

# Provo City School District

A young girl with long blonde hair, wearing a black t-shirt, black leggings, and pink sneakers, is running on a green lawn. She is carrying a large, colorful backpack with a pattern of small, multi-colored hearts. In the background, several yellow school buses are parked on a paved area. The buses have "SCHOOL BUS" written on their front. A few people are standing near the buses, and the scene is set outdoors with trees and a clear sky.

## Comprehensive Annual Financial Report

For the Year Ended June 30, 2019

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



Provo City School District  
280 W 940 N  
Provo, UT 84604  
801-374-4800  
[www.provo.edu](http://www.provo.edu)

# Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2019

Keith Rittel  
Superintendent

Stefanie Bryant  
Business Administrator

Prepared By:  
Devyn Dayley  
Director of Accounting

# Provo City School District Board of Education



Back (left to right) Nate Bryson, Board Member; Julie Rash, Board Member; McKay Jensen, Board Member; Melanie Hall, Board Vice President;

Front (left to right) Rebecca Nielsen, Board Member; Jim Pettersson, Board President; Jennifer Partridge, Board Member

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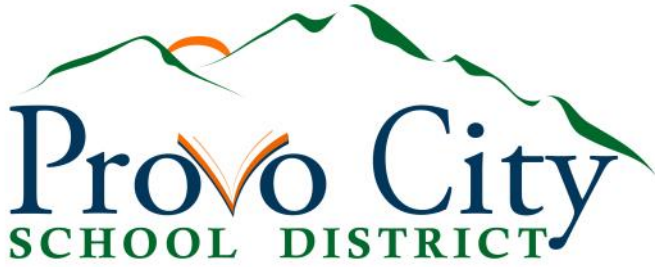
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# Introductory Section

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Keith Rittel  
Superintendent  
Stefanie Bryant  
Business Administrator

October 4, 2019

**To the Members of the Provo City School District Board of Education and the Patrons of Provo City School District:**

We are pleased to present, Provo City School District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This Comprehensive Annual Financial Report (CAFR) includes financial and non-financial information to meet the needs of a broad spectrum of readers.

The report is prepared in accordance with generally accepted accounting principles (GAAP) which are applicable to governmental entities throughout the United States. The Governmental Accounting Standards Board (GASB) establishes local government accounting principles. This report conforms to all current, relevant pronouncements of the GASB, which, taken as a whole, are referred to as generally accepted accounting principles.

Management assumes full responsibility for all of the information presented in this report. The District believes the presentation of the report is accurate in all material respects, and the financial position and results of operations are presented fairly. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. *Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.* The District's comprehensive internal control framework has been designed to provide reasonable, but not absolute assurance regarding:

- (1) the safeguarding of assets against loss from unauthorized use or disposition, and
- (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

State law requires that school districts publish, within five months of the close of each year, a complete set of financial statements which are audited by a firm of licensed certified public accountants. HBME, LLC, a firm of licensed certified public accountants, has audited the District's financial statements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion for the District's financial statements for the fiscal year ended June 30, 2019; this opinion indicates the statements are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the Financial Section in this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Office of

**Superintendent's  
Message**

Management and Budget Uniform Guidance, Audits of States and Local Governments and Non-Profit Organizations, are the authoritative standards governing Single Audit engagements. These standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's separately issued Single Audit Report. A copy of the Single Audit Report is available from the District Business Office.

In addition to the Single Audit requirements, the District is required to meet audit requirements according to Utah State Code 51-2 to report on compliance with significant state fiscal laws. Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in connection with it. The District's MD&A immediately follows the independent auditors' report.

## **DISTRICT PROFILE**

**Summary**

Provo City School District was officially organized in 1898. Provo City School District is one of 41 public school districts in Utah, and the District serves approximately 16,100 students. The major purpose of the District is to provide public education to students who reside in Provo City which is located in the central portion of Utah County, Utah. To accomplish this purpose, the District operates two traditional high schools, an alternative high school, two middle schools, thirteen elementary schools, and an E-school (online) which services all grade levels. The District continues to have a positive influence on the community by offering both traditional and proven non-traditional education to its students. These nontraditional alternatives include preschool training for disabled students, adult high school completion, the largest selection of on-line courses in the state, and concurrent enrollment where students can earn high school and college credits simultaneously. Programs such as advanced placement, special education, music, career technology, dual language, multicultural programs, gifted and talented programs, STEM, and many other enrichment programs in all curriculum areas are offered by the District. The District has strong technical and foreign language programs in both traditional and on-line offerings, and is one of the few Districts in the state to offer elementary foreign languages, along with existing secondary language programs.

**Reporting Entity**

Provo City School District is a legally separate entity enjoying all rights and privileges accorded political subdivisions in the State of Utah. Policy making and legislative authority and oversight are vested in the Board of Education consisting of seven members. The Board of Education is responsible, among other things, for developing policy, adopting the annual budget, levying property taxes, incurring bonded debt, and appointing both the Superintendent and Business Administrator. The Board of Education and District administration recognize that the District's financial health largely dictates its ability to deliver the most appropriate education for each individual student. The Superintendent and Business Administrator are responsible for carrying out the policies of the Board of Education and oversight of the day-to-day operations of the District. The Board of Education is elected locally on a non-partisan basis.

The Provo City School District Foundation (Foundation) is a discretely presented component unit of the District; the Foundation is a legally separate entity established to support the District. The Foundation's financial data is presented as a separate column on the government-wide financial statements of the District. The Municipal Building Authority (Building Authority) of Provo City School District is a blended component unit established to support the District and is reported in the Capital Projects Fund. There are no other units of government that are dependent on the District.

## ***Governing Structure***

The District Board of Education consists of seven members. The Board of Education represents the Provo City citizenry and has been elected from precincts which were independently determined by the Provo City Council. A map of the precinct boundaries is included in the Introductory Section of the report.

## **MAJOR INITIATIVES AND LONG-TERM FINANCIAL PLANNING**

### ***District Efforts***

One of the priorities of the school board and District administration is to progressively plan for the future of Provo students and facilities. Several years ago, the District created a District Facilities Advisory Committee, comprised of District staff and local stakeholders, which was given the responsibility to plan for current and future needs for the buildings in the District. Short and long-term recommendations were outlined so the Board could better plan for the needs of the District and its students. One of the issues the committee tackled was aging buildings in the District, and determining which buildings were the most critical to replace. Along with that determination came the need to create a long-term plan for replacement and renovation of other existing buildings to best serve the students of Provo. The first planned bond was passed in 2014. Four elementary schools and one high school were rebuilt, and as of August 2018, all schools are open. The facilities advisory committee was reconvened in 2018 to prioritize future needs. The Board of Education and District Administration, along with stakeholders throughout the city, have determined there are some immediate needs within the District which will require general obligation bonds to be issued. There will be a bond election for Provo City voters to approve on the November 2019 ballot.

The financial position of the District remains stable. The District has been able to maintain a strong financial position. In August of 2018, the Board of Education held a truth in taxation hearing to increase revenue through property taxes to focus on raising teacher salaries and improving security in our schools and other facilities. Interest revenue increased significantly due to increases in the rates at the Utah Public Treasurers Investment Fund. Federal revenue increased slightly. State revenue decreased slightly due to a decrease in enrollment in E-school in the prior year. The Utah State Board of Education held the district harmless for the decrease in students for the prior fiscal year.

District fund balances decreased from \$73,975,143 at June 30, 2018 to \$68,575,548 at June 30, 2019. This fund balance decrease is in the Capital Projects fund and is due to completion of major construction projects funded by the previous GO bond and land purchases for future needs in the District. State law allows only a modest committed fund balance in the General fund, and these monies allow the District to respond to a variety of emerging issues, including the need for funds in the future due to funding cuts or a possible economic downturn. Healthy fund balances and financial position allow the District to secure future financing at favorable interest rates and to explore promising educational reform without reducing resources to current programs.

Provo City School District is well managed. District administration's first priority is to provide as many resources as possible to teachers and students in the classroom. The budget includes aggressive initiatives to provide up-to-date curriculum and cutting edge technology, along with professional development activities to provide teachers with the tools they need to be the most effective educators to the students of Provo City School District.

Members of the school board and District administration spent a great deal of time defining goals and objectives to guide decisions, both financial and educational, for students, teachers and employees to create the best environment for education. The District Improvement Plan, developed on the principles of collaboration and evidence-based research, has allowed, with the support of strong school board goals, administrators to create a plan with one aim: student achievement. With the "aim" in mind, all stakeholders, including teachers, parents, administrators and students, will together create an environ-

ment that is conducive to learning and succeeding. During the budget preparation and discussions, District administration's priorities are to keep as many resources in the classroom as possible. With clear direction and goals, administration can provide resources to accomplish many of the aggressive goals provided by the board and the District Improvement Plan.

The District has an established record of being financially transparent and well run, consistently earning national financial awards. The District is committed to maintaining balanced budgets. We are taking advantage of improving revenues to provide resources to promote educational achievement in the form of cutting-edge technology and professional development for our employees. Resources are also focused on one of the District's most important assets: its people. Making sure that we hire and retain the best teachers is a high priority to District administration. Significant efforts have been made to evaluate teacher salaries to make sure that the District remains competitive within the state of Utah. Several districts have also recognized that need, so conversations have continued to make sure teacher salaries remain a top priority to the Board of Education and District administration.

Another important asset to Provo City School District is its capital assets. Capital improvements are funded through two major sources: capital tax levies and general obligation bonds. The District continues a targeted and aggressive capital improvement schedule based on recommendations from the facilities committee and the District maintenance director.

***District Master Plan***

All capital projects and maintenance efforts are part of a progressive 20-year building replacement and major upgrade plan. The oldest buildings, in most need of repair, will be replaced first. The years of original construction of all district buildings range from 1931-2018. The District expended \$15.5 million in large projects, from capital outlay funds and bond funds, during fiscal year 2019. Those projects included the completion of bond-related schools, a major remodel of District Office restrooms, school buses, and HVAC maintenance and upgrades. Fiscal year 2020 will see the commencement of the building of new schools if the planned bond passes. Other projects, including additional HVAC maintenance and upgrades and asphalt and concrete repairs, will be the focus of the remaining capital projects funding.

***Budget Development***

The District strategically manages its operations with a focused effort to maintain its end of year fund balances. The District's process includes an annual review of all District programs including a program-level needs assessment analysis. The Board approves the budget in June for the following fiscal year, unless a truth-in-taxation is held. The District is pleased to report that budget decisions made in the last few fiscal years have enabled the District to maintain healthy fund balances. The General Fund unassigned fund balance on June 30, 2019 was \$12.7 million. Total restricted governmental fund balances on June 30, 2019 were \$30,307,329, which includes \$1.2 million in restricted General Fund programs, \$2.1 million in Debt Service, \$17 million in Capital Projects, \$8.4 million in Building Reserve, and \$1.7 million in Food Services. The remaining fund balances include \$169K in Nonspendable fund balances, \$19.5 million in Committed fund balances, and \$5.9 million in assigned fund balances.

***State Funding***

The 2019 state fiscal school finance program is designed to provide every Utah school district with a basic operation program of \$3,395 per weighted pupil unit (WPU) (up from \$3,311 in fiscal year 2018). 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.

## **LOCAL ECONOMY**

***Utah Economic Position***

The economic outlook of the District is heavily dependent on State aid, providing 63.8% of General Fund revenues. As noted above, the WPU is provided based on student enrollment. Enrollment in fiscal year 2019 was approximately 16,100. Projected enrollment for FY20 and FY21 is projected to be relatively flat both years. The state Uniform School Fund was constitutionally established in 1938 and is

used to equitably allocate funding for statewide public education programs. 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.

Unemployment rates in Utah have consistently been lower than the national average. In 2019, Utah's nonagricultural employment increased an estimated 2.9%, or 43,500 jobs, between June 2018 and June 2019. Nationally, the unemployment rate decreased .3% to 3.7% from June 2018 to June 2019. Utah's unemployment rate was 2.8% during June 2019, remaining the same as June 2018.

Provo City is the county seat of Utah County, which has seen explosive growth in recent years. The 2010 U.S. Census indicated that Utah County's population had grown to 516,564. The current projected population of Utah County is 606,425. The state's population is projected to reach 3.7 million in 2020, 4.4 million in 2030, 5.2 million in 2040, 6.0 million in 2050, and 6.8 million in 2060.

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) is anticipated to add 23,000 people to Utah's population. While net in-migration has slowed since the peak of the economic expansion, Utah's net migration is projected to remain positive at around 4,000 people. Most of the growth in Utah County is in cities outside Provo where there is more land available. The percentage of Provo residents enrolled in the Provo City School District has decreased over the past year, as the format for Provo E-school has changed and some Provo residents are choosing to send their children to charter and private schools. Approximately 9 out of every 100 Provo residents is a student in Provo City School District.

**Budgetary  
Control**

The District adopts an annual budget for all revenues and expenditures; the adopted budget serves as the financial operating plan throughout the fiscal year. Revisions may be implemented during the year, and revisions are approved and authorized by the Board of Education through public hearing. Pursuant to Utah Code 53A-19-108, the District submits monthly budget reports to the Board of Education for review.

All annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance reserve. During June of each year, the District Superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1. This budget includes proposed expenditures and the means of financing them. Included also is a final budget for the current year ending June 30.

Utah Code Annotated, Section 53G-7-305 states, "A local school board may not make any appropriation in excess of its estimated expendable revenue, including undistributed reserves." It has been the policy of the District to estimate appropriations as accurately as possible.

The Board of Education legally adopts, by resolution, the next fiscal year's budget on or before June 22, after obtaining taxpayer input. If the District is required to, or chooses to go through the truth in taxation process, revised tax rates are set in August, through public hearing and Board of Education approval. The fiscal year 2019 budget was approved in August 2018 after a truth-in-taxation hearing.

**Capital Budget**

A formal capital budget approval process is used which requires the Board of Education to authorize line item capital improvement projects greater than \$50,000 for the next fiscal year. The Board appropriated \$13 million for planned capital projects and improvements for fiscal year 2018-19. Appropriations for capital projects and improvements for fiscal year 2018-19 have decreased from the last fiscal year as major bond projects have been completed. Many other capital projects were part of the long-term capital improvement plan.

In fiscal year 2019, the final two schools funded by the 2014 GO bonds were completed. Several new buses were purchased to help transport students to the new Provo High School and to replace outdated, inefficient buses. Carpets were replaced in several classrooms. Land was purchased for a possible future middle school and a future softball field for Timpview High School. The District Office bathrooms underwent a major remodel to become ADA compliant and add bathrooms for guests who attend meetings at the District Office.

Several HVAC projects were completed in fiscal year 2019, and several more are on the schedule for fiscal year 2020. Each year, budget is set aside for asphalt and concrete maintenance to make sure our school grounds are safe for our students. Other small capital projects were completed during this fiscal year.

**Other Post-Employment Benefits**

The District provides a life-time Medicare supplemental insurance benefit for retired employees who had completed at least 20 years of service as of January 1, 2005; the plan also provides coverage for spouses of employees who had completed 30 years of service by January 1, 2005. There are approximately 538 retirees (and spouses) receiving benefit coverage in addition to 102 present employees who have earned vested coverage upon retirement.

An actuarial study was completed in 2019, based on data as of July 1, 2018 that reflects a total OPEB liability of \$38,559,592. The actuarial study is done every other year, so the OPEB liability is adjusted based on current year expenditures. This year \$3,252,580 was spent on OPEB benefits. GASB requires districts to report their net OPEB liability and net pension liability on the government-wide statements. More detailed information can be found in Note 7 to the financial statements and in the Required Supplementary Information and subsequent notes.

## AWARDS AND ACKNOWLEDGEMENTS

**Government Finance Officers Association**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Provo City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the sixteenth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The District believes that the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and will submit it to the GFOA to determine its eligibility for another certificate.

**Association of School Business Officials**

The District also received the Association of School Business Officials (ASBO) International's Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the Year Ended June 30, 2018. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International.

The award is granted only after an intensive review of the District's financial reports by an expert panel of certified public accountants and practicing school business officials and is valid for a period of one year. This was the sixteenth year the District has received the ASBO Certificate of Excellence.

Provo City School District expresses its appreciation to members of the Provo City School District Board of Education. Their interest and support in conducting the financial affairs of Provo City School District continues to be critical to the success of District operations and achievements.



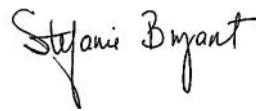
The preparation of the report on a timely basis could not be accomplished without the efficient and dedicated services of the entire business staff. The District is appreciative of the efforts made by Devyn Dayley, Director of Accounting, for preparing this report and coordinating the annual audit. In addition, the entire business office staff's efforts throughout the year are dually appreciated.

Most importantly, the District expresses appreciation to all of the members of the departments and schools who assisted in the appropriate management, timely processing, and closing of the District's financial records. Their diligence and dedication is critical to the proper management of the District's financial assets and the overall delivery of quality services to District patrons.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'K. Rittel', with a stylized flourish at the end.

Keith Rittel, Superintendent

A handwritten signature in black ink, clearly legible as 'Stefanie Bryant'.

Stefanie Bryant, Business Administrator



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Provo City School District**  
**Utah**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

## Provo City School District

for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2018.

