,481)

The Capital Projects fund balance is projected to decrease by just over \$5 million in FY 2019. This amount is due to the remaining Bond-related construction projects that are finishing up in FY 2019. Additionally, some smaller projects originally scheduled to be completed in FY 2018 have been pushed back into FY 2019 resulting in higher expenses for the coming year.

Debt Service Fund: \$97,370

The debt service fund balance will remain roughly flat in FY 2019. We expect tax revenues will offset the expenses related to the District's debt obligations. Any fund balance is then reinvested to draw down our debt obligations.

Student Activities Fund: (\$157,063)

The District expects the student activities fund balance to only see minimal changes in FY19. The District recently consolidated and unified its secondary fee schedules so some change is expected due to these adjustments.

Non K-12 Fund: \$0

This fund isn't appropriated for use in FY 2019. Prior years' expenses in this fund have now been completely shifted to other district funds.

Building Reserve Fund: \$1,750,000

For FY 19, the District expects to transfer funds from the General Fund into Building Reserve for future capital project needs. This is part of the District's long-term deferred maintenance planning.

Food Service Fund: (\$315,391)

This fund balance decrease is a planned spend down of balances in order to maintain compliance with state fund balance requirements. The District's food service fund balance will be at approximately 10% of total revenues in this fund after this spend down, which is considered appropriate.

Tax Increment Fund: \$0

The District expects this fund balance to once again not change in FY 2019.

Summary of Fund Balances

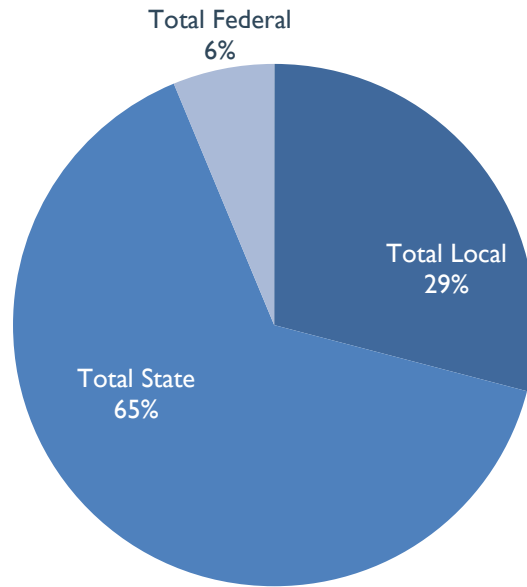
Overall, District fund balances are projected to decrease by \$6,726,984 in FY 2019. The vast majority of this decrease is due to remaining expenses related to school construction the capital projects fund. While there is some spend down in other funds, these are due to non-routine expenditures or are a result of state compliance obligations, although it's important to note that if funds don't increase, especially in the Capital Projects fund, then substantial budget cuts will have to occur in FY 2020 and beyond.

Major Revenue and Expenditures by Fund
Major Funds

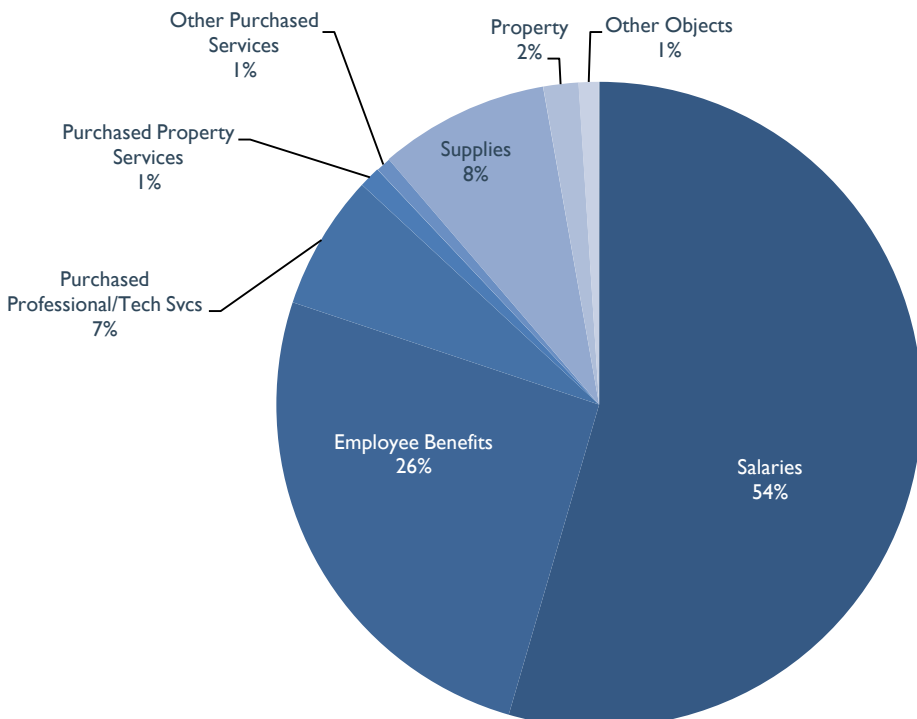
Revenue and Expenditure Budgets by Source: *General Fund*

General Fund Revenue: *FY 2019*

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 2019*



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 2017 through FY 2019

Revenues from State Sources	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Regular School Program K-12	\$ 42,994,821	\$45,100,597	\$ 41,273,134
Professional Staff	4,086,800	4,334,192	4,058,372
Restricted Basic School Program	-	15,078,750	14,722,057
Special Education -- Add-On	6,381,142	-	-
Special Education -- Self-Contained	1,604,449	-	-
Special Education -- Pre-school	1,048,428	-	-
Special Populations	-	2,743,575	1,623,642
Extended Year Program -- Severely Disabled	183,102	-	-
Special Education -- State Programs	146,706	-	-
Career & Technology Ed -- Add-On	2,139,754	-	-
Related to Basic Programs	-	1,349,180	2,956,655
Adult High School	482,238	-	-
Class Size Reduction (State Funds)	3,556,485	-	-
Enhance for Accelerated Stud Prog	79,441	-	-
Advanced Placement	55,266	-	-
Concurrent Enrollment	90,384	-	-
At-Risk Enhancement	611,302	-	-
At-Risk -- Gang Prevention	80,460	-	-
At-Risk -- Youth-in-Custody	1,431,557	-	-
Critical Languages	260,000	-	-
Flexible Allocation	-	7,015,557	7,211,662
Interventions for Student Success	207,657	-	-
Social Security and Retirement	207,418	-	-
Pupil Transportation	1,116,129	-	-
School Nurses	27,597	-	-
School Land Trust Program	1,295,808	-	-
Voted Leeway	6,389,187	-	-
Board Leeway	1,322,387	-	-
Voted and Local Board Levies	-	6,430,317	6,493,989
K-3 Reading Achievement	430,961	-	-
Other State Sources MSP	842,631	2,602,569	1,757,667
Total Minimum School Program Generated	77,072,110	84,654,737	80,097,178
 Other Revenues from State Sources			
Other Revenues From State Sources (Non-MSP)	5,957	-	-
Driver Education (State Driver Training Tax)	157,495	-	-
Library Books & Electronic Resources	21,469	-	-
Supplementals / Other Bills	4,359,624	-	-
Revenues From Other State Agencies	1,179,060	-	-
 Total State Revenue	82,795,715	84,654,737	80,097,178

Figures may vary slightly due to rounding.

Major Revenue Sources, General Fund:

FY 2017 through FY 2019

Revenues from Local Sources	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Property Taxes	\$ 26,310,700	\$26,590,975	\$ 30,881,885
Tuition From Pupils or Parents	90,942	82,000	92,745
Tuition From Other LEAs Outside the State	-	50,000	50,500
Transportation Fees From Pupils or Parents	257,765	145,000	160,000
Earnings on Investments	675,935	373,307	1,000,000
Student Activities	79,871	220,468	30,000
Other Revenues From Local Sources	2,648,067	320,000	320,000
Contributions and Donations from Private Sources/Foundation	-	-	-
Miscellaneous	(995)	3,517,091	3,374,350
Total Local Revenue	<u>30,062,285</u>	<u>31,298,841</u>	<u>35,909,480</u>

Revenue from Federal Sources	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Restricted Revenue Direct From Federal	80,459	32,711	-
Restricted Federal Through State	167,654	-	-
Programs for the Disabled (IDEA)	2,715,203	2,953,732	2,850,000
Career & Technology Education	205,938	233,242	-
Unique Local Federal/State Sources	121,938	-	-
Other Restricted Federal Through State	-	12,000	-
Federal Received Through Other Agencies	133,263	1,209,167	1,135,557
No Child Left Behind (NCLB)	5,072,091	5,309,628	3,786,665
Other Revenues from Federal Sources	1,428,294	125,286	-
Total Federal Revenue	<u>9,924,840</u>	<u>9,875,766</u>	<u>7,772,222</u>
TOTAL REVENUES, GENERAL FUND	<u>122,782,840</u>	<u>125,829,344</u>	<u>123,778,880</u>

Figures may vary slightly due to rounding.

Major Expenditures, General Fund: FY 2017 through FY 2019

General Fund Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: Instruction			
Salaries - Teachers	\$ 35,794,191	\$ 36,433,369	\$ 42,021,273
Salaries - Teacher Aides and Paraprofessionals	5,275,033	7,250,248	5,346,308
Salaries - All Other	47,133	126,879	12,279
Total Salaries (100)	41,116,357	43,810,496	47,379,860
Retirement	8,448,011	8,726,345	9,053,774
Social Security	2,961,756	3,003,945	3,126,880
Insurance (Health/Dental/Life)	7,367,230	8,454,479	8,042,949
Other Benefits	2,319,493	2,465,722	2,520,136
Total Benefits (200)	21,096,490	22,650,491	22,743,739
Purchased Professional and Technical Services	10,759,180	7,005,461	6,769,903
Purchased Property Services	26,070	-	-
Other Purchased Services	292,654	206,943	130,951
Supplies	3,349,567	4,880,249	3,986,508
Textbooks	77,076	1,352,241	784,710
Property (Instructional Equipment)	470,722	630,881	431,595
Other Objects	1,090,364	1,144,644	1,178,336
Dues and Fees	9,340	-	-
TOTAL INSTRUCTION (1000)	\$ 78,287,820	\$ 81,681,406	\$ 83,405,602

Function: Student Support			
Salaries - Attendance and Social Work Personnel	\$ 777,555	\$ 944,187	\$ 810,013
Salaries - Guidance Personnel	958,976	991,231	942,689
Salaries - Health Services Personnel	447,712	1,558,854	1,232,830
Salaries - Psychological Personnel	470,680	528,311	560,010
Salaries - Secretarial and Clerical	361,573	360,192	381,805
Salaries - All Other	1,042,304	105,036	51,077
Retirement	851,187	953,556	918,623
Social Security	284,540	308,003	299,855
Insurance (Health/Dental/Life)	690,602	861,633	822,856
Other Benefits	30,025	32,748	32,239
Purchased Professional and Technical Services	824,758	304,279	304,279
Other Purchased Services	21,202	28,852	18,332
Supplies	71,408	52,338	33,619
Other Objects	33,794	36,502	27,372
TOTAL STUDENT SUPPORT (2100)	\$ 6,866,316	\$ 7,065,722	\$ 6,435,599

Figures may vary slightly due to rounding.

Major Expenditures, General Fund: FY 2017 through FY 2019

General Fund Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: Instructional Staff Support			
Salaries - Media Personnel - Certificated	\$ 174,427	\$ 184,856	\$ 195,946
Salaries - Secretarial and Clerical	309,924	283,419	326,654
Salaries - Media Personnel - Noncertificated.	432,337	421,785	447,092
Salaries - All Other	1,078,557	2,054,113	1,728,887
Retirement	410,258	469,620	504,273
Social Security	144,774	194,560	204,794
Insurance (Health/Dental/Life)	196,834	239,746	247,870
Other Benefits	12,889	31,208	33,683
Purchased Professional and Technical Services	412,141	380,391	351,795
Purchased Property Services	64,162	-	-
Other Purchased Services	116,382	371,071	281,165
Supplies	320,702	594,687	727,770
Library Books	36,286	55,914	44,533
Periodicals	-	-	-
Equipment	17,102	616,286	827,417
Other Objects	11,219	649	-
Dues and Fees	6,987	13,595	4,000
TOTAL INSTRUCTIONAL STAFF SUPPORT (2200)	\$ 3,744,981	\$ 5,911,900	\$ 5,925,879
Function: District Admin Support			
Salaries - District Board and Administration	\$ 214,247	\$ 225,008	\$ 238,509
Salaries - Supervisors and Directors	1,135,011	1,439,980	1,286,618
Salaries - Secretarial and Clerical	239,517	285,068	302,172
Salaries - All Other	209,327	-	-
Retirement	441,183	447,345	464,017
Social Security	125,137	136,839	143,059
Insurance (Health/Dental/Life)	219,752	291,196	284,996
Other Benefits	12,429	21,659	22,660
Purchased Professional and Technical Services	252,142	211,709	211,709
Purchased Property Services	3,791	-	-
Other Purchased Services	81,262	102,163	84,902
Supplies	232,177	420,997	462,830
Property	672,623	10,403	10,403
Other Objects	29,319	41,190	505
Dues and Fees	40,878	53,166	53,166
TOTAL DISTRICT ADMINISTRATION (2300)	\$ 3,908,795	\$ 3,686,723	\$ 3,565,546

Figures may vary slightly due to rounding.

Major Expenditures, General Fund: FY 2017 through FY 2019

General Fund Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: School Admin Support			
Salaries - Principals and Assistants	\$ 2,917,311	\$ 2,947,468	\$ 3,060,811
Salaries - Secretarial and Clerical	1,536,450	1,642,958	1,672,587
Salaries - All Other	-	-	-
Retirement	997,637	1,020,270	1,047,358
Social Security	318,234	318,430	325,630
Insurance (Health/Dental/Life)	663,487	633,001	631,954
Other Benefits	33,373	33,054	33,898
Purchased Professional and Technical Services	513	10,820	6,492
Property Services	1,096	-	-
Other Purchased Services	11,071	3,605	1,560
Supplies	44,704	52,850	31,710
Equipment	-	16,818	10,091
Dues and Fees	6,846	4,735	2,841
TOTAL SCHOOL ADMIN SUPPORT (2400)	\$ 6,530,722	\$ 6,684,009	\$ 6,824,932
Function: Central Support			
Salaries	\$ 2,724,864	\$ 2,826,027	\$ 3,077,488
Retirement	602,747	565,220	599,879
Social Security	191,509	201,066	219,316
Insurance (Health/Dental/Life)	362,569	379,605	436,998
Other Benefits	21,506	56,443	57,888
Purchased Professional and Technical Services	511,421	642,375	629,255
Purchased Property Services	3,024	250	250
Other Purchased Services	174,338	205,248	200,248
Supplies	632,777	556,921	1,154,016
Property	637,046	656,100	656,100
Other Objects	2,338	750	750
Dues and Fees	9,975	10,113	5,750
TOTAL CENTRAL SUPPORT (2500)	\$ 5,874,114	\$ 6,100,118	\$ 7,037,938

Figures may vary slightly due to rounding.

Major Expenditures, General Fund: FY 2017 through FY 2019

General Fund Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: Maintenance and Operations Support			
Salaries - Operation and Maintenance	\$ 2,466,280	\$ 2,527,531	\$ 2,724,187
Salaries - All Other	288,713	209,223	221,777
Retirement	444,580	511,002	553,707
Social Security	199,266	207,710	226,526
Insurance (Health/Dental/Life)	367,406	430,666	443,123
Other Benefits	20,472	25,276	26,774
Purchased Professional and Technical Services	291,307	261,609	195,309
Purchased Property Services	984,233	1,862,724	1,250,099
Other Purchased Services	210,279	217,261	211,883
Supplies	2,600,521	2,963,266	2,963,266
Property	710,699	14,995	14,995
Other Objects	-	-	-
TOTAL MAINTENANCE AND OPERATIONS (2600)	\$ 8,583,756	\$ 9,231,263	\$ 8,831,646

Function: Student Transportation			
Salaries - Secretarial and Clerical	\$ 59,225	\$ 67,661	\$ 71,721
Salaries - Bus Drivers	855,624	982,883	1,041,856
Salaries - Mechanics and Other Garage Employees	186,643	186,106	197,272
Salaries - Other (Trainers, etc.)	3,034	1,261	1,337
Retirement	194,271	245,932	260,688
Social Security	79,747	97,907	103,781
Insurance (Health / Accident / Life)	170,501	233,113	236,610
Other Benefits	8,385	12,800	13,568
Purchased Professional and Technical Services	1,656	1,500	1,500
Purchased Property Services	65,313	94,668	94,668
Student Allowance	-	-	-
Payments in Lieu of Transportation - Subsistence	723	-	-
Communications (Telephone and Other)	20	1,560	1,560
Travel / Per Diem	2,727	3,433	3,433
Motor Fuel	135,743	209,322	209,322
Other Supplies	167,335	211,632	211,632
Equipment	407,535	490,000	250,000
Miscellaneous Expenditures	3,337	7,674	7,674
Training	-	-	-
TOTAL STUDENT TRANSPORTATION (2700)	\$ 2,341,819	\$ 2,847,452	\$ 2,706,622

Figures may vary slightly due to rounding.

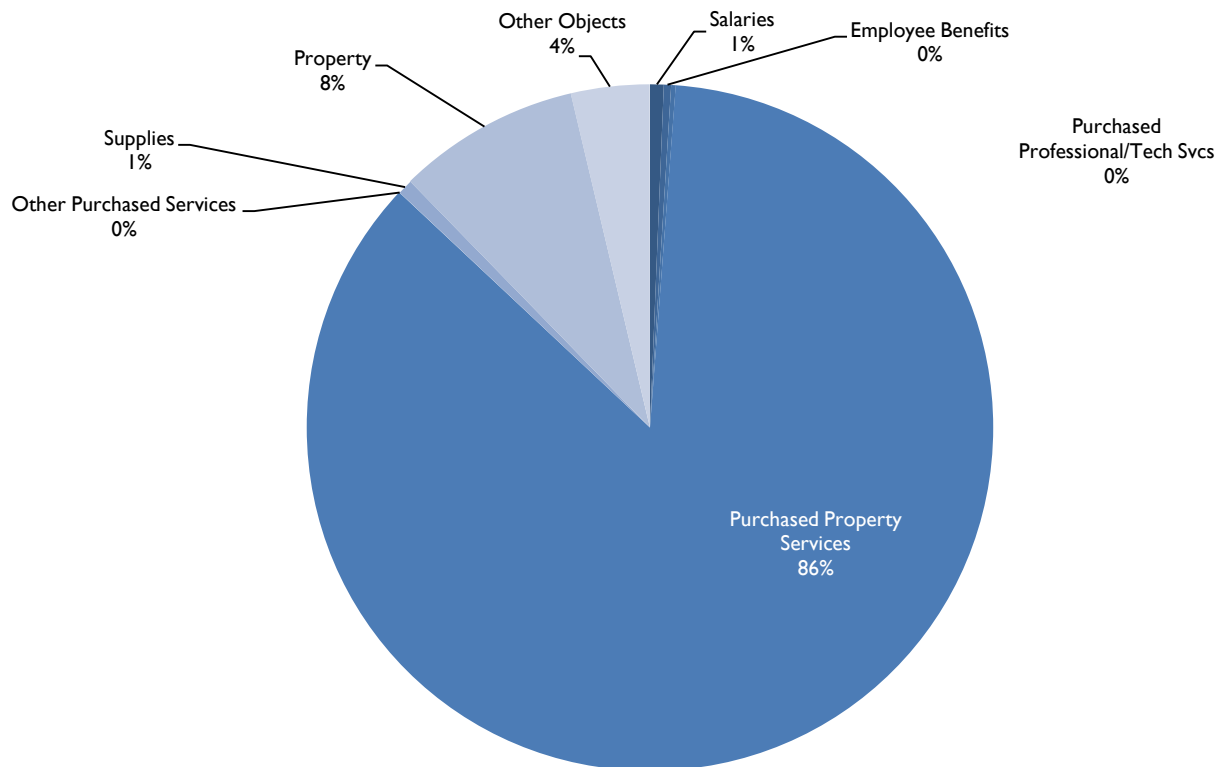
Major Expenditures, General Fund: FY 2017 through FY 2019

General Fund Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: Community Services			
Salaries	\$ 1,460,300	\$ 329,749	\$ 349,535
Retirement	270,415	75,872	80,424
Social Security	105,715	25,074	26,578
Insurance (Health/Dental/Life)	186,651	53,848	54,656
Other Benefits	10,688	2,515	2,666
Purchased Professional and Technical Services	19,380	12,500	12,500
Purchased Property Services	2,370	-	-
Other Purchased Services	2,186	2,176	2,176
Supplies	395,966	45,000	45,000
Equipment	2,655	-	-
Other Objects	48,283	417,183	-
Dues and Fees	-	-	-
TOTAL NON-INSTRUCTIONAL SERVICES (3300)	\$ 2,504,609	\$ 963,917	\$ 573,535
Function: Building Acquisition and Construction			
Salaries	\$ -	\$ -	\$ -
Retirement	-	-	-
Social Security	-	-	-
Insurance (Health/Dental/Life)	-	-	-
Other Benefits	-	-	-
Purchased Professional and Technical Services	-	-	-
Purchased Property Services	-	-	-
Construction and Remodeling	-	-	-
Other Purchased Services	-	-	-
Supplies - New Buildings	-	-	-
Buildings	-	-	-
Other Equipment	28,732	-	-
Other Objects	-	-	-
Redemption of Principal	-	-	-
Interest	-	-	-
TOTAL BUILDING ACQUISITION/CONSTRUCTIO	\$ 28,732	\$ -	\$ -
TOTAL EXPENDITURES, GENERAL FUND	\$ 118,671,664	\$ 124,172,510	\$ 125,307,299
OTHER FINANCING			
OTHER FINANCING SOURCES (USES)			
Transfers In From Other Funds	-	-	-
Transfers Out to Other Funds	-	(2,000,000)	(1,750,000)
Proceeds From Sale of Capital Assets	26,217	165,000	100,000
Other	-	-	-
TOTAL OTHER FINANCING	\$ 26,217	\$ (1,835,000)	\$ (1,650,000)

Figures may vary slightly due to rounding.

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

Capital Projects Fund: *FY 2019*



Note: The vast majority of revenue in the Capital Projects Fund comes from local sources - most notably property taxes, with minimal state funding. Total FY 2019 revenues for this fund are \$10,247,427.

Major Revenue Sources, Capital Projects Fund: FY 2017 through FY 2019

Revenues from Local Sources	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Property Taxes	\$ 8,447,562	\$ 8,496,755	\$ 8,581,723
Earnings on Investments	999,810	873,650	450,000
Other Revenues from Local Sources	<u>1,237,945</u>	<u>35,350</u>	<u>635,704</u>
Total Local Revenue	<u>\$ 10,685,316</u>	<u>\$ 9,405,755</u>	<u>\$ 9,667,427</u>

Revenues from State Sources	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Enrollment Growth/Capital Outlay	927,735	927,735	500,000
Other Revenue from State Sources	<u>42,959</u>	<u>-</u>	<u>-</u>
Total State Revenue	<u>\$ 970,694</u>	<u>\$ 927,735</u>	<u>\$ 500,000</u>

Revenue from Federal Sources	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Federal Received Through Other Agencies	<u>-</u>	<u>50,000</u>	<u>80,000</u>
Total Federal Revenue	<u>-</u>	<u>50,000</u>	<u>80,000</u>
TOTAL REVENUES, CAPITAL PROJECTS FUND	<u>\$ 11,656,010</u>	<u>\$ 10,383,490</u>	<u>\$ 10,247,427</u>

Figures may vary slightly due to rounding.