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



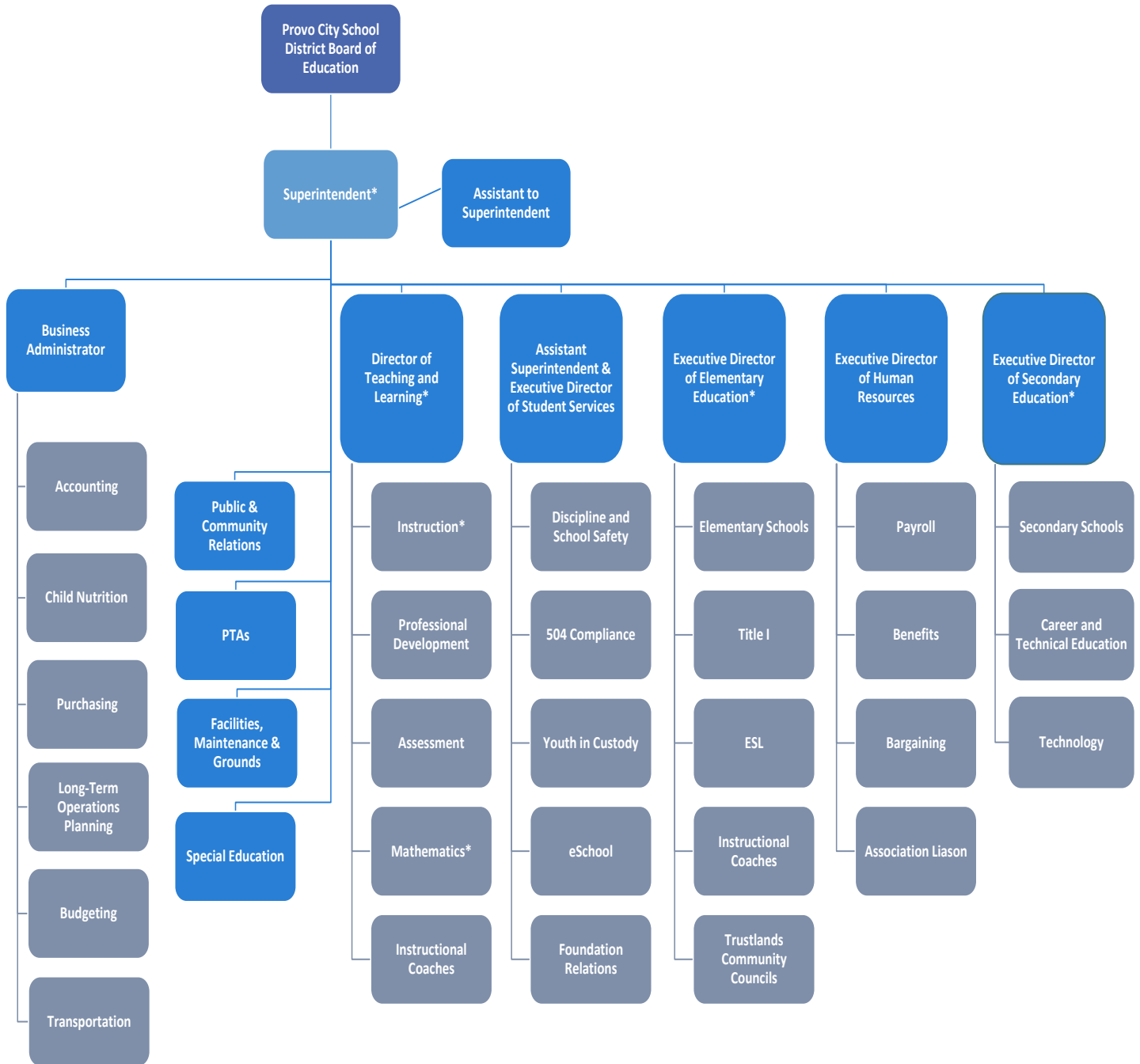
A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSR  
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE  
Chief Operating Officer

PROVO CITY SCHOOL DISTRICT  
Organizational Chart



## Board of Education

Taz Murray  
District 1  
Present Term: 2015-2018  
Initial Appointment: 2014

Melanie Hall  
District 2  
Present Term: 2017-2018  
Initial Appointment: 2017

McKay Jensen (President)  
District 3  
Present Term: 2015-2018  
Initial Appointment: 2013

Shannon Poulsen  
District 4  
Present Term: 2015-2018  
Initial Appointment: 2003

Julie Rash  
District 5  
Present Term: 2017-2020  
Initial Appointment: 2013

Rebecca Nielsen  
District 6  
Present Term: 2017-2020  
Initial Appointment: 2017

Jim Petterson (Vice President)  
District 7  
Present Term: 2017-2020  
Initial Appointment: 2013

## District Administration

Keith Rittel  
Superintendent  
Initial Appointment: 2012

Stefanie Bryant  
Business Administrator  
Initial Appointment: 2014

Anne-Marie Harrison  
Exec Director of Teaching and Learning

Doug Finch  
Exec Director of Student Services

Jason Cox  
Exec Director of Human Resources

Jarod Sites  
Human Resources Director

Rebecca Rogers  
Human Resources Director

Morgan Anderson  
Special Programs Director

Alex Judd  
Exec Director of Elementary Education

Michael Todd McKee  
Exec Director of Secondary Education

Lyndsay Huntsman  
Career Technology Education Director

Devyn Dayley  
Accounting Director

Chad Duncan  
Technology Director

Mark Wheeler  
Facilities Director

Laura Larsen  
Food Services Director

Michelle Wall  
Title I Director

## School Administration

### Elementary Schools

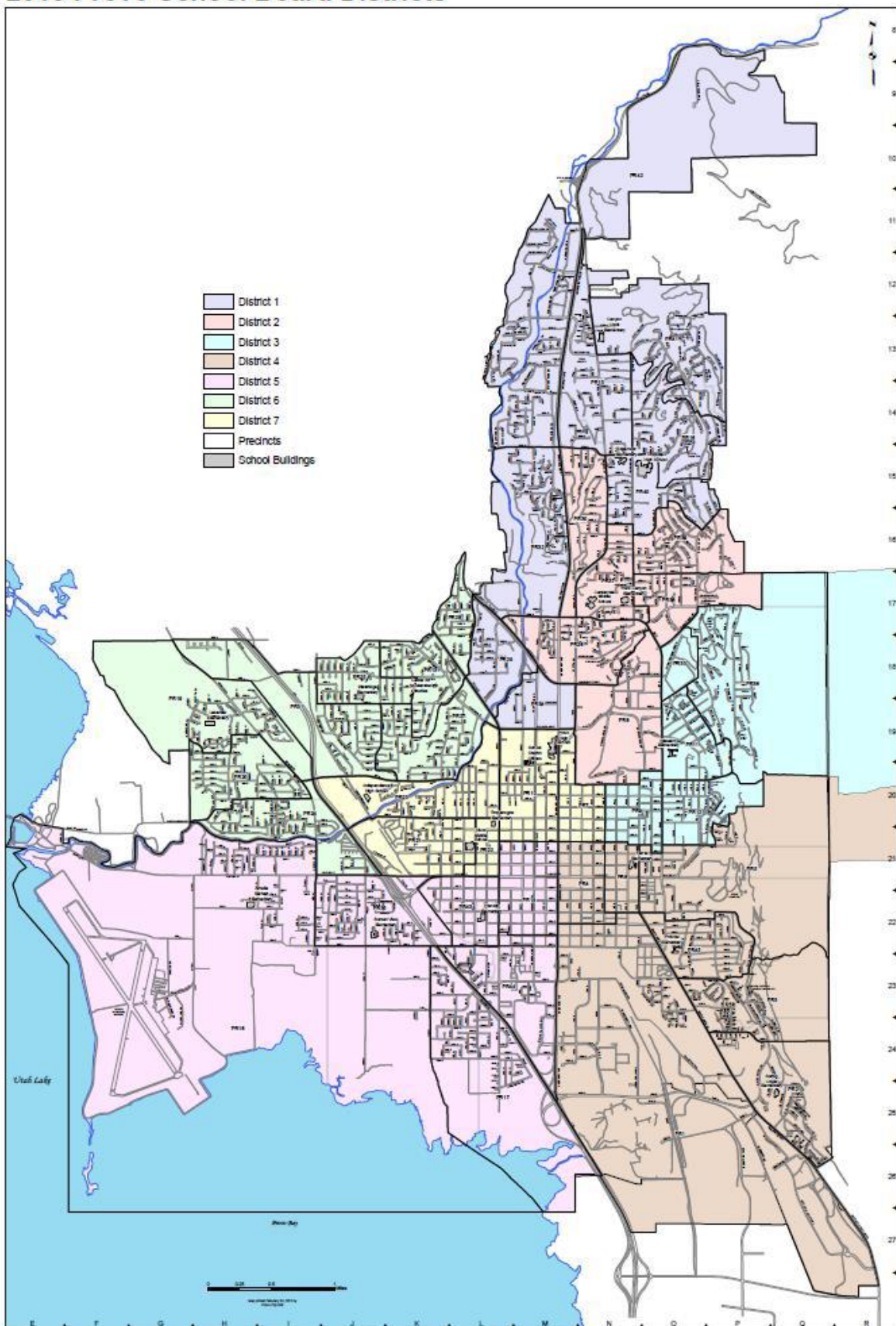
Amelia Earhart ..... Ryan McCarty  
Canyon Crest ..... Darren Johnson  
Edgemont ..... Gaye Gibbs  
Provo Peaks ..... Mark Burge  
Franklin ..... Kim Hawkins  
Lakeview ..... Michael Barker  
Provost ..... Stephen Oliverson  
Rock Canyon ..... Seth Hansen  
Spring Creek ..... Jill Franklin  
Sunset View ..... Chris Chilcoat  
Timpanogos ..... Carrie Rawlins  
Wasatch ..... Rene Cunningham  
Westridge ..... Rebekah Thomas

### Middle Schools

Centennial ..... Kyle Bates  
Dixon ..... John Anderson

### High Schools

Provo High ..... Boyd McAfee  
Timpview ..... Fidel Montero  
Independence ..... Chris Sorensen



# Financial Section

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COMMITTED. EXPERIENCED. TRUSTED

**CERTIFIED PUBLIC  
ACCOUNTANTS**

E. LYNN HANSEN, CPA  
CLARKE R. BRADSHAW, CPA  
GARY E. MALMROSE, CPA  
EDWIN L. ERICKSON, CPA  
MICHAEL L. SMITH, CPA  
JASON L. TANNER, CPA  
ROBERT D. WOOD, CPA  
AARON R. HIXSON, CPA  
TED C. GARDINER, CPA  
JEFFREY B. MILES, CPA  
DONALD M. JACK, CPA

**INDEPENDENT AUDITORS' REPORT**

Board of Education  
Provo City School District

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Provo City School District (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Provo City School District, as of June 30, 2019, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 19-27 and pension schedules on pages 59-62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying introductory section, combining and individual non-major fund financial statements, budgetary comparison schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2019 on our consideration of Provo City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*HBMC, LLC*

September 23, 2019

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# Management's Discussion and Analysis

This section of Provo City School District's (the District) Comprehensive Annual Financial Report presents Management's Discussion and Analysis (MD&A) of the District's financial performance during the year ended June 30, 2019. The MD&A is intended to provide an analysis directly related to the information presented in the transmittal letter found on pages 1 through 7 of this report and the District's financial statements, which follow the MD&A in this report.

## ***Financial Highlights***

***The financial position of the District remains stable.*** The following highlights are considered by the District to be significant factors in measuring the District's financial performance for the fiscal year ended June 30, 2019:

**Government-Wide Net Position.** The District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$100.6 million at the close of fiscal year 2019. The overall net position of the District increased by \$10.6 million. The unrestricted net position increased by \$2.7 million to (\$33.7) million, which includes the net pension liability and net OPEB (other post employment benefits). Information about the OPEB and pension liability can be found in Notes 7 and 8 that accompany the financial statements and the Required Supplemental Information.

**Government-Wide Financial Progress (full-accrual basis of accounting):** During the year, expenses were \$10.6 million less than the \$159.2 million generated in taxes and other revenues for governmental activities. Expenses increased in fiscal year 2019 primarily due to increases in teacher salaries. Revenues increased by \$2.6 million primarily due to an increase in property taxes. State revenue decreased by \$2.7 million. In fiscal year 2017, the District's enrollment dropped due to a change in the District's online school population. The financial impact of that change was not felt until fiscal year 2019 when state revenue decreased, even though the WPU increased. If a student is in membership a full 180 days, the state awards the District one WPU. The value of the WPU for the year ended June 30, 2019 was \$3,395 (\$3,311 for fiscal year 2018).

**Governmental Funds Financial Progress (modified-accrual basis of accounting):** During the year ended June 30, 2019, the combined fund balances decreased by \$5.4 million. This decrease is primarily due to spending the remainder of prior year bond proceeds.

The District's General Fund makes up the largest portion of the overall total fund balance among all governmental funds at \$37.2 million (this includes nonspendable, restricted, committed, assigned and unassigned fund balances). All other funds have a combined fund balance of \$31.4 million.

**District Master Plan** - Capital improvements are funded through two major sources: the capital outlay tax levy and general obligation bonds. District administration, board members and community members met as a District Facilities Advisory Committee to prioritize District facility needs, creating an aggressive 20-year plan, including building replacement, significant remodels, and other maintenance needs. Once the top schools needing to be replaced were identified, new general obligation bonds were issued in fiscal years 2015 and 2016, which has facilitated the re-building of four elementary schools and a high school. All of those schools have been completed. The District Facilities Advisory Committee continues to meet to determine timing of replacing additional schools in the District and other maintenance needs.

## ***Overview of the Financial Statements***

This MD&A is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **A. Government-wide financial statements**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The *Statement of Net Position* presents information on all of the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes, early retirement obligations, OPEB and pension obligations, and earned but unused vacation leave.)

The government-wide financial statements can be found on pages 30 to 31 of this report.

## **B. Fund financial statements**

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are *governmental funds*.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. The District has, in the past, used the Municipal Building Authority, reported as a blended component unit, as an additional governmental fund, but this fund is now reported in the Capital Projects fund. The Tax Increment fund is the District's newest fund, reporting on the amount of property tax revenue that the District would receive, but is sent to the Provo Redevelopment Agency for projects throughout the city of Provo and local charter schools through the Charter School Replacement levy. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, Debt Service fund, and Capital Projects fund, each of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each governmental fund is provided in the form of *combining and individual fund statements* elsewhere in this report.

The District adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for the General fund to demonstrate compliance with this budget.

The basic governmental fund statements can be found on pages 32 to 36 of this report.

## **C. Notes to the basic financial statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 37 to 58 of this report.

## **D. Required Supplemental Information**

Information regarding net OPEB liability and net pension liability can be found on pages 60 to 65 of this report.

## **E. Other information**

Combining and individual fund statements and schedules are presented immediately following the notes to the financial statements on pages 68 to 85 of this report. Additional financial and non-financial statistical data and trends are presented in the statistical section of the report.

## ***Government-Wide Financial Analysis (full accrual basis of accounting)***

### **A. Net Position - Governmental Activities**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$100.6 million at the close of

the most recent fiscal year. When compared to the previous fiscal year, net position of the District’s governmental activities increased 10.5% to \$100.6 million. Net position is classified as unrestricted, restricted as to the purposes they can be used for, or are the net invested in capital assets (land, buildings and improvements, equipment, etc.). Consequently, with the implementation of GASB 68 and GASB 75, unrestricted net position is a negative \$33.7 million at the end of this year.

The largest portion of the District’s net position (\$98 million) reflects its investment in capital assets (e.g., sites, buildings, equipment and vehicles net of accumulated depreciation), net of related long term debt used to acquire such assets (general obligation bonds payable). Capital assets are used to provide services to students, and are not available for future spending. It should be noted that the resources needed to repay the related debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District’s net position (\$36.3 million) represents fund balances that are subject to external restrictions on how they may be used. The majority of restricted net position (\$25 million) is for capital projects for the District, including the Capital Projects fund and Building Reserve fund.

**Provo City School District's Net Position**

	Governmental activities		
	(in millions of dollars)		
	2019	2018	Change from 2018
Current and other assets	\$ 129.5	\$ 134.0	\$ (4.5)
Capital assets	220.0	211.9	8.1
Total assets	349.5	345.9	3.6
Total Deferred Outflows of Resources	24.2	27.1	(2.9)
Other liabilities	14.9	18.4	(3.5)
Long-term liabilities outstanding	212.1	200.8	11.3
Total liabilities	227.0	219.2	7.8
Total Deferred Inflows of Resources	46.0	63.7	(17.7)
Net Position:			
Net investment in capital assets	98.0	83.8	14.2
Restricted	36.3	42.6	(6.3)
Unrestricted	(33.7)	(36.4)	2.7
Total net position	\$ 100.6	\$ 90.0	\$ 10.6

**B. Changes in Net Position – Governmental Activities**

The District’s total net position increased by \$10.6 million during the current year. The increase in net position is primarily due to an increase in capital assets and a significant decrease in deferred inflows of resources relating to pensions and OPEB. The net pension liability increased by 48.8%, This increase represents high volatility in the fourth quarter resulting in a loss for the Utah Retirement Systems. For further information regarding total net OPEB liability and net pension liability, see Notes 6 and 7 in the notes to the financial statements and the Required Supplemental Information.

The District’s total revenues for the year were \$159.2 million, which represents an increase of \$2.6 million over the prior year. Total revenue from operating grants and contributions (specific to programs and funds) comprise 60% of the District’s revenues; property taxes generated 32% of the District’s revenues. Revenues from operating grants and contributions decreased slightly due to a decrease in enrollment in Provo’s eSchool.

As compared to the prior year, the total cost of all programs and services increased \$9.3 million to \$148.7 million. Instruction and support services (including food services) were 60% and 36%, respectively, of the District’s expenses. Increases in expenses were primarily due to a restructuring of the teacher salary schedule, which increased instructional expenses, and normal increases in benefit and maintenance costs throughout the District. The Utah State Board of Education continues to address the state chart of accounts, which continues to change the alignment of expenses within functions throughout the District.

Changes in federal and state aid are a reflection of changes in funding for specific programs and changes in student enrollment. The District's primary source of funding is based on the WPU and other state appropriations. The state guarantees that if local taxes do not provide money equal to the guarantee it will make up the difference with state funding.

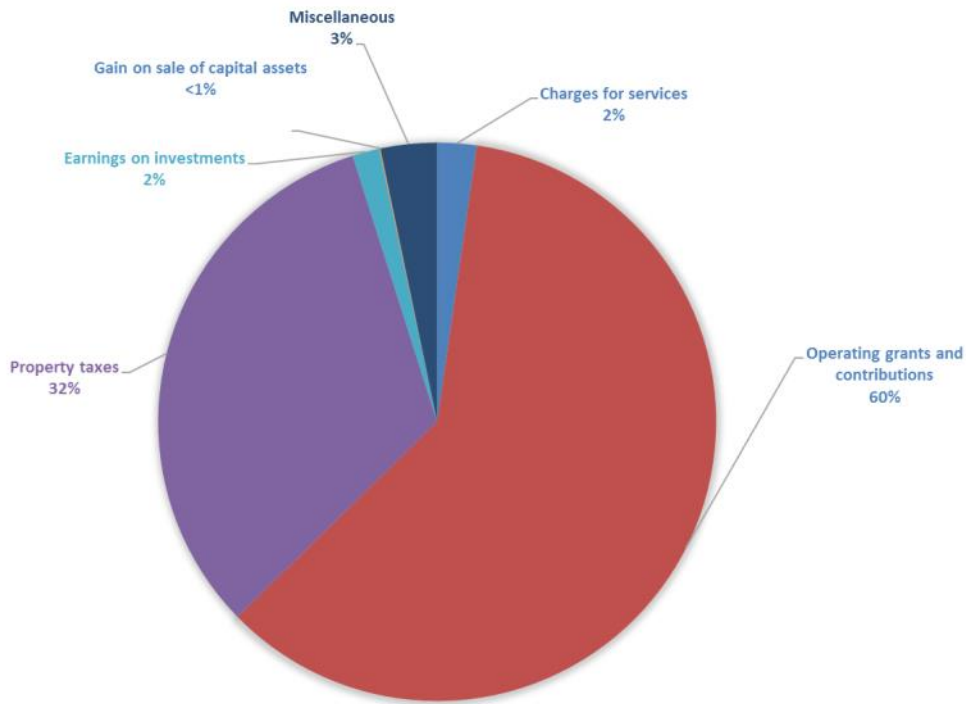
**Provo City School District's Changes in Net Position**

Years Ended June 30, 2019 and 2018

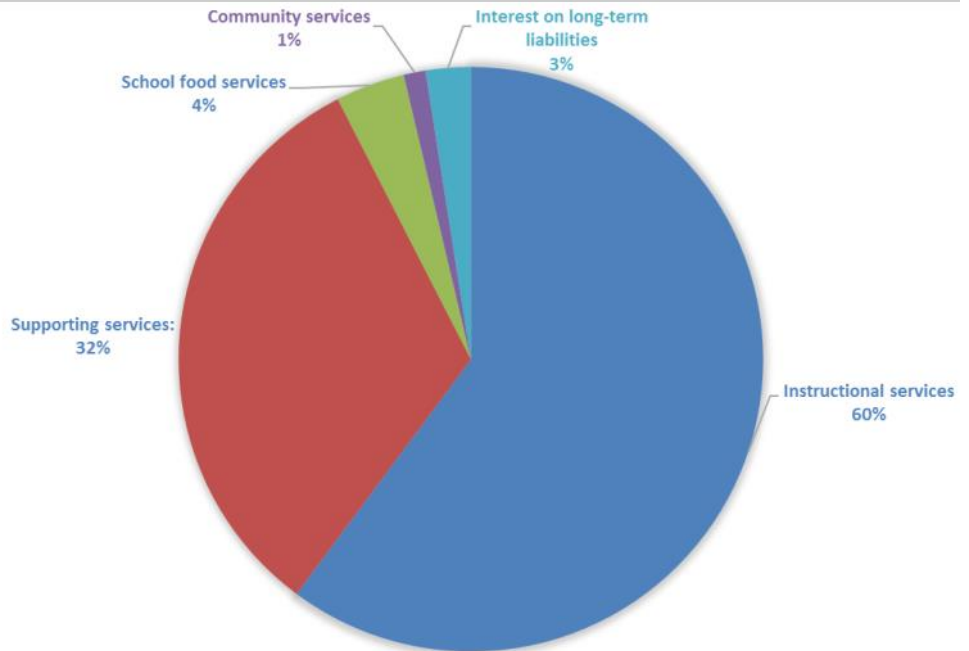
(in millions of dollars)

	Governmental activities		
	2019	2018	Change from 2018
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 3.6	\$ 2.8	\$ 0.8
Operating grants and contributions	96.2	98.6	(2.4)
General revenues:			
Property taxes	51.6	46.6	5.0
Earnings on investments	2.5	2.0	0.5
Gain (loss) on Sale of Capital Assets	0.1	-	0.1
Miscellaneous	5.2	6.7	(1.5)
Total revenues	<u>159.2</u>	<u>156.7</u>	<u>2.6</u>
<b>Expenses:</b>			
Instructional services	89.3	83.3	6.0
Supporting services:			
Students	8.0	7.9	0.1
Instructional staff	9.9	8.4	1.5
District administration	3.0	1.4	1.6
School administration	7.1	6.9	0.2
Business	5.2	4.8	0.4
Operation and maintenance of facilities	12.7	13.7	(1.0)
Transportation	2.2	2.0	0.2
School food services	5.7	5.3	0.4
Community services	1.8	1.6	0.2
Interest on long-term liabilities	3.7	4.0	(0.3)
<b>Total Expenses</b>	<u>148.6</u>	<u>139.3</u>	<u>9.3</u>
<b>Changes in net position</b>	10.6	17.4	(6.7)
<b>Net position, beginning</b>	90.0	72.6	17.4
<b>Net position, ending</b>	<u>\$ 100.6</u>	<u>\$ 90.0</u>	<u>\$ 10.6</u>





REVENUES BY SOURCES - GOVERNMENTAL ACTIVITIES  
FOR YEAR ENDED JUNE 30, 2019



EXPENSES BY FUNCTION - GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

## ***Governmental Fund Financial Analysis (modified accrual basis of accounting)***

### **A. Governmental Funds**

The focus of the District's *governmental funds* is to provide information regarding near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The District is accountable for the following governmental funds:

*General Fund* - used to account for funds associated with K-12 educational activities as well as those funds that do not meet the criteria for reporting in other governmental funds.

*Student Activities Fund* (special revenue fund) - used to account for activities at the school level, including sports, clubs and instruction related programs.

*Food Services Fund* (special revenue fund) - used to account for local, state, and federal funds restricted to providing breakfast, lunch, and other food services to students.

*Debt Service Fund* - used to account for funds accumulated and restricted for payments of general long-term obligation debt.

*Capital Projects Fund* - used to account for funds generated through property taxes restricted for capital projects and capital lease obligations.

*Building Reserve Fund* - used to account for funds designated by the Board of Education for new buildings or remodels.

*Municipal Building Authority Fund* - a blended component unit, used to account for funds received from lease revenue bonds under the direction of the Municipal Building Authority. This fund is reported with the Capital Projects fund.

*Tax Increment Fund* (special revenue fund) - used to account for property tax revenue that would be received by Provo City School District, but is collected by Utah County and remitted to the Provo City Redevelopment Agency to assist in major projects within Provo City limits and to local charter schools as part of the Charter School Replacement levy.

As the District completed the year, its governmental funds reported a combined fund balance of \$68.6 million, which is a \$5.4 million decrease from the previous year. The primary reason for the decrease in fund balance is the completion of construction of the schools funded with bond proceeds. In addition, the following changes should be noted:

- The District's *General* fund balance increased by \$775K. The General fund restricted balance decreased by \$513K, while the unassigned portion of fund balance increased by \$1.6 million. The Assigned fund balance increased by \$191K. The assigned fund balance accounts for items that are encumbered, administration directed projects, or school balances that carry forward from unrestricted funds.
- The *Capital Projects* fund balance decreased by \$7.8 million. The primary reason for this change in fund balance is due to the completion of bond projects.
- All other changes in fund balances are due to normal fluctuations in operational resources and property tax collections, and economic constraints.
- District-wide expenditures totaled \$164.2 million, a decrease of \$27.9 million compared to the previous fiscal year. The decrease is primarily due to the completion of bond projects. Other funds had normal increases due to salaries and benefits.
- General fund salaries totaled \$68.2 million, an increase of \$2.4 million from the previous fiscal year. This is due to an increase in salaries districtwide. Employee benefits, including retirement, Social Security, and insurance (health and accident, industrial, and unemployment) stayed relatively flat due to a very small increase in medical insurance cost and a decrease in the annual OPEB expenditures.
- In prior fiscal years, the Utah State Board of Education (USBE) made some significant changes to its chart of accounts. The District's chart of accounts follows the guidance from the Utah State Board of Education, who gets their guidance from the National Center for Education Statistics (NCES). The NCES defines the different objects and functions that are typically used by all education agencies throughout the country. The USBE also clarified allowable function and object changes, so there are some changes in expenditures between functions from previous years. Significant changes occurred in the Instructional, Student Support, Teacher Support and District administration functions to better align expenditures with the functions being performed.
- Interest income increased this fiscal year due to favorable interest rates at the Utah Public Treasurers Investment Fund.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into non-spendable, restricted, committed, assigned and unassigned portions. *Non-spendable* includes inventories, long term portion of notes receivable, and any prepaid expenditures (items not expected to be converted to cash). *Restricted* includes net fund balances that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors. Restrictions include tax revenues levied for specific purposes. *Committed* balances reflect the District’s self imposed limitation on the use of otherwise available funds. *Assigned* balances are intended for a specific use and do not require board action. Assigned includes unrestricted programs, amounts in excess of non-spendable, restricted, and committed fund balances in governmental funds. *Unassigned* balances in the General fund are all other undesignated funds, and any residual deficits from other funds.

Changes in local revenues are due to the following elements:

- *Property taxes:* Changes in property taxes are primarily due to the increase in property taxes for fiscal year 2019. The Provo City School District Board of Education held a truth in taxation hearing in August 2018 and approved an increase in property taxes to fund an increase to teacher salaries, new curriculum adoptions and school security. Differences can also be attributed to changes in assessed property valuations, additions of new taxable properties, and collection rates.
- *Tuitions:* Tuitions represent charges to participants for ancillary programs such as truancy program fees, after school programs, preschool, the Center for High School Studies, and recreation activities. Consequently, major changes in tuitions represents fluctuations in both program activity and services provided through these ancillary programs, and economic factors.
- *Earnings on investments:* Changes in investment earnings are due to an increase in interest rates and the current balance held in the investments.
- *Other revenue from local sources:* This classification represents collections for services rendered to other independent entities, fees for local services rendered, student fees not classified as tuition and other miscellaneous income sources including fundraising events in the School Activities fund.
- *Transportation fees, contributions and food services:* Changes are due to normal fluctuations in program level activities.

PROVO CITY SCHOOL DISTRICT Local Revenues  
(all governmental funds combined)

	2019	2018
Property taxes	\$ 51,290,626	\$ 46,350,744
Tuitions	101,486	81,310
Transportation fees	303,128	284,554
Earnings on investments	2,451,659	1,982,001
Food Services	1,039,134	905,365
Other revenues from local sources	7,440,640	8,208,693
Total	\$ 62,626,673	\$ 57,812,667

### **Budgetary Highlights**

During 2019, the Board revised the District’s budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget in the General fund was an increase of \$3.5 million in total General fund revenues and other financing sources and uses. The most significant budget changes may be summarized as follows:

- *State revenue* is the primary source of revenue for the District, with the majority of state revenue being allotted to the school districts on a per student basis. Budgets for state revenue increased \$1.8 million from the original and amended budget. Enrollment for fiscal year 2019 increased more than originally projected when budgets were created.
- *Property tax revenue* is the second largest source of revenue in the General fund. The budget was unchanged during the fiscal year.
- *Federal revenue* is also a significant portion of the District’s budget. Federal revenue increased by \$1.8 million during the year due to additional grants awarded for restricted purposes.

- The biggest increase in *General* fund expenses from the original budget was to purchased services. The primary reason for this increase is an increase in eSchool expenditures.
- Property expenses increased due to the timing of the purchase of furniture and equipment for the new schools completed at the beginning of fiscal year 2019.
- Most other budget changes in the *General* fund were minor and between functions to correctly account for expenditures by function.
- Other budget variances between functions are due to changes in the Utah State Board of Education’s change in its chart of accounts. Continuing the alignment to the new chart of accounts created some discrepancies in the budget to actual in the *General* fund.

## ***Capital Assets & Debt Administration***

### A. Capital Assets

Most capital assets (buildings and equipment) are purchased out of the Capital Projects fund. The Capital Projects fund is also used to account for major costs incurred in maintaining and remodeling District facilities. Other funds are also used to account for maintenance of District facilities and to purchase equipment for the functions within each fund.

Capital assets at June 30, 2019 and 2018 are outlined below:

	2019	2018	Total Change
School sites (land)	\$ 11.5	\$ 7.9	\$ 3.6
Works of art	0.2	0.2	0.0
Construction in progress	-	86.4	(86.4)
Buildings	195.1	107.8	87.3
Furniture & equipment	13.1	9.6	3.5
<b>Total</b>	<b>\$ 220.0</b>	<b>\$ 211.9</b>	<b>\$ 8.1</b>

Major capital asset events during the current fiscal year included the following:

- Provo High School and Provost Elementary were both completed after the end of the prior fiscal year but in time for school to start in August 2018.
- Several HVAC projects were completed.
- Bathrooms at the Provo School District offices were remodeled to be compliant with ADA requirements.
- Several hundred computers were purchased, replacing student labs and teacher computers. Several classroom labs of Chromebooks were placed in schools as part of the District’s technology initiatives.
- Six new buses were purchased for transporting students to and from school.
- Other technology was replaced and upgraded in several schools.
- Furniture and fixtures were purchased for Provo High School and Provost Elementary.
- Several major asphalt projects were completed throughout the district.

Additional information regarding the District’s capital assets can be found in Note 4 to the basic financial statements.

## B. Debt Administration

The general obligation bonded debt of the District is limited by state law to 4% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2019 is \$376.9 million. General obligation debt at June 30, 2019 is \$108.4 million, resulting in a legal debt margin of \$268.5 million.

	Outstanding General Obligation Debt		Total
	2019	2018	Change
Outstanding G.O. Debt	\$ 108.4	\$ 114.3	\$ (5.9)

Additional information regarding the District's debt can be found in Note 5 to the basic financial statements.

### ***Request for Information***

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, Provo City School District, 280 West 940 North, Provo, UT, 84604.

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# Basic Financial Statements

Financial Section

PROVO CITY SCHOOL DISTRICT  
Statement of Net Position  
June 30, 2019

	Primary Government	Component Unit Provo School District Foundation
	Governmental Activities	
<b>Assets:</b>		
Cash and investments	\$ 71,571,698	\$ 941,202
Restricted cash	4,382,372	-
Receivables:		
Property taxes	47,219,879	-
Other local	94,933	-
State	1,330,518	-
Federal	4,772,842	-
Prepaid expenses	22,313	-
Inventories	146,798	-
Capital assets:		
Land, construction in progress, and works of art	11,772,424	-
Buildings and equipment, net of accumulated depreciation	208,201,843	-
	<u>349,515,620</u>	<u>941,202</u>
<b>Deferred Outflows of Resources:</b>		
Deferred loss on refunding	455,692	-
Deferred outflows relating to pensions	23,713,695	-
	<u>24,169,387</u>	<u>-</u>
<b>Liabilities:</b>		
Accounts payable	2,991,031	17,160
Accrued interest payable	153,341	-
Payroll and related payables	11,553,718	-
Unearned revenue:		
Other local	161,209	-
Noncurrent liabilities:		
Due within one year	6,950,202	-
Due in more than one year	116,907,495	-
Net OPEB liability	28,559,592	-
Net pension liability	59,730,904	-
	<u>227,007,492</u>	<u>17,160</u>
<b>Deferred Inflows of Resources:</b>		
Deferred property tax revenue	43,677,039	-
Deferred inflows relating to pensions	2,368,754	-
	<u>46,045,793</u>	<u>-</u>
<b>Net Position:</b>		
Net investment in capital assets	97,993,796	-
Restricted for:		
Debt service	2,051,858	-
Capital projects	17,040,015	-
Student activities	2,143,292	-
Building reserve	8,372,240	-
School food services	1,816,119	-
State/Federal restricted programs	4,888,197	-
Unrestricted	(33,673,795)	924,042
	<u>\$ 100,631,722</u>	<u>\$ 924,042</u>

The notes to the financial statements are an integral part of this statement.



PROVO CITY SCHOOL DISTRICT  
Statement of Activities  
Year Ended June 30, 2019

Functions	Expenses	Program Revenues		Net Revenues (Expenses) and Changes in net position	
		Charges for Services	Operating Grants and Contributions	Primary	Component Unit
				Total Governmental Activities	Provo School District Foundation
<b>Governmental activities:</b>					
Instructional services	\$ 89,330,430	\$ 2,215,765	\$ 79,607,570	\$ (7,507,095)	\$ -
Supporting services:					
Students	8,050,659	-	4,189,798	(3,860,861)	-
Instructional staff	9,896,451	-	4,054,228	(5,842,223)	-
District administration	2,968,609	-	1,242,044	(1,726,565)	-
School administration	7,135,542	-	713,532	(6,422,010)	-
Business	5,192,276	-	36,084	(5,156,192)	-
Operation and maintenance of facilities	12,679,298	-	244,489	(12,434,809)	-
Transportation	2,211,707	303,128	1,602,475	(306,104)	-
School food services	5,726,784	1,039,134	4,509,335	(178,315)	-
Community services	1,783,862	64,211	-	(1,719,651)	-
Interest on long-term liabilities	3,685,963	-	-	(3,685,963)	-
Total school district	<u>148,661,581</u>	<u>3,622,238</u>	<u>96,199,555</u>	<u>(48,839,788)</u>	<u>-</u>
<b>Component unit:</b>					
Provo School District Foundation	\$ 254,629	\$ -	283,051	\$ -	\$ 28,422
General Revenues:					
Property taxes levied for:					
Basic state supported program for regular K-12 instruction				12,047,639	-
Voted leeway for regular K-12 instruction				9,261,935	-
Board leeway and Board local leeway				10,815,090	-
Debt service of general obligation bonds				9,831,901	-
Capital outlay for buildings and other capital needs				9,696,534	-
Earnings on investments				2,451,659	16,455
Gain on sale of assets				90,281	-
Miscellaneous				5,221,437	-
Total general revenues				<u>59,416,476</u>	<u>16,455</u>
Changes in net position				10,576,688	44,877
Net position - beginning				90,055,034	879,165
Net position - ending				<u>\$ 100,631,722</u>	<u>\$ 924,042</u>

The notes to the financial statements are an integral part of this statement.