Major Expenditures, Capital Projects Fund: FY 2017 through FY 2019

Capital Projects Fund Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: Operation and Maintenance of Facilities			
Salaries	\$ -	\$ 163,982	\$ 98,267
Retirement	-	30,419	16,724
Social Security	-	13,913	8,132
Insurance (Health/Dental/Life)	-	29,876	25,971
Other Benefits	-	1,981	1,180
Purchased Professional and Technical Services	14,363	33,527	33,027
Purchased Property Services	1,606,664	1,791,764	3,326,620
Other Purchased Services	4,879	-	-
Supplies	50,352	59,237	108,737
Property	142,505	602,227	635,000
Other Objects	-	1,045,775	-
TOTAL OPERATION AND MAINTENANCE OF FACILITIES	\$ 1,818,763	\$ 3,772,701	\$ 4,253,658
Function: Student Transportation			
Equipment	\$ -	\$ 225,000	\$ 675,000
TOTAL STUDENT TRANSPORTATION	\$ -	\$ 225,000	\$ 675,000
Function: Building Acquisition and Construction			
Salaries	\$ 136,174	\$ -	\$ -
Retirement	32,486	-	-
Social Security	9,884	-	-
Insurance (Health/Dental/Life)	11,581	-	-
Other Benefits	1,009	-	-
Purchased Professional and Technical Services	286	-	-
Repairs & Maintenance	623	-	-
Construction and Remodeling	55,292,794	51,706,351	9,775,250
Other Purchased Services	-	-	-
Supplies	782	-	-
Land/Site Improvements	1,650,220	-	-
Furniture and Fixtures	439,479	1,321,108	-
Other Equipment	1,123,577	1,060,000	-
Other Objects	944,318	-	-
Redemption of Principal	26,727	-	-
Interest	-	-	-
TOTAL BUILDING ACQUISITION/CONSTRUCTION	\$ 59,669,939	\$ 54,087,459	\$ 9,775,250
Function: Debt Service			
Interest	\$ 57,199	\$ 80,000	\$ 80,000
Dues & Fees	-	-	5,775
Redemption of Principal	-	481,225	481,225
TOTAL DEBT SERVICE	\$ 57,199	\$ 561,225	\$ 567,000
TOTAL EXPENDITURES, CAPITAL PROJECTS FUND	\$ 61,545,901	\$ 58,646,385	\$ 15,270,908
OTHER FINANCING SOURCES (USES)			
Transfers In From Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
Proceeds From Sale of Capital Assets	25,406,324	-	-
Other Financing Sources & Uses	-	-	-
TOTAL OTHER FINANCING SOURCES	\$ 25,406,324	\$ -	\$ -

Major Revenue and Expenditures, Debt Service Fund:
FY 2017 through FY 2019

Debt Service Fund	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Property Taxes	\$ 9,874,905	\$ 9,737,000	\$ 9,834,370
TOTAL REVENUE, DEBT SERVICE	<u>\$ 9,874,905</u>	<u>\$ 9,737,000</u>	<u>\$ 9,834,370</u>
Expenditures by Object			
Interest	\$ 4,116,478	\$ 4,062,000	\$ 4,062,000
Redemption of Principal	5,717,066	5,670,000	5,670,000
Miscellaneous Expenditures	<u>4,434</u>	<u>5,000</u>	<u>5,000</u>
TOTAL EXPENDITURES, DEBT SERVICE	<u>\$ 9,837,978</u>	<u>\$ 9,737,000</u>	<u>\$ 9,737,000</u>

Figures may vary slightly due to rounding.

Major Revenue and Expenditures by Fund
Non-major Funds

Major Revenue and Expenditures, Student Activity Fund

FY 2017 through FY 2019

Student Activity Fund	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
REVENUES FROM LOCAL SOURCES			
Earnings on Investments	\$ 8,469	\$ 5,000	\$ 5,050
Student Fees	1,253,202	1,350,000	1,363,500
School Vending	21,861	20,000	20,200
Community Services Activities	503,855	638,367	644,751
Other Revenues From Local Sources	<u>2,232,893</u>	<u>2,056,867</u>	<u>2,077,436</u>
TOTAL REVENUE FROM LOCAL SOURCES	<u>4,020,280</u>	<u>4,070,234</u>	<u>4,110,937</u>
TOTAL REVENUE, STUDENT ACTIVITY FUND	<u>\$ 4,020,280</u>	<u>\$ 4,070,234</u>	<u>\$ 4,110,937</u>
Function: Instruction			
Purchased Professional and Technical Services	\$ 428,048	\$ 577,500	\$ 577,500
Purchased Property Services	52,486	-	-
Other Purchased Services	1,015,878	1,100,000	1,100,000
Supplies	1,736,698	1,680,500	1,680,500
Property	-	-	-
Other Objects	<u>432,306</u>	<u>910,000</u>	<u>910,000</u>
TOTAL EXPENDITURES, STUDENT ACTIVITY FUND	<u>\$ 3,665,417</u>	<u>\$ 4,268,000</u>	<u>\$ 4,268,000</u>

Figures may vary slightly due to rounding.

Major Revenue, Non K-12 Fund

FY 2017 through FY 2019

Non-K-12 Fund	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
REVENUES FROM LOCAL SOURCES			
Property Taxes	\$ -	\$ -	\$ -
Tuition from Pupils or Parents	-	-	-
Earnings on Investments	-	-	-
Other Revenues From Local Sources	-	-	-
TOTAL REVENUES FROM LOCAL SOURCES	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES FROM STATE SOURCES			
Preschool-Handicapped	-	-	-
Adult Education	-	-	-
Revenues from Other State Agencies	-	-	-
TOTAL REVENUES FROM STATE SOURCES	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES FROM FEDERAL SOURCES			
Special Ed - Preschool	-	-	-
Adult Education	-	-	-
English Language Education	-	-	-
Other Revenues From Federal Sources	-	-	-
TOTAL REVENUES FROM FEDERAL SOURCES	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES, NON-K-12 FUND	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Figures may vary slightly due to rounding.

Major Expenditures, Non K-12 Fund: (no budget expenditures in this fund for FY 2019; schedules included for historical perspective only)
FY 2017 through FY 2019

Non-K-12 Fund Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: Community Services			
Salaries	\$ -	\$ -	\$ -
Retirement	-	-	-
Social Security	-	-	-
Insurance (Health/Dental/Life)	-	-	-
Other Benefits	-	-	-
Purchased Professional and Technical Services	-	-	-
Purchased Property Services	-	-	-
Other Purchased Services	-	-	-
Supplies	-	-	-
Property	-	-	-
Other Objects	-	-	-
Dues and Fees	-	-	-
TOTAL COMMUNITY SERVICES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL EXPENDITURES, NON-K-12 FUND	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
OTHER FINANCING SOURCES			
OTHER FINANCING SOURCES (USES)			
Transfers In from Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Figures may vary slightly due to rounding.

Other Financing Sources (Uses), Building Reserve Fund

FY 2017 through FY 2019

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

Building Reserve Fund	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
OTHER FINANCING SOURCES (USES)			
Transfers In from Other Funds	\$ -	\$ 2,000,000	\$ 1,750,000
Transfers Out from Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u><u>\$ -</u></u>	<u><u>\$ 2,000,000</u></u>	<u><u>\$ 1,750,000</u></u>

Major Revenue, Food Services Fund: FY 2017 through FY 2019

Food Services Fund	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
REVENUES FROM LOCAL SOURCES			
Sales to Students	\$ 1,059,145	\$ 1,149,346	\$ 1,160,834
Sales to Adults	54,076	63,982	64,623
Other Revenues From Local Sources	33,649	25,250	25,503
Gains (Losses From Sale of Capital Assets)	-	-	-
TOTAL REVENUES FROM LOCAL SOURCES	<u>1,146,870</u>	<u>1,238,578</u>	<u>1,250,960</u>
REVENUES FROM STATE SOURCES			
School Lunch	\$ 868,074	\$ 865,089	\$ 900,000
TOTAL REVENUES FROM STATE SOURCES	<u>868,074</u>	<u>865,089</u>	<u>900,000</u>
REVENUES FROM FEDERAL SOURCES			
Lunch Reimbursement	\$ 432,714	\$ 414,791	\$ -
Lunch Reimbursement (Free and Reduced Meals)	2,243,978	2,077,549	-
Special Milk Reimbursement	-	-	-
Breakfast Reimbursement	601,269	580,092	-
Child and Adult Care Food Program	37,410	37,357	-
Other Child Nutrition Program Revenue	201,152	197,129	3,204,169
Donated Commodities	66,773	-	-
TOTAL REVENUES FROM FEDERAL SOURCES	<u>3,583,296</u>	<u>3,306,918</u>	<u>3,204,169</u>
TOTAL REVENUES, FOOD SERVICES FUND	<u>\$ 5,598,240</u>	<u>\$ 5,410,585</u>	<u>\$ 5,355,129</u>

Figures may vary slightly due to rounding.

Major Expenditures, Food Services Fund: FY 2017 through FY 2019

Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: Food Services			
Salaries	\$ 1,910,702	\$ 2,044,243	\$ 2,018,804
Retirement	301,732	338,830	310,660
Social Security	138,519	157,769	165,236
Insurance (Health/Dental/Life)	269,992	260,873	243,286
Other Benefits	14,202	21,617	22,916
Purchased Professional and Technical Services	20,839	31,099	17,231
Purchased Property Services	125,411	150,186	134,500
Other Purchased Services	1,966	6,311	750
Non-Food Supplies	440,258	408,588	408,588
Food	1,948,993	2,268,338	2,023,480
Property	214,181	150,000	150,000
Other Objects	140,070	181,000	174,414
Dues and Fees	355	655	655
TOTAL EXPENDITURES, FOOD SERVICES FUND	<u>\$ 5,527,221</u>	<u>\$ 6,019,509</u>	<u>\$ 5,670,520</u>
OTHER FINANCING			
OTHER FINANCING SOURCES (USES)			
Transfers In From Other Funds	-	-	-
Transfers Out to Other Funds	-	-	-
Proceeds From Sale of Capital Assets	16	-	-
Other	-	-	-
TOTAL OTHER FINANCING	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ -</u>

Figures may vary slightly due to rounding.

Major Revenue and Expenditures, Tax Increment Fund

FY 2017 through FY 2019

Tax Increment Fund	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
REVENUES FROM LOCAL SOURCES			
Property Taxes	\$ 628,288	\$ 1,250,000	\$ 1,250,000
TOTAL REVENUES FROM LOCAL SOURCES	<u>628,288</u>	<u>1,250,000</u>	<u>1,250,000</u>
 TOTAL REVENUES, TAX INCREMENT FUND	 <u>\$ 628,288</u>	 <u>\$ 1,250,000</u>	 <u>\$ 1,250,000</u>

Expenditures	Actual FY 2017	Final Budget FY 2018	Original Budget FY 2019
Function: Central Support			
Other Objects	\$ 628,288	\$ 1,250,000	\$ 1,250,000
TOTAL EXPENDITURES, TAX INCREMENT FUND	<u>\$ 628,288</u>	<u>\$ 1,250,000</u>	<u>\$ 1,250,000</u>

Capital Projects & Debt Service
Supplementary Information

Capital Expenditures: *Definition*

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

Significant Capital Expenditures: *Bond Construction*

In November 2014 the residents of Provo voted to approve a Bond and Leeway of \$108 million, to be used to replace five aging schools within the District. As part of that process, in FY 2016 the District began construction on a handful of large-scale school rebuild projects which comprise substantial investments in the District’s capital projects and operations funds. Now that principal construction on these projects is completed, FY 2019 contains budgets for the small remaining expenditures on the Provost Elementary and Provo High School construction projects.

The District has issued the total voter approved Bond proceeds as of the beginning of FY 2017. In addition to Bond proceeds, funds from the sale of the old Provo HS building/grounds as well as the CUE building have been used to supplement the construction rebuild expenses of these last two schools.

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

Phase 1 - Projected Timeline

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

Phase 2 - Projected Timeline

Project Name	Timeline
Provo High School	Completed. Open August 2018
Edgemont Elementary School	Completed. Open August 2017
Provost Elementary School	Completed. Open August 2018

Significant Capital Expenditures: *BOND Considerations*

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

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

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

*Source: 2013 USOE School Reconstruction Manual





Rock Canyon Elementary School

1964

Existing School

Score – 1.87 out of 5

Current Enrollment: 693

Projected 2030 Enrollment: 754

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

Evaluation System

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

Rating System

The school was evaluated on the following rating system:

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

Life Safety Evaluation

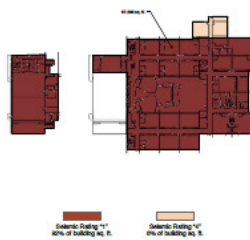
Categories that rate a 1 or lower

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

Building Additions



Seismic Rating



Rock Canyon Elementary School



Heavy Concrete Roof on Unreinforced Masonry Walls



Corroded Steam Pipe Lines



Moisture Damage to Floor Structure

Deficiencies

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

Proposed Site Plan



Considerations for a New School

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

Strengths of this Proposal

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

Edgemont Elementary School



1955

Existing School

Score – 2.41 out of 5

Current Enrollment: 566

Projected 2030 Enrollment: 616

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

Evaluation System

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

Rating System

The school was evaluated on the following rating system:

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

Life Safety Evaluation

Categories that rate a 1 or lower

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

Building Additions



Building Health



Seismic Rating

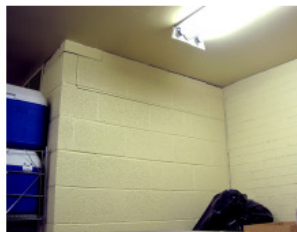


Building Site Plan

Edgemont Elementary School



Exposed Plumbing Pipes Impact Learning Space



Cracked Interior Brick Walls and Mortar



Cracked Exterior Brick Walls and Mortar

Deficiencies

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

Proposed Site Plan



Considerations for a New School

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

Strengths of this Proposal

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

Sunset View Elementary School

1958



Existing School

Score – 2.55 out of 5

Current Enrollment: 532

Projected 2030 Enrollment: 692

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

Evaluation System

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

Rating System

The school was evaluated on the following rating system:

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

Life Safety Evaluation

Categories that rate a 1 or lower

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

Building Additions



Building Health



Seismic Rating



Existing Site Plan

Sunset View Elementary School



Heavy Concrete Roof on Unreinforced Masonry Walls



Cracked Exterior Brick Walls and Mortar



Cracked Exterior Brick Walls and Mortar

Corroded Downspout Pipe Lines

Deficiencies

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

Proposed Site Plan



Considerations for a New School

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

Strengths of this Proposal

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



1949

Existing School

Score – 1.94 out of 5

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

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

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

Life Safety Evaluation

Categories that rate a 1 or lower

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

Building Additions



Building Health



Seismic Rating



Provost Elementary School



Cracked Interior Brick Walls and Mortar



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



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

Deficiencies

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

Proposed Site Plan



Considerations for a New School

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

Strengths of this Proposal

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



Existing School

Score – 2.05 out of 5

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

Evaluation System

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

Rating System

The school was evaluated on the following rating system:

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

Life Safety Evaluation

Categories that rate a 1 or lower

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

Building Additions



Building Health

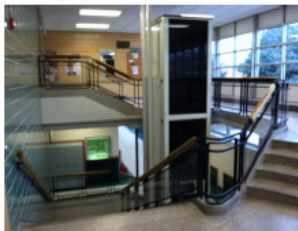


Seismic Rating

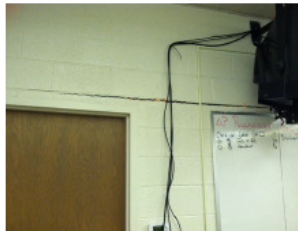


Existing Site Plan

Provo High School



Non Code-Compliant Guardrail and Handrails



Cracked Interior Brick Wall and Mortar



Non Code-Compliant Guardrail and Handrails

Deficiencies

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

Considerations for a New School

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

Effect on Operations: *BOND Financial Considerations*

Financial

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

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

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

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

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

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

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

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


Effect on Operations: *BOND Financial Considerations continued*

Capital Fund

In short, without the use of Bond proceeds the District would not be able to keep up with the building safety and operations requirements of our facilities. Prior to the past recession, the District's Capital Fund, with supplementary funding from our Building Reserve Fund, was funded at a rate which provided us with the resources needed to provide regular maintenance for our capital facilities. However, much of that funding has dried up, and as a result the balance of our Capital Fund and Building Reserve are now low. Even with the supplementary Bond proceed funds, which are earmarked and will only be used to help complete the 5 school rebuilds detailed on the prior pages, we expect that we will need to reduce the level of renovation/repairs over the next few years in order to once again build up a Capital Fund reserve. So, while the Bond projects do not have a direct financial impact on our Capital Fund, as a result of these funds being used entirely for the school projects, we have only limited means to build up a Capital Fund reserve. This process of focusing our maintenance efforts and reducing the number and cost of the other capital improvements planned by our Facilities department began in fiscal year 2017 and will continue for the foreseeable future. As enrollment within the District shifts due to construction projects on the west side of the city, the District is taking the necessary steps to ensure that any future capital needs are met. As a result, we have prioritized the streamlining of our deferred maintenance plan so that the funds are available for any future needs or opportunities.

Debt Service Fund

As stated previously, there is only a minor financial impact due to the additional debt service requirements related to these bonds funds. The District remains well under the mandated debt limit for a District of our size and additional refinancing of prior bonds has resulted in minimizing the impact of the bond on both our citizens' taxes and the District finances. The majority of the additional debt service will be paid for by additional tax revenue from the General Obligation Debt Levy, resulting in minimal immediate financial impact to the District. It is estimated that the total bond impact on tax payers will be equivalent to roughly \$13/month for a primary residence of \$210,000. In short, while there isn't an immediate financial impact to our operations, our patrons are committing long-term to the repayment of these funds, and we understand we could not fund these large projects without their willing participation in our District.

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

General Fund

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

- **Staffing** - Since these are replacement projects we expect the general staffing levels (Teachers, Support, Custodial, etc) to be at roughly the same levels as those prior to the new schools becoming operational. However, each school is constructed with an eye to possible future growth and has the space required for our foreseeable enrollment needs. Any significant enrollment increases will require additional staffing, and due to the larger size of the schools (particularly Provo High School) there is the potential need for additional custodial help.
- **Maintenance & Operations** - When beginning the Bond process, the District commissioned a long-term capital projects study of the maintenance/upgrade costs of the buildings in our District. It was estimated that prior to replacement, these 5 schools would have cost the District over \$29 million in just building maintenance. The new buildings, with upgraded electrical, HVAC, and other mechanical systems, will result in much more efficient use of resources. The end result is that, despite being a bit larger than the schools they are replacing, we expect to see savings with regards to general maintenance and operations in the General Fund.
- **Insurance** - Insurance for the new school buildings will not be dramatically different than that for the schools they are replacing. While the condition of the schools will be upgraded to “A” ratings, due to the increase in square footage as well as the newer equipment within the schools, the expectation is that there will not be significant savings.
- **Other Impacts** - The primary impact felt in our General Fund will be the need to rebuild our Building Reserve and Capital fund balances. In order to accomplish this, we expect that we will need to continue the process of transferring some of our General Fund balance over to Building Reserve little by little over the next several years, as well as maximizing our Capital Fund revenue by making smart use of the resources we have. Our General Fund balance is very healthy, and we expect that with the smart management of our current funds we should be able to continue to add to the Building Reserve Fund balance going forward. We have a budgeted shift of \$1.75M this year for this purpose, and we able to shift \$2M in last fiscal year.

	Budget From Capital/Other Sources	To Date Expenditures
	\$620,000	\$14,755,927.30
	-	\$14,129,931.55
	\$24.2m	\$72,573,072.15
	\$11m	\$14,989,073.19
	\$2.6m	\$10,722,234.51
	\$28,520,000.00	\$127,170,238.71

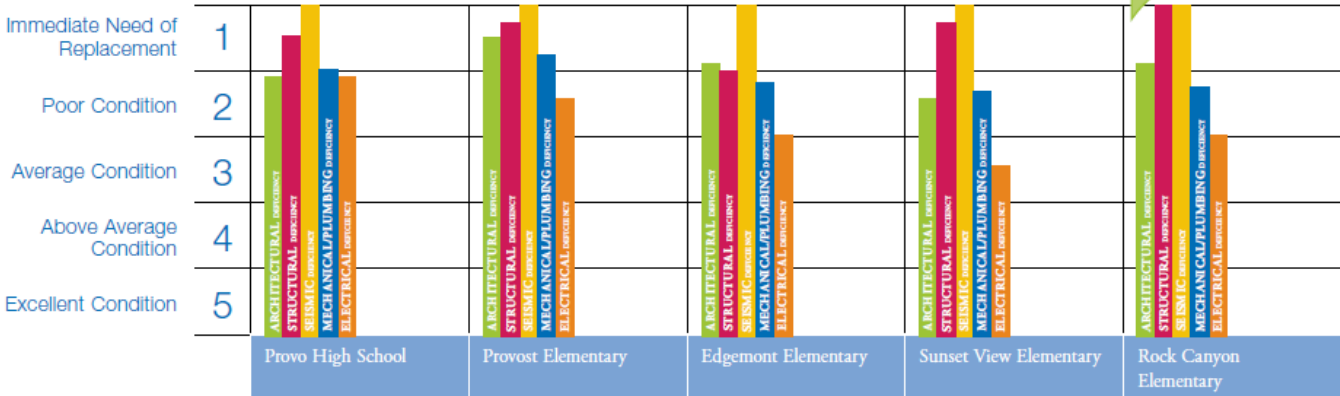
Effect on Operations: *BOND Non-Financial Considerations*

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

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

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

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



Other Significant Capital Expenditures: *Non-routine*

The short-term capital improvement list on pages 138-139 includes other significant non-routine capital expenditures as well as one-time maintenance and repairs projects scheduled to occur during the coming fiscal year. These expenditures are determined based on recommendations from District staff and are subsequently voted on by the Board of Education in February for the coming fiscal year. Public comment is sought each year on the proposed capital projects as well as input from each school's administration, and a detailed budget for each specific project is available for public review.

For FY 2019, the standard Capital Improvement list includes projects totaling \$5,639,500. Most of the projects will begin on or around July 1, 2018, and be completed by June 30, 2019. An additional \$7,350,250 in building construction cost is slated for the current year which will be funded using Bond proceeds as discussed on the previous pages. In addition to these projects the District also has budgeted \$6,784,670 for various non-capital projects which we also want the Board to be aware of each year.

Capital Improvement Plan: *Long-term Outlook*

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

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

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

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

The 2019 projects listed on the following pages will start on or around July 1, 2018, and be completed by June 30, 2019. Most of the FY 2019 projects are improvements to existing square footage (e.g. HVAC efficiency projects). Principal construction related to the recent bonding in 2014 is now completed, with remaining minor punchlist items expected to be completed this fiscal year.

The District continues to evaluate the condition of our existing facilities as well as items on our deferred maintenance list. As it has been 5 years since our last hard look at some of our school buildings, we have reconvened the Facility Advisory Committee (FAC) to once again conduct an evaluation of our facilities with an eye towards identifying and prioritizing any potential large construction requirements. As discussed earlier, this committee is comprised of District facilities staff, community members, as well as local experts within the field. This process falls within the scope of the District's long-term facilities maintenance plan, and we expect to have recommendations from the committee and to have identified a plan of action as it relates to any large construction projects by early calendar year 2019.

Short-term Capital Improvement List: *FY 2018-19*

FY 2019 Major Maintenance and Repairs List

Location	Location Description	Project	Expense
0100	Amelia Earhart	Carpet replacement for all classrooms	140,000
0101	Canyon Crest	Carpet for 7 classrooms, 3 common spaces	45,000
0404	Centennial	Portable Classroom Lease (2 portables)	47,000
0404		HVAC Piping upgrades	170,000
0610	East Bay Post High	Temporary Lease Space	40,000
Various	Electrical / Site Lighting	Parking Lot lighting repairs at Centennial, Canyon Crest	60,000
0408	Dixon	HVAC, Electrical, Plumbing Maintenance	80,000
0408		Snow removal equipment w/ salter	12,500
0118	Lakeview	Form & Pour additional sidewalk along west side boundary	65,000
0118		Lease costs for 1 classroom portable	25,000
0704	Provo High	Moving Repair costs, patching, prep for BYU	25,000
0704		Dumpsters, labor for moving to new campus	40,000
0704		Custodial Equipment, Lift for new campus	78,000
0704		HVAC & Electrical Repairs for moving process	75,000
0704		Dumpsters & Moving	25,000
0120	Provost	New Custodial Equipment for new campus	25,000
0123	Spring Creek	Chiller System Replacement	275,000
0123		South playground pit expansion and play ground equipment	80,000
0712	Timpview High	South & North Gym painting and sound panels	85,000
0712		Thunderdome, North & South gym floor refinishes	65,000
0134	Westridge	Portable Classroom Lease	16,000
0104	Franklin	Backup Generator	35,000
0038	District Services	Superintendent's Contingency	50,000
0038		Technology - UPS Battery Replacements at various schools	55,000
0038		Technology - Wireless Infrastructure upgrades	50,000
0038		Technology - Computer Replacement Plan	400,000
0038		Centennial MS - Infrastructure cabling	32,000
0038		Camp Big Springs(bridge repairs, platform repairs)	12,000
0038		Timpview Chiller Loan Payment	27,000
0038		Facilities & Maintenance General Contingency	500,000
0038		Custodial & Maintenance Equipment Upgrades	50,000
Various	Various Schools	Asphalt & Concrete Maintenance for FY19	250,000
Various	Safe Campus Repairs/Upgrades	Misc needs from lighting to entry doors, to door hardware, etc	100,000

Total Maintenance & Repairs Improvements **\$ 3,034,500**

Building Improvement Project Expenses

Location	Location Description	Project	Expense
0760	Transportation	Wash Bay Add for new facility	225,000
1700	Facilities/Maintenance	Master Planning, Asset Mapping Software / Bldg Evaluations	100,000
1700	Facilities/Maintenance	Master Planning, Asset Mapping Software / Bldg Evaluations	80,000
0712	Timpview Softball Property	Purchase park property from City of Provo	2,200,000

Total Building Improvement Projects **\$ 2,605,000**

Short-term Capital Improvement List: *FY 2018-19*

Bond-Related Capital Project Expenses

Location	Location Description	Project	Expense
0120	Provost	New School Construction Drawdowns	1,322,450
0704	Provo HS	New School Construction Drawdowns	6,027,800

Total Bond Capital Projects **\$ 7,350,250**

Other Large Non-Capital Project Expenses

Location	Location Description	Project	Expense
0038	District Services	District Learning Initiative Computers	395,000
0038	District Services	Curriculum Replacement	750,000
0038	District Services	Technology Computer Replacement Plan	500,000
0038	District Services	eSchool Vendor Expenses	5,139,670

Total Non-Capital Projects **\$ 6,784,670**



Debt Obligations

As of June 30, 2018

GENERAL OBLIGATION BONDS

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
2015A Series G.O. Bonds	Bond Refunding	22,790,000	2.13%	June 15, 2027	19,750,000
2015 Series G.O. Bonds	School Building	50,615,000	2.25% to 5%	June 15, 2035	45,690,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	48,875,000
Total General Obligation Bonds Payable as of June 30, 2017					<u>\$ 114,315,000</u>

LEASE AGREEMENTS

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

COMBINED GENERAL OBLIGATION BONDS

Combined G.O Bonds

Year Ending June 30	Principal	Interest	Debt Service Fund
2019	5,915,000	3,836,325	9,751,325
2020	6,175,000	3,600,702	9,775,702
2021	6,420,000	3,353,800	9,773,800
2022	6,630,000	3,116,297	9,746,297
2023	6,900,000	2,848,654	9,748,654
2024-2028	34,680,000	10,842,089	45,522,089
2029-2033	30,415,000	5,821,863	36,236,863
2034-2036	17,180,000	1,035,288	18,215,288
	<u>\$ 114,315,000</u>	<u>\$ 34,455,016</u>	<u>\$ 148,770,016</u>

OPEB Post-Employment Benefits

As of June 30, 2018

OPEB Liability	FY 2018
Service Cost	-
Interest	-
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	(3,722,215)
Net change in total OPEB Liability	(3,722,215)
Total OPEB Liability--beginning	34,172,110
Total Opeb Liability --ending	<u>\$ 30,449,895</u>
Covered employee payroll	\$ 11,726,291
Net OPEB liability as a percentage of covered employee payroll	260%

Debt Obligations *(continued)*

As of June 30, 2018

Arrow - Endpoint Software

Year Ending June 30	Principal	Interest	General Fund
2019	9,020	286	9,306
	<u>\$ 9,020</u>	<u>\$ 286</u>	<u>\$ 9,306</u>
	Total Minimum Lease Payments		9,306
	Amount Representing Interest		(286)
	Present Value of Minimum Lease Payments		<u>\$ 9,020</u>

Department of Energy Loan

ARRA for THS chiller

Year Ending June 30	Principal	Interest	Capital Fund
2019	21,921	4,806	26,727
2020	22,642	4,085	26,727
2021	23,387	3,340	26,727
2022	24,156	2,571	26,727
2023	24,951	1,776	26,727
2024-2025	38,974	1,116	40,090
	<u>\$ 156,031</u>	<u>\$ 17,694</u>	<u>\$ 173,725</u>

Lease Revenue Bond

(QSCB)

Year Ending June 30	Principal	Interest	Municipal Building Authority Fund
2019		79,483	79,483
2020		79,483	79,483
2021		79,483	79,483
2022		79,483	79,483
2023		79,483	79,483
2024-2026	6,462,000	238,448	6,700,448
	<u>\$ 6,462,000</u>	<u>\$ 635,861</u>	<u>\$ 7,097,861</u>

Debt Obligations (continued)

As of June 30, 2018

COMBINED MATURITIES ON ALL LONG-TERM BORROWINGS

Year Ending June 30	Principal	Interest	Total
2019	5,945,941	3,920,614	9,866,555
2020	6,197,642	3,684,555	9,882,197
2021	6,443,387	3,436,623	9,880,010
2022	6,654,156	3,198,350	9,852,506
2023	6,924,951	2,929,913	9,854,864
2024-2028	41,180,974	11,081,652	52,262,626
2029-2033	30,415,000	5,821,863	36,236,863
2034-2036	17,180,000	1,035,288	18,215,288
	<u>\$ 120,942,051</u>	<u>\$ 35,108,856</u>	<u>\$ 156,050,907</u>

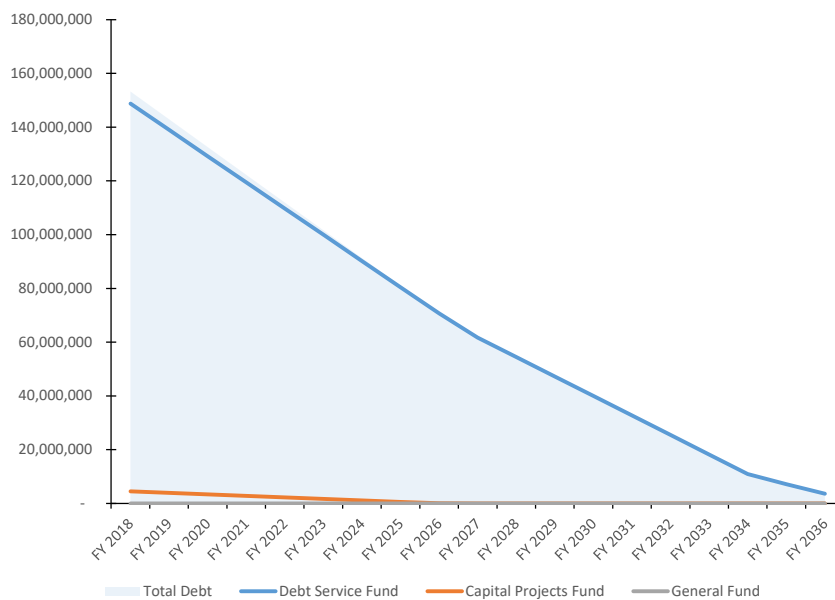
Debt Obligations: Summary by Fund

As of June 30, 2018

	General	Other Governmental	Debt Service	Capital Projects	Summary: All Funds
General Obligation Bonds	\$ -	\$ -	\$ 148,770,016	\$ -	\$ 148,770,016
Arrow Endpoint Software	\$ 9,352	\$ -	\$ -	\$ -	\$ 9,352
Department of Energy Loan	\$ -	\$ -	\$ -	\$ 156,032	\$ 156,032
Lease Revenue Bond	\$ -	\$ -	\$ -	\$ 4,337,861	\$ 4,337,861
COMBINED LONG-TERM BORROWINGS	<u>\$ 9,352</u>	<u>\$ -</u>	<u>\$ 148,770,016</u>	<u>\$ 4,493,893</u>	<u>\$ 153,273,260</u>

Outstanding Principal and Interest: Summary by Fund

As of June 30, 2018



General Obligation Debt: *Actual to Limit*

The approximate fair market assessed value¹ of taxable properties in Provo is \$8.79 billion, meaning the District's general obligation debt limit is approximately \$351 million (\$8.79 billion x 4%). It was noted previously that the District's general obligation debt is at 1.3% of the assessed market value of Provo - far less than what is allowed by law.

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

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

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.

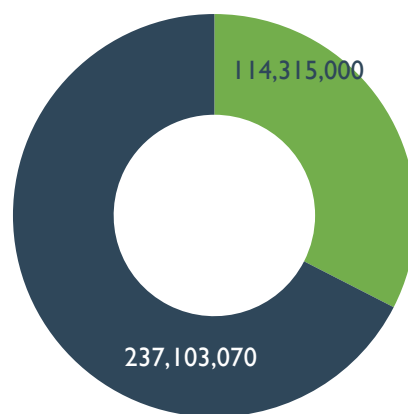
Impact of Debt on Operations

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, 2018



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



Informational Section

Demographic & Economic Profile

Provo - Utah County - Utah

Provo: *Past and Present*

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

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

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

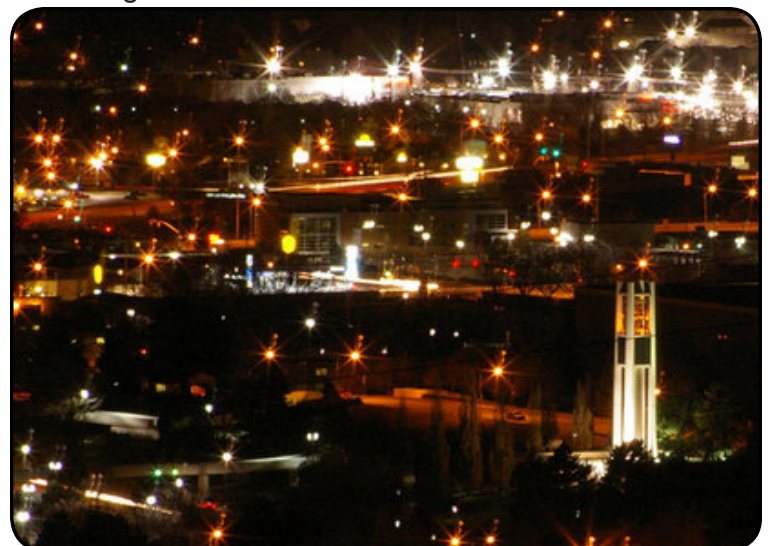
Mormon pioneers established Provo as a permanent settlement in 1849. It became the second largest city in the territory until Ogden became a major railroad hub in the 1870s. In 1875, the settlers established Brigham Young Academy, the beginnings of today's Brigham Young University. Attracting national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

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

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

With a population of nearly 117,000 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.

“With a population of nearly 117,000 and a land area of 43 square miles, Provo is the county seat of Utah County”



Provo: Past and Present Continued

With a population of close to 117,000, Provo is located in north-central Utah, approximately 45 miles south of Salt Lake City. Provo is the county seat of Utah County, which has seen explosive growth in recent years. In 2000, the U.S. Census Bureau counted Utah County's population at 371,894. In 2016, the U.S. Census projected that Utah County's population had grown to over 590,475.

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

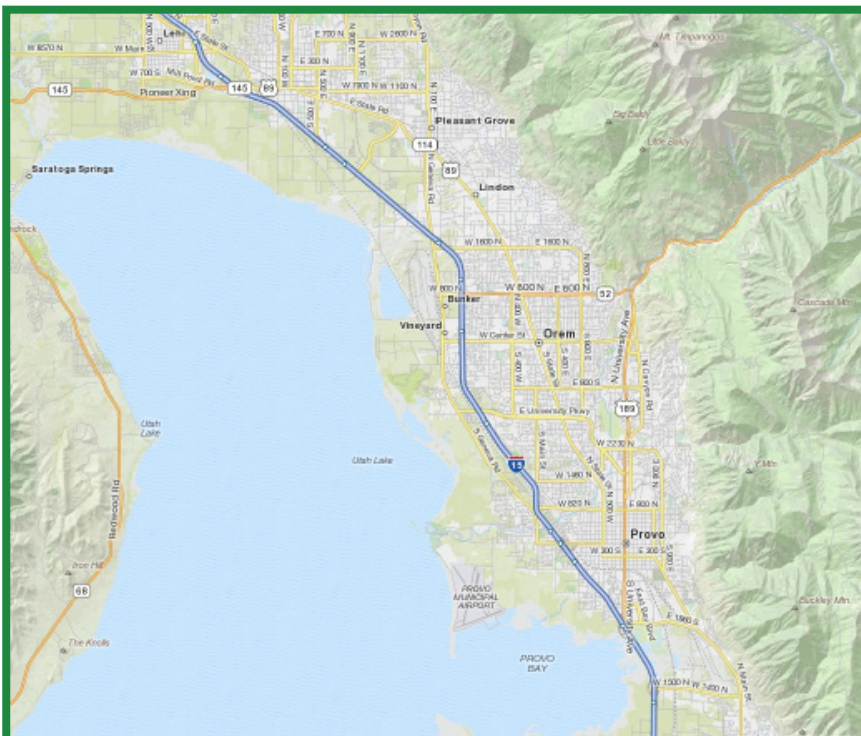
Although Provo City continues to grow at a moderate pace, the percentage of Utah County residents residing in Provo continues to decrease as the northern and southern parts of the county are seeing explosive growth. In 2000, Provo made up 28% of the county population. But in 2016, Provo made up just more than 19% of the population – even though Provo had grown at a moderate rate during this period. In addition, the percentage of Provo residents enrolled in the Provo School District continues to fall, as more college-age students move into the area and areas of the city gentrify. Approximately 14 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 2019 will provide 53% of total revenues, and 65% of General fund revenues. The Utah State Uniform School Fund was established constitutionally in 1938 and is used to ensure equitable funding for public education statewide. Since 1947, all taxes based on income have been constitutionally required to be used for public education. In 1996, voters in Utah approved a constitutional change providing that these revenues could also be used for higher education. Additionally, a statewide property tax rate is levied to finance the Uniform School Fund and is applied against the taxable value of real and personal property.

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

Economic *Indicators*

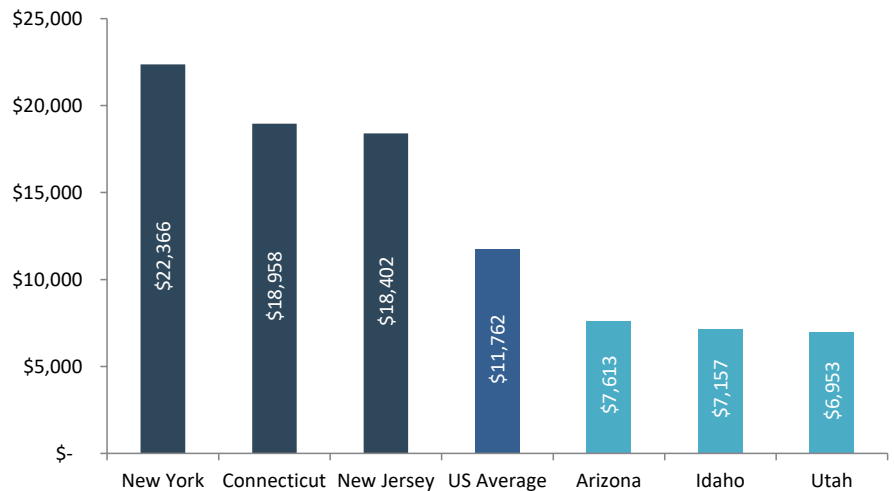
Population: Utah's 2017 projected population count was 3,101,833. This represents a population increase of 153,406 people, or 5.2% from 2016, ranking Utah first among states in population growth rate. Utah grew more than twice as fast as the nation from 2016 to 2017.

2019 Outlook: Utah will continue to experience population growth at a rate higher than most states in 2019 on account of strong natural increase in addition to in-migration. Natural increase (births less deaths) combined with net in-migration results in an anticipated increase of 40,000+ people to Utah's population. While net in-migration had slowed in previous years, Utah's net migration is projected to remain strong in the coming years due to continued favorable economic factors.

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

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

Per Student Spending



Public School Enrollment: In October 2017, there were more than 652,348 students in Utah public schools, an increase of over 7,500 from the previous year.

Economic Indicators (continued)

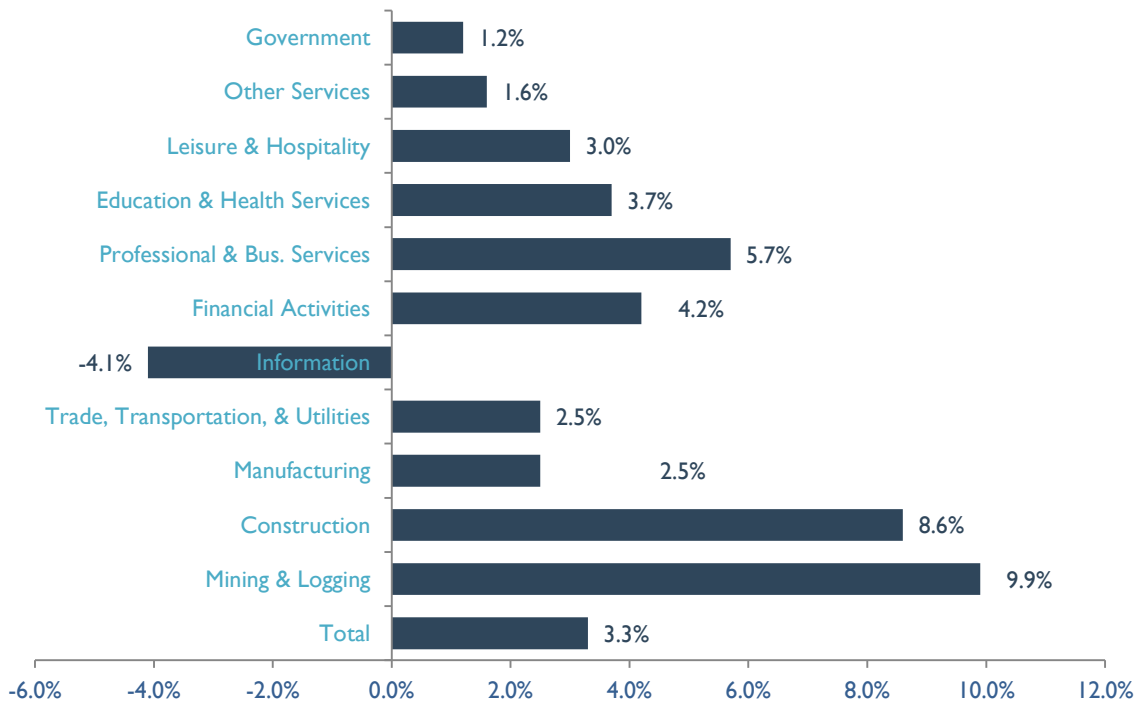
Employment Change: Utah's nonagricultural employment increased by 3.3%, or 47,600 jobs, in 2018, compared to the prior year.

Unemployment: Utah's unemployment rate was 3.1% during 2018, slightly lower than the 2017 unemployment rate of 3.4%. It is expected to remain at or close to 3.1% in 2019. The national unemployment rate is projected to be close to 3.9% in 2019.

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

Average Annual Pay: Utah's annual pay was estimated at \$46,460 in 2017, an increase of 13.0% from 2016. Average annual pay for the nation in 2017 was \$50,620, an increase of 2.7%. Utah's personal income is expected to continue to grow strongly in the next few years.

Percent Change in Utah Employment by Industry: FY 2017 to FY 2018 (Projected)



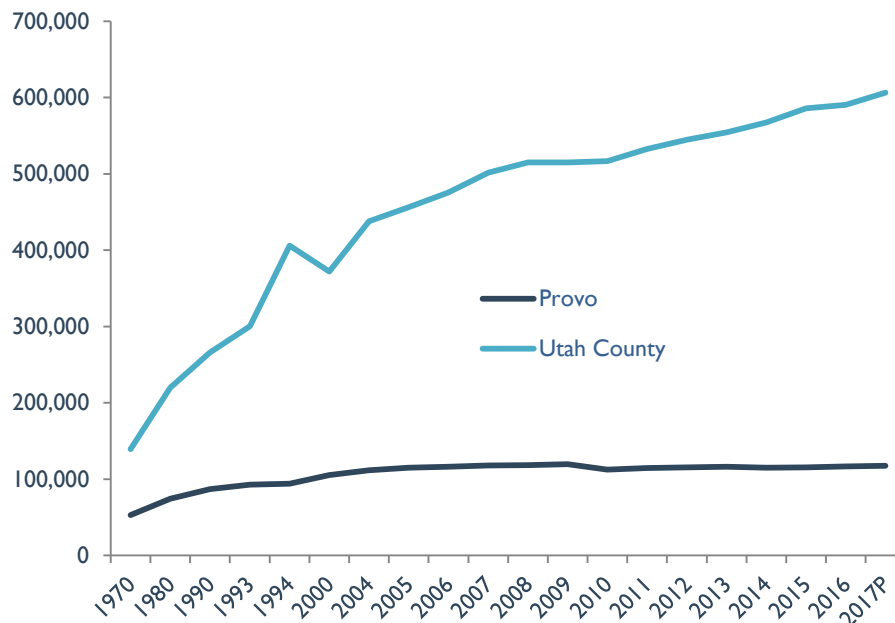
Source: 2018 Economic Outlook, State of Utah Governor's Office

Population, Utah County and Provo City: 1970-2017

Year	Provo	Utah County
1970	53,131	139,300
1980	74,111	220,000
1990	86,835	265,766
1993	92,630	300,447
1994	94,210	405,977
2000	105,439	371,894
2004	111,718	437,627
2005	115,135	456,073
2006	116,217	475,425
2007	117,791	501,447
2008	118,468	515,000
2009	119,775	515,000
2010	112,488	516,564
2011	114,684	532,753
2012	115,461	544,892
2013	116,386	554,401
2014	114,868	567,208
2015	115,264	585,694
2016	116,822	590,475
2017	117,335	606,425

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

Population, Utah County and Provo City: 1970-2017



Source: U.S. Census

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

Year	Utah County	Utah	US
1997	26.0	20.5	14.2
1998	26.8	21.1	14.3
1999	27.4	21.1	14.2
2000	26.8	21.1	14.4
2001	26.2	20.8	14.1
2002	26.1	20.8	13.9
2003	25.4	20.6	14.1
2004	25.0	20.5	14.0
2005	24.8	20.2	14.0
2006	24.7	20.4	14.2
2007	24.5	20.4	14.3
2008	24.1	20.2	13.9
2009	22.9	19.2	13.5
2010	23.2	18.9	12.9
2011	22.7	18.2	12.7
2012	22.2	18.0	12.6
2013	21.5	17.5	12.5
2014	21.3	17.4	12.5
2015	20.8	17.0	12.4
2016	20.2	16.6	12.2

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

¹Rates are per 1,000 people.

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

Provo: *Information and Attractions*



Points of Interest and Special Events

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

Provo Compared to Utah State Average

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

Recreation

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

Culture

Museums	8
Live Theatrical Venues	14

Source: Provo City
 (www.provo.org)

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

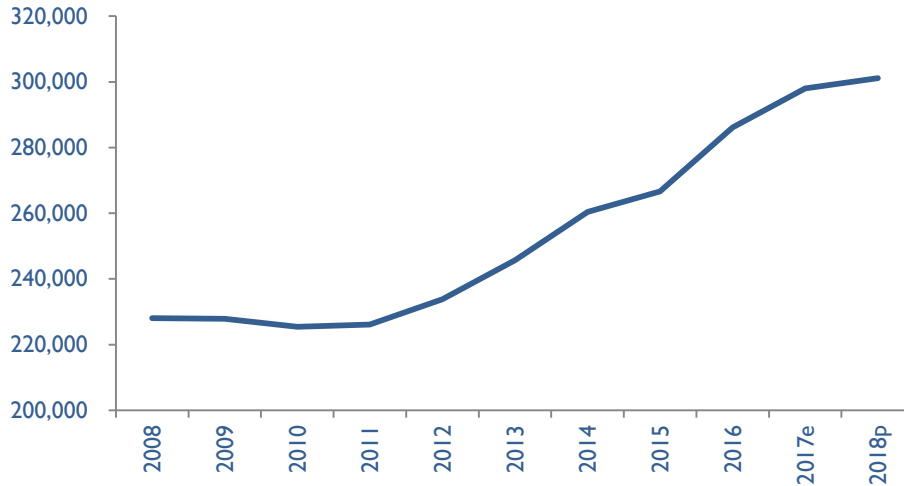
Company	Industry	Employment
Intermountain Health Care	Health Care	20,000 +
State of Utah State	State Government	20,000 +
University of Utah (Including Hospital)	Higher Education	20,000 +
Brigham Young University	Higher Education	15,000-19,999
Wal-Mart	Warehouse Clubs/Supercenters	15,000-19,999
Hill Air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

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

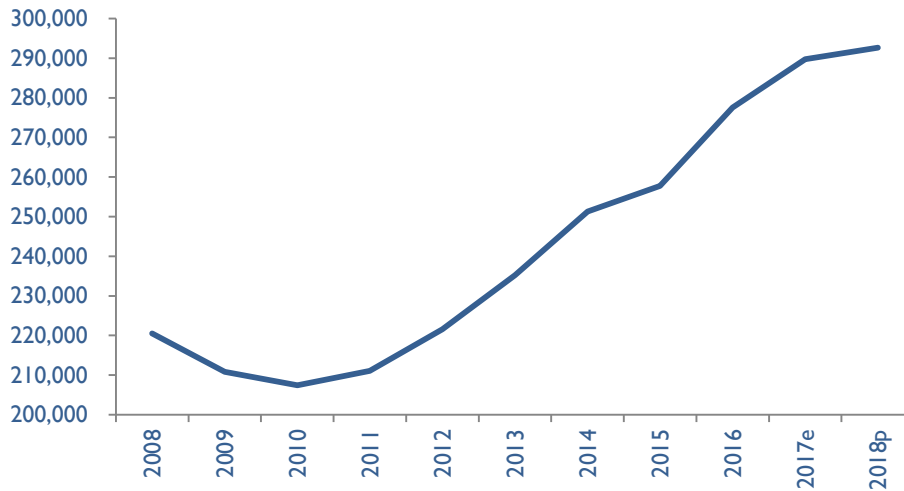
Company Name	Type of Company
Brigham Young University	Higher Education
Utah Valley Regional Medical Center	Health Care
Vivint	Electrical Contractor
Provo School District	Public Education
Utah County	Local Government
Provo City	Local Government
Central Utah Medical Clinic	Health Care
Qualtrics	Internet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