PROVO CITY SCHOOL DISTRICT  
 Balance Sheet—Governmental Funds  
 June 30, 2019

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Debt Service Fund	Capital Projects Fund		
<b>Assets:</b>					
Cash and investments	\$ 43,817,052	\$ -	\$ 17,179,489	\$ 10,575,157	\$ 71,571,698
Restricted cash	1,173,895	1,664,032	-	1,544,445	4,382,372
Receivables:					
Property tax	34,194,109	9,240,321	3,785,449	-	47,219,879
Other local	93,766	-	-	1,167	94,933
State	1,054,098	-	-	276,420	1,330,518
Federal	4,705,567	-	-	67,275	4,772,842
Prepaid items	22,313	-	-	-	22,313
Inventories	-	-	-	146,798	146,798
<b>Total assets</b>	<b>\$ 85,060,800</b>	<b>\$ 10,904,353</b>	<b>\$ 20,964,938</b>	<b>\$ 12,611,262</b>	<b>\$ 129,541,353</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 2,499,499	\$ -	\$ 416,587	\$ 74,945	\$ 2,991,031
Payroll and related payables	11,330,722	-	18,330	204,666	11,553,718
Unearned revenue:					
Other local	161,209	-	-	-	161,209
<b>Total liabilities</b>	<b>13,991,430</b>	<b>-</b>	<b>434,917</b>	<b>279,611</b>	<b>14,705,958</b>
<b>Deferred Inflows of Resources:</b>					
Deferred property tax revenue	33,917,346	8,852,495	3,490,006	-	46,259,847
<b>Fund Balances:</b>					
<b>Nonspendable:</b>					
Inventories and prepaid items	22,313	-	-	146,798	169,111
<b>Restricted For:</b>					
Building reserve	-	-	-	8,372,240	8,372,240
School food services	-	-	-	1,669,321	1,669,321
Capital projects	-	-	17,040,015	-	17,040,015
Debt service	-	2,051,858	-	-	2,051,858
State/Federal restricted programs	1,173,895	-	-	-	1,173,895
<b>Committed To:</b>					
OPEB	14,198,244	-	-	-	14,198,244
Board voted contingency	5,344,402	-	-	-	5,344,402
<b>Assigned To:</b>					
District Initiatives/Encumbrances	3,714,302	-	-	-	3,714,302
Schools	-	-	-	2,143,292	2,143,292
Unassigned	12,698,868	-	-	-	12,698,868
<b>Total fund balances</b>	<b>37,152,024</b>	<b>2,051,858</b>	<b>17,040,015</b>	<b>12,331,651</b>	<b>68,575,548</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 85,060,800</b>	<b>\$ 10,904,353</b>	<b>\$ 20,964,938</b>	<b>\$ 12,611,262</b>	<b>\$ 129,541,353</b>

The notes to the financial statements are an integral part of this statement

**Total fund balances for governmental funds** \$ 68,575,548

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	11,538,174	
Works of art	234,250	
Buildings and improvements	266,298,130	
Furniture and equipment	32,160,375	
Accumulated depreciation for:		
Buildings and improvements	(71,205,810)	
Furniture and equipment	(19,050,852)	
	<u>219,974,267</u>	219,974,267

GASB 68 requires state and local governments to disclose in their government-wide statement of net position, their net pension liability and/or the net pension asset and the deferred inflows and outflows of resources relating to pensions and pension expense. GASB 75 requires state and local governments to disclose their total OPEB liability and the deferred inflows of resources and the deferred outflows of resources relating to OPEB and OPEB expenses.

Deferred outflows relating to pensions	23,713,695	
Net pension liability	(59,730,904)	
Net OPEB liability	(28,559,592)	
Deferred inflows relating to pensions	<u>(2,368,754)</u>	(66,945,555)

Some of the District's property taxes will be collected after year-end, and are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred revenue in the funds. 2,582,808

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (153,341)

Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances at year-end are:

General obligation bonds	(108,400,000)	
Deferred amounts for issuance premium/discount	(7,440,053)	
Deferred amount on refunding	455,692	
Lease revenue bonds	(6,462,000)	
Notes payable	(134,110)	
Vacation payable	<u>(1,421,534)</u>	(123,402,005)

**Total net position of governmental activities** \$ 100,631,722

The notes to the financial statements are an integral part of this statement

PROVO CITY SCHOOL DISTRICT  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds  
Year Ended June 30, 2019

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General Fund	Debt Service Fund	Capital Projects Fund		
<b>Revenues:</b>					
Local sources:					
Property taxes	\$ 31,310,666	\$ 9,971,103	\$ 8,703,725	\$ 1,305,132	\$ 51,290,626
Food service sales	-	-	-	1,039,134	1,039,134
Interest	2,226,597	-	199,098	25,964	2,451,659
Other local	4,119,307	-	72,296	3,653,651	7,845,254
State	82,056,244	-	496,468	966,981	83,519,693
Federal	8,858,715	-	238,081	3,542,354	12,639,150
<b>Total revenues</b>	<b>128,571,529</b>	<b>9,971,103</b>	<b>9,709,668</b>	<b>10,533,216</b>	<b>158,785,516</b>
<b>Expenditures:</b>					
Current:					
Instructional services	77,346,369	-	-	3,620,546	80,966,915
Supporting services:					
Students	8,055,457	-	-	-	8,055,457
Instructional staff	9,854,662	-	-	9,981	9,864,643
District administration	2,942,204	-	-	-	2,942,204
School administration	7,178,006	-	-	-	7,178,006
Business	5,194,789	-	-	-	5,194,789
Operations and maintenance of facilities	9,474,167	-	2,409,668	-	11,883,835
Transportation	2,131,430	-	-	-	2,131,430
School food services	-	-	-	5,612,524	5,612,524
Community services	531,780	-	-	1,305,132	1,836,912
Capital outlay					
Capital Outlay (Buildings & Construction)	-	-	13,603,437	-	13,603,437
Instructional Services	1,210,515	-	-	51,120	1,261,635
Instructional Staff	539,266	-	-	-	539,266
Other Support Services	1,254,547	-	-	-	1,254,547
Operation and maintenance of facilities	15,449	-	926,876	-	942,325
Transportation	601,008	-	500,568	-	1,101,576
Debt service:					
Principal retirement	9,020	5,915,000	21,921	-	5,945,941
Interest and fiscal charges	-	3,831,785	80,841	-	3,912,626
<b>Total expenditures</b>	<b>126,338,669</b>	<b>9,746,785</b>	<b>17,543,311</b>	<b>10,599,303</b>	<b>164,228,068</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,232,860</b>	<b>224,318</b>	<b>(7,833,643)</b>	<b>(66,087)</b>	<b>(5,442,552)</b>
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	42,957	-	-	-	42,957
Transfers in (out)	(1,500,000)	-	-	1,500,000	-
<b>Total other financing sources (uses)</b>	<b>(1,457,043)</b>	<b>-</b>	<b>-</b>	<b>1,500,000</b>	<b>42,957</b>
<b>Net change in fund balances</b>	<b>775,817</b>	<b>224,318</b>	<b>(7,833,643)</b>	<b>1,433,913</b>	<b>(5,399,595)</b>
<b>Fund balances - beginning</b>	<b>36,376,207</b>	<b>1,827,540</b>	<b>24,873,658</b>	<b>10,897,738</b>	<b>73,975,143</b>
<b>Fund balances - ending</b>	<b>\$ 37,152,024</b>	<b>\$ 2,051,858</b>	<b>\$ 17,040,015</b>	<b>\$ 12,331,651</b>	<b>\$ 68,575,548</b>

The notes to the financial statements are an integral part of this statement

Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2019

**Net change in fund balances - total governmental funds** \$ (5,399,595)

Total net change in fund balances reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial cost of \$5,000 or basket purchase cost of more than \$20,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Proceeds from any related sale of capital assets, as well as any gain or loss and notes receivable are also reported in the statement of activities.

Capital outlays	\$ 18,700,062	
Sale of capital assets	47,324	
Depreciation expense - capital assets	<u>(10,715,395)</u>	8,031,991

Governmental funds report Other Post Employment Benefits (OPEB) contributions as expenditures. However in the Statement of Activities, the cost of OPEB benefits is reported as OPEB expense. 3,348,127

Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. (1,904,786)

Property tax revenues in the statement of activities that do not provide current financial resources are not reported in the fund statements. 362,472

The governmental funds report bond proceeds as an other financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of bonds and related items is as follows:

Repayment of bond principal	5,915,000	
Bond interest expense	65,279	
Amortization of deferred amounts, net	<u>161,384</u>	6,141,663

Capital assets acquired through capital leases are shown as an expenditure and other financing sources in the governmental funds. The other financing source must be removed from the statement of activities. Repayment of principal is reported as an expenditure in the governmental funds for both capital leases and lease revenue bond obligations, but repayment of principal is applied to the liability in the statement of net position and reduces the District's obligations. Interest expense is recognized as it accrues.

Principal payments on note/lease payable	<u>30,941</u>	30,941
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In the statement of activities, obligations for compensated absences (vacations) and voluntary termination benefits (early retirement) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Vacation payable (compensated absences)		<u>(34,125)</u>
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**Change in net position of governmental activities** \$ 10,576,688

The notes to the financial statements are an integral part of this statement

Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual—General Fund  
 Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Property taxes	\$ 30,881,885	\$ 30,881,885	\$ 31,310,666	\$ 428,781
Interest	1,000,000	2,100,000	2,226,597	126,597
Other local	3,777,595	3,704,595	4,119,307	414,712
State	80,097,178	81,825,059	82,056,244	231,185
Federal	7,772,222	9,609,729	8,858,715	(751,014)
Total revenues	<u>123,528,880</u>	<u>128,121,268</u>	<u>128,571,529</u>	<u>450,261</u>
Expenditures:				
Current:				
Instructional services	82,843,942	83,894,718	77,475,650	6,419,068
Supporting services:				
Students	6,435,599	6,994,610	8,055,457	(1,060,847)
Instructional staff	5,022,360	7,478,203	9,898,593	(2,420,390)
District administration	3,563,713	3,504,891	2,898,273	606,618
School administration	6,814,841	7,000,695	7,178,006	(177,311)
Business	6,239,838	6,515,948	5,065,508	1,450,440
Operations and maintenance of facilities	8,831,646	9,940,927	9,474,167	466,760
Transportation	2,456,622	2,236,622	2,131,430	105,192
Capital Outlay	-	3,355,449	3,620,785	(265,336)
Community services	573,535	573,535	531,780	41,755
Debt service:				
Principal retirement	-	-	9,020	(9,020)
Total expenditures	<u>122,782,096</u>	<u>131,495,598</u>	<u>126,338,669</u>	<u>5,156,929</u>
Excess (deficiency) of revenues over (under) expenditures	<u>746,784</u>	<u>(3,374,330)</u>	<u>2,232,860</u>	<u>5,607,190</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	100,000	100,000	42,957	(57,043)
Transfers in (out)	-	(3,000,000)	(1,500,000)	1,500,000
Total other financing sources (uses)	<u>100,000</u>	<u>(2,900,000)</u>	<u>(1,457,043)</u>	<u>1,442,957</u>
Net change in fund balance	846,784	(6,274,330)	775,817	7,050,147
Fund balance - beginning	<u>36,376,207</u>	<u>37,376,207</u>	<u>36,376,207</u>	
Fund balance - ending	<u>\$ 37,222,991</u>	<u>\$ 31,101,877</u>	<u>\$ 37,152,024</u>	<u>\$ 7,050,147</u>

The notes to the financial statements are an integral part of this statement

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Provo City School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units in general and Utah school districts in particular. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles. The more significant accounting policies of the District are described below.

### ***A. Reporting Entity***

The Board of Education, comprised of seven elected individuals, is the primary governing authority for the District. The Board establishes District policies, approves the budget, appoints a Superintendent with responsibilities for administering all educational activities of the District, and appoints a Business Administrator with responsibilities for fiscal matters. The Board is authorized to issue bonds, incur short-term debt, levy property taxes, and is not dependent on any other unit of local government. The District is not a component unit of any other primary government.

These basic financial statements present the activities of the District and its component unit. The discrete and blended component units, although legally separate, function exclusively for the benefit of the District and, in substance, are part of the District's operations. The District is not a component unit of any other government.

*The Provo School District Foundation for Excellence.* The foundation is a nonprofit organization established under Internal Revenue Service regulations as a conduit for tax-deductible contributions to the District. The Foundation serves the District almost entirely, and the District has a significant influence upon the financial operations of the Foundation and is able to access the economic resources held by the Foundation. The Foundation is considered a discrete component unit. Separate financial statements for the Foundation can be obtained by contacting the Provo City School District Business Office, 280 West 940 North, Provo, Utah 84604.

*Provo City School District Municipal Building Authority (MBA).* Use of the MBA was authorized in FY10 for the purpose of issuing lease revenue bonds. The Municipal Building Authority of Provo City School District has the same board as the Board of Education and provides financing services solely to the District. All of the Building Authority's debt outstanding is expected to be repaid with resources of the District. The Building Authority is presented as a blended component unit of the District as part of the *Capital Projects* fund.

### ***B. Government-wide Financial Statements***

The government-wide financial statements (the statement of net position and the statement of changes in net position) display information about the primary government (the District) and its discretely presented component unit (the Foundation). These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. As a general practice, interfund activity has been eliminated from the government-wide financial statements in order to avoid double counting. Exceptions to this general rule are payments made between functions for internal services provided; elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function. Depreciation expense for capital assets that can specifically be identified with a function is included in its direct expenses. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instructional, school administration, operation and maintenance of facilities, and school lunch services) are ratably included in direct expenses of the appropriate functions. Interest on general long-term liabilities is considered an indirect expense and is reported in the statement of activities as a separate line item. Program revenues include 1) fees and charges paid by students and other recipients of goods or services offered by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

### ***C. Fund Financial Statements***

The fund financial statements provide information about the District's funds and blended component unit. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

- *General Fund* - the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- *Debt Service Fund* - accounts for resources accumulated and payments made for principal and interest of general obligation school building bonds.
- *Capital Projects Fund* - accounts for resources accumulated and payments made for the acquisition, maintenance, improvement of sites, construction and remodel of facilities, and procurement of equipment necessary for providing educational programs for all students within the District.

The District reports the following nonmajor Special Revenue funds that receive revenues which are restricted to expenditures for specified purposes:

- *Student Activities Fund* – used to account for the receipt and disbursement of monies of student activity organizations and other custodial type transactions within the schools.
- *School Food Services Fund* - to account for preparation and serving of school lunches and breakfasts.
- *Building Reserve Fund* - to account for funds designated by the Board for new buildings or remodels.
- *Municipal Building Authority Fund* - accounts for resources accumulated and payments made related to the lease revenue bonds, including costs of construction on the bond projects, and bond interest payments. This fund is reported as part of the Capital Projects fund.
- *Tax Increment Fund* - accounts for property tax revenue that is remitted to the Provo City Redevelopment Agency and to local charter schools.

### ***D. Measurement Focus, Basis of Accounting & Financial Statement Presentation***

The government-wide financial statements are reported using the economic resources measurement focus and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, which the District receives value without directly giving equal value in exchange, include property taxes, grants, and donations.

On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within thirty days after year-end. Property taxes and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term liabilities, claims and judgments, early retirement and post-employment health care benefits, arbitrage rebates, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.



Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

#### ***E. Budgets and Budgetary Accounting***

The District operates within budget requirements for school districts as specified by state law and as interpreted by the State Superintendent of Public Instruction. All governmental funds have legally adopted annual budgets. Budgets are presented on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance commitment. The following procedures are used in establishing the budgetary data reflected in the financial statements:

- During June of each year, the District Business Administrator submits to the Board a proposed operating budget for the next fiscal year commencing July 1. This budget includes proposed expenditures and the means of financing them. Included also is a final budget for the current year ending June 30.
- Copies of the proposed budget are made available for public inspection before the Board hearing in which the Board adopts the proposed budget.
- If the District does not require a truth in taxation hearing, a public hearing is held prior to June 22, at which time the budget is legally adopted by resolution of the Board after obtaining taxpayer input. If the District does require truth in taxation, the budget is adopted in August when data is available to set rates.
- Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the Superintendent can approve reductions in appropriations, but increases in appropriations, at the fund level, require a public hearing prior to amending the budget. In accordance with Utah state law, interim adjustments may be made by administrative transfer of money from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2016, have been included in the final budget approved by the Board, as presented in the financial statements.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

#### ***F. Deposits and Investments***

Substantially all of the cash balances, of all funds, are pooled and invested by the District for the purpose of increasing earnings through investment activities and providing efficient management of temporary investments. The pool's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. Earnings on pooled funds are apportioned and paid or credited to funds based on the average balance of each participating fund.

#### ***G. Prepaids***

Prepaid assets are generally accounted for using the consumption method.

#### ***H. Cash and Cash Equivalents***

The District considers cash and cash equivalents to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, including the Public Treasurers' Investment Fund (PTIF).

#### ***I. Receivables and Payables***

Activity between funds that are representative of lending/borrowing arrangements, and which are outstanding at year-end, are referred to as either "due to/from other funds".

***J. Capital Assets***

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial cost of \$5,000 or more, or a “basket purchase” cost of more than \$20,000 for land, furniture, equipment, buildings and improvements, and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets or works of art are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets’ lives are not capitalized.

All works of art are capitalized at estimated fair value at the time the donation was made. However, some of the works of art were appraised in 1994 as no value was previously determined for financial reporting purposes. Those pieces have been capitalized at the fair value of the appraisal. The District’s art collection carries a net book value of \$234,250 in the government-wide financial statements; works of art are a non-depreciable item in the government-wide financial statements.

A major outlay for capital assets and improvements are capitalized when the assets are acquired and placed into operation and/or as construction occurs. Interest incurred during construction is not capitalized.

Buildings and improvements, as well as furniture and equipment of the District, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	<u>Assets</u>	<u>Years</u>
Buildings	50	Grounds & Accessories	15
Building Additions	40	Audio Visual	10
Building Improvements	20	Audio Visual	10
Physical Education Equipment	20	Lab Equipment	10
Standard Furniture & Accessories	20	Music - Instruments & Accessories	10
Stage & Auditorium	20	Licensed Vehicles	8
Portable Classrooms	15	Business Machines	5
Machinery & Tools	15	Miscellaneous Equipment	5
Appliances	15	Software	3

***K. Expenditure Driven Grants - Variances Between Budget and Actual Data***

Expenditure driven grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met; unspent grant amounts are carried forward and included in the succeeding fiscal year’s budget. Therefore, actual grant revenues and expenditures can be significantly different than the amounts budgeted.

***L. Compensated Absences and Voluntary Termination Benefits***

Compensated absences and voluntary termination benefits are typically paid for by resources from the District’s General fund. However, it is the District’s policy to use resources from other funds, when those other funds directly funded the employees’ related positions to pay for these costs. Consequently, minimal costs related to these benefits are periodically funded by funds other than the General fund when it is reasonably practical to do so.