Utah County Labor Statistics: 2007 to 2017

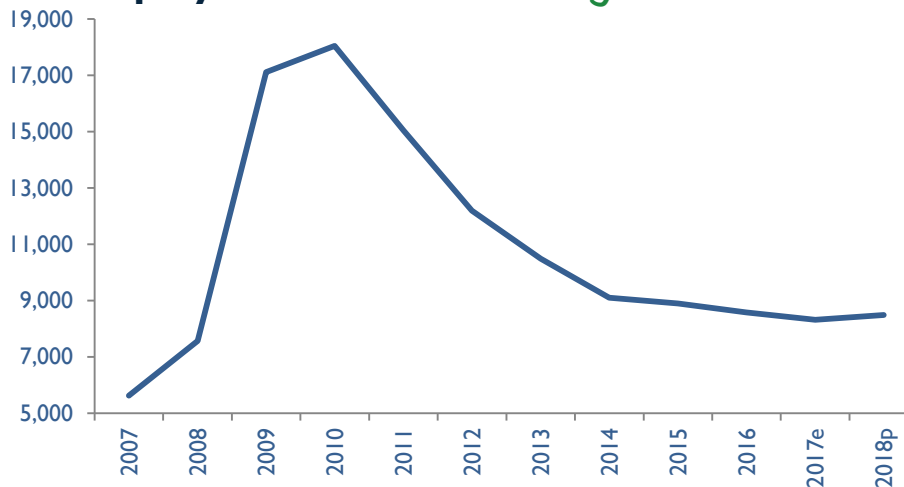
Labor Force: Utah County



Employment: Utah County

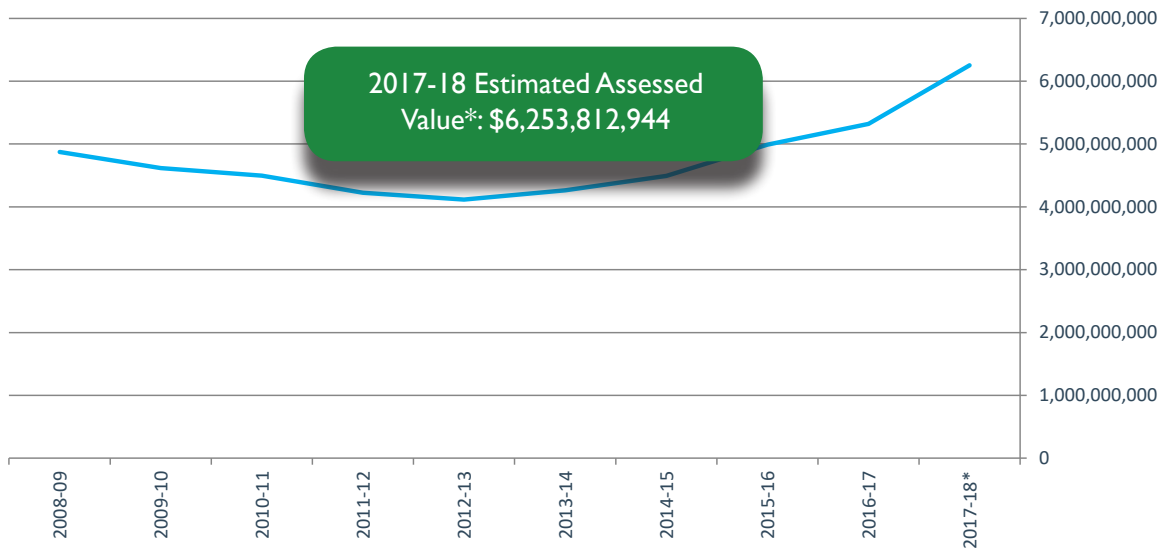


Unemployment: Utah County



Source: U.S. Bureau of Labor Statistics

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



Source: Utah County Auditor/Utah State Office of Education

Explanation of Property Tax Schedules on Following Pages

The detailed property tax schedules on the following three pages are formatted as the District is required to report them to the State of Utah. For readability reasons, the schedule is divided up into three pages. The first and second schedule contains tax rates and actual receipts for the fiscal years 2008 thru 2013. The last schedule contains detailed tax information for 2014 thru 2018, and the budget year 2019. 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
2020-21P	\$7,198,009,998	4.3%
2019-20P	\$6,902,517,266	5.0%
2018-19F	\$6,571,342,032	5.1%
2017-18	\$6,253,812,944	17.6%
2016-17	\$5,319,149,189	6.6%
2015-16	\$4,991,750,387	11.1%
2014-15	\$4,492,633,509	5.4%
2013-14	\$4,263,318,359	3.6%
2012-13	\$4,116,444,314	0.5%
2011-12	\$4,223,905,869	5.0%
2010-11	\$4,497,643,871	-10.1%
2009-10	\$4,618,781,613	-13.0%
2008-09	\$4,874,771,703	3.6%
2007-08	\$4,668,011,830	21.5%

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

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

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

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

Property Tax Rates & Collections: *FY 2014 to FY 2019*

Levy	<u>FY 2014</u>		<u>FY 2015</u>		<u>FY 2016</u>	
	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue	Tax Rate	Actual Revenue
Basic Program (53A-17a-135)	0.001535	\$ 7,020,400	0.001419	\$ 8,325,871	0.001736	\$ 9,956,579
Voted Leeway (53A-17a-133)	0.001300	5,945,615	0.001228	\$ 6,244,602	0.001151	\$ 6,599,406
Board Local Levy (53A-17a-164)	0.001518	6,942,649	0.001445	\$ 7,348,086	0.001293	\$ 7,413,582
Recreation (11-2-7)	0.000000	-	0.000000	-	0.000000	-
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.001380	6,311,499	0.001268	6,728,677	0.002139	10,679,802
Voted Capital (53A-16-110)	0.001361	6,224,602	0.001276	6,069,273	0.001249	6,506,912
TOTALS - ALL FUNDS	<u>.007094</u>	<u>\$32,444,766</u>	<u>.006636</u>	<u>\$34,716,507</u>	<u>.007568</u>	<u>\$41,156,282</u>

Levy	<u>FY 2017</u>		<u>FY 2018</u>		<u>FY 2019</u>	
	Tax Rate	Actual Revenue	Tax Rate	Amount Budgeted	Tax Rate	Amount Projected
Basic Program (53A-17a-135)	0.001675	\$ 10,330,313	0.001568	\$ 10,670,899	0.001666	\$ 11,814,549
Voted Leeway (53A-17a-133)	0.001093	\$ 6,740,914	0.001024	\$ 6,968,751	0.001094	\$ 7,758,173
Board Local Levy (53A-17a-164)	0.001600	\$ 9,867,761	0.001416	\$ 9,636,475	0.001682	\$ 11,928,014
Charter School Levy (53A-1a-513.1)	0.000000	\$ -	0.000083	\$ 564,850	0.000089	\$ 631,149
Recreation (11-2-7)	0.000000	-	0.000000	-	0.000000	-
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.001995	9,874,905	0.001812	9,737,000	0.001692	9,834,370
Voted Capital (53A-16-110)	0.001520	8,447,562	0.001424	8,496,755	0.001353	8,581,723
TOTALS - ALL FUNDS	<u>.007883</u>	<u>\$45,261,455</u>	<u>.007327</u>	<u>\$46,074,730</u>	<u>.007576</u>	<u>\$50,547,978</u>

Impact of Property Taxes on Taxpayers: 2014 to 2019

Residential						
Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Home Value	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Residential Exemption	45%	45%	45%	45%	45%	45%
Assessed Value	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500	\$137,500
District Total Tax Rate	0.007094	0.006636	0.007568	0.007883	0.007327	0.007576
District Property Taxes	\$975.43	\$912.45	\$1,040.60	\$1,083.91	\$1,007.46	\$1,041.70
Taxes per \$1,000 of value:	\$3.90	\$3.65	\$4.16	\$4.34	\$4.03	\$4.17

Business						
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Business Value	250,000	250,000	250,000	250,000	250,000	250,000
Assessed Value	250,000	250,000	250,000	250,000	250,000	250,000
District Total Tax Rate	0.007094	0.006636	0.007568	0.007883	0.007327	0.007576
District Property Taxes	\$1,773.50	\$1,659.00	\$1,892.00	\$1,970.75	\$1,831.75	\$1,894.00
Taxes per \$1,000 of value:	\$7.09	\$6.64	\$7.57	\$7.88	\$7.33	\$7.58

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

SIMPLE PROPERTY TAX DETERMINATION

Residential: Assessed Home Value x 0.55 x Tax Rate

On a \$250,000 home, 2018-19 property tax attributable to the District would be: $\$250,000 \times 0.55 \times .007576$, or **\$1,041.70**.

Business: Assessed Business Value x Tax Rate

On a \$250,000 business, 2018-19 property tax attributable to the District would be: $\$250,000 \times .007576$, or **\$1,894.00**.

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.

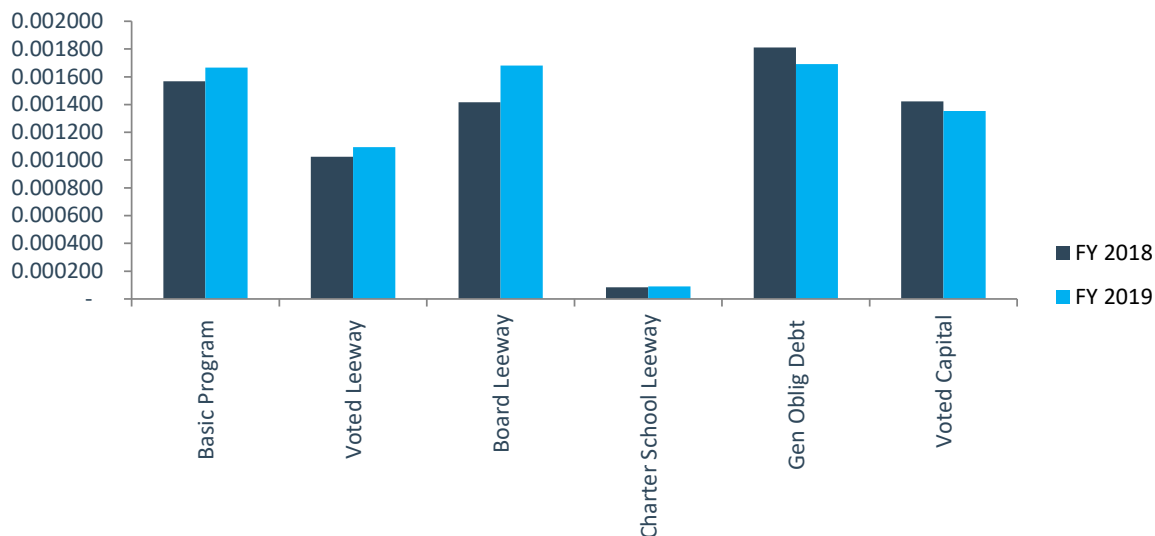
School districts previously had the authority to levy thirteen different taxes to collect funds for the education of students. Effective January 1, 2012, there were only six tax rates a school district could levy. Subsequently, the state has removed the recreation levy but has added a charter school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

Levy	FY 2018	FY 2019
Basic Program	0.001568	0.001666
Voted Leeway	0.001024	0.001094
Board Leeway	0.001416	0.001682
Charter School Leeway	0.000083	0.000089
Gen Oblig Debt	0.001812	0.001692
Voted Capital	0.001424	0.001353
Total - All Funds	0.007327	0.007576

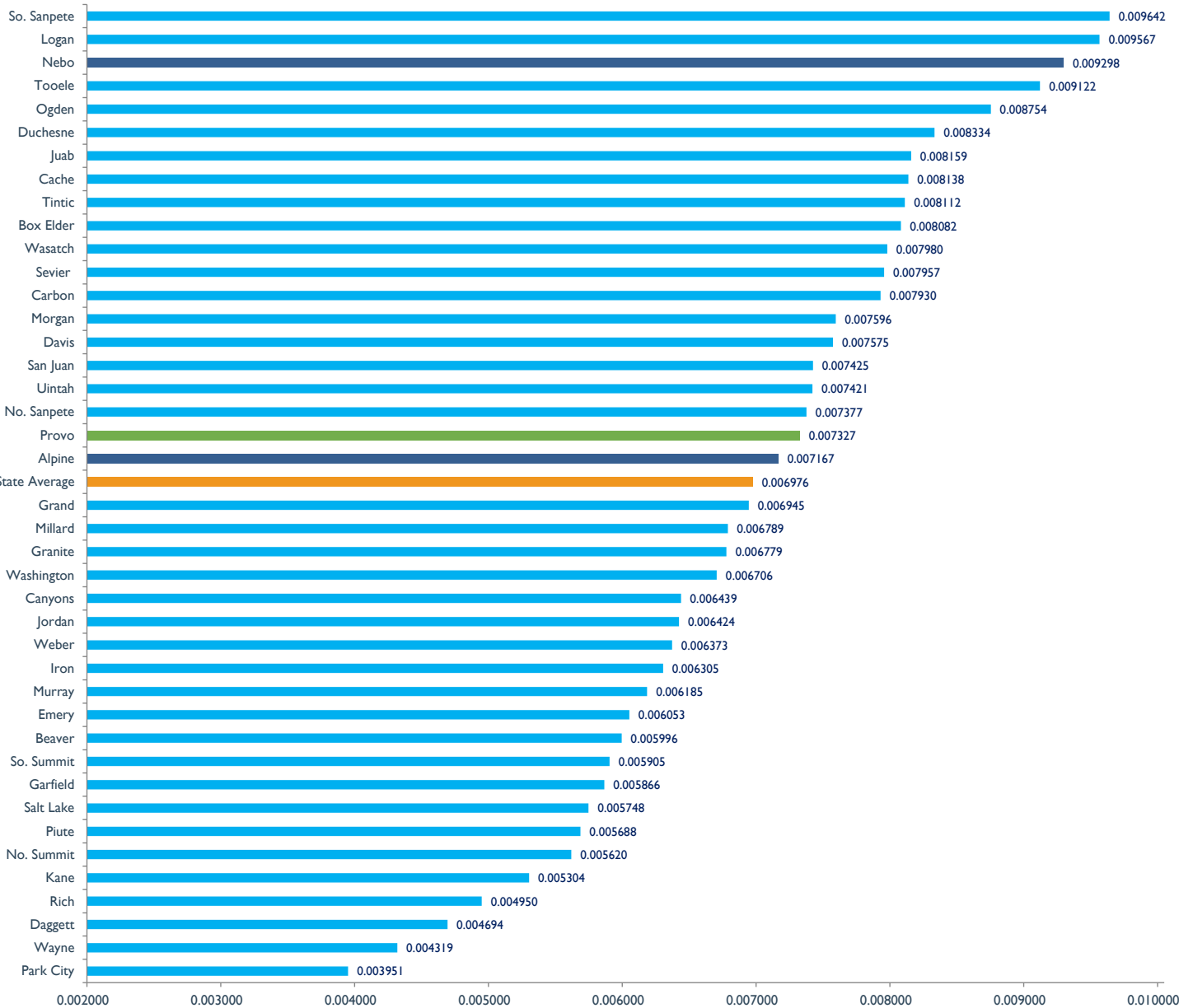
Before 2012, there were 13 different taxes (levies) that school districts could raise!

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

Levy Comparison: *2017-18 to 2018-19*



School District Property Tax Rate Comparison: 2017 (most recent)



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

Basis of Budget Forecast: *Revenue*

The following pages contain original budgets for FY 2019 (budgets that have been approved by the Board of Education), and projected budgets for FY 2020 through FY 2022. 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 2019, the District anticipates receiving nearly \$5M more in property tax when compared to the final FY 2018 budget. This increase is primarily due to a District Board-voted increase in the property tax rate within city limits, along with a freeze in the State basic rate implemented through the Legislature. After FY 2019, the District projects slight to moderate increases in property tax revenues, resulting from new growth and property value increases. Property taxes have increased moderately in Provo City during the past 18 months, and although it's difficult to project what will happen in this market over the next several years, especially as the Federal Reserve contemplates increasing interest rates, it's assumed values will continue to rise at a mild to moderate level through FY 2022. Another component of local revenue, return on investments, is heavily dependent on market interest rates. Those rates are projected to see continuing increases in FY 2019, with increases projected thereafter. These rates are also highly dependent on decisions made by the Federal Reserve, and we don't expect any dramatic changes in their decision making.

State Sources

Revenues from state sources are projected to see a moderate decrease in FY 2019 compared to FY 2018 levels, primarily due to the decrease in enrollment that occurred last fiscal year when the District restructured their eSchool operations. Much of state funding is based on enrollment, and operates on a 1 year "held harmless" rule, so while enrollment is projected to increase this year, the financial impact of last year's changes will be felt in FY 2019.

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

This forecast is based on the assumption that the State will continue to fare well economically, but will provide only conservative increases in funding. We also project Provo's eSchool enrollment to remain relatively flat as we look forward to 2022. Because the State of Utah is the District's largest funding source, any changes in available revenue from the State impact the District more than changes in local or federal revenue.

Federal Sources

The vast majority of the District's federal revenues are included in the General fund. Due to federal budget cuts and other government policies, federal revenues are projected to be down once again in 2019. This trend is expected to continue, with the only possibilities for increases coming in areas that are funded based on at-risk populations and english language learners. We do not expect the moderate increases in the at-risk populations in Provo to outweigh the reductions seen in the other federal programs.

Summary

Simply put, the District is adjusting to a new funding level that includes less money from federal sources, with gradual state funding increases making up some of the difference. Local revenues will see a moderate increase in FY 2019, with slight increases thru 2022 after adjusting to account for debt service requirements.

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 rising medical and retirement benefit costs incurred by the District, meaning that while overall compensation is projected to increase, unless specifically addressed employee raises will continue to lag behind.

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

In 2018 the District embarked on a comprehensive analysis of teacher compensation, and after meeting with Board members, administration, and teacher representatives, the Board agreed to significantly increase teacher wages beginning in 2019. This wage increase amounts to an average of an 8% increase, with entry level teachers receiving up to 16% more in their starting salary compared to the prior year. The hope is that by increasing wages the District can continue to attract and retain highly qualified candidates for our instructional employment openings.

The District forecasts that benefits costs will remain steady with salary costs, primarily due to adjustments in the District medical program. As part of our medical coverage contract we are implementing an Employee Wellness program in FY 2019, and if participation is steady the District will be able to minimize the medical premium expense increase we would have otherwise seen over the next several years. In addition, we do not expect the retirement contribution rate to change in FY 2019.

The District continues to find creative ways to continue to provide comprehensive medical coverage for employees while minimizing the increase in expense.

Other Expenditures

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

Projecting forward into the next few years, all of the expenses related to the November 2014 Bond projects should be completed by the end of FY 2019. However, the Board and Facilities Action Committee (FAC) have identified other school buildings that are in desperate need of repair. As such, expenses related to the repair of those facilities are included in the following projections.

Summary

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

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

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

Budget Forecast: *General Fund*

FY 2018 through FY 2022

	Final Budget FY 2018	Original Budget FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022
REVENUES BY SOURCE					
Total Local	\$ 31,298,841	\$ 36,009,480	\$ 36,730,000	\$ 37,465,000	\$ 38,589,000
Total State	84,654,737	80,097,178	83,301,000	86,633,000	90,098,000
Total Federal	9,875,766	7,772,222	8,161,000	8,243,000	8,325,000
TOTAL REVENUES	125,829,344	123,878,880	128,192,000	132,341,000	137,012,000
EXPENDITURES BY OBJECT					
Salaries	64,913,401	68,302,733	70,352,000	72,463,000	75,362,000
Employee Benefits	31,767,409	32,104,686	32,747,000	33,729,000	34,741,000
Purchased Professional and Technical Services	8,830,644	8,482,742	8,652,000	8,825,000	9,002,000
Purchased Property Services	1,957,642	1,345,017	1,372,000	1,399,000	1,427,000
Other Purchased Services	1,142,312	936,210	927,000	918,000	909,000
Supplies	11,395,417	10,654,916	10,548,000	10,443,000	10,339,000
Property	2,435,483	2,200,601	2,245,000	2,312,000	2,381,000
Other Objects	1,730,201	1,280,394	1,293,000	1,306,000	1,319,000
TOTAL EXPENDITURES	124,172,510	125,307,299	128,136,000	131,395,000	135,480,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,656,834	(1,428,419)	56,000	946,000	1,532,000
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	(1,835,000)	(1,650,000)	(1,500,000)	(1,000,000)	(1,000,000)
NET CHANGE IN FUND BALANCE	(178,166)	(3,078,419)	(1,444,000)	(54,000)	532,000
FUND BALANCE - BEGINNING (From Prior Year)	35,888,244	35,710,078	32,631,659	31,187,659	31,133,659
Adjustments to Beginning Fund Balance (Attach Detail)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 35,710,078</u>	<u>\$ 32,631,659</u>	<u>\$ 31,187,659</u>	<u>\$ 31,133,659</u>	<u>\$ 31,665,659</u>

Budget Forecast: *Capital Projects Fund*

FY 2018 through FY 2022

	Final Budget FY 2018	Original Budget FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022
REVENUES BY SOURCE					
Total Local	\$ 9,405,755	\$ 9,667,427	\$ 9,957,000	\$ 10,953,000	\$ 12,048,000
Total State	927,735	\$ 500,000	525,000	538,000	551,000
Total Federal	50,000	80,000	80,000	80,000	80,000
TOTAL REVENUES	10,383,490	10,247,427	10,562,000	11,571,000	12,679,000
EXPENDITURES BY OBJECT					
Salaries	163,982	98,267	101,000	104,000	107,000
Employee Benefits	76,189	52,007	54,000	56,000	58,000
Purchased Professional and Technical Services	33,527	33,027	33,754	34,496	35,255
Purchased Property Services	53,498,115	13,101,870	5,241,000	102,621,000	105,097,000
Other Purchased Services	-	-	-	-	-
Supplies	59,237	108,737	110,912	113,130	115,393
Property	3,208,335	1,310,000	1,323,000	1,336,000	1,349,000
Other Objects	1,607,000	567,000	569,835	572,684	575,548
TOTAL EXPENDITURES	58,646,385	15,270,908	7,433,500	104,837,310	107,337,195
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(48,262,895)	(5,023,481)	3,128,500	(93,266,310)	(94,658,195)
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	(2,000,000)	100,000,000	105,000,000
NET CHANGE IN FUND BALANCE	(48,262,895)	(5,023,481)	1,128,500	6,733,690	10,341,805
FUND BALANCE - BEGINNING (From Prior Year)	63,315,099	15,052,204	10,028,723	11,157,222	17,890,912
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 15,052,204</u>	<u>\$ 10,028,723</u>	<u>\$ 11,157,222</u>	<u>\$ 17,890,912</u>	<u>\$ 28,232,717</u>

Budget Forecast: *Student Activities Fund*

FY 2018 through FY 2022

	Final Budget FY 2018	Original Budget FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022
REVENUES BY SOURCE					
Total Local	\$ 4,070,234	\$ 4,110,937	\$ 4,275,000	\$ 4,403,000	\$ 4,535,000
Total State	-	-	-	-	-
Total Federal	-	-	-	-	-
TOTAL REVENUES	4,070,234	4,110,937	4,275,000	4,403,000	4,535,000
EXPENDITURES BY OBJECT					
Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Purchased Professional and Technical Services	577,500	577,500	520,000	525,000	530,000
Purchased Property Services	-	-	-	-	-
Other Purchased Services	1,100,000	1,100,000	1,133,000	1,167,000	1,202,000
Supplies	1,680,500	1,680,500	1,731,000	1,835,000	1,945,000
Property	-	-	-	-	-
Other Objects	910,000	910,000	900,900	856,000	847,000
TOTAL EXPENDITURES	4,268,000	4,268,000	4,284,900	4,383,000	4,524,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(197,766)	(157,063)	(9,900)	20,000	11,000
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(197,766)	(157,063)	(9,900)	20,000	11,000
FUND BALANCE - BEGINNING (From Prior Year)	2,087,803	1,890,037	1,732,974	1,723,074	1,743,074
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 1,890,037</u>	<u>\$ 1,732,974</u>	<u>\$ 1,723,074</u>	<u>\$ 1,743,074</u>	<u>\$ 1,754,074</u>

Budget Forecast: *Debt Service Fund*

FY 2018 through FY 2022

	Final Budget FY 2018	Original Budget FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022
REVENUES BY SOURCE					
Total Local	\$ 9,737,000	\$ 9,834,370	\$ 10,080,000	\$ 11,082,000	\$ 11,636,000
Total State	-	-	-	-	-
TOTAL REVENUES	<u>9,737,000</u>	<u>9,834,370</u>	<u>10,080,000</u>	<u>11,082,000</u>	<u>11,636,000</u>
EXPENDITURES BY OBJECT					
Other Objects	<u>9,737,000</u>	<u>9,737,000</u>	<u>9,931,740</u>	<u>11,082,000</u>	<u>11,636,000</u>
TOTAL EXPENDITURES	<u>9,737,000</u>	<u>9,737,000</u>	<u>9,931,740</u>	<u>11,082,000</u>	<u>11,636,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	97,370	148,260	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-
NET CHANGE IN FUND BALANCE	-	97,370	148,260	-	-
FUND BALANCE - BEGINNING (From Prior Year)	1,758,706	1,758,706	1,856,076	2,004,336	2,004,336
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 1,758,706</u>	<u>\$ 1,856,076</u>	<u>\$ 2,004,336</u>	<u>\$ 2,004,336</u>	<u>\$ 2,004,336</u>

Budget Forecast: *Non K-12 Fund*

FY 2018 through FY 2022

The Non K-12 Fund is not appropriated for use in FY 2019 and isn't expected to be used in the future. It is included in other areas in the book for historical perspective.

Budget Forecast: *Building Reserve Fund*

FY 2018 through FY 2022

	Final Budget FY 2018	Original Budget FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022
REVENUES BY SOURCE					
Total Local	\$ -	\$ -	\$ -	\$ -	\$ -
Total State	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-
EXPENDITURES BY OBJECT					
Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Purchased Property Services	-	-	-	-	-
Property	-	-	-	-	-
Other Objects	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	2,000,000	1,750,000	3,500,000	1,000,000	1,000,000
NET CHANGE IN FUND BALANCE	2,000,000	1,750,000	3,500,000	1,000,000	1,000,000
FUND BALANCE - BEGINNING (From Prior Year)	4,872,240	6,872,240	8,622,240	12,122,240	13,122,240
Adjustment to Beginning Fund Balance (Add Explanation)	-	-	-	-	-
FUND BALANCE - ENDING	<u>\$ 6,872,240</u>	<u>\$ 8,622,240</u>	<u>\$ 12,122,240</u>	<u>\$ 13,122,240</u>	<u>\$ 14,122,240</u>

Budget Forecast: *Food Services Fund*

FY 2018 through FY 2022

	Final Budget FY 2018	Original Budget FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022
REVENUES BY SOURCE					
Total Local	\$ 1,238,578	\$ 1,250,960	\$ 1,288,000	\$ 1,327,000	\$ 1,367,000
Total State	865,089	900,000	963,000	1,030,410	1,102,539
Total Federal	<u>3,306,918</u>	<u>3,204,169</u>	<u>3,396,000</u>	<u>3,600,000</u>	<u>3,816,000</u>
TOTAL REVENUES	5,410,585	5,355,129	5,647,000	5,957,410	6,285,539
EXPENSES / EXPENDITURES BY OBJECT					
Salaries	2,044,243	2,018,804	2,059,000	2,141,000	2,216,000
Employee Benefits	779,089	742,098	757,000	802,000	850,000
Purchased Professional and Technical Services	31,099	17,231	17,403	17,577	17,753
Purchased Property Services	150,186	134,500	135,845	142,000	148,000
Other Purchased Services	6,311	750	773	796	820
Supplies	2,676,926	2,432,068	2,432,068	2,481,000	2,531,000
Property	150,000	150,000	120,000	120,000	120,000
Other Objects	<u>181,655</u>	<u>175,069</u>	<u>175,069</u>	<u>176,820</u>	<u>178,588</u>
TOTAL EXPENSES/EXPENDITURES	6,019,509	5,670,520	5,697,158	5,881,193	6,062,161
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(608,924)	(315,391)	(50,158)	76,217	223,378
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	(608,924)	(315,391)	(50,158)	76,217	223,378
NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)	2,285,572	1,676,647	1,361,256	1,311,098	1,387,316
Adjustment to Beginning Net Assets/Fund Balance (Add Explanation)	-	-	-	-	-
NET ASSETS / FUND BALANCE - ENDING	<u>\$ 1,676,647</u>	<u>\$ 1,361,256</u>	<u>\$ 1,311,098</u>	<u>\$ 1,387,316</u>	<u>\$ 1,610,693</u>

Budget Forecast: *Tax Increment Fund*

FY 2018 through FY 2022

	Final Budget FY 2018	Original Budget FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022
REVENUES BY SOURCE					
Total Local	\$ 1,250,000	\$ 1,250,000	\$ 1,125,000	\$ 1,125,000	\$ 1,125,000
Total State	-	-	-	-	-
Total Federal	-	-	-	-	-
TOTAL REVENUES	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,125,000</u>	<u>1,125,000</u>	<u>1,125,000</u>
EXPENSES / EXPENDITURES BY OBJECT					
Salaries	-	-	-	-	-
Employee Benefits	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Purchased Property Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Supplies	-	-	-	-	-
Property	-	-	-	-	-
Other Objects	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,125,000</u>	<u>1,125,000</u>	<u>1,125,000</u>
TOTAL EXPENSES/EXPENDITURES	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,125,000</u>	<u>1,125,000</u>	<u>1,125,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-
OTHER FINANCING SOURCES (USES) AND OTHER ITEMS	-	-	-	-	-
NET CHANGE IN NET ASSETS / FUND BALANCE	-	-	-	-	-
NET ASSETS / FUND BALANCE - BEGINNING (From Prior Year)	-	-	-	-	-
Adjustment to Beginning Net Assets/Fund Balance (Add Explanation)	-	-	-	-	-
NET ASSETS / FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Debt: *General Obligation Bonds*

As of June 30, 2018

GENERAL OBLIGATION BONDS

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
2015A Series G.O. Bonds	Bond Refunding	22,790,000	2.13%	June 15, 2027	19,750,000
2015 Series G.O. Bonds	School Building	50,615,000	2.25% to 5%	June 15, 2035	45,690,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	48,875,000
Total General Obligation Bonds Payable as of June 30, 2017					<u>\$ 114,315,000</u>

COMBINED GENERAL OBLIGATION BONDS

Combined G.O Bonds

Year Ending June 30	Principal	Interest	Debt Service Fund
2019	5,915,000	3,836,325	9,751,325
2020	6,175,000	3,600,702	9,775,702
2021	6,420,000	3,353,800	9,773,800
2022	6,630,000	3,116,297	9,746,297
2023	6,900,000	2,848,654	9,748,654
2024-2028	34,680,000	10,842,089	45,522,089
2029-2033	30,415,000	5,821,863	36,236,863
2034-2036	17,180,000	1,035,288	18,215,288
	<u>\$ 114,315,000</u>	<u>\$ 34,455,016</u>	<u>\$ 148,770,016</u>

Debt: Amortization Schedule

		2019	2020	2021	2022	2023	2024	2025	2026
General obligation bonds:									
<i>Debt Service Fund</i>									
Series 2015 Refunding	Principal	\$2,095,000	\$2,155,000	\$2,195,000	\$2,225,000	\$2,255,000	\$2,315,000	\$2,345,000	\$ 2,395,000
\$22,790,000	Interest	420,675	376,052	330,150	283,397	236,004	187,973	138,663	88,000
Series 2015	Principal	1,970,000	2,070,000	2,175,000	2,280,000	2,395,000	2,450,000	2,510,000	2,580,000
\$50,615,000	Interest	1,546,588	1,448,088	1,344,588	1,235,838	1,121,838	1,067,950	1,006,700	937,000
Series 2016	Principal	1,850,000	1,950,000	2,050,000	2,125,000	2,250,000	2,350,000	2,475,000	2,600,000
\$9,400,000	Interest	1,869,063	1,776,563	1,679,063	1,597,063	1,490,813	1,378,313	1,260,813	1,137,000
	Total Principal - General Obligation Bonds	5,915,000	6,175,000	6,420,000	6,630,000	6,900,000	7,115,000	7,330,000	7,575,000
	Total Interest - General Obligation Bonds	3,836,326	3,600,703	3,353,801	3,116,298	2,848,655	2,634,236	2,406,176	2,163,000
	Total - General Obligation Bonds	9,751,326	9,775,703	9,773,801	9,746,298	9,748,655	9,749,236	9,736,176	9,738,000
Lease revenue bonds:									
<i>Debt Service Fund</i>									
2010 Lease Revenue Bonds	Principal	-	-	-	-	-	-	-	6,462,000
\$ 6,462,000	Interest	45,535	39,877	34,219	28,561	22,903	17,245	11,587	5,925,000
	Total - Lease Revenue Bonds	45,535	39,877	34,219	28,561	22,903	17,245	11,587	6,521,000
	Total - Bonds payable	9,796,861	9,815,580	9,808,020	9,774,859	9,771,558	9,766,481	9,747,763	16,260,000
Obligations under lease agreements:									
<i>General Fund</i>									
2012 Capital Lease	Principal	8,789	-	-	-	-	-	-	-
\$45,375	Interest	286	-	-	-	-	-	-	-
	Total Principal - lease obligations	8,789	-	-	-	-	-	-	-
	Total Interest - lease obligations	286	-	-	-	-	-	-	-
	Total lease obligations	9,075	-	-	-	-	-	-	-
Note payable:									
<i>Capital Projects Fund</i>									
2011 Energy Efficiency Chiller	Principal	21,921	22,642	23,387	24,157	24,951	25,772	13,202	-
\$264,697	Interest	4,806	4,085	3,340	2,570	1,776	955	161	-
	Total note payable	26,727	26,727	26,727	26,727	26,727	26,727	13,363	-
Total long-term debt obligations:									
	Total Principal - All Funds - All Long-Term Debt	5,945,710	6,197,642	6,443,387	6,654,157	6,924,951	7,140,772	7,343,202	14,037,000
	Total Interest - All Funds - All Long-Term Debt	3,886,953	3,644,665	3,391,360	3,147,429	2,873,334	2,652,436	2,417,924	2,223,000
	Total - All Funds - All Long-Term Debt	\$9,832,663	\$9,842,307	\$9,834,747	\$9,801,586	\$9,798,285	\$9,793,208	\$9,761,126	\$16,260,000

6	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Totals
5,000	\$1,770,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,750,000
3,715	37,701	-	-	-	-	-	-	-	-	-	2,099,330
0,000	2,655,000	2,735,000	2,830,000	2,930,000	3,035,000	3,125,000	3,220,000	3,315,000	3,415,000	-	45,690,000
7,675	860,275	780,625	684,900	585,850	483,300	392,250	298,500	201,900	102,450	-	14,099,315
0,000	2,725,000	2,775,000	2,825,000	2,950,000	3,075,000	3,150,000	3,275,000	3,375,000	3,475,000	3,600,000	48,875,000
7,063	1,007,063	952,563	897,063	784,063	666,063	566,125	463,750	357,313	247,625	126,000	18,256,382
5,000	7,150,000	5,510,000	5,655,000	5,880,000	6,110,000	6,275,000	6,495,000	6,690,000	6,890,000	3,600,000	114,315,000
3,453	1,905,039	1,733,188	1,581,963	1,369,913	1,149,363	958,375	762,250	559,213	350,075	126,000	34,455,027
3,453	9,055,039	7,243,188	7,236,963	7,249,913	7,259,363	7,233,375	7,257,250	7,249,213	7,240,075	3,726,000	148,770,027
2,000	-	-	-	-	-	-	-	-	-	-	6,462,000
0,612	-	-	-	-	-	-	-	-	-	-	259,536
1,612	-	-	-	-	-	-	-	-	-	-	6,721,536
0,065	9,055,039	7,243,188	7,236,963	7,249,913	7,259,363	7,233,375	7,257,250	7,249,213	7,240,075	3,726,000	155,491,563
-	-	-	-	-	-	-	-	-	-	-	8,789
-	-	-	-	-	-	-	-	-	-	-	286
-	-	-	-	-	-	-	-	-	-	-	8,789
-	-	-	-	-	-	-	-	-	-	-	286
-	-	-	-	-	-	-	-	-	-	-	9,075
-	-	-	-	-	-	-	-	-	-	-	156,032
-	-	-	-	-	-	-	-	-	-	-	17,693
-	-	-	-	-	-	-	-	-	-	-	173,725
7,000	7,150,000	5,510,000	5,655,000	5,880,000	6,110,000	6,275,000	6,495,000	6,690,000	6,890,000	3,600,000	120,941,821
3,065	1,905,039	1,733,188	1,581,963	1,369,913	1,149,363	958,375	762,250	559,213	350,075	126,000	34,732,542
0,065	\$9,055,039	\$7,243,188	\$7,236,963	\$7,249,913	\$7,259,363	\$7,233,375	\$7,257,250	\$7,249,213	\$7,240,075	\$3,726,000	\$155,674,363

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Provo City School District
Statistics and Performance Measures

Personnel Resource Allocation: *Full-time Equivalents*

FY 2011 to 2019 (proposed)

Function	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 ^p
Instruction	977	984	998	1,005	1,002	1,022	1,020	1,022	1,020
Student Support	49	50	50	50	50	68	84	101	102
Teacher Support	31	32	32	32	27	29	42	90	92
General Administration	16	17	17	17	17	24	26	17	17.5
School Administration	70	70	70	72	65	71	76	81	81
Business and Central	27	26	26	26	41	47	51	43	44
Operation and Maintenance	95	95	95	95	133	109	114	114	115
Transportation	44	46	46	46	66	51	39	48	48
Other Support	25	26	26	26	-	-	-	-	-
Food Services	92	92	80	84	77	82	87	76	80
Community Services	93	93	93	93	103	62	47	4	5
Total FTEs	1,519	1,531	1,533	1,546	1,583	1,566	1,587	1,596	1,604

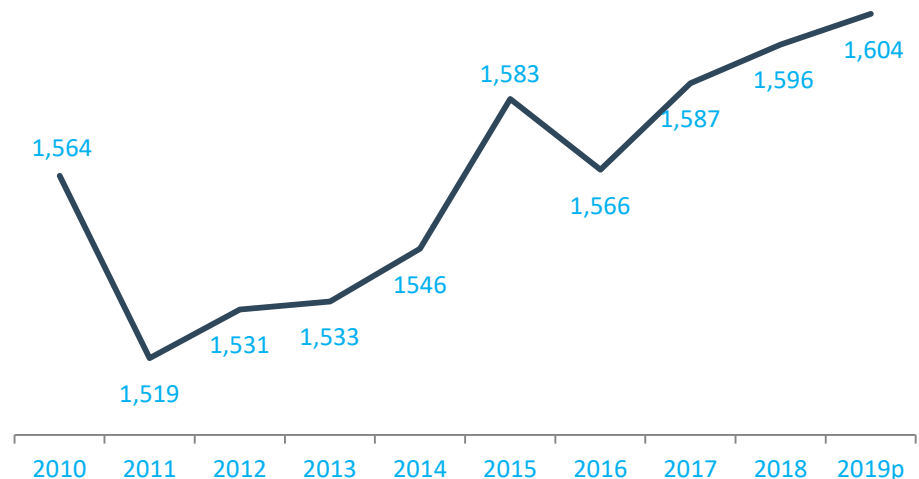
^pProposed

** FY 2018 FTE employee functions were adjusted to align with new State-mandated reporting standards, resulting in the large function shifts seen in the totals above.

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 2018-19 the Board of Education and management have made the decision to try to keep average class-sizes at 27.5, roughly the same size as in the prior year. As regular school enrollment flattens out we expect to see minimal instructional staffing changes.. The District is always striving to reduce instructional class sizes while balancing that desire with the financial constraints we operate within.

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



Budgeted staffing levels are slightly higher in the FY 2018-19 budget when compared to the previous year.

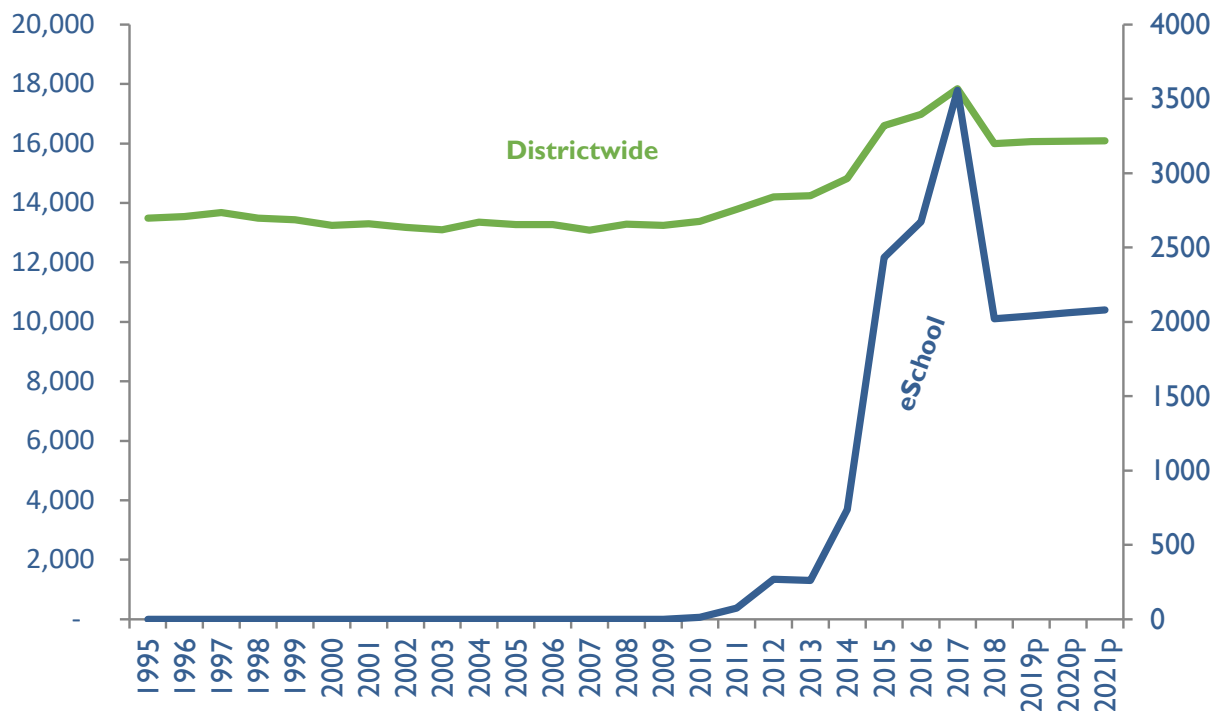
Enrollment: *Projections and Methodology*

1996-2021 (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
1996	13,544	2009	13,241
1997	13,674	2010	13,376
1998	13,486	2011	13,779
1999	13,438	2012	14,202
2000	13,241	2013	14,241
2001	13,298	2014	14,824
2002	13,177	2015	16,600
2003	13,103	2016	16,983
2004	13,359	2017	17,840
2005	13,273	2018	15,991
2006	13,272	2019	16,067
2007	13,083	2020	16,076
2008	13,288	2021	16,085

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



Fall Enrollment by School: *FY 2012 to FY 2019 (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	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 ^P
Amelia Earhart Elementary	588	558	551	515	532	523	504	518
Canyon Crest Elementary	494	532	541	541	538	547	524	503
Edgemont Elementary	565	569	570	632	623	626	645	665
Provo Peaks Elementary ²	462	506	484	613	592	571	546	504
Franklin Elementary	517	516	494	453	472	450	407	383
Lakeview Elementary ¹	685	673	724	765	787	754	813	823
Provost Elementary	457	440	436	447	464	472	445	465
Rock Canyon Elementary	625	623	642	634	612	623	591	583
Spring Creek Elementary	570	567	558	501	486	476	418	411
Sunset View Elementary	531	527	541	510	473	561	568	546
Timpanogos Elementary	630	672	663	703	758	668	649	629
Wasatch Elementary	864	861	906	965	944	892	883	799
Westridge Elementary	889	893	890	826	785	806	769	730
Centennial Middle	996	1,033	1023	988	1056	1103	1,119	1,191
Dixon Middle	835	833	836	822	847	869	835	882
Provo High	1,683	1,777	1825	1895	1924	1901	1,853	1,889
Timpview High	1,938	1,953	1967	1976	2058	2114	2,173	2,162
Independence High	328	322	326	251	259	285	190	200
Adult Education	-	74	63	45	48	42	39	40
Central Utah Enterprises	51	51	47	83	65	0	0	0
eSchool ³	90	270	737	2435	2660	3557	2020	2227
Total:	13,798	14,250	14,824	16,600	16,983	17,840	15,991	16,150

^PProjected

¹Grandview Elementary prior to FY 2007-08

²Farrer Elementary prior to FY 2011-12

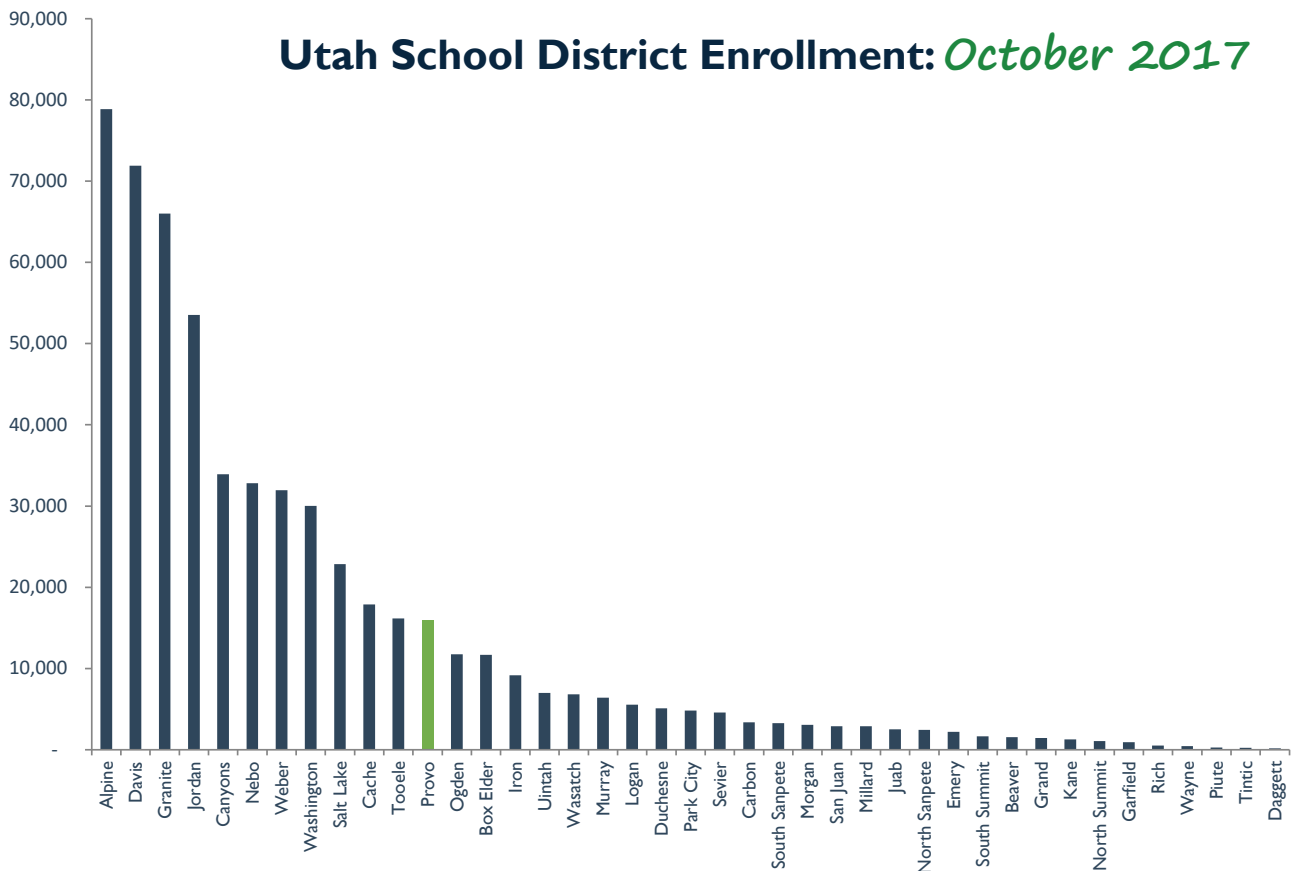
³Aggregate of full-time students only; most eSchool students aren't enrolled in the school full-time

District Comparison: *Where Provo Fits In*

Utah is made up of 41 school districts. The total enrollment of K-12 students for Fall 2017, including charter schools, was approximately 652,348. With 15,991 students, Provo City School District is the 12th 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 grow at a minimal rate.

District	Oct. 2017 Enrollment
Alpine District	78,853
Davis District	71,908
Granite District	66,024
Jordan District	53,519
Canyons District	33,907
Nebo District	32,809
Weber District	31,957
Washington District	30,015
Salt Lake District	22,845
Cache District	17,895
Tooele District	16,154
Provo District	25,991



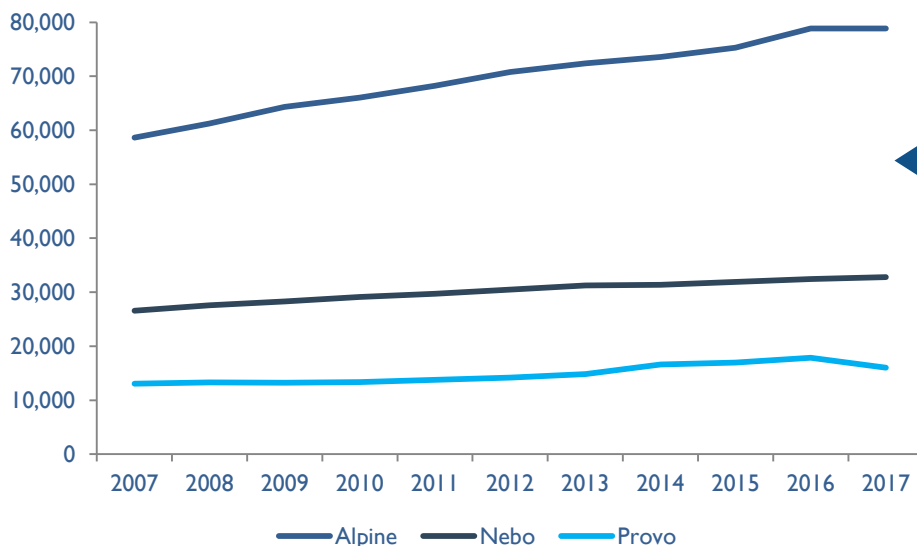
Source: Utah State Office of Education

Student Enrollment: *Utah County Comparison*

While Alpine School District, to the north, and Nebo School District, to the south, have grown rapidly this decade, enrollment in Provo has been flat until just the past few years. This is the case in most one-city districts throughout the State. Despite having flat enrollment throughout this period, Provo continues to have a substantially higher low-income student population than the other two districts in the county. Overall, the public school (school districts) enrollment in Utah County was over 127,500 in October 2017, while charter schools, which are also public, had over 8,500 students enrolled in Utah County.