Under terms of association agreements, eligible employees can earn vacation and sick time in amounts varying with tenure and classification. In the event of termination or death, an eligible employee is reimbursed for accumulated vacation days to a maximum of 20 days. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

In fiscal year 2017, administration put into policy a sick buy-back incentive. The incentive is based on the amount of time an employee has worked for the District. Employees working less than 12 years receive no sick buy-back. Employees working 12-18 years receive one day per 10 days in their sick bank; 19-25 years receive one day per eight days; and 26+ receive one day per six days. The maximum number of days allowed in a sick bank is 85.

See Note 5 for a description of these long-term obligations.

***M. Comparative Data***

Comparative data for the prior year is presented in certain sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations.

***N. Long-term Obligations***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time of the bond issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

***O. Fund Balance***

In the fund financial statements, governmental funds report fund balances based on a hierarchy that shows the level or form of constraints on fund balance resources, and the extent to which the District is bound to honor those constraints. Fund balance classifications are:

*Nonspendable* - includes fund balance amounts that cannot be spent because they are either a) not in a spendable form, or b) legally or contractually required to be maintained intact. Fund balances related to inventory, long term portions of notes receivable and prepaid expenditures are classified as nonspendable.

*Restricted* - includes fund balance amounts subject to external constraints that have been placed on the use of the resources imposed by either: a) creditors, grantors, contributors, or laws and regulations of other governments, or b) law through constitutional provisions or enabling legislation. Restricted fund balances include unspent tax revenues for specific purposes (building reserve, capital projects, debt service and other purposes), remaining child nutrition funds, and donations held in the Provo City School District Foundation. See Note 11 for more information on restricted fund balances.

*Committed* - includes fund balance amounts that can only be used for specific purposes established by formal action of the Board of Education. Formal action entails a public Board Meeting with a proposed commitment being voted upon by all Board members. Fund balance commitments can only be removed or changed by the same action of the Board. Committed resources also include any contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

The following fund balance amounts have been committed by the Board of Education:

- OPEB
- Contractual obligations
- Board Voted Contingency

*Assigned* - includes funds that are intended for a specific use but do not require board action; (District Administration may establish use of such funds) unrestricted programs, and those amounts in excess of nonspendable, restricted, and remaining positive fund balances in funds *other than* the general fund, such as the school activities fund.

*Unassigned* - funds in excess of other categories in the general fund and any residual deficits in any fund.

It is the District's policy to use restricted resources first when both unrestricted and restricted are available. Of the unrestricted resources, the District will first use committed, followed by assigned, and then unassigned.

**P. Inventories**

Inventories are valued at cost, or if donated, at fair value when received, using the first-in first-out (FIFO) method. Inventory in the general and special revenue funds consists of expendable supplies held for consumption. The cost is recorded as an asset at the time individual inventory items are purchased, and an expenditure is recorded when the assets are distributed and consumed.

Commodities received from federal sources are consumable inventories intended to support short-term District food service operations. Thus, federal commodities are treated as a current financial resource and are recorded as revenues when received in both the fund statements and government-wide statements.

Inventory amounts reported in governmental funds are offset by nonspendable fund balances of equal amount, indicating they are not expected to be converted to cash.

**Q. Indirect Costs**

Indirect costs charged to certain programs are routinely recorded in the District's *governmental fund* financial statements.

As a general practice, interfund indirect costs have been eliminated from the *government-wide* financial statements in order to avoid double counting and to provide direct-cost information to financial statement readers.

**R. Use Of Estimates**

Presenting financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make certain estimates concerning assets, liabilities, revenues, and expenses.

**S. Bond Discounts/Premiums and Issuance Costs**

In the government-wide statements, bond discounts/premiums are deferred and amortized over the life of the bonds. Bond issuance costs are reported as an expense of the current period. Refundings of debt result in deferred gains or losses and are reported as deferred inflows and outflows of resources.

For governmental fund types in the fund financial statements, the bond discounts/premiums, along with all debt issuance costs, are reported as debt service expenditures.

**T. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**U. Deferred Inflows and Outflows of Resources**

Deferred inflows of resources represent an acquisition of net position that applies to a future period. The District recognizes deferred inflows in relation to pensions and property tax revenue.

Deferred outflows represent a consumption of net position that applies to a future period. The District recognizes deferred outflows in relation to pensions and a loss on refunding, which results from the difference in the carrying value of the re-funded debt and the reacquisition price.

## 2. DEPOSITS AND INVESTMENTS

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2019, as shown on the financial statements is as follows:

	Primary Government	Component Unit
Carrying amount of deposits	\$ 124,949	\$ 198,703
Carrying amount of investments:		
Public Treasurers' Investment Fund	60,743,739	742,499
Zions Public Finance Investment	10,822,258	-
Sinking Fund (Lease Revenue Bond)	3,257,499	
Repurchase Agreement	1,005,627	-
	<u>75,829,123</u>	<u>742,499</u>
Total investments		
	<u>75,829,123</u>	<u>742,499</u>
Total cash and investments	<u>\$ 75,954,071</u>	<u>\$ 941,202</u>

### Deposits

**Deposits - Custodial Credit Risk** - Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk.

As of June 30, 2019, the District's exposure to custodial credit risk for deposits was as follows:

Depository Account	Carrying Amount	Bank Balance	Amount Insured
Provo City School District	\$ (598,193)	\$ 95,378	\$ 95,378
Student Activities	723,142	796,647	796,647
Total primary government	<u>\$ 124,949</u>	<u>\$ 892,025</u>	<u>\$ 892,025</u>
Component unit:			
Provo School District Foundation	<u>\$ 198,703</u>	<u>\$ 198,314</u>	<u>\$ 198,314</u>

### Investments

The District's investments are managed through participation in the Utah Public Treasurers' Investment Fund and through an escrow account and repurchase agreement arrangements with local banks. In FY2019, the District invested a portion of the bond proceeds with Zions Capital Advisors to capitalize on higher interest rates. The reported value of the Public Treasurer's Pool and Zions investment accounts are the same as the fair market value of the shares.

As of June 30, 2019, the District had the following investments:

Investment Type	Fair Value	Maturities	
		<1 Year	1-5 Years
PTIF	\$ 64,968,245	\$ 64,968,245	\$ -
US Obligations	450,200	-	450,200
Corporate Floating	4,319,051	1,997,013	2,322,038
Repurchase Agreement	1,005,627	1,005,627	-
Government Bonds	5,086,000	1,396,952	3,689,048
	<u>\$ 75,829,123</u>	<u>\$ 69,367,837</u>	<u>\$ 6,461,286</u>

**Investments - Interest Rate Risk** - The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, interest rate risk is managed by compliance to the Utah Money Management Act which provides guidance for handling depository and investing transactions in order to minimize interest rate risk.

**Investments - Credit Risk** - The District follows the requirements of the Utah Money Management Act (Section 51, chapter 7 of the Utah Code) in handling its depository and investing transactions. District funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the District to invest in the Utah Public Treasurers' Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, high-grade commercial paper, bankers' acceptances, repurchase agreements, corporate bonds, restricted mutual funds, and obligations of governmental entities within the State of Utah. The PTIF is invested in accordance with the Act. The State Money Management Council provides regulatory oversight for the PTIF. The degree of risk of the PTIF depends upon the underlying portfolio. The PTIF is not rated.

The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The District has no investment policy that would further limit its investment choices.

Investment Type	Fair Value	Rating			
		AAA	AA - A-	BBB+	Unrated
PTIF	\$ 64,968,245	\$ -	\$ -	\$ -	\$ 64,968,245
US Obligations	450,200	450,200	-	-	-
Corporate Floating	4,319,051	-	2,817,752	1,501,299	-
Repurchase Agreement	1,005,627	1,005,627	-	-	-
Government Bonds	5,086,000	5,086,000	-	-	-
	<u>\$ 75,829,123</u>	<u>\$ 6,541,827</u>	<u>\$ 2,817,752</u>	<u>\$ 1,501,299</u>	<u>\$ 64,968,245</u>

**Investments - Custodial Credit Risk** - For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The entire \$1,005,627 invested in repurchase agreements consists of underlying securities which are held by the investment's counter party, not in the name of the District, and are not insured.

The District's repurchase agreements arrangement primarily invests in obligations of the United States Treasury, agencies or financial instruments of the United States that meet allowable investments of the Utah Money Management Act. The District does not have an investment policy for custodial credit risk.

### 3. PROPERTY TAXES

The budgeting and accounting for property taxes are accounted for on a modified-accrual basis, with appropriate recognition of property taxes receivable at year-end. The District has recorded a corresponding property tax deferral for taxes assessed January 1, but not due and collectible within thirty days of the end of the fiscal year.

The property tax revenue of the District is collected and distributed by the Utah County Treasurer as an agent of the District. Utah statutes establish the process by which taxes are levied and collected. The county assessor is required to assess a lien on real property as of January 1 and complete the tax rolls by May 15. The District's Board of Education is required to adopt its initial budget for the next fiscal year by June 22; this initial budget adoption establishes tax levy rates to provide resources to fund District operations for the next fiscal year beginning July 1. If the proposed District budget requires changes to levied tax rates, which are above the tax levy rates certified by the Utah State Tax Commission, the District may be required to meet specific due process requirements as outlined in Utah Truth-in-Taxation laws by August 17. By July 21, the county auditor is to mail assessed value and tax notices to property owners. A taxpayer may then petition the County Board of Equalization between August 1 and August 15 for a revision of the assessed value. The county auditor makes approved changes in assessed value by November 1 and on this same date the county auditor is to deliver the completed assessment rolls to the county treasurer. Tax notices are mailed with a due date of November 30. Delinquent taxes are subject to a 2% penalty, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 15 of the following year, these delinquent taxes, including penalties, are subject to an interest charge at a rate determined by the County; the interest period is from January 1, until the taxes are paid. If, in May of the fifth year, the taxes remain delinquent, the County advertises and sells the property at a tax sale.

Beginning January 1, 1992, an annual uniform fee based on the value of motor vehicles was levied in lieu of an additional tax on motor vehicles. This uniform fee was 1.5% of the fair market statewide value of the property, as established by the State Tax Commission. Effective January 1, 1999, legislation required motor vehicles be subject to an “age-based” fee that is due each time a vehicle is registered. The age-based fee is for passenger type vehicles and ranges from \$10 to \$150 based on the age of the vehicle. The revenues collected in each county from motor vehicle fees is distributed by the county to each taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed. The District recognizes motor vehicle fees as property tax revenue when the County collects it and remits the collections to the District.

As of June 30, 2019, the District had accrued a property tax receivable on the government-wide financial statements of \$47,219,879. This accrual includes calendar year 2018 property taxes of \$44,637,071 levied for the year ended June 30, 2019 due to be collected by November 30, 2019, plus \$2,582,808 of delinquent property taxes receivable for taxes assessed prior to 2018 that remain uncollected.

#### 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 7,878,328	\$ 3,659,846	\$ -	\$ 11,538,174
Construction in progress	86,447,071	-	(86,447,071)	-
Works of art	234,250	-	-	234,250
Total capital assets, being not being depreciated	<u>\$ 94,559,649</u>	<u>3,659,846</u>	<u>(86,447,071)</u>	<u>\$ 11,772,424</u>
Capital assets, being depreciated :				
Buildings and improvements	\$ 171,732,432	94,641,168	(75,470)	\$ 266,298,130
Furniture and equipment	27,549,416	6,846,119	(2,235,159)	32,160,376
Total capital assets, being depreciated	<u>199,281,848</u>	<u>101,487,287</u>	<u>(2,310,629)</u>	<u>\$ 298,458,506</u>
Accumulated depreciation for:				
Buildings and improvements	\$ (63,917,374)	(7,326,461)	38,025	\$ (71,205,810)
Furniture and equipment	(17,981,846)	(3,388,934)	2,319,928	(19,050,852)
Total accumulated depreciation	<u>(81,899,220)</u>	<u>(10,715,395)</u>	<u>2,357,953</u>	<u>(90,256,662)</u>
Total capital assets, being depreciated, net	<u>117,382,628</u>	<u>90,771,892</u>	<u>47,324</u>	<u>208,201,844</u>
Governmental activity capital assets, net	<u>\$ 211,942,277</u>	<u>\$ 94,431,738</u>	<u>\$ (86,399,747)</u>	<u>\$ 219,974,268</u>

For the year ended June 30, 2019, depreciation expense was charged to functions of the District as follows:

**Governmental activities:**

	Buildings and improvements	Furniture and equipment	Total
Instructional services	\$ (6,374,024)	\$ (2,948,371)	\$ (9,322,393)
Supporting services:			
Students	(36,632)	(16,945)	(53,577)
Instructional Staff	(36,632)	(16,945)	(53,577)
District administration	(36,632)	(16,945)	(53,577)
School administration	(36,632)	(16,945)	(53,577)
Business	(36,632)	(16,945)	(53,577)
Operation and maintenance of facilities	(586,117)	(271,115)	(857,232)
Transportation	(73,265)	(33,889)	(107,154)
School food services	(109,897)	(50,834)	(160,731)
Total depreciation expense, governmental activities	<u>\$ (7,326,463)</u>	<u>\$ (3,388,934)</u>	<u>\$ (10,715,395)</u>

**5. LONG TERM LIABILITIES**

**A. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2019 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 114,315,000	\$ -	\$ (5,915,000)	\$ 108,400,000	\$ 6,175,000
Qualified school construction bonds	6,462,000	-	-	6,462,000	-
Deferred amounts for issuance premium/discount	7,884,709	-	(444,656)	7,440,053	-
Total bonds payable, net	<u>128,661,709</u>	<u>-</u>	<u>(6,359,656)</u>	<u>122,302,053</u>	<u>6,175,000</u>
Other long-term liabilities:					
Notes payable	156,031	-	(21,921)	134,110	22,642
Net pension liability	40,154,073	19,576,832	-	59,730,905	-
Net OPEB liability	30,449,895	-	(1,890,303)	28,559,592	-
Vacation payable	<u>1,387,409</u>	<u>884,453</u>	<u>(850,329)</u>	<u>1,421,533</u>	<u>752,560</u>
Total governmental activity long-term liabilities	<u>\$ 200,809,117</u>	<u>\$ 20,461,285</u>	<u>\$ (9,122,209)</u>	<u>\$ 212,148,193</u>	<u>\$ 6,950,202</u>

Payments on compensated absences are typically charged to the fund in which the employee worked. Funds that include payroll are the General fund, Capital Projects fund and Food Services fund. Annual OPEB payments are budgeted and expended from the General fund. Payments to URS for future pension liabilities are made in the fund where employees' payroll is expended.

**B. General Obligation Bonds Payable**

Bonds payable at June 30, 2019 are comprised of the following general obligation issues and are serviced by property tax revenues received by the debt service fund:

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	\$ 17,655,000
2015 Series G.O. Bonds	School Building	50,615,000	2.25% to 5%	June 15, 2035	43,720,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	47,025,000
					<u>\$ 108,400,000</u>



Debt service requirements to maturity, including interest for the general obligation bonds payable, are as follows:

Total General Obligation Bonds Payable as of June 30, 2019

<u>General Obligation Bonds</u>		Principal	Interest	Debt Service Fund
Year Ending	June 30			
	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	7,115,000	2,634,235	9,749,235
	2025-2029	33,220,000	9,789,816	43,009,816
	2030-2034	31,450,000	4,799,113	36,249,113
	2035-2036	10,490,000	476,075	10,966,075
		<u>\$108,400,000</u>	<u>\$30,618,691</u>	<u>\$139,018,691</u>

***Qualified School Construction Bonds***

During fiscal year 2010, the District was awarded \$6,462,000 in Qualified School Construction Bonds (QSCB). These bonds are part of the 2009 federal stimulus bill. The bonds were issued via the Municipal Building Authority to rebuild an elementary school (Provo Peaks Elementary). The bonds carry an interest rate of 1.23% and mature in 2026.

The District transfers \$460,000 annually into a sinking fund. At June 30, 2019, the sinking fund has a balance of \$3,257,499. Payments into the sinking fund come from the capital projects fund. The debt service requirements to maturity, including interest for the QSCB bonds payable are as follows:

**Qualified School Construction Bonds**

Year Ending June 30,	Principal	Interest	Total
2020	\$ -	\$ 79,483	\$ 79,483
2021	-	79,483	79,483
2022	-	79,483	79,483
2023	-	79,483	79,483
2024	-	79,483	79,483
2025-2026	6,462,000	158,965	6,620,965
	<u>\$ 6,462,000</u>	<u>\$ 556,380</u>	<u>\$ 7,018,380</u>

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity	Current Balance
2010 Qualified School Construction Bond	School Building	\$ 6,462,000	1.23%	June 30, 2026	\$ 6,462,000

**D. Note Payable**

**Utah State Office of Energy Development** - In fiscal year 2013, the District entered into a note payable agreement in the amount of \$320,720, with an imputed interest rate of 3.25% including interest, until maturity in January 2025. Annual payments are typically financed through the District's General fund, and payments at June 30, 2019 are as follows:

**Note Payable**

Year Ending June 30,	Principal	Interest	Capital Fund
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	25,772	955	26,727
2025	13,202	161	13,363
	<u>\$134,110</u>	<u>\$12,887</u>	<u>\$146,998</u>

**E. Combined Maturities on Long-Term Borrowings**

The combined aggregate amounts of maturities on all long-term borrowings (general obligation bonds, QSCB bonds, Notes Payable and Capital Lease) are as follows:

**All Long-term Borrowings**

Year Ending June 30,	Principal	Interest	Total
2020	\$ 6,197,642	\$ 3,684,269	\$ 9,881,911
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	7,140,772	2,714,672	9,855,444
2025-2029	39,695,202	9,948,942	49,644,145
2030-2034	31,450,000	4,799,113	36,249,113
2035-2036	10,490,000	476,075	10,966,075
	<u>\$ 114,996,110</u>	<u>\$ 31,187,957</u>	<u>\$ 146,184,068</u>
Add: Deferred amounts, net:	7,440,053		
Compensated absences:	1,421,533		
	<u>\$ 123,857,696</u>		

**6. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLAN**

**General Information about the Pension Plan**

Plan Description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System) and Public Employees Contributory Retirement System (Contributory System), are multiple employer, cost sharing, retirement systems.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System), is a multiple employer, cost sharing, public employees retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E 200 S, Salt Lake City, Utah 84102 or visiting the website: [www.urs.org](http://www.urs.org).