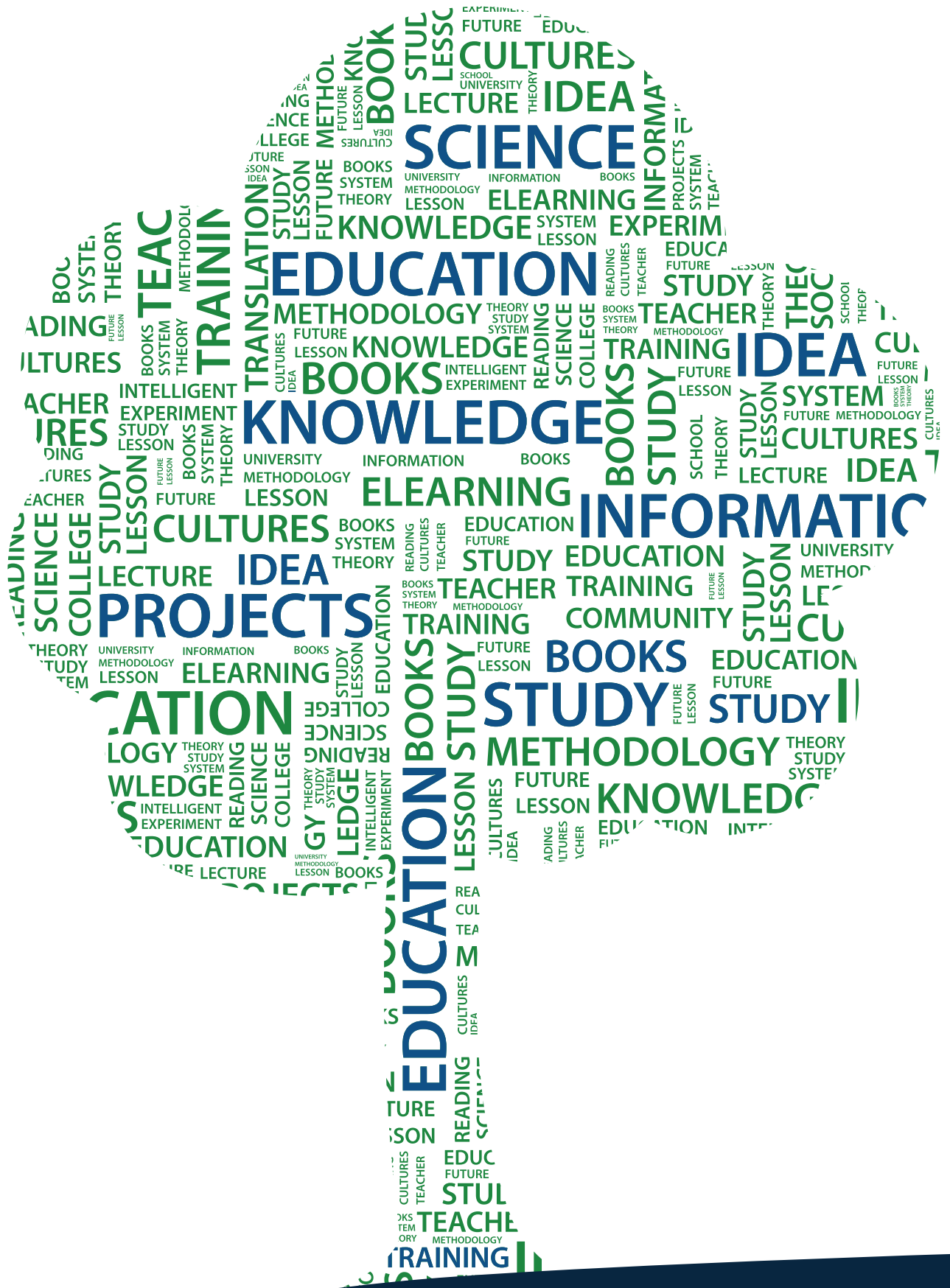


Utah County School Enrollment by District



You can see the clear drop in enrollment due to the District's eSchool program changes in the 2016 October 1 enrollment count.

Source: Utah State Office of Education



District *Facilities*

Location/Site	Year Built/ Renovated Substantially	Square Footage
Elementary Schools:		
Amelia Earhart	1999	69,733
Canyon Crest	1982	68,240
Edgemont ²	2017	70,000
Provo Peaks	2011	80,000
Franklin	1994	75,801
Lakeview	2007	77,480
Provost ³	2018	63,560
Rock Canyon ¹	2016	71,367
Spring Creek	2002	70,720
Sunset View ¹	2016	71,367
Timpanogos	2008	69,247
Wasatch	1949	45,326
Westridge	1979	73,928
Secondary Schools:		
Centennial Middle School	1996	144,795
Dixon Middle School	1931	124,276
Provo High School ³	2018	325,842
Timpview High School.	1974	409,803
Independence High School	1992	48,121
Other:		
Oakridge	1979	43,992
Grandview Learning Center	1949	69,546
District Office	1965	28,875

¹Construction to rebuild school completed summer 2016

²Construction to rebuild school completed summer 2017

³Construction to rebuild school completed summer 2018

Elementary Schools

Amelia Earhart

Address: 2585 West 200 South
Year built or substantially renovated: 1999
Square footage: 69,733
Projected FY 2019 enrollment: 518



Canyon Crest

Address: 4664 N Canyon Road
Year built or substantially renovated: 1982
Square footage: 68,240
Projected FY 2019 enrollment: 503



Edgemont

Address: 566 East 3650 North
Year built or substantially renovated: 2017
Square footage: 70,000
Projected FY 2019 enrollment: 665



Lakeview

Address: 2899 West 1390 North
Year built or substantially renovated: 2007
Square footage: 77,480
Projected FY 2019 enrollment: 823



Franklin

Address: 350 South 600 West
Year built or substantially renovated: 1994
Square footage: 75,801
Projected FY 2019 enrollment: 383



Provo Peaks

Address: 100 North 600 East
Year built or substantially renovated: 2011
Square footage: 80,000
Projected FY 2019 enrollment: 504



Provost

Address: 629 South 1000 East
Year built or substantially renovated: 2018
Square footage: 63,560
Projected FY 2019 enrollment: 465



Rock Canyon

Address: 2495 North 650 East
Year built or substantially renovated: 2016
Square footage: 71,367
Projected FY 2019 enrollment: 583



Spring Creek

Address: 1740 South Nevada Avenue
Year built or substantially renovated: 2002
Square footage: 70,720
Projected FY 2019 enrollment: 411



Sunset View

Address: 525 South 1600 West
Year built or substantially renovated: 2016
Square footage: 71,367
Projected FY 2019 enrollment: 546



Timpanogos

Address: 449 North 500 West
Year built or substantially renovated: 2008
Square footage: 69,733
Projected FY 2019 enrollment: 629



Wasatch

Address: 1080 North 900 East
Year built or substantially renovated: 1949
Square footage: 45,326
Projected FY 2019 enrollment: 799



Westridge

Address: 1720 West 1460 North
Year built or substantially renovated: 1979
Square footage: 73,928
Projected FY 2019 enrollment: 730



Grandview Learning Center

Address: 1591 North Jordan Avenue
Year built or substantially renovated: 2008
Square footage: 26,000
Projected FY 2019 enrollment: 0



eSchool (K-12)

eSchool service center: 243 E 2320 N
Year built or substantially renovated: 2012
Projected FY 2019 enrollment: 2,227 (includes full and part-time)



Secondary Schools

Centennial Middle School

Address: 305 East 2320 North
Year built or substantially renovated: 1996
Square footage: 144,795
Projected FY 2019 enrollment: 1,191



Dixon Middle School

Address: 750 West 200 North
Year built or substantially renovated: 1931
Square footage: 124,276
Projected FY 2019 enrollment: 882



Provo High School

Address: 1125 North University Avenue
Year built or substantially renovated: 2018
Square footage: 325,842
Projected FY 2019 enrollment: 1,889



Timpview High School

Address: 3570 North 650 East
Year built or substantially renovated: 1974
Square footage: 409,803
Projected FY 2019 enrollment: 2,162



Independence High School

Address: 636 North Independence Avenue
Year built or substantially renovated: 1992
Square footage: 48,121
Projected FY 2019 enrollment: 200



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

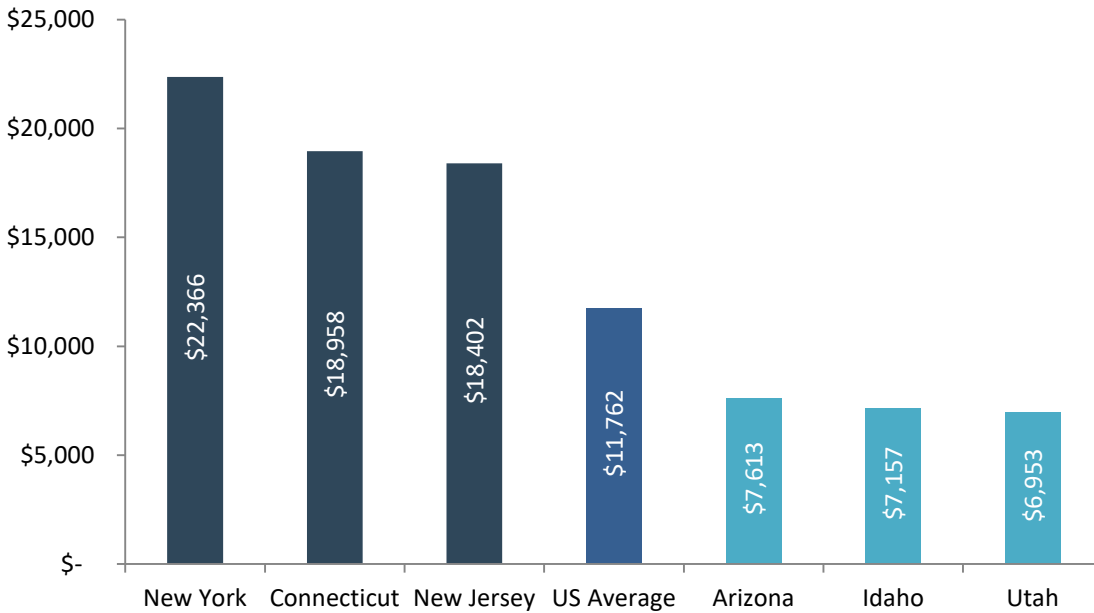
(excludes debt service and long-term capital projects)

For FY 2019, the District is budgeted to spend **\$8,907 per student, a decrease of \$141** when compared to FY 2018.

FY 2018 Per Student: \$9,048

FY 2019 Per Student: \$8,907 **-\$141**

Per Student Spending: *Top and Bottom 3 States*



In addition to these amounts, **the District is budgeted to spend \$3,047 per student in FY 2019** for long-term capital improvement projects and debt service related to infrastructure capital expenditures.

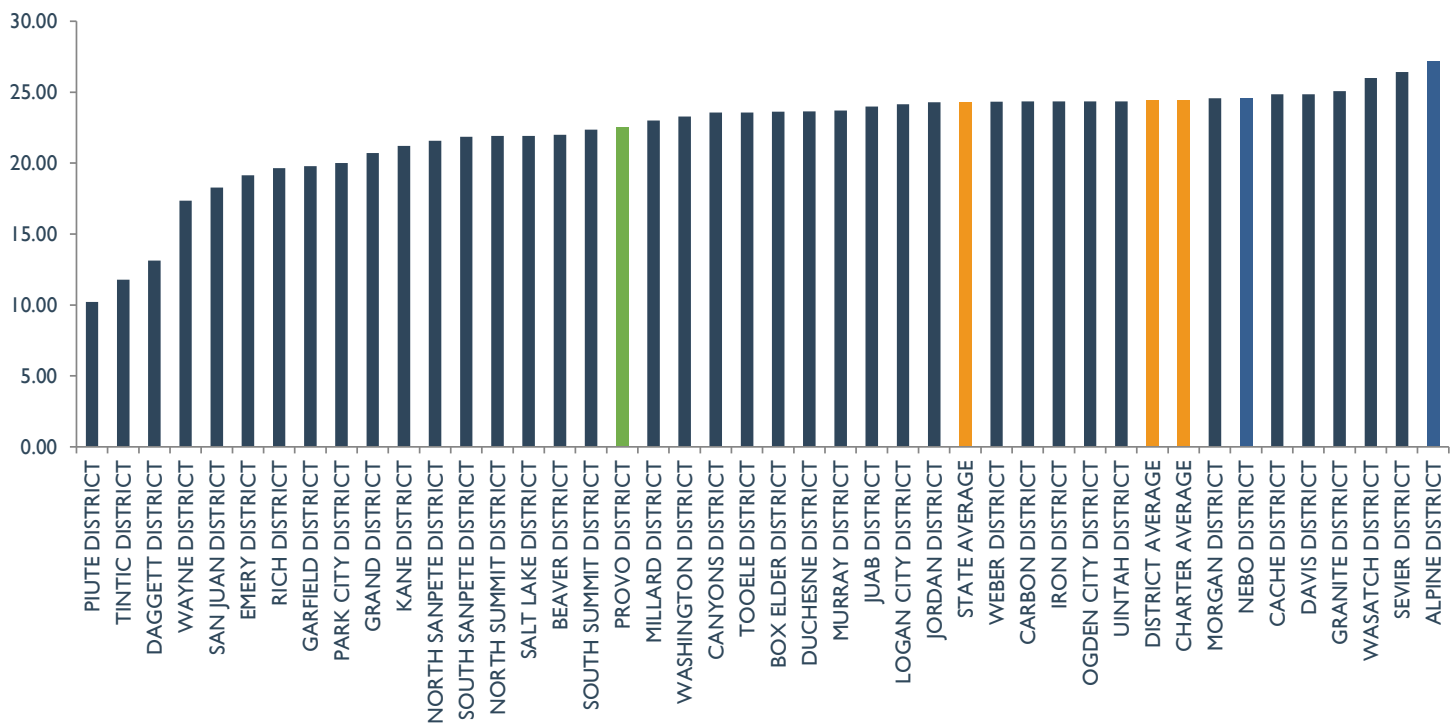
Median Class Sizes: *State of Utah*

Fall 2017

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

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

Median Class Sizes in Utah: *By District*



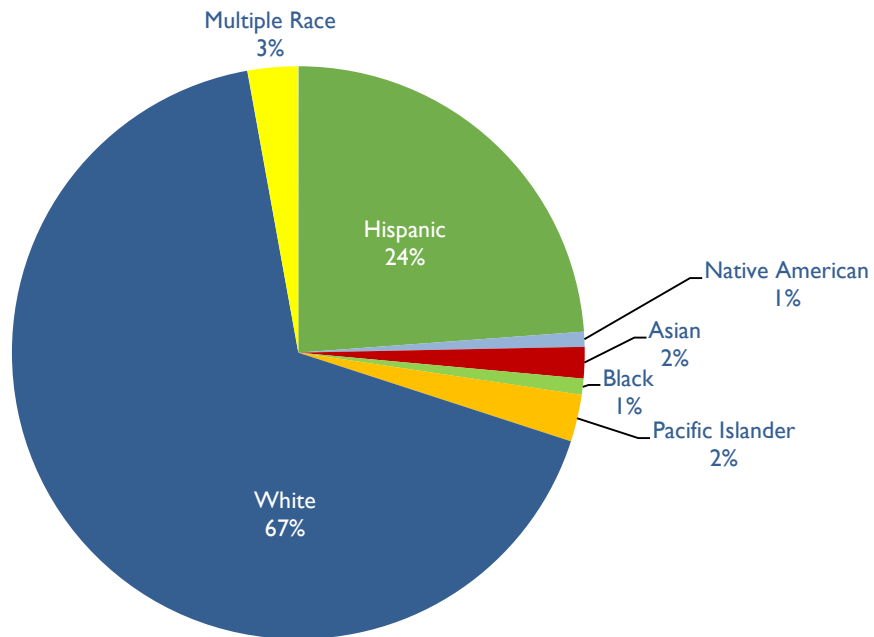
Source: Utah State Office of Education

Student *Demographics*

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

Hispanic students make up the largest ethnic minority group in the District, with 24% of total enrollment as of October 1, 2017, a 6% increase over the prior year.

Provo School District Enrollment by Race



Source: District data; audited Fall 2017 enrollment reports submitted to State

District School Lunch Participation: *FY 2009 to FY 2018 (most recent)*

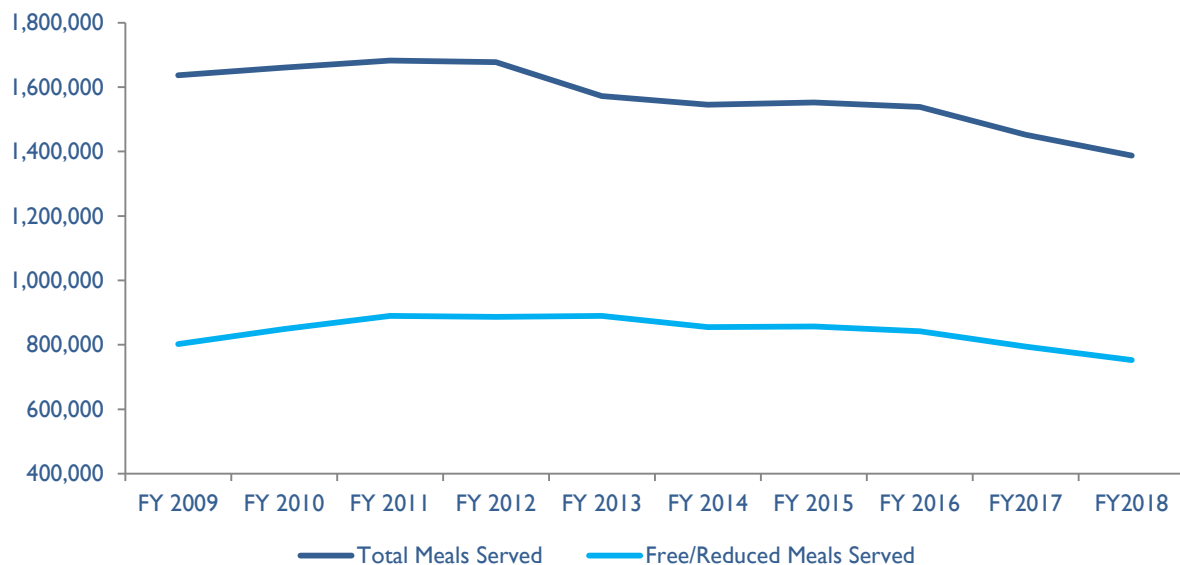
Year	FY Lunches Served	Breakfasts Served	Free Lunch Served	% of Free lunches to Total Served	Reduced Cost Lunch Served	% of Reduced Cost lunches to Total Served
FY 2009	1,311,952	324,889	639,746	48.76%	162,320	12.37%
FY 2010	1,315,197	345,581	693,426	52.72%	155,354	11.81%
FY 2011	1,343,858	338,210	736,472	54.80%	152,940	11.38%
FY 2012	1,319,933	357,943	736,901	55.83%	150,151	11.38%
FY 2013	1,232,859	339,783	732,485	59.41%	157,697	12.79%
FY 2014	1,215,543	329,534	705,006	58.00%	150,490	12.38%
FY 2015	1,209,334	343,320	721,222	59.64%	136,191	11.26%
FY 2016	1,191,836	346,216	704,271	59.09%	137,477	11.53%
FY2017	1,132,209	319,931	674,123	59.54%	120,880	10.68%
FY2018	1,086,600	301,280	628,069	57.80%	125,058	11.51%

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.

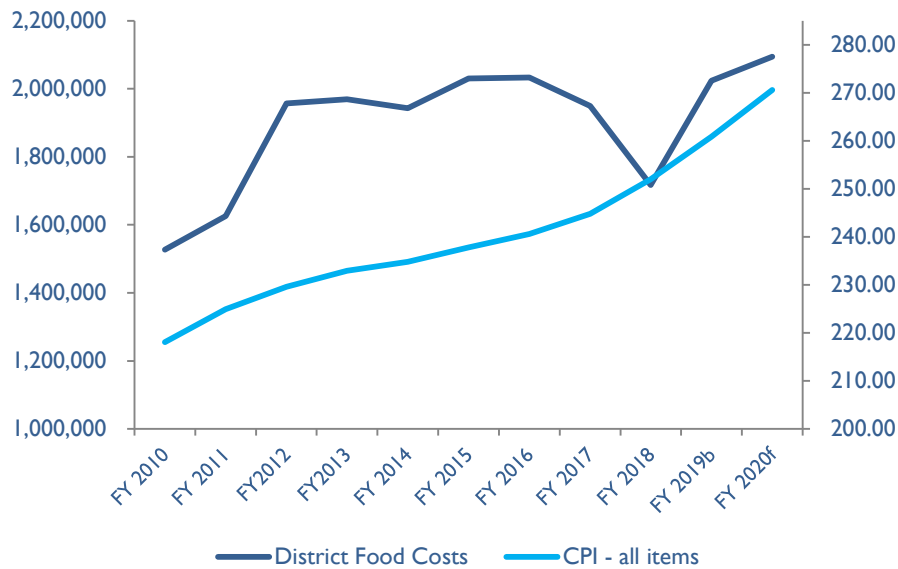
Participation in school food services is projected to remain flat in 2018-19.

School Lunch Participation: *FY 2009 - FY 2018 (most recent)*



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

Program Costs and Data: *Food Services*



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

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



Child Nutrition Meal Prices: *FY 2013 to FY 2019*

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Breakfast	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
Adult Breakfast	\$1.75	\$1.75	\$1.75	\$2.00	\$2.00	\$2.00	\$2.00
Elementary Lunch	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Secondary Lunch	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25
Adult Lunch	\$3.00	\$3.00	\$3.00	\$4.00	\$4.00	\$4.00	\$4.00

School lunch price increases are the result of inflationary pressures and new federal guidelines that drive costs up. In the end, meals will be even more fresh and nutritional than ever before. All meal prices are staying flat in FY19, and are generally only raised in order to maintain compliance with state and federal regulations.

Transportation: *Costs and Statistics*

Transportation

Year	Miles traveled (to and from school, field trips, and activities)	Number of students transported daily	Driving hours per day	Route miles driven per day	Field and activity trip miles per day	Cost per student per year to bus	Number of buses
2008-09	524,340	6,208	226	2,699	214	\$366	48
2009-10	514,980	6,332	204	2,650	211	\$315	48
2010-11	527,340	5,903	234	2,699	231	\$394	48
2011-12	543,832	5,939	214	2,741	260	\$370	45
2012-13	429,001	5,885	165	2,168	215	\$331	40
2013-14	384,987	6,472	179	1,896	243	\$304	41
2014-15	374,013	5,464	174	1,863	283	\$364	43
2015-16	339,395	5,451	175	1,602	283	\$387	43
2016-17	370,834	6,772	167	1,756	315	\$346	43
2017-18	364,928	6,948	163	1,686	356	\$323	43



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

The District will purchase seven additional buses in FY 2019, four to replace aging vehicles, and three due to transportation route change needs. These buses are clean diesel vehicles. The District has found the reduced repairs and maintenance costs for these vehicles outweigh the small savings seen on propane fuel. We continue to monitor advances in clean fuel technology and prior to any purchase conduct extensive research to ensure we best serve the District's transportation needs.

Innovation: *eSchool*

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

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

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



eSchool *At-a-Glance:*

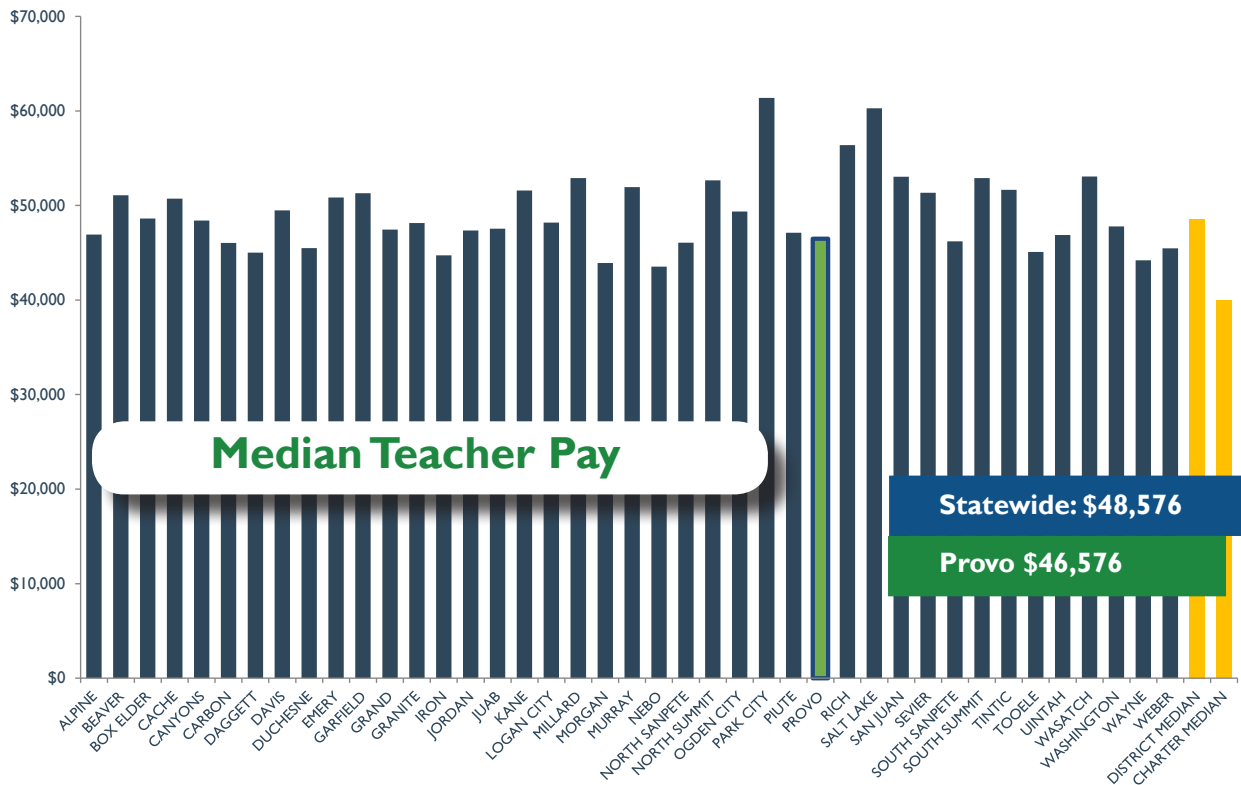
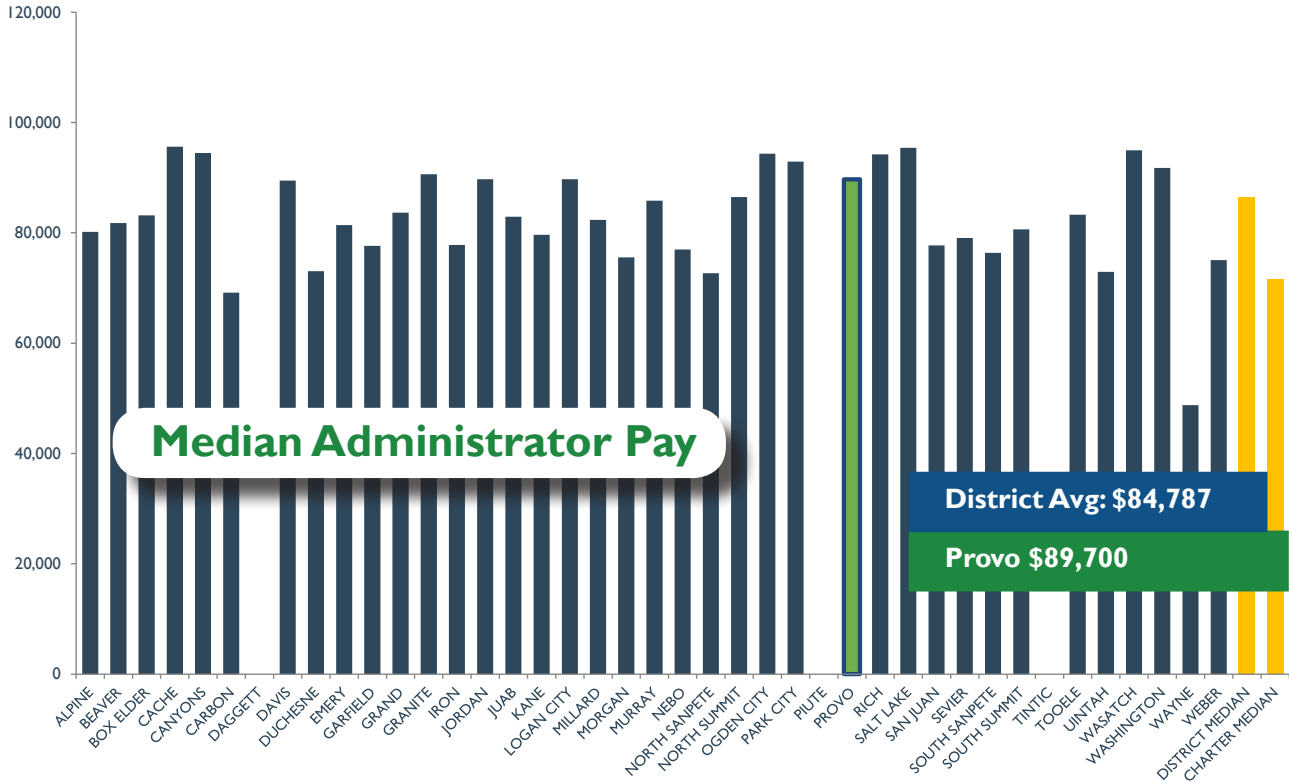
A strategic action of Provo School District's 20/20 Initiative, eSchool provides Provo and Utah students with choice and flexibility.

Some unique aspects of eSchool include:

- The most online courses in Utah, with over 400 courses to choose from as of July 2016
- The largest online K-12 school in Utah in FY18
- Agreements with Brigham Young University Independent Study, Edgenuity, and K12 Curriculum, among others, provide innovative language courses delivered on a virtual platform unmatched anywhere in Utah
- Utah Tech Academy allows students to take courses that prepare them for college and a high-tech workplace
- Cost savings over traditional brick-and-mortar courses

Compensation: *Median Pay Comparison*

The District continues to try to keep pace with education professional salary expectations in the state of Utah. It's critical for the District to pay employees a competitive wage to attract talent and retain valuable employees, especially as the economy improves and employees have more employment options. As a result, the District is currently analyzing teacher pay rates in order to bring Provo in line with other District pay scales.



Source: Utah State Office of Education

Health Insurance: *Cost and Statistics*

The rising cost of health care is a concern nationwide, and the District isn't immune. In 2005, a premium participation plan was put in place, with employees paying a percentage of their premiums. This was designed not only to save money, but more importantly to help employees take ownership of their health care. Overall, the District's health care expenditures are projected to make up roughly 8.4% of the FY 2019 budget.

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

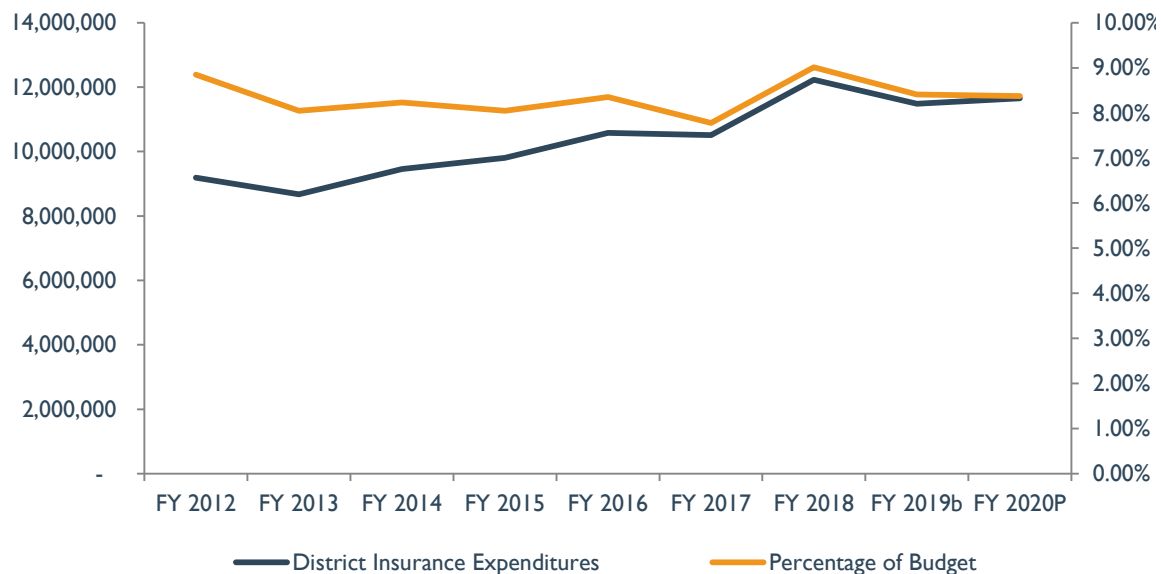
Year	District Insurance Expenditures	Percentage of Budget
FY 2014	9,458,189	8.23%
FY 2015	9,804,904	8.05%
FY 2016	10,577,067	8.35%
FY 2017	10,506,603	7.78%
FY 2018	12,225,158	9.01%
FY 2019 ^B	11,481,774	8.41%
FY 2020 ^P	11,654,001	8.37%

^bBudget

^pProjected

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

Health Insurance: *Expenditures and Percentage of Budget*



Other Post Employment Benefits (OPEB) contributions are projected to remain flat in FY19. A large component of OPEB costs are health insurance. Health insurance rates are increasing for the District at a rapid pace which largely offsets any savings from OPEB contributions.

Student Assessment and Performance
Provo City School District

Some Notes on Student Performance and Assessment Methods

The **Utah Performance Assessment System for Students (UPASS)** is a comprehensive assessment of school performance based on attendance records, test scores on several different tests, and graduation rates for high schools. In order to be considered passing, schools must have 95% participation and perform at a level considered proficient (80% or higher), or show sufficient progress from the previous year's assessment.



Criterion Referenced Tests (CRTs) are used in Utah to test students' mastery of Utah's Core Curriculum. The CRT is also used for No Child Left Behind (NCLB) and UPASS. CRTs are administered to grades 2 through 11 for English language arts. Math and Science CRTs for junior high and high school are based on students' courses rather than grade level.

The **No Child Left Behind Act (NCLB)** is a nationwide accountability system for schools receiving federal funding. Each school is evaluated based on whether or not they meet Adequate Yearly Progress (AYP). In order to meet AYP, a school must show annual progress for certain student groups on assessments determined by each state. The percentage of students required to be proficient increases each year.

Title I schools are higher poverty schools that receive federal funding to provide extra services to their at-risk students. In Utah, about 28% of all public schools are Title I schools.

Beginning in the FY 2014 school year the UPASS, CRT, and AYP testing and accountability systems were replaced by Utah's Comprehensive Accountability System (UCAS) and the Student Assessment for Growth and Excellence (SAGE) computer assessment system. UCAS was later discontinued and SAGE testing is the current assessment program used by the State.

Utah Comprehensive Accountability System (UCAS) provides a straightforward determination of school performance and supports the goals of public education in Utah by valuing performance on state tests, prioritizing individual student growth toward meaningful achievement targets, promoting

equality for low-performing students, and incentivizing attainment of graduation and college/career readiness.

Student Assessment for Growth and Excellence (SAGE) is Utah's new computer adaptive assessment system. It includes summative, interim, and formative components. SAGE employs a software algorithm that adapts the test in real time, responding to the accuracy of a student's performance. Each question a student receives is dependent on his or her response to previous questions. This allows the algorithm to more accurately and efficiently determine a student's level of proficiency.

Student Performance: *SAGE Testing*

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2013-14	54%	52%	
2014-15	51%	53%	
2015-16	53%	57%	
2016-17	53%	50%	
2017-18	51%	53%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	54%	60%	50%
2014-15	51%	63%	48%
2015-16	46%	58%	49%
2016-17	47%	58%	48%
2017-18	47%	54%	49%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	53%	60%	51%
2014-15	53%	62%	55%
2015-16	54%	57%	55%
2016-17	47%	54%	51%
2017-18	50%	53%	55%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	53%	48%	50%
2014-15	57%	53%	57%
2015-16	58%	54%	63%
2016-17	57%	52%	57%
2017-18	54%	51%	

Sources: Utah State Office of Education; District data



Student Performance: *SAGE Testing (continued)*

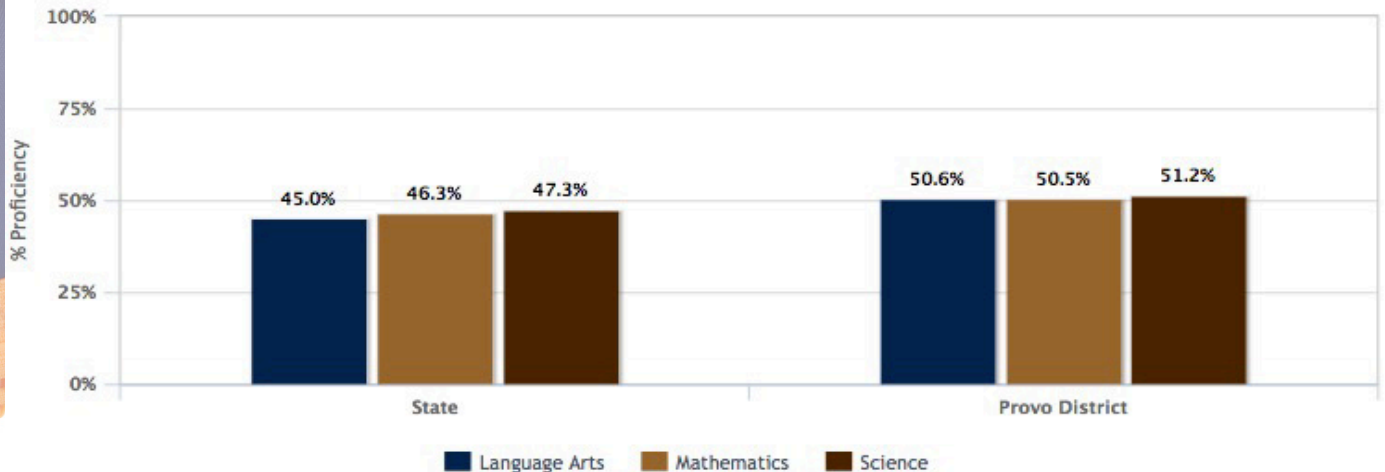
District 2016-17 SAGE Results by Demographic Group			
	% Proficient		
	ELA	Math	Science
All Students	50.9%	50.2%	51.7%
African American	30.0%	27.4%	29.7%
American Indian	25.0%	25.0%	20.0%
Asian	64.0%	69.8%	66.7%
Caucasian	61.2%	60.8%	63.5%
Hispanic	28.4%	27.8%	27.2%
Multiple Races	55.5%	52.9%	56.5%
Pacific Islander	35.7%	36.1%	26.6%
Female	56.5%	48.8%	49.4%
Male	45.9%	51.6%	53.8%
Economically Disadvantaged	34.5%	34.8%	34.9%
ELS	19.3%	22.1%	16.5%
Students with Disabilities	15.2%	19.6%	17.3%
Mobile	26.8%	32.5%	31.7%

District 2017-18 SAGE Results by Demographic Group			
	% Proficient		
	ELA	Math	Science
All Students	50.6%	50.5%	
African American	35.6%	21.7%	
American Indian	33.3%	26.8%	
Asian	66.4%	70.7%	
Caucasian	61.5%	61.0%	
Hispanic	26.0%	26.7%	
Multiple Races	58.6%	58.0%	
Pacific Islander	35.2%	37.5%	
Female	54.1%	48.9%	
Male	47.4%	52.0%	
Economically Disadvantaged	33.4%	33.7%	
ELS	21.5%	23.6%	
Students with Disabilities	17.6%	19.5%	
Mobile	29.5%	26.8%	

State 2016-17 SAGE Results by Demographic Group			
	% Proficient		
	ELA	Math	Science
All Students	43.6%	45.7%	47.5%
African American	21.0%	18.9%	20.3%
American Indian	17.4%	20.0%	20.3%
Asian	50.6%	53.5%	49.8%
Caucasian	49.3%	52.1%	54.5%
Hispanic	23.7%	23.4%	23.4%
Multiple Races	46.3%	46.5%	48.3%
Pacific Islander	24.7%	25.6%	22.1%
Female	49.3%	45.0%	45.4%
Male	38.2%	46.4%	49.5%
Economically Disadvantaged	28.7%	30.3%	31.6%
ELS	12.0%	15.3%	10.5%
Students with Disabilities	12.2%	16.1%	17.3%
Mobile	26.7%	28.2%	29.5%

State 2017-18 SAGE Results by Demographic Group			
	% Proficient		
	ELA	Math	Science
All Students	45.0%	46.3%	
African American	23.1%	19.2%	
American Indian	20.0%	19.8%	
Asian	50.5%	54.8%	
Caucasian	50.7%	52.6%	
Hispanic	24.6%	24.0%	
Multiple Races	47.9%	47.5%	
Pacific Islander	25.5%	26.6%	
Female	49.8%	45.5%	
Male	40.5%	47.0%	
Economically Disadvantaged	29.7%	30.4%	
ELS	14.8%	17.5%	
Students with Disabilities	13.6%	6.8%	
Mobile	28.7%	28.7%	

2018 SAGE % Proficient



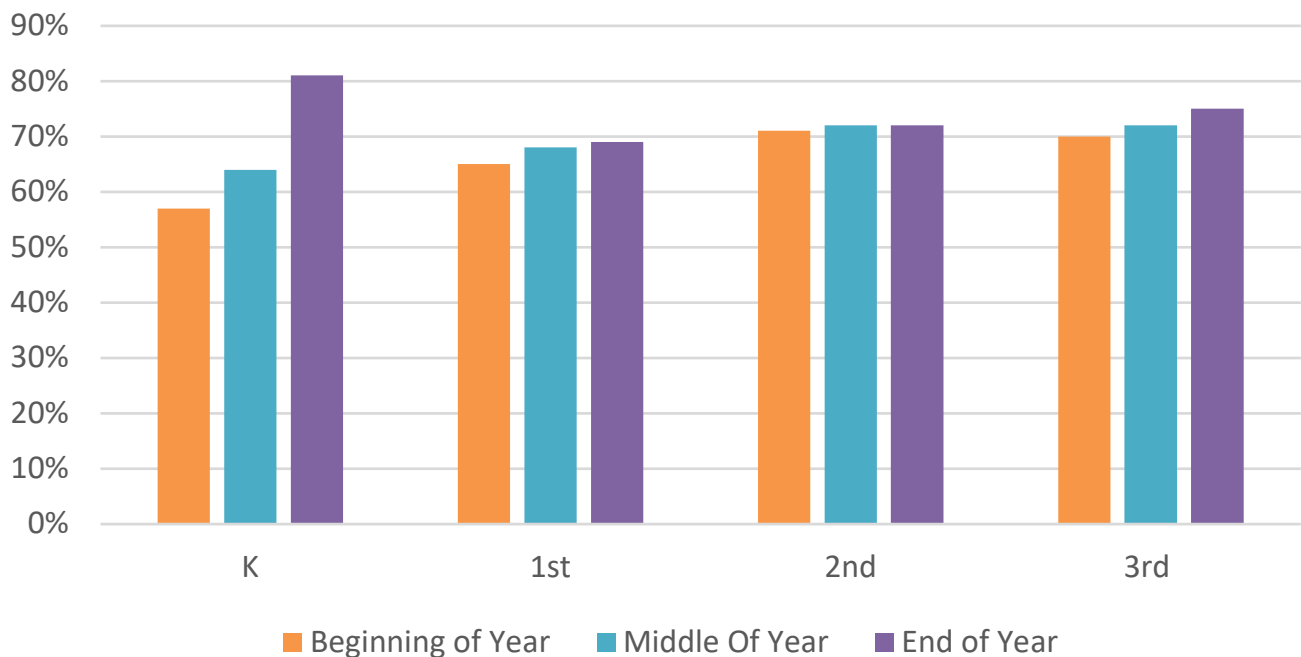
Student Performance: *DIBELS Testing*

FY 2015 - FY 2018

DIBELS: % Meeting Benchmark									
	2015-16			2016-17			2017-18		
	BOY	MOY	EOY	BOY	MOY	EOY	BOY	MOY	EOY
	District	District	District	District	District	District	District	District	District
K	57%	75%	81%	63%	76%	80%	57%	64%	81%
1st	64%	70%	70%	62%	68%	66%	65%	68%	69%
2nd	75%	75%	75%	74%	72%	71%	71%	72%	72%
3rd	72%	72%	75%	73%	71%	71%	70%	72%	75%

DIBELS: Number Tested									
	2015-16			2016-17			2017-18		
	BOY	MOY	EOY	BOY	MOY	EOY	BOY	MOY	EOY
	District	District	District	District	District	District	District	District	District
K	1151	1150	1131	1026	1094	1110	1045	1029	1018
1st	1307	1297	1261	1170	1196	1189	1196	1190	1157
2nd	1348	1325	1266	1212	1247	1221	1180	1160	1149
3rd	1349	1326	1203	1225	1268	1225	1196	1193	1151

DIBELS results



DIBELS® Overview

The Dynamic Indicators of Basic Early Literacy Skills (DIBELS) are a set of procedures and measures for assessing the acquisition of early literacy skills from kindergarten through sixth grade. They are designed to be short (one minute) fluency measures used to regularly monitor the development of early literacy and early reading skills.

DIBELS are comprised of seven measures to function as indicators of phonemic awareness, alphabetic principle, accuracy and fluency with connected text, reading comprehension, and vocabulary. DIBELS were designed for use in identifying children experiencing difficulty in acquisition of basic early literacy skills in order to provide support early and prevent the occurrence of later reading difficulties.

History of DIBELS

DIBELS were developed based on measurement procedures for Curriculum-Based Measurement (CBM), which were created by Deno and colleagues through the Institute for Research and Learning Disabilities at the University of Minnesota in the 1970s-80s (e.g., Deno and Mirkin, 1977; Deno, 1985; Deno and Fuchs, 1987; Shinn, 1989). Like CBM, DIBELS were developed to be economical and efficient indicators of a student's progress toward achieving a general outcome.

Initial research on DIBELS was conducted at the University of Oregon in the late 1980s. Since then, an ongoing series of studies on DIBELS has documented the reliability and validity of the measures as well as their sensitivity to student change. The DIBELS authors were motivated then, as now, by the desire to improve educational outcomes for children, especially those from poor and diverse backgrounds. Research on DIBELS continues at DMG and at numerous universities and research institutions around the world.