**Summary of Benefits by System**

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975 2.00% per year July 1975 to present	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

\* with actuarial reductions

\*\*All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increased not met may be carried forward to subsequent years.

Benefits Provided: URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

Contributions: As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2019 are as follows:

<u>Utah Retirement Systems</u>	Employee Paid	Employer Contribution Rates	Employer Rate for 401(k) Plan
Contributory System			
State and School Tier 1	6.00%	17.70%	N/A
State and School Tier 2	N/A	18.87%	1.15%
Noncontributory System			
State and School Tier1	N/A	22.19%	1.50%
Tier 2 DC Only			
State and School	N/A	10.02%	10.00%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans. For fiscal year ended June 30, 2019 the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 8,735,716	N/A
Contributory System	25,466	8,633
Tier 2 Public Employees System	3,524,919	-
Tier 2 DC Only System	318,684	N/A
<u>Total Contributions</u>	<u>\$ 12,604,786</u>	<u>\$ 8,633</u>

Contributions reported are the URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

**Combined Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to Pensions**

At June 30, 2019, the District reported a net pension asset of \$0 and a net pension liability of \$59,730,904.

	Measurement Date: December 31, 2018			December 31, 2017	
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>	<u>Proportionate Share</u>	<u>Change (Decrease)</u>
Noncontributory System	\$ -	\$ 58,454,619	1.5711423%	1.6334426%	-0.0623003%
Contributory System	-	651,291	0.9173062%	1.1657032%	-0.2483970%
Tier 2 Public Employees System	-	624,994	1.4593175%	1.5173017%	-0.0579842%
Total Net Pension Asset/Liability	<u>\$ -</u>	<u>\$ 59,730,904</u>			

The net pension asset and liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2018 and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the System during the plan year over the total of all employer contributions to the system during the plan year.

For the year ended June 30, 2019, the District recognized pension expense of \$14,485,535.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 315,782	\$ 949,357
Changes in assumptions	6,102,262	11,229
Net difference between projected and actual earnings on pension plan investments	10,143,484	-
Changes in proportion and differences between contributions and proportionate share of contributions	802,709	1,408,168
Contributions subsequent to the measurement date	6,349,458	-
Total	<u>\$ 23,713,695</u>	<u>\$ 2,368,754</u>

\$6,349,458 reported as deferred outflows of resources related to pensions results from contributions made by the District prior to the fiscal year end, but subsequent to the measurement date of December 31, 2018.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	<u>Deferred Outflows (Inflows) of Resources</u>
2019	\$ 6,645,662
2020	2,400,802
2021	1,006,575
2022	4,811,371
2023	18,194
Thereafter	112,878

**Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2019, the District recognized pension expense of \$12,767,166.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 311,396	\$ 820,184
Changes in assumptions	5,945,611	-
Net difference between projected and actual earnings on pension plan investments	9,725,228	-
Changes in proportion and differences between contributions and proportionate share of contributions	619,495	1,408,169
Contributions subsequent to the measurement date	4,364,151	-
Total	<u>\$ 20,965,881</u>	<u>\$ 2,228,353</u>

\$4,364,151 reported as deferred outflows of resources related to pensions results from contributions made by the District prior to the fiscal year end, but subsequent to the measurement date of December 31, 2018.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	<u>Net Deferred Outflows (Inflows) of Resources</u>
2019	\$ 6,490,307
2020	2,347,430
2021	929,757
2022	4,605,884
2023	-
Thereafter	-

**Contributory System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2019, we recognized pension expense of \$103,512.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	214,730	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	12,681	-
Total	<u>\$ 227,411</u>	<u>\$ -</u>

\$12,681 reported as deferred outflows of resources related to pensions results from contributions made by the District prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2019	\$ 85,098
2020	2,333
2021	20,868
2022	106,431
2023	-
Thereafter	-

**Tier 2 Public Employees System Pension Expense and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2019, the District recognized pension expense of \$1,614,856.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 4,386	\$ 129,173
Changes in assumptions	156,651	11,229
Net difference between projected and actual earnings on pension plan investments	203,526	-
Changes in proportion and differences between contributions and proportionate share of contributions	183,213	-
Contributions subsequent to the measurement date	1,972,626	-
Total	<u>\$ 2,520,403</u>	<u>\$ 140,402</u>

\$1,972,626 reported as deferred outflows of resources related to pensions results from contributions made by the District prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2019	\$ 70,257
2020	51,039
2021	55,950
2022	99,056
2023	18,194
Thereafter	112,878

### Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.5 percent
Salary Increases	3.25-9.75 percent, average, including inflation
Investment Rate of Return	6.95 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables based on gender, occupation and age as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		
	Target asset allocation	Real Return Arithmetic Basis	Long Term expected portfolio real rate of return
Equity securities	40%	6.15%	2.46%
Debt securities	20%	0.40%	0.08%
Real assets	15%	5.75%	0.86%
Private equity	9%	9.95%	0.89%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.75%
	Inflation		2.50%
	Expected arithmetic nominal return		7.25%

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

**Discount rate:** The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 6.95% from 7.20% from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.95%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95%) or 1-percentage-point higher (7.95%) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 105,069,904	\$ 58,454,619	\$ 19,455,112
Contributory System	1,364,870	651,291	42,375
Tier 2 Public Employees System	2,503,848	624,994	(825,011)
Total Pension Liability	\$ 108,938,622	\$ 59,730,904	\$ 18,672,476

**Pension plan fiduciary net position:** Detailed information about the pension plans fiduciary net position is available in the separately issued URS financial report.

**Defined Contribution Savings Plans**

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Provo School District participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA Plan
- Traditional IRA Plan



Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30, 2019 were as follows:

	2019	2018	2017
<b>401(k) Plan</b>			
Employer Contributions	\$ 1,337,556	\$ 1,350,397	\$ 1,177,754
Employee Contributions	842,207	794,253	726,496
<b>457 Plan</b>			
Employer Contributions	-	-	-
Employee Contributions	68,621	81,812	84,050
<b>Roth IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	192,337	155,362	116,606
<b>Traditional IRA</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	7,140	10,725	3,980
Total Contributions	\$ 2,447,861	\$ 2,392,549	\$ 2,108,886

## 7. EARLY RETIREMENT INCENTIVE AND POST EMPLOYMENT HEALTH CARE BENEFIT OBLIGATION

**Plan Description:** The District self-administers single-employer retirement plans described below. The District is the only employer participating and contributing to the plans, and they do not issue a publicly available report.

The District provides a voluntary early retirement incentive program. Eligibility is restricted to those employees hired prior to September 1, 2005 and who have a minimum of 12 years of service in the District who retire under provisions of the Utah State Employee's Retirement Act. Those qualifying under this program, who choose to retire early, may receive a salary benefit for up to five years and a health and accident benefit up to eight years. Benefits vary based upon years of service, position on salary schedule, and employee classification as follows:

- For those with 20 years of service the Board will pay 5 years of stipend benefits of 54% of final salary above lane 5 step 1 - \$27,680.
- For those with 12-19 years of service the board will pay a single lump sum payment of the present value of 5 years of stipend of 20% of final salary. The lump sum will be prorated on service as follows:
  - 18-19 years 70%
  - 16-17 years 60%
  - 14-15 years 50%
  - 12-13 years 40%

The District also provides a life-time Medicare supplemental insurance benefit for retired employees who have completed at least 20 years of service as of January 1, 2005; the plan also provides coverage for spouses of employees who have completed 30 years of service by January 1, 2005.

There are approximately 381 retirees receiving benefit coverage in addition to 112 present employees who have earned vested coverage upon retirement. The 112 present employees will receive a prorated benefit. There are no inactive employees who are entitled to benefits.

No other District-sponsored OPEB plans are currently available for current or future employees.

**Funding Policy** The District contributes the full cost of the current year benefits for eligible retirees. The contribution is pay-as-you-go, no plan assets are accumulated. District contributions for the 2019, 2018, and 2017 were \$3,252,580, \$3,722,215, and \$3,342,768, respectively.

**Actuarial Methods and Assumptions** Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The District, as required, has an actuarial valuation every other year. Information provided in this report is information reported in the valuation done as of July 1, 2018. Contributions for FY19 are included to account for current OPEB liability.

Each of the assumptions used was set based on industry standard published tables and data, the particular characteristics of the plan, relevant information from the plan sponsor or other sources about future expectations and the professional judgment of the actuary.

Actuarial Assumptions and Methods July 1, 2018	
Rate of investment return (net of administrative expenses)	3.58%
Annual salary increase	3.25%
Inflation rate	3.25%
Health care cost increase (65 and under)	6.10%
Actuarial Cost Method	Entry Age Normal based on level percentage of salary
Plan participation percentage	100% of all employees and eligible dependents will participate in medical plan
Mortality rates	RP 2014 Adjusted to 2006 Total Dataset Mortality Table generationally projected using Scale MP-2018. This assumption includes a margin for future improvements
Future Dependent Coverage	55% of current active members are assumed to elect dependent coverage at retirement. All female spouses are assumed to be three years younger than males.

**Change in Total OPEB Liability**

**Net OPEB Liability**

Total OPEB Liability at June 30, 2018	<u>\$ 30,449,895</u>
Activity during the year	
Service Cost	133,762
Interest Cost	1,037,186
Effect of plan changes	-
Effect of economic/demographic gains or losses	157,805
Changes in assumptions or other inputs	33,524
Benefit Payments	<u>(3,252,580)</u>
Net change in total OPEB liability	<u>(1,890,303)</u>
Total OPEB Liability at June 30, 2019	<u><u>28,559,592</u></u>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates**

The following presents the net OPEB liability for the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate of one-percentage-point higher (4.50%) and one-percentage-point lower (2.50%) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB Liability	\$ 30,629,702	\$ 28,559,592	\$ 26,747,540

The following presents the net OPEB liability for the District, as well as what the District's net OPEB liability would be if it were calculated using health care cost trend rates of one-percentage-point higher and one-percentage-point lower than the current health care cost trend rate:

	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability	\$ 26,812,431	\$ 28,559,592	\$ 30,536,664

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

At June 30, 2019, the District reported no deferred outflows of resources and deferred inflows of resources related to OPEB.

***General Fund Balance Designations***

At June 30, 2019, the District has committed \$14,198,244 of the general fund balance for future funding of the OPEB liability.

**8. GRANTS - CONTINGENT LIABILITY**

The District receives significant financial assistance from federal and state governmental agencies in the form of grants. The disbursements of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the District's independent auditors and other governmental auditors. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable fund. As of September 12, 2019, the District had not received any notification from any grant providing agency or government identifying any noncompliance liabilities associated with past District grant awards.

**9. DESIGNATED FOR RESERVE**

Utah State law (53A-19-103) allows for the establishment of an committed reserve (Committed fund balance per GASB 54). The Board must authorize expenditures from the committed undistributed reserve. This reserve is for contingencies. According to State law, the District may not use undistributed reserves in the negotiation or settlement of contract salaries for District employees. The undistributed reserve may not exceed 5% of the current operational budget adopted by the Board. Use of the reserve requires a written resolution adopted by a majority vote of the Board filed with the Utah State Board of Education and State Auditor.

**10. LITIGATION AND LEGAL COMPLIANCE**

The District is involved in claims arising in the normal course of business. It is not possible to state the ultimate liability, if any, in these matters. These claims are generally insured through the District's risk management insurance and are investigated by the District's insurance representatives and defended by the State Attorney General's office. In the opinion of management, such litigation will have no material effect upon the financial operations of the District.

## 11. RESTRICTED FUND BALANCE

*Restricted* fund balance includes fund balance amounts subject to external constraints that have been placed on the use of the resources imposed by either: a) creditors, grantors, contributors, or laws and regulations of other governments, or b) law through constitutional provisions or enabling legislation. Restricted fund balances include unspent tax revenues for specific purposes (building reserve, capital projects, debt service and other purposes), and remaining child nutrition funds.

The following table shows the detail of the restricted fund balances in all funds in the governmental financial statements.

	<b>Fund</b>				
	<b>General</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Building Reserve</b>	<b>Food Services</b>
Debt Service	\$ -	\$ 2,051,858	\$ -	\$ -	\$ -
Capital Levy	-	-	17,040,015	-	-
Food Services	-	-	-	-	1,669,321
Building Reserve	-	-	-	8,372,240	-
Special Education	420,577	-	-	-	-
Special Education/Preschool	27,406	-	-	-	-
Gifted and Talented	8,479	-	-	-	-
Advanced Placement	24,937	-	-	-	-
Youth in Custody	77,100	-	-	-	-
Drivers Education	53,498	-	-	-	-
STEM Action Center	224,891	-	-	-	-
Utah State Hospital	44,749	-	-	-	-
Critical Languages	63,098	-	-	-	-
School Land Trust	229,160	-	-	-	-
<b>Total</b>	<b>\$ 1,173,895</b>	<b>\$ 2,051,858</b>	<b>\$ 17,040,015</b>	<b>\$ 8,372,240</b>	<b>\$ 1,669,321</b>
Total Restricted Fund Balances	<b><u>\$ 30,307,329</u></b>				

## 12. RISK MANAGEMENT

### *A. Property and Liability Insurance Coverage*

The District maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability through policies administered by the Utah State Risk Management (Fund). The District also insures its buildings and contents against all insurable risks of direct physical loss or damage with the fund. The Fund is a public entity risk pool operated by the State for the benefit of the state and local governments within Utah. This is a pooled arrangement where the participants' pay experienced rated annual premiums, which are designed to pay claims and build sufficient reserves so that the pool will be able to protect the participating entities with its own capital. The pool re-insures sizeable losses to preserve the capital base. During fiscal year ended June 30, 2019, there were no significant reductions in coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### *B. Worker's Compensation & Long-Term Disability Insurance Coverage*

The District participates in the Utah School Boards Risk Management Mutual Insurance Association which is a risk pool for workers' compensation. The District has purchased commercial insurance for other risks of loss including employee health and accident insurance. Unemployment compensation is handled on a cost of benefits reimbursement basis with the state of Utah. During the fiscal year ended June 30, 2019, there were no significant reductions in coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### *C. Self-Insured Short-Term Disability Coverage*

The District is self-insured for certain short-term disability benefits. Employees that are on short-term disability are paid by the district until the date long-term disability takes effect (short-term disability payments begin after 15 days sick time has been used). There were no cases that occurred prior to June 30, 2019, which have not been resolved.

# Required Supplemental Information

Required Supplemental Information  
*Schedule of the Proportionate Share of the Net Pension Liability*  
 Last 10 Fiscal Years  
 June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Noncontributory Retirement System</b>			
Proportion of Net Pension Liability	1.5711423%	1.6334430%	1.5742888%
Proportionate share of the net pension liability (asset)	\$ 58,454,619	\$ 39,943,588	\$ 51,021,392
Covered payroll	\$ 39,620,195	\$ 41,361,914	\$ 40,485,774
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	147.50%	96.57%	126.02%
Plan fiduciary net position as percentage of covered payroll	84.1%	89.2%	84.9%
<b>Contributory Retirement System</b>			
Proportion of Net Pension Liability	0.9173062%	1.1657030%	1.4158416%
Proportionate share of the net pension liability (asset)	\$ 551,291	\$ 76,708	\$ 775,821
Covered payroll	\$ 178,026	\$ 265,231	\$ 379,541
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	365.8%	28.9%	204.4%
Plan fiduciary net position as percentage of covered payroll	91.4%	99.2%	93.4%
<b>Tier 2 Public Employees System</b>			
Proportion of Net Pension Liability	1.4593175%	1.5173020%	1.5164092%
Proportionate share of the net pension liability (asset)	\$ 624,994	\$ 133,776	\$ 169,154
Covered payroll	\$ 17,171,718	\$ 14,901,285	\$ 12,435,747
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	3.64%	0.90%	1.36%
Plan fiduciary net position as percentage of covered payroll	90.8%	97.4%	95.1%

This schedule usually covers the 10 most recent fiscal years; however, this is the information available since the implementation year of GASB 68. This information was provided by Utah Retirement Systems and represents amounts for the District.

2016	2015
1.5900394%	1.6109284%
\$ 49,947,691	\$ 40,475,038
\$ 40,944,924	\$ 42,956,230
121.99%	94.2%
84.5%	87.2%
1.4845473%	1.4374656%
\$ 930,295	\$ 157,616
\$ 470,271	\$ 528,776
197.8%	29.8%
92.4%	98.7%
1.6688829%	1.8017097%
\$ (3,643)	\$ (54,600)
\$ 10,775,651	\$ 8,814,157
-0.03%	-0.6%
100.2%	103.5%

Required Supplemental Information  
*Schedule of Employer Contributions*  
 Last 10 Fiscal Years  
 June 30, 2019

	2019	2018	2017	2016
<b>Noncontributory System</b>				
Actuarial determined contributions	\$ 8,735,716	\$ 8,934,339	\$ 8,896,189	\$ 8,903,564
Contributions in relation to				
contractually required contribution	8,735,716	8,934,339	8,896,189	8,903,564
Covered payroll	39,861,680	40,764,845	40,561,200	40,564,154
Contributions as a percentage of covered payroll	21.92%	21.92%	21.93%	21.95%
<b>Contributory System</b>				
Actuarial determined contributions	\$ 25,466	\$ 37,357	\$ 60,401	\$ 82,894
Contributions in relation to				
contractually required contribution	25,466	37,357	60,401	82,894
Covered payroll	143,878	211,056	339,769	480,171
Contributions as a percentage of covered payroll	17.70%	17.70%	17.78%	17.26%
<b>Tier 2 Public Employees System*</b>				
Actuarial determined contributions	\$ 3,524,919	\$ 2,988,873	\$ 2,464,611	\$ 2,189,852
Contributions in relation to				
contractually required contribution	3,425,919	2,988,873	2,464,611	2,189,852
Covered payroll	18,736,479	16,206,393	13,512,648	11,950,243
Contributions as a percentage of covered payroll	18.81%	18.44%	18.24%	18.32%
<b>Tier 2 Public Employees DC Only System*</b>				
Actuarial determined contributions	\$ 318,684	\$ 280,148	\$ 240,413	\$ 139,472
Contributions in relation to				
contractually required contribution	318,684	280,148	240,413	139,472
Covered payroll	3,059,541	2,723,643	2,143,782	1,363,576
Contributions as a percentage of covered payroll	10.42%	10.29%	11.21%	10.23%

\* Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011

The 10-year schedule will need to be built prospectively. The schedule above is only this year and the previous five years. More years will be added as information is available.

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.



2015	2014
\$ 9,137,526	\$ 8,700,556
9,137,526	8,700,556
42,407,414	43,781,598
21.55%	19.87%
\$ 81,264	\$ 91,919
81,264	91,919
466,690	586,091
17.41%	15.68%
\$ 1,628,003	\$ 1,339,134
1,628,003	1,339,134
9,005,387	8,082,471
18.08%	16.57%
\$ 94,707	\$ 41,043
94,707	41,043
897,234	544,216
10.56%	7.54%

PROVO CITY SCHOOL DISTRICT  
 Required Supplemental Information  
 Schedule of Changes in Net OPEB Liability and Related Ratios  
 Last 10 Fiscal Years  
 June 30, 2019

	2019	2018	2017
<b>Total OPEB Liability</b>			
Service Cost	\$ 133,762	\$ -	\$ 225,142
Interest	1,037,186	-	1,346,728
Effect of economic/demographic gains or losses	157,805	-	-
Differences between expected and actual experience	-	-	(7,200,082)
Changes of assumptions	33,524	-	4,138,650
Benefit payments	(3,252,580)	(3,722,215)	(3,462,281)
Net change in total OPEB Liability	(1,890,303)	(3,722,215)	(4,951,843)
<b>Total OPEB Liability--beginning</b>	<b>30,449,895</b>	<b>34,172,110</b>	<b>39,123,953</b>
<b>Total OPEB Liability--ending</b>	<b>\$ 28,559,592</b>	<b>\$ 30,449,895</b>	<b>\$ 34,172,110</b>
<b>Covered employee payroll</b>	<b>\$ 12,019,448</b>	<b>\$ 11,726,291</b>	<b>\$ 11,440,284</b>
<b>Net OPEB liability as a percentage of covered employee payroll</b>	<b>238%</b>	<b>260%</b>	<b>299%</b>

The 10-year schedule will need to be built prospectively. The schedule above is based on the FY19 valuation. Actuarial valuations are only done every other year, with only one year of changes in assumptions and costs. Changes to the OPEB liability reported in the notes to the financial statements and the required supplementary information will be reported as actual benefit payments are made and the actuarial valuations provide information.

Milliman, Inc., completed Provo City School District’s actuarial valuation for the year beginning July 1, 2018. They completed the valuation in accordance with GASB Statement 75. Each of the assumptions used in this valuation with the exception of those set by law was set based on industry standard published tables and data, the particular characteristics of the plan, relevant information from the plan sponsor or other sources about future expectations, and Milliman’s professional judgment regarding future plan experience. Entry age normal cost is required to be used, rather than other methods acceptable under GASB 45. As Provo City School District’s OPEB is not prefunded, a 20-year tax exempt municipal bond yield is used to determine discount rates. Enhanced disclosures of contributions and current OPEB liabilities will be shown as more data is available.

None of the existing OPEB plans for District employees changed with the valuation. The District does have a committed fund balance of \$14,198,244 that was set aside over a period of a few years to assist in covering the total OPEB liability for retired employees. District personnel made the decision to manage it on the balance sheet, rather than creating a trust with a third-party. The District has, as part of the annual budget, budgeted the OPEB expenses for a pay-as-you-go method.

Actuarial Assumptions and Methods  
July 1, 2018

Rate of investment return (net of administrative expenses)	3.58%
Annual salary increase	3.25%
Inflation rate	3.25%
Health care cost increase (65 and under)	6.10%
Actuarial Cost Method	Entry Age Normal based on level percentage of salary
Plan participation percentage	100% of all employees and eligible dependents will participate in medical plan
Mortality rates	RP 2014 Adjusted to 2006 Total Dataset Mortality Table generationally projected using Scale MP-2018. This assumption includes a margin for future improvements
Future Dependent Coverage	55% of current active members are assumed to elect dependent coverage at retirement. All female spouses are assumed to be three years younger than males.

**COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS  
AND SCHEDULES**

# MAJOR GOVERNMENTAL FUNDS

Comparative Balance Sheets  
 General Fund  
 June 30, 2019 (with comparative totals for 2018)

	<u>2019</u>	<u>2018</u>
Assets:		
Cash and investments	\$ 43,817,052	\$ 43,837,223
Restricted cash	1,173,895	1,686,996
Receivables:		
Property taxes	34,194,109	30,610,257
Other local	93,766	112,064
State	1,054,098	1,351,954
Federal	4,705,567	3,465,204
Prepaid items	<u>22,313</u>	<u>493,947</u>
Total assets	<u>\$ 85,060,800</u>	<u>\$ 81,557,645</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Liabilities:		
Accounts payable	\$ 2,499,499	\$ 2,419,962
Payroll and related payables	11,330,722	11,963,583
Deferred revenue:		
Other local	<u>161,209</u>	<u>125,105</u>
Total liabilities	<u>13,991,430</u>	<u>14,508,650</u>
Deferred Inflows of Resources:		
Deferred property tax revenue	<u>33,917,346</u>	<u>30,672,788</u>
Fund balance:		
Nonspendable:		
Inventories and prepaid items	22,313	493,947
Restricted For:		
State/Federal restricted programs	1,173,895	1,686,996
Committed To:		
OPEB	14,198,244	14,198,244
Board voted contingency	5,344,402	5,344,402
Assigned	3,714,302	3,523,159
Unassigned	<u>12,698,868</u>	<u>11,129,459</u>
Total fund balance	<u>37,152,024</u>	<u>36,376,207</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 85,060,800</u>	<u>\$ 81,557,645</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual - *General Fund*  
Year Ended June 30, 2019 (with comparative totals for 2018)

	2019			Variance with Final Budget - Positive (Negative)	2018
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 30,881,885	\$ 30,881,885	\$ 31,310,666	\$ 428,781	26,762,574
Interest	1,000,000	2,100,000	2,226,597	126,597	1,120,568
Other local	3,777,595	3,704,595	4,119,307	414,712	3,693,134
State	80,097,178	81,825,059	82,056,244	231,185	84,782,657
Federal	7,772,222	9,609,729	8,858,715	(751,014)	8,482,019
Total revenues	<u>123,528,880</u>	<u>128,121,268</u>	<u>128,571,529</u>	<u>450,261</u>	<u>124,840,952</u>
Expenditures:					
Salaries	68,302,733	69,159,988	68,227,167	932,821	65,848,379
Employee benefits	32,104,686	32,828,732	31,468,509	1,360,223	31,813,670
Purchased services	10,413,969	12,612,811	12,616,778	(3,967)	11,939,782
Supplies	10,654,916	11,636,086	8,795,785	2,840,301	8,705,800
Property	2,200,601	3,954,250	3,726,262	227,988	3,190,653
Other	1,280,394	1,303,731	1,504,168	(200,437)	294,961
Total expenditures	<u>124,957,299</u>	<u>131,495,598</u>	<u>126,338,669</u>	<u>5,156,929</u>	<u>121,793,245</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,428,419)</u>	<u>(3,374,330)</u>	<u>2,232,860</u>	<u>5,607,190</u>	<u>3,047,707</u>
Other financing sources (uses):					
Proceeds from sale of capital assets	100,000	100,000	42,957	(57,043)	288,316
Transfer out	-	(3,000,000)	(1,500,000)	1,500,000	(2,000,000)
Total other financing sources (uses)	<u>100,000</u>	<u>(2,900,000)</u>	<u>(1,457,043)</u>	<u>1,442,957</u>	<u>(1,711,684)</u>
Net change in fund balance	<u>(1,328,419)</u>	<u>(6,274,330)</u>	<u>775,817</u>	<u>7,050,147</u>	<u>1,336,023</u>
Fund balance - beginning	<u>36,376,207</u>	<u>36,376,207</u>	<u>36,376,207</u>		<u>35,040,184</u>
Fund balance - ending	<u>\$ 35,047,788</u>	<u>\$ 30,101,877</u>	<u>\$ 37,152,024</u>	<u>\$ 7,050,147</u>	<u>\$ 36,376,207</u>

Comparative Balance Sheets  
*Debt Service Fund*  
 June 30, 2019 (with comparative totals for 2018)

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	<u>2019</u>	<u>2018</u>
Assets:		
Cash and investments	\$ 1,664,032	\$ 1,559,433
Receivables:		
Property taxes	<u>9,240,321</u>	<u>8,273,766</u>
Total assets	<u><u>10,904,353</u></u>	<u><u>9,833,199</u></u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Liabilities	\$ -	\$ -
Deferred Inflows of Resources:		
Deferred property tax revenue	<u>8,852,495</u>	<u>8,005,659</u>
Fund balance:		
Restricted for:		
Debt service	<u>2,051,858</u>	<u>1,827,540</u>
Total fund balance	<u>2,051,858</u>	<u>1,827,540</u>
Total liabilities, deferred inflows of resources, and fund balance	<u><u>\$ 10,904,353</u></u>	<u><u>\$ 9,833,199</u></u>



Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual - *Debt Service Fund*  
 Year Ended June 30, 2019 (with comparative totals for 2018)

	2019			Variance with Final Budget - Positive (Negative)	2018
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 9,834,370	\$ 9,834,370	\$ 9,971,103	\$ 136,733	\$ 9,802,355
Total revenues	<u>9,834,370</u>	<u>9,834,370</u>	<u>9,971,103</u>	<u>136,733</u>	<u>9,802,355</u>
Expenditures:					
Debt service:					
Principal retirement	5,670,000	5,720,000	5,915,000	(195,000)	5,670,000
Interest and fiscal charges	<u>4,067,000</u>	<u>4,067,000</u>	<u>3,831,785</u>	<u>235,215</u>	<u>4,063,521</u>
Total expenditures	<u>9,737,000</u>	<u>9,787,000</u>	<u>9,746,785</u>	<u>40,215</u>	<u>9,733,521</u>
Net change in fund balance	97,370	47,370	224,318	176,948	68,834
Fund balance - beginning	<u>1,827,540</u>	<u>1,827,540</u>	<u>1,827,540</u>	-	<u>1,758,706</u>
Fund balance - ending	<u><u>\$ 1,924,910</u></u>	<u><u>\$ 1,874,910</u></u>	<u><u>\$ 2,051,858</u></u>	<u><u>\$ 176,948</u></u>	<u><u>\$ 1,827,540</u></u>

Comparative Balance Sheets  
*Capital Projects Fund*  
 June 30, 2019 (with comparative totals for 2018)

	2019	2018
Assets:		
Cash and investments	\$ 17,179,489	\$ 27,537,707
Receivables:		
Property taxes	3,785,449	3,350,464
Other Local	-	237,842
Prepaid items	-	215,000
Total assets	\$ 20,964,938	\$ 31,341,013
Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Liabilities:		
Accounts payable	\$ 416,587	\$ 3,272,411
Payroll and related payables	18,330	38,794
Total liabilities	434,917	3,311,205
Deferred Inflows of Resources:		
Deferred property tax revenue	3,490,006	3,156,150
Fund balance:		
Nonspendable	-	215,000
Restricted for:		
Capital projects	17,040,015	24,658,658
Total fund balance	17,040,015	24,873,658
Total liabilities, deferred inflows of resources, and fund balance	\$ 20,964,938	\$ 31,341,013

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual - *Capital Projects Fund*  
Year Ended June 30, 2019 (with comparative totals for 2018)

	2019			Variance with Final Budget - Positive (Negative)	2018
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
<b>Revenues:</b>					
Local sources:					
Property taxes	\$ 8,581,723	\$ 8,581,723	\$ 8,703,725	\$ 122,002	\$ 8,551,180
Interest	-	-	199,098	199,098	845,128
Other local	635,704	383,704	72,296	(311,408)	1,217,615
State	-	-	496,468	496,468	910,029
Federal	-	-	238,081	238,081	96,566
<b>Total revenues</b>	<b>9,217,427</b>	<b>8,965,427</b>	<b>9,709,668</b>	<b>744,241</b>	<b>11,620,518</b>
<b>Expenditures:</b>					
Salaries	98,267	102,367	77,458	24,909	83,853
Employee benefits	52,007	73,708	31,307	42,401	34,463
Purchased services	10,934,897	11,177,710	10,472,388	705,322	48,714,287
Supplies	163,737	163,737	69,737	94,000	139,071
Property	3,455,000	6,630,833	6,789,659	(158,826)	974,446
Other	487,000	487,000	94	486,906	29,470
Debt service:					
Principal retirement	-	-	21,921	(21,921)	21,224
Interest and fiscal charges	-	-	80,747	(80,747)	65,146
<b>Total expenditures</b>	<b>15,190,908</b>	<b>18,635,355</b>	<b>17,543,311</b>	<b>1,092,044</b>	<b>50,061,960</b>
<b>Net change in fund balance</b>	<b>(5,973,481)</b>	<b>(9,669,928)</b>	<b>(7,833,643)</b>	<b>1,836,285</b>	<b>(38,441,442)</b>
Fund balance - beginning	24,873,658	24,873,658	24,873,658	-	63,315,100
Fund balance - ending	<b>\$ 18,900,177</b>	<b>\$ 15,203,730</b>	<b>\$ 17,040,015</b>	<b>\$ 1,836,285</b>	<b>\$ 24,873,658</b>

# Nonmajor Governmental Funds

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Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2019

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Student Activities	Food Services	Building Reserve	Tax Increment	
<b>Assets:</b>					
Cash and investments	\$ 2,202,917	\$ -	\$ 8,372,240	\$ -	\$ 10,575,157
Restricted cash	-	1,544,445	-	-	1,544,445
<b>Receivables:</b>					
Other local	-	1,167	-	-	1,167
State	-	276,420	-	-	276,420
Federal	-	67,275	-	-	67,275
Inventories	-	146,798	-	-	146,798
<b>Total assets</b>	<b>\$ 2,202,917</b>	<b>\$ 2,036,105</b>	<b>\$ 8,372,240</b>	<b>\$ -</b>	<b>\$ 12,611,262</b>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 59,625	\$ 15,320	\$ -	\$ -	\$ 74,945
Payroll and related payables	-	204,666	-	-	204,666
<b>Total liabilities</b>	<b>59,625</b>	<b>219,986</b>	<b>-</b>	<b>-</b>	<b>279,611</b>
<b>Fund Balance:</b>					
<b>Nonspendable:</b>					
Inventories	-	146,798	-	-	146,798
Restricted	-	1,669,321	8,372,240	-	10,041,561
<b>Assigned to:</b>					
Schools	2,143,292	-	-	-	2,143,292
<b>Total fund balance</b>	<b>2,143,292</b>	<b>1,816,119</b>	<b>8,372,240</b>	<b>-</b>	<b>12,331,651</b>
<b>Total liabilities and fund balance</b>	<b>\$ 2,202,917</b>	<b>\$ 2,036,105</b>	<b>\$ 8,372,240</b>	<b>\$ -</b>	<b>\$ 12,611,262</b>

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual - *Nonmajor Governmental Funds*  
Year Ended June 30, 2019

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Student Activities	Food Services	Building Reserve	Tax Increment	
Revenues:					
Local sources:					
Property taxes	\$ -	\$ -	\$ -	\$ 1,305,132	\$ 1,305,132
Food service sales	-	1,039,134	-	-	1,039,134
Interest	25,964	-	-	-	25,964
Other local	3,652,851	800	-	-	3,653,651
State	-	966,981	-	-	966,981
Federal	-	3,542,354	-	-	3,542,354
<b>Total revenues</b>	<b>3,678,815</b>	<b>5,549,269</b>	<b>-</b>	<b>1,305,132</b>	<b>10,533,216</b>
Expenditures:					
Current:					
Instructional services	3,620,546	-	-	-	3,620,546
Instructional staff	9,981	-	-	-	9,981
School food services	-	5,612,524	-	-	5,612,524
Community services	-	-	-	1,305,132	1,305,132
Capital Outlay	51,120	-	-	-	51,120
<b>Total expenditures</b>	<b>3,681,647</b>	<b>5,612,524</b>	<b>-</b>	<b>1,305,132</b>	<b>10,599,303</b>
Excess of revenues over expenditures	(2,832)	(63,255)	-	-	(66,087)
Other financing sources:					
Transfers In	-	-	1,500,000	-	1,500,000
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>1,500,000</b>	<b>-</b>	<b>1,500,000</b>
<b>Net change in fund balance</b>	<b>(2,832)</b>	<b>(63,255)</b>	<b>1,500,000</b>	<b>-</b>	<b>1,433,913</b>
Fund balances, beginning	2,146,124	1,879,374	6,872,240	-	10,897,738
<b>Fund balances, ending</b>	<b>\$ 2,143,292</b>	<b>\$ 1,816,119</b>	<b>\$ 8,372,240</b>	<b>\$ -</b>	<b>\$ 12,331,651</b>

Comparative Balance Sheets - Nonmajor Governmental Funds  
*Student Activities Special Revenue Fund*  
 June 30, 2019 (with comparative totals for 2018)

---

	<u>2019</u>	<u>2018</u>
Assets:		
Cash and investments	<u>\$ 2,202,917</u>	<u>\$ 2,215,532</u>
Total assets	<u><u>\$ 2,202,917</u></u>	<u><u>\$ 2,215,532</u></u>
Liabilities and Fund Balance:		
Liabilities:		
Accounts payable	<u>59,625</u>	<u>69,408</u>
Total liabilities	<u>59,625</u>	<u>69,408</u>
Fund Balance:		
Assigned To:		
Schools	<u>2,143,292</u>	<u>2,146,124</u>
Total fund balance	<u>2,143,292</u>	<u>2,146,124</u>
Total liabilities and fund balance	<u><u>\$ 2,202,917</u></u>	<u><u>\$ 2,215,532</u></u>



Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds  
 Budget and Actual - *Student Activities Special Revenue Fund*  
 Year Ended June 30, 2019 (with comparative totals for 2018)

	2019			Variance with Final Budget - Positive (Negative)	2018
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Interest	\$ 5,050	\$ 5,050	\$ 25,964	\$ 20,914	\$ 16,305
Other local	4,105,887	4,105,887	3,652,851	(453,036)	3,663,808
Total revenues	4,110,937	4,110,937	3,678,815	(432,122)	3,680,113
Expenditures:					
Purchased services	1,677,500	1,677,500	1,357,667	319,833	1,323,595
Supplies	1,680,500	1,680,500	2,056,044	(375,544)	1,770,302
Other	910,000	910,000	267,936	642,064	527,896
Total expenditures	4,268,000	4,268,000	3,681,647	586,353	3,621,793
Excess (deficiency) of revenues over (under) expenditures	(157,063)	(157,063)	(2,832)	154,231	58,320
Net change in fund balances	(157,063)	(157,063)	(2,832)	154,231	58,320
Fund balance - beginning	2,146,124	2,146,124	2,146,124	-	2,087,804
Fund balance - ending	\$ 1,989,061	\$ 1,989,061	\$ 2,143,292	\$ 154,231	\$ 2,146,124