<https://dibels.org>

Student Performance: *SAGE* – School Level Trends

2017-18 Provo City School District School Data Profile Amelia Earhart Elementary

2017-18 Provo City School District School Data Profile Canyon Crest Elementary

State SAGE Assessment 3rd Grade % Proficient			
Year	ELA	Math	
2013-14	43%	44%	
2014-15	44%	45%	
2015-16	43%	52%	
2016-17	43%	33%	
2017-18	31%	38%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	44%	46%	45%
2014-15	43%	61%	36%
2015-16	41%	53%	47%
2016-17	37%	51%	49%
2017-18	37%	44%	35%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	52%	60%	48%
2014-15	46%	50%	40%
2015-16	54%	53%	40%
2016-17	59%	56%	61%
2017-18	45%	46%	37%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	48%	41%	48%
2014-15	56%	38%	43%
2015-16	44%	38%	46%
2016-17	51%	40%	57%
2017-18	52%	30%	

State SAGE Assessment 3rd Grade % Proficient			
Year	ELA	Math	
2013-14	82%	68%	
2014-15	65%	66%	
2015-16	75%	73%	
2016-17	71%	76%	
2017-18	71%	85%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	65%	68%	55%
2014-15	75%	79%	69%
2015-16	48%	65%	65%
2016-17	70%	78%	71%
2017-18	66%	82%	79%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	75%	78%	59%
2014-15	63%	68%	57%
2015-16	73%	71%	67%
2016-17	58%	71%	49%
2017-18	66%	71%	57%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	63%	48%	56%
2014-15	61%	61%	45%
2015-16	64%	46%	76%
2016-17	63%	59%	76%
2017-18	59%	48%	

Student Performance: *SAGE* - School Level Trends
(continued)

2017-18 Provo City School District
School Data Profile
Edgemont Elementary

2017-18 Provo City School District
School Data Profile
Franklin Elementary

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2013-14	48%	43%	
2014-15	44%	39%	
2015-16	68%	64%	
2016-17	49%	32%	
2017-18	67%	67%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	54%	49%	39%
2014-15	46%	69%	46%
2015-16	50%	64%	52%
2016-17	54%	67%	55%
2017-18	64%	70%	70%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	54%	57%	52%
2014-15	58%	67%	60%
2015-16	66%	81%	73%
2016-17	47%	60%	77%
2017-18	71%	72%	64%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	50%	59%	63%
2014-15	63%	71%	60%
2015-16	75%	75%	78%
2016-17	73%	74%	77%
2017-18	61%	66%	

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2013-14	47%	40%	
2014-15	52%	44%	
2015-16	28%	37%	
2016-17	31%	35%	
2017-18	47%	44%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	31%	42%	39%
2014-15	39%	54%	41%
2015-16	27%	26%	30%
2016-17	23%	32%	30%
2017-18	19%	19%	20%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	33%	35%	38%
2014-15	41%	52%	48%
2015-16	38%	35%	33%
2016-17	31%	26%	39%
2017-18	27%	26%	40%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	29%	19%	22%
2014-15	42%	32%	32%
2015-16	33%	34%	44%
2016-17	34%	28%	26%
2017-18	28%	28%	

Student Performance: *SAGE* – School Level Trends (continued)

2017-18 Provo City School District School Data Profile Lakeview Elementary

2017-18 Provo City School District School Data Profile Provo Peaks Elementary

State SAGE Assessment 3rd Grade % Proficient			
Year	ELA	Math	
2013-14	48%	50%	
2014-15	61%	69%	
2015-16	62%	61%	
2016-17	68%	59%	
2017-18	60%	52%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	64%	60%	69%
2014-15	71%	75%	82%
2015-16	70%	81%	80%
2016-17	64%	72%	83%
2017-18	57%	61%	78%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	49%	44%	52%
2014-15	43%	51%	45%
2015-16	59%	58%	61%
2016-17	54%	68%	59%
2017-18	54%	57%	68%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	60%	42%	48%
2014-15	67%	54%	64%
2015-16	67%	53%	61%
2016-17	71%	56%	59%
2017-18	64%	51%	

State SAGE Assessment 3rd Grade % Proficient			
Year	ELA	Math	
2013-14	36%	43%	
2014-15	39%	60%	
2015-16	35%	36%	
2016-17	37%	43%	
2017-18	21%	36%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	40%	33%	29%
2014-15	47%	60%	46%
2015-16	52%	66%	57%
2016-17	32%	36%	20%
2017-18	54%	60%	50%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	36%	43%	34%
2014-15	69%	79%	64%
2015-16	65%	75%	63%
2016-17	67%	69%	62%
2017-18	53%	53%	49%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	47%	34%	36%
2014-15	58%	58%	59%
2015-16	72%	64%	69%
2016-17	64%	14%	54%
2017-18	66%	74%	

Student Performance: *SAGE* - School Level Trends (continued)

2017-18 Provo City School District School Data Profile Provost Elementary

2017-18 Provo City School District School Data Profile Rock Canyon Elementary

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2013-14	74%	68%	
2014-15	65%	63%	
2015-16	60%	66%	
2016-17	55%	72%	
2017-18	68%	72%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	47%	62%	58%
2014-15	61%	66%	55%
2015-16	47%	63%	46%
2016-17	58%	68%	51%
2017-18	36%	50%	38%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	59%	73%	63%
2014-15	70%	69%	70%
2015-16	61%	58%	67%
2016-17	71%	66%	69%
2017-18	54%	61%	64%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	54%	47%	47%
2014-15	73%	62%	58%
2015-16	82%	57%	61%
2016-17	67%	43%	51%
2017-18	71%	56%	

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2013-14	79%	71%	
2014-15	70%	76%	
2015-16	80%	94%	
2016-17	68%	66%	
2017-18	70%	69%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	70%	71%	51%
2014-15	67%	75%	51%
2015-16	69%	77%	58%
2016-17	64%	80%	58%
2017-18	51%	62%	42%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	59%	54%	45%
2014-15	66%	65%	60%
2015-16	52%	66%	55%
2016-17	45%	49%	77%
2017-18	43%	48%	47%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	62%	49%	60%
2014-15	68%	62%	71%
2015-16	73%	65%	70%
2016-17	69%	68%	77%
2017-18	40%	49%	

Student Performance: *SAGE* – School Level Trends (continued)

2017-18 Provo City School District School Data Profile Spring Creek Elementary

State SAGE Assessment 3rd Grade % Proficient			
Year	ELA	Math	
2013-14	30%	38%	
2014-15	36%	53%	
2015-16	31%	40%	
2016-17	46%	48%	
2017-18	40%	37%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	36%	47%	43%
2014-15	33%	52%	36%
2015-16	40%	60%	47%
2016-17	24%	40%	54%
2017-18	37%	48%	42%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	42%	57%	35%
2014-15	47%	46%	42%
2015-16	52%	52%	44%
2016-17	58%	68%	64%
2017-18	36%	47%	43%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	49%	45%	58%
2014-15	44%	54%	57%
2015-16	57%	66%	69%
2016-17	63%	62%	64%
2017-18	72%	73%	

2017-18 Provo City School District School Data Profile Sunset View Elementary

State SAGE Assessment 3rd Grade % Proficient			
Year	ELA	Math	
2013-14	46%	35%	
2014-15	52%	34%	
2015-16	36%	45%	
2016-17	34%	28%	
2017-18	24%	27%	
4th Grade % Proficient			
Year	24	Math	Science
2013-14	50%	59%	38%
2014-15	35%	46%	39%
2015-16	22%	34%	23%
2016-17	35%	45%	33%
2017-18	39%	43%	34%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	57%	69%	60%
2014-15	47%	60%	52%
2015-16	42%	43%	43%
2016-17	45%	48%	32%
2017-18	39%	45%	43%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	43%	38%	51%
2014-15	53%	50%	64%
2015-16	32%	32%	44%
2016-17	43%	38%	29%
2017-18	52%	42%	

Student Performance: SAGE - School Level Trends
(continued)

2017-18 Provo City School District
School Data Profile
Timpanogos Elementary

2017-18 Provo City School District
School Data Profile
Wasatch Elementary

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2013-14	44%	47%	
2014-15	31%	30%	
2015-16	29%	35%	
2016-17	36%	21%	
2017-18	32%	32%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	30%	51%	15%
2014-15	37%	48%	16%
2015-16	28%	45%	26%
2016-17	36%	49%	26%
2017-18	3100%	38%	37%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	42%	43%	25%
2014-15	39%	58%	31%
2015-16	36%	34%	36%
2016-17	20%	37%	30%
2017-18	35%	40%	39%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	53%	51%	39%
2014-15	38%	44%	45%
2015-16	37%	43%	53%
2016-17	43%	42%	49%
2017-18	31%	32%	

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2013-14	63%	70%	
2014-15	66%	69%	
2015-16	70%	69%	
2016-17	71%	68%	
2017-18	66%	65%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	76%	82%	70%
2014-15	66%	75%	68%
2015-16	52%	70%	60%
2016-17	55%	69%	54%
2017-18	56%	68%	52%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	69%	72%	77%
2014-15	65%	80%	81%
2015-16	60%	62%	72%
2016-17	47%	53%	63%
2017-18	63%	68%	82%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	68%	63%	65%
2014-15	64%	66%	72%
2015-16	69%	68%	74%
2016-17	59%	53%	58%
2017-18	61%	57%	

Student Performance: *SAGE* – School Level Trends (continued)

2017-18 Provo City School District School Data Profile Westridge Elementary

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2013-14	61%	50%	
2014-15	45%	40%	
2015-16	52%	52%	
2016-17	53%	50%	
2017-18	52%	55%	
4th Grade % Proficient			
Year	ELA	Math	Science
2013-14	70%	79%	74%
2014-15	45%	67%	52%
2015-16	41%	50%	37%
2016-17	48%	53%	50%
2017-18	40%	45%	38%
5th Grade % Proficient			
Year	ELA	Math	Science
2013-14	53%	74%	58%
2014-15	51%	61%	56%
2015-16	54%	54%	57%
2016-17	38%	49%	37%
2017-18	52%	46%	54%
6th Grade % Proficient			
Year	ELA	Math	Science
2013-14	60%	66%	54%
2014-15	48%	45%	57%
2015-16	56%	56%	60%
2016-17	55%	64%	62%
2017-18	50%	50%	

Student Performance: SAGE - School Level Trends
(continued)

2017-18 Provo City School District
School Data Profile
Centennial Middle School

2017-18 Provo City School District
School Data Profile
Dixon Middle School

State SAGE Assessment			
ELA % Proficient			
Year	7th	8th	
2013-14	48%	48%	
2014-15	47%	47%	
2015-16	64%	57%	
2016-17	66%	66%	
2017-18	61%	64%	
Math % Proficient			
Year	Math 7	Math8	SM1
2013-14	48%	48%	92%
2014-15	32%	47%	87%
2015-16	59%	54%	93%
2016-17	69%	53%	97%
2017-18	56%	47%	96%
Science % Proficient			
Year	7th	8th	
2013-14	53%	52%	
2014-15	43%	51%	
2015-16	65%	59%	
2016-17	66%	73%	
2017-18			

State SAGE Assessment			
ELA % Proficient			
Year	7th	8th	
2013-14	48%	48%	
2014-15	38%	39%	
2015-16	48%	42%	
2016-17	40%	44%	
2017-18	43%	40%	
Math % Proficient			
Year	Math 7	Math8	SM1
2013-14	40%	33%	76%
2014-15	35%	38%	98%
2015-16	47%	41%	80%
2016-17	51%	43%	91%
2017-18	54%	36%	97%
Science % Proficient			
Year	7th	8th	
2013-14	45%	41%	
2014-15	42%	41%	
2015-16	53%	50%	
2016-17	43%	53%	
2017-18			

Student Performance: *SAGE* – School Level Trends (continued)

2016-17 Provo City School District School Data Profile Independence High School

State SAGE Assessment				
ELA % Proficient				
Year	9th	10th	11th	
2013-14	3%	11%	11%	
2014-15	5%	11%	11%	
2015-16	16%	6%	7%	
2016-17	3%	9%	Not given	
2017-18	13%	6%	Not given	
Math % Proficient				
Year	SM1	SM2	SM3	
2013-14	5%	4%	Not given	
2014-15	7%	6%	0%	
2015-16	4%	10%	Not given	
2016-17	4%	0%	Not given	
2017-18	0%	0%	Not given	
Science % Proficient				
Year	Earth Sci	Biology	Chemistry	Physics
2013-14	41%	16%	Not given	Not given
2014-15	20%	11%	Not given	Not given
2015-16	36%	15%	Not given	Not given
2016-17	22%	15%	Not given	Not given
2017-18	24%	15%	Not given	Not given

2017-18 Provo City School District School Data Profile Provo High School

State SAGE Assessment				
ELA % Proficient				
Year	9th	10th	11th	
2013-14	44%	47%	22%	
2014-15	44%	45%	31%	
2015-16	37%	41%	35%	
2016-17	33%	39%	Not given	
2017-18	37%	44%	Not given	
Math % Proficient				
Year	SM1	SM2	SM3	
2013-14	22%	15%	23%	
2014-15	27%	38%	46%	
2015-16	25%	30%	41%	
2016-17	21%	34%	48%	
2017-18	24%	43%	69%	
Science % Proficient				
Year	Earth Sci	Biology	Chemistry	Physics
2013-14	36%	43%	63%	40%
2014-15	22%	41%	69%	35%
2015-16	Not given	33%	53%	33%
2016-17	Not given	28%	41%	21%
2017-18	Not given	39%	69%	24%

Student Performance: *SAGE* - School Level Trends (continued)

2017-18 Provo City School District
School Data Profile
Timpview High School

State SAGE Assessment				
ELA % Proficient				
Year	9th	10th	11th	
2013-14	53%	53%	38%	
2014-15	59%	60%	57%	
2015-16	46%	62%	54%	
2016-17	54%	52%	Not given	
2017-18	61%	52%	Not given	
Math % Proficient				
Year	SM1	SM2	SM3	
2013-14	21%	21%	30%	
2014-15	41%	51%	62%	
2015-16	39%	43%	70%	
2016-17	30%	48%	75%	
2017-18	44%	55%	85%	
Science % Proficient				
Year	Earth Sci	Biology	Chemistry	Physics
2013-14	49%	43%	36%	64%
2014-15	40%	53%	59%	67%
2015-16	48%	63%	68%	86%
2016-17	41%	56%	70%	71%
2017-18	45%	64%	80%	70%

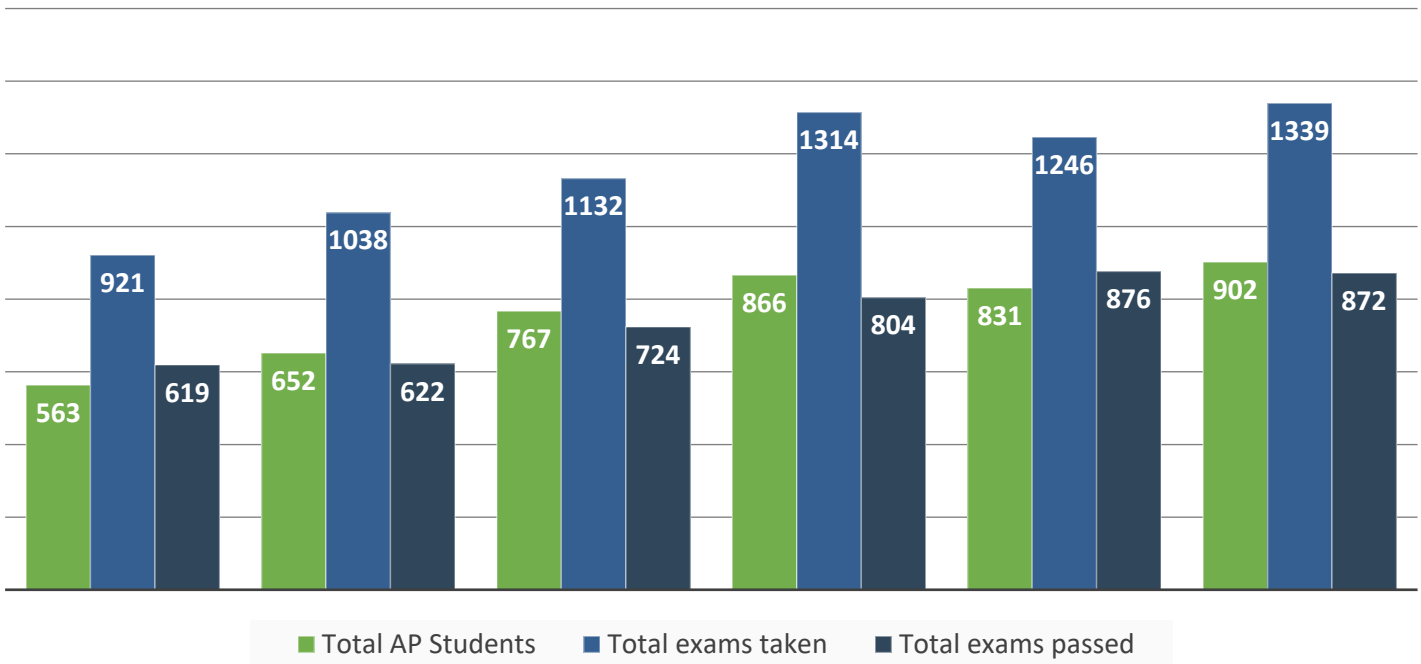
2017-18 Provo City School District
School Data Profile
Provo eSchool

State SAGE Assessment			
3rd Grade % Proficient			
Year	ELA	Math	
2014-15	38%	44%	
2015-16	44%	5900%	
2016-17	54%	48%	
2017-18	50%	6000%	
4th Grade % Proficient			
Year	ELA	Math	Science
2014-15	33%	31%	18%
2015-16	35%	48%	33%
2016-17	41%	57%	38%
2017-18	43%	21%	23%
5th Grade % Proficient			
Year	ELA	Math	Science
2014-15	40%	40%	53%
2015-16	32%	27%	39%
2016-17	42%	45%	52%
2017-18	35%	45%	37%
6th Grade % Proficient			
Year	ELA	Math	Science
2014-15	43%	24%	36%
2015-16	58%	44%	65%
2016-17	15%	21%	3%
2017-18	54%	31%	
7th Grade % Proficient			
Year	ELA	Math	Science
2014-15	39%	25%	18%
2015-16	56%	53%	30%
2016-17	76%	44%	41%
2017-18	63%	29%	
8th Grade % Proficient			
Year	ELA	Math	Science
2014-15	56%	32%	42%
2015-16	40%	13%	25%
2016-17	42%	49%	45%
2017-18	43%	50%	

Student Performance: *Advanced Placement Tests & ACT Participation*

“Success” on an AP Exam is defined as an exam score of 3 or higher, which represents the score point that research finds predictive of college success and college graduation. These findings have held consistent across the decades. One example of such a study comes from the National Center for Educational Accountability, which found that an AP Exam score, and a score of 3 or higher in particular, is a strong predictor of a student’s ability to persist in college and earn a bachelor’s degree.

High School AP Exam Results - *2013-18 (most recent)*



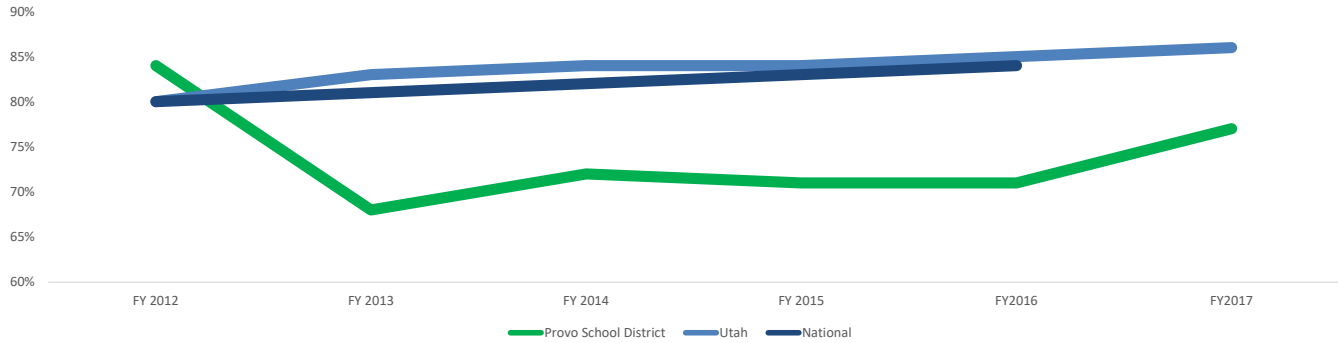
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Total Candidates	563	652	767	866	831	902
Total Exams Taken	921	1038	1132	1314	1246	1339
Total Exams Passed	619	622	724	804	876	872
Provo Average Passed	67.2%	59.9%	64.0%	61.2%	70.3%	65.1%

ACT Exam Results - 2011-16

ACT % of students with score = 18+		
	District	State
2012	73%	74%
2013	73%	74%
2014	75%	74%
2015	74%	69%
2016	68%	65%
2017		

Student Performance: *Graduation Trends*

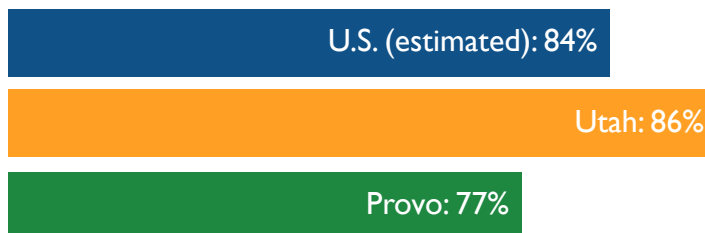
2012-17



At 77%, the District’s graduation rate for the 2017 school year is substantially lower than the average rate in the State of Utah, and also lower than the last available national rate of 84% (FY2016). While Provo High’s rate for FY17 was 89% and Timpview High’s was 92%, Provo also offers other options for students that don’t fit well into these traditional school programs but are still factored in to the overall District graduation rates. Provo School District’s alternative high school, Independence High, for example, lagged far behind our traditional high schools with a graduation rate of 50% and our eSchool program’s rate of 18% also drastically affected the district’s overall graduation rate last year. While the District average is lower than desired, it is important to note that looking at just the District rate as a whole does not necessarily indicate programmatic success.

Student Performance: *High School Graduation Rates*

2016-17



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

Glossary

Accrual: allows an entity to record expenses and revenues for which it expects to expend cash or receive cash, respectively, in a future reporting period.

Allocation: an amount (usually money or staff) designated for a specific purpose or program.

Amortization: the paying off of debt in regular installments over a period of time.

Annual Yearly Progress (AYP): a measurement used by the U.S. Department of Education to determine how every public school and school district in the country is performing academically according to the results on standardized tests.

Appropriation: an authorization, usually limited in amount and time, granted by a legislative body to make expenditures and to incur obligations for specific purchases.

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

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

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

Balance Sheet: a summary of the District's balances. Assets, liabilities and fund balances (called "equity" in non-governmental accounting) are included on the balance sheet.

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

Board of Education: the governing body of a school district comprised of elected representatives. In Provo, the Board consists of seven members elected to four-year terms.

Bond: a funding tool representing a written promise to pay a specific sum (principal amount) in the future (maturity date), plus interest. Bonds are only used to finance capital improvements.

Budget: a plan of financial operation consisting of an estimate of proposed expenditures for a given period and the proposed means to finance them.

Budget Initiatives: short-term goals or objectives the District intends to accomplish in the near future. Initiatives should support the District's mission and long-term goals.

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.

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

budget@provo.edu

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.

Consumer Price Index: a statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of cost of living and economic inflation.

Cost Center: part of the District that does not produce direct profit and adds to the cost of running the overall organization (e.g., purchasing department, human resources).

Criterion Referenced Tests (CRT): standardized tests administered to grades 2 thru 11 used in Utah to test students’ mastery of the Utah Core Curriculum.

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

Depreciation: the expiration of the useful life of District assets, attributable to age, wear and tear, and obsolescence.

DIBELS: a universal screening and progress monitoring assessment that measures acquisition of early literacy skills from Kindergarten through 6th grade.

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.

- Instruction - Activities dealing directly with the interaction between students and teachers within the classroom*
- Student Support - Services providing administrative, technical (guidance & health), and logistical support to facilitate and enhance instruction*
- Teacher Support - Activities associated with assisting instructional staff with content and learning experiences*
- General Administration - Activities associated with establishing and administering policy for operating the school district*
- School Administration - Activities concerned with the overall administration of the school buildings*
- Business and Central - Activities that support other administrative and instructional functions, including accounting, human resources, planning, budgeting, etc.*
- Operation and Maintenance – Activities concerned with keeping the physical facilities open, comfortable, and safe for use*
- Transportation – Activities concerned with conveying students to and from school*
- Other Support – All other activities that do not fall under one of the other categories*
- Food Services – Activities concerned with providing food to students and staff in a school or school district*

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

Fund Balance: the difference between assets and liabilities (see “asset” and “liability”).

GASB 54: a fund balance statement which classifies balances based primarily on the extent to which the District is bound to observe constraints placed on the use of the funds.

General Fund: to account for resources which are not required to be accounted for in any other fund. Revenue and expenditures of categorical federal and state programs for a student's regular dayschool are accounted for in this fund. 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.

Major Fund: funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds

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

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

No Child Left Behind Act (NCLB): a nationwide accountability system for schools receiving federal funding. Schools must show annual progress for certain student groups on assessments determined by each state.

Non-major Fund: funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are less than 10 percent of corresponding totals for all governmental and enterprise funds and are less than 5 percent of the aggregate amount for all governmental and enterprise funds

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

Object: as used in expenditures classification, identifies the type of article or service obtained (e.g., supplies, equipment, purchased services).

01xxxx – Salaries and Wages

02xxxx – Fringe benefits including retirement benefits, taxes, and medical plan coverages

03xxxx – Purchased services including trainings, presentations, and other services provided to the District

04xxxx – Property services expenses including vehicle maintenance and building repairs

05xxxx – Other services including primarily travel expenses (both staff and student) and telecommunications

06xxxx – Supplies expenses including consumable supplies, books, paper, food costs, technology, etc

07xxxx – Large equipment purchases

08xxxx – Other costs such as organization dues and fees and other expenses that don't fit the other codes

PACE: an initiative by the governor of Utah combining educational and economic goals to ensure that 2/3 of all working-age Utahns will have or will obtain a post-secondary degree or certificate by 20/20.

Program: a group of activities, operations, or organizational units directed to attaining specific purposes or objectives (e.g., transportation, school lunch, dual immersion).

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

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

Student Assessment for Growth and Excellence (SAGE): Utah's new computer adaptive assessment system. The system uses a software algorithm that adapts the test in real time, responding to the accuracy of a student's performance.

Tax Rate: an amount of tax stated in terms of a unit of the tax base

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

Utah Comprehensive Accountability System (UCAS): a new accountability system used by the state of Utah to determine school/student performance which has replaced UPASS.

Utah Performance Assessment System for Students (UPASS): a comprehensive assessment of school performance based on attendance records, standardized test scores, and graduation rates. Replaced in FY 2014 by UCAS.

Weighted Pupil Unit (WPU): a unit of measure used to determine the needed amount of state funding in a fair and equitable way.

Zero-based budgeting: a method of budgeting used by the District in which all expenses must be justified each year. Zero-based budgeting starts from a "zero base" and every program within the District is analyzed to determine viability and cost. Budgets are then built around what is needed for the upcoming year, regardless of whether the budget is higher or lower than the previous one.



If you have any questions regarding the budget of Provo City School District, or this budget guide in particular, please call the Business Office of the District at (801) 374-4848, or contact us by email at budget@provo.edu. The web address is: www.provo.edu/dep/busadmin/.

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