Comparative Balance Sheets - Nonmajor Governmental Funds  
*Food Services Special Revenue Fund*  
 June 30, 2019 (with comparative totals for 2018)

	<u>2019</u>	<u>2018</u>
Assets:		
Cash and investments	\$ -	\$ -
Restricted cash	1,544,445	1,745,041
Receivables:		
Other Local	1,167	1,180
State	276,420	214,958
Federal	67,275	44,234
Inventories	<u>146,798</u>	<u>140,423</u>
Total assets	<u>\$ 2,036,105</u>	<u>\$ 2,145,836</u>
Liabilities and Fund Balance:		
Liabilities:		
Accounts payable	\$ 15,320	\$ 47,109
Payroll and related payables	<u>204,666</u>	<u>219,353</u>
Total liabilities	<u>219,986</u>	<u>266,462</u>
Fund Balance:		
Nonspendable:		
Inventories	146,798	140,423
Restricted	<u>1,669,321</u>	<u>1,738,951</u>
Total fund balance	<u>1,816,119</u>	<u>1,879,374</u>
Total liabilities and fund balance	<u>\$ 2,036,105</u>	<u>\$ 2,145,836</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds  
 Budget and Actual - *Food Services Special Revenue Fund*  
 Year Ended June 30, 2019 (with comparative totals for 2018)

	2019			2018	
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive	Actual Amounts
	Original	Final		(Negative)	
Revenues:					
Local sources:					
Food sales	\$ 1,250,960	\$ 1,250,960	\$ 1,039,134	\$ (211,826)	\$ 905,365
Other local	-	-	800	800	-
State	900,000	900,000	966,981	66,981	848,234
Federal	3,204,169	3,204,169	3,542,354	338,185	3,487,360
Total revenues	<u>5,355,129</u>	<u>5,355,129</u>	<u>5,549,269</u>	<u>194,140</u>	<u>5,240,959</u>
Expenditures:					
Salaries	2,018,804	2,148,804	2,077,076	71,728	1,958,721
Employee benefits	742,098	762,098	728,736	33,362	738,120
Purchased services	152,481	152,481	174,993	(22,512)	194,366
Supplies	408,588	408,588	233,190	175,398	273,156
Food	2,023,480	2,023,480	1,839,671	183,809	1,717,393
Property	150,000	150,000	24,380	125,620	353,930
Other	175,069	175,069	534,478	(359,409)	411,469
Total expenditures	<u>5,670,520</u>	<u>5,820,520</u>	<u>5,612,524</u>	<u>207,996</u>	<u>5,647,155</u>
Net change in fund balance	(315,391)	(465,391)	(63,255)	402,136	(406,196)
Fund balance - beginning	<u>1,879,374</u>	<u>1,879,374</u>	<u>1,879,374</u>	-	<u>2,285,570</u>
Fund balance - ending	<u><u>\$ 1,563,983</u></u>	<u><u>\$ 1,413,983</u></u>	<u><u>\$ 1,816,119</u></u>	<u><u>\$ 402,136</u></u>	<u><u>\$ 1,879,374</u></u>

Comparative Balance Sheets - Nonmajor Governmental Funds  
*Building Reserve Special Revenue Fund*  
 June 30, 2019 (with comparative totals for 2018)

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	<u>2019</u>	<u>2018</u>
Assets:		
Cash and investments	\$ 8,372,240	\$ 6,872,240
Total assets	<u>\$ 8,372,240</u>	<u>\$ 6,872,240</u>
Liabilities and Fund Balance:		
Total liabilities	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:		
Restricted for:		
Other purposes	<u>8,372,240</u>	<u>6,872,240</u>
Total fund balance	<u>8,372,240</u>	<u>6,872,240</u>
Total liabilities and fund balance	<u>\$ 8,372,240</u>	<u>\$ 6,872,240</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds  
 Budget and Actual - *Building Reserve Special Revenue Fund*  
 Year Ended June 30, 2019 (with comparative totals for 2018)

	2019			Variance with Final Budget - Positive (Negative)	2018
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Total expenditures	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Other financing sources:					
Transfer in	-	2,000,000	1,500,000	(500,000)	2,000,000
Total other financing sources	-	2,000,000	1,500,000	(500,000)	2,000,000
Net change in fund balance	-	2,000,000	1,500,000	(500,000)	2,000,000
Fund balance - beginning	6,872,240	6,872,240	6,872,240	-	4,872,240
Fund balance - ending	<u>\$ 6,872,240</u>	<u>\$ 8,872,240</u>	<u>\$ 8,372,240</u>	<u>\$ (500,000)</u>	<u>\$ 6,872,240</u>

Comparative Balance Sheets - Nonmajor Governmental Funds  
*Tax Increment Special Revenue Fund*  
June 30, 2019 (with comparative totals for 2018)

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	<u>2019</u>	<u>2018</u>
Assets:		
Cash and investments	<u>\$ -</u>	<u>\$ -</u>
Total assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Liabilities and Fund Balance:		
Total liabilities	<u>\$ -</u>	<u>\$ -</u>
Fund balance:		
Restricted For:		
Other Purposes	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds  
 Budget and Actual - *Tax Increment Special Revenue Fund*  
 Year Ended June 30, 2019 (with comparative totals for 2018)

	2019			Variance with Final Budget - Positive (Negative)	2018
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 1,250,000	\$ 1,310,000	\$ 1,305,132	\$ (4,868)	\$ 1,234,635
Total revenues	<u>1,250,000</u>	<u>1,310,000</u>	<u>1,305,132</u>	<u>(4,868)</u>	<u>1,234,635</u>
Expenditures:					
Other	<u>1,250,000</u>	<u>1,310,000</u>	<u>1,305,132</u>	<u>4,868</u>	<u>1,234,635</u>
Total expenditures	<u>1,250,000</u>	<u>1,310,000</u>	<u>1,305,132</u>	<u>4,868</u>	<u>1,234,635</u>
Net change in fund balance	-	-	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

# Statistical Information

This part of Provo City School District's Comprehensive Annual Financial report presents detailed unaudited information as a context for better understanding the information in the financial statements, note disclosures, and required supplementary information. The statistical section is divided into five main categories as follows:

## **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

## **Revenue Capacity**

These schedules contain information to help the reader assess the District's most significant revenue sources.

## **Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

## **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

## **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.



Fiscal Year Ending June 30,	Net investment in capital assets	Restricted	Unrestricted	Total Net Position
2019	\$ 97,993,796	\$36,311,721	\$ (33,673,795)	\$ 100,631,722
2018	83,854,481	42,594,091	(36,393,538)	90,055,034
2017	60,551,276	56,017,341	(43,931,757)	72,636,860
2016	67,791,542	21,422,081	1,785,888	90,999,511
2015	61,464,177	12,098,626	1,535,966	75,098,769
2014	61,596,204	11,972,365	31,801,620	105,370,189
2013	56,728,164	16,346,158	27,846,480	100,920,802
2012	53,795,168	17,120,587	26,936,110	97,851,865
2011	49,159,753	18,167,092	29,504,737	96,831,582
2010	37,158,614	15,622,922	37,503,460	90,284,996

Statements of Net Position  
June 30,2010 through June 30, 2019  
(full accrual-based accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Assets:</b>				
Cash and temporary cash investments	\$ 75,954,070	\$ 85,454,172	\$ 122,227,835	\$ 140,573,367
Accounts, taxes, and grants receivables:				
Local	47,314,812	42,585,573	40,623,503	37,607,056
State	1,330,518	1,566,912	1,866,318	1,295,937
Federal	4,772,842	3,509,438	3,200,651	2,532,608
Note receivable	-	-	45,065	71,072
Prepaid expenditures	22,313	708,947	428,657	430,940
Inventory	146,798	140,423	124,915	138,511
Net Pension Asset	-	-	-	3,643
Bond issuance costs, net of accumulated amortization	-	-	-	-
Net other post employment benefits	-	-	-	10,427,705
Total capital assets, net accumulated depreciation	<u>219,974,268</u>	<u>211,899,507</u>	<u>170,174,684</u>	<u>127,624,677</u>
Total assets	<u>349,515,621</u>	<u>345,864,972</u>	<u>338,691,628</u>	<u>320,705,516</u>
<b>Deferred Outflows of Resources:</b>				
Deferred outflows relating to pensions	23,713,695	24,147,714	21,507,634	19,285,859
Deferred outflows relating to OPEB	-	2,167,865	2,167,865	-
Deferred loss on refundings	455,692	738,964	1,022,236	1,305,508
Total deferred outflows of resources	<u>24,169,387</u>	<u>27,054,543</u>	<u>24,697,735</u>	<u>20,591,367</u>
<b>Liabilities:</b>				
Accounts payable	2,991,031	5,808,890	8,354,379	6,413,102
Accrued interest payable	153,341	218,620	228,764	174,074
Payroll and related payables	11,553,718	12,221,730	10,260,788	9,862,485
Due to other agencies - fiduciary activities	-	-	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Other deferred revenues	161,209	125,105	397,589	600,035
Noncurrent liabilities:				
Due within one year	6,950,202	6,505,067	5,699,736	5,888,581
Net OPEB Liability	28,559,592	30,449,895	34,172,110	-
Net Pension Liability	59,730,904	40,154,073	51,966,368	50,877,986
Due in more than one year	<u>116,907,495</u>	<u>123,709,102</u>	<u>130,526,638</u>	<u>135,994,988</u>
Total liabilities	<u>227,007,492</u>	<u>219,192,482</u>	<u>241,606,372</u>	<u>209,811,251</u>
<b>Deferred Inflows of Resources:</b>				
Deferred inflows relating to pensions	2,368,754	20,474,819	7,152,188	5,506,188
Deferred inflows relating to OPEB	-	3,625,689	3,771,471	-
Deferred property tax revenue	43,677,039	39,614,261	38,222,472	34,979,933
Total Deferred inflows of resources	<u>46,045,793</u>	<u>63,714,769</u>	<u>49,146,131</u>	<u>40,486,121</u>
<b>Net Position:</b>				
Net investment in capital assets	97,993,796	83,854,481	60,551,276	67,791,542
Restricted for:				
Debt service	2,051,858	1,827,540	1,758,706	1,721,779
Capital projects	17,040,015	24,658,658	38,989,571	7,774,982
Non K-12 instruction	-	-	-	-
Building Reserve	8,372,240	6,872,240	4,872,240	4,872,240
Student Activities	2,143,292	2,146,124	2,087,804	1,732,942
School food services	1,816,119	1,879,374	2,285,570	2,214,535
Foundation	-	-	-	-
Other restricted programs	4,843,448	5,210,155	6,023,450	3,105,603
Unrestricted	<u>(33,629,046)</u>	<u>(36,393,538)</u>	<u>(43,931,757)</u>	<u>1,785,888</u>
Total net position	<u>\$ 100,631,722</u>	<u>\$ 90,055,034</u>	<u>\$ 72,636,860</u>	<u>\$ 90,999,511</u>

\*\* Numbers are restated for GASB 68 implementation

Source: District Data

Fiscal year 2004 was the first year the Provo School District Foundation was included in its basic financial statements as a blended component unit. During 2013, the Foundation was accounted for as a discretely presented component unit.

Statements of Net Position - Continued  
June 30, 2010 through June 30, 2019  
(full accrual-based accounting)

2015	2014**	2013	2012	2011	2010
\$ 101,681,552	\$ 42,961,335	\$ 45,364,687	\$ 45,475,281	\$ 45,632,014	\$ 50,383,686
31,524,701	30,783,129	30,475,167	30,680,067	31,542,178	27,967,740
780,388	908,619	971,442	126,375	62,015	36,696
3,122,256	2,879,066	2,463,606	4,038,422	1,695,091	1,234,451
91,028	169,634	217,234	-	-	-
438,103	430,845	384,693	396,044	-	-
153,905	100,912	109,219	128,927	169,133	239,548
54,600	5,454	-	-	-	-
-	-	-	43,745	82,485	53,735
8,701,705	7,091,705	5,419,705	3,903,705	397,787	2,600,867
101,577,050	100,560,480	102,796,170	104,505,216	104,272,570	96,540,410
248,125,288	185,891,179	188,201,923	189,297,782	183,853,274	179,057,133
6,252,334	5,205,304	-			
1,588,780	387,432	609,213			
7,841,114	5,592,736	609,213			
4,151,620	926,131	1,423,772	1,982,305	3,291,630	2,259,051
592,055	58,021	63,563	83,953	91,088	80,874
11,657,418	9,741,907	10,556,031	10,914,605	1,647,439	1,739,466
-	-	-	-	-	-
-	-	-	26,705,685	24,657,369	23,779,682
618,515	899,816	1,273,468	696,641	1,225,070	566,533
7,514,299	5,774,253	5,557,145	5,455,007	5,349,740	5,164,405
40,632,654	46,548,297				
82,763,845	35,741,928	41,608,177	46,185,543	50,759,356	55,182,125
147,930,406	99,690,353	60,482,156	92,023,740	87,021,692	88,772,136
3,856,245	-				
29,080,982	27,408,178				
32,937,227	27,408,178				
61,464,177	56,728,164	53,795,168	49,159,753	37,158,614	38,192,076
876,789	687,750	1,195,509	1,365,353	1,510,175	1,245,636
2,599,405	5,253,070	3,083,405	4,955,684	4,304,238	10,334,131
-	272,732	181,479	132,539	151,893	416,203
3,372,240	1,521,583	7,040,240	5,940,240	3,940,240	-
1,554,242	5,372,240	1,831,809	1,886,471	1,935,098	1,703,390
1,679,420	1,633,037	1,627,820	1,715,481	2,027,050	1,929,635
-	-	829,566	1,013,178	650,226	527,057
2,016,530	1,605,746	1,330,758	1,158,146	1,104,002	788,734
1,535,966	27,846,480	26,936,110	29,504,737	37,503,460	22,396,764
\$ 75,098,769	\$ 100,920,802	\$ 97,851,864	\$ 96,831,582	\$ 90,284,997	\$ 77,533,625

Changes in Net Position  
June 30, 2010 through June 30, 2019  
(full accrual-based accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Expenses:</b>				
Instruction	\$ 89,330,430	\$ 83,343,381	\$ 85,107,082	\$ 81,704,867
Supporting services:				
Student	8,050,659	7,925,025	7,007,455	4,506,235
Instructional staff	9,896,451	8,343,232	4,867,301	1,385,368
District administration	2,968,609	1,398,299	2,733,059	2,726,120
School administration	7,135,542	6,905,709	6,384,894	6,069,529
Business	5,192,276	4,844,251	6,276,657	6,786,963
Operation and maintenance of facilities	12,679,298	13,659,049	10,792,684	8,006,633
Student transportation	2,211,707	2,030,154	2,459,535	2,405,649
Other	-	-	-	-
School food services	5,726,784	5,301,448	5,691,721	5,744,991
Community services	1,783,862	1,591,801	2,570,966	3,944,727
Interest on long-term liabilities	3,685,963	3,957,233	4,071,417	2,753,362
Total school district	<u>148,661,581</u>	<u>139,299,582</u>	<u>137,962,771</u>	<u>126,034,444</u>
<b>Program Revenues:</b>				
Instructional services	81,823,335	84,740,299	84,377,168	85,135,704
Supporting services:				
Student	4,189,798	4,222,799	4,259,217	2,338,180
Instructional staff	4,054,228	2,947,347	1,508,225	350,447
General administration	1,242,044	1,536,143	1,345,595	757,370
School administration	713,532	630,249	474,717	416,914
Business	36,084	232,633	319,478	314,039
Operation and maintenance of facilities	244,489	99,969	124	-
Transportation	1,905,603	1,680,543	1,411,968	1,370,907
Other	-	-	-	-
School food services	5,548,469	5,240,959	5,594,088	5,653,530
Community services	64,211	50,405	1,910,589	2,323,484
Interest on long-term liabilities	-	-	-	-
Total program revenues	<u>99,821,793</u>	<u>101,381,346</u>	<u>101,201,169</u>	<u>98,660,575</u>
Net (expense) revenue	(48,839,788)	(37,918,236)	(36,761,602)	(27,373,869)
<b>General revenues:</b>				
Property taxes levied for:				
General purposes	32,124,664	29,012,440	28,120,500	25,578,966
Reading Program	-	-	-	-
Class size reduction	-	-	-	-
Special transportation	-	-	-	-
Tort liability	-	-	-	-
Recreation	-	-	-	-
Debt service	9,831,901	8,879,390	8,606,408	7,828,560
Capital outlay	9,696,534	8,757,138	8,487,914	7,720,775
Ten percent of basic for construction, textbooks and supplies	-	-	-	-
Federal and state aid not restricted to specific purposes	-	-	-	-
Earnings on investments	2,451,659	1,982,001	1,684,216	569,045
Gain on sale of assets	90,281	-	14,637,846	(992,929)
Miscellaneous	5,221,437	6,705,441	6,413,725	2,570,194
Total general revenues	<u>59,416,476</u>	<u>55,336,410</u>	<u>67,950,609</u>	<u>43,274,611</u>
Change in net position	10,576,688	17,418,174	31,189,007	15,900,742
Net position - beginning	90,055,034	72,636,860	90,999,511	75,098,769
Prior period adjustments	-	-	(49,551,658)	-
Net position - ending	<u>\$ 100,631,722</u>	<u>\$ 90,055,034</u>	<u>\$ 72,636,860</u>	<u>\$ 90,999,511</u>

Changes in Net Position - Continued  
June 30, 2010 through June 30, 2019  
(full accrual-based accounting)

2015	2014	2013	2012	2011	2010
\$ 79,335,822	\$ 76,511,349	\$ 73,787,894	\$ 72,935,322	\$ 70,907,845	\$ 65,458,961
4,136,695	4,020,840	3,835,378	4,117,960	3,932,521	3,924,191
1,230,402	1,405,164	1,603,967	1,559,232	1,458,566	2,092,586
2,217,104	1,671,347	1,613,516	1,611,412	1,273,567	1,217,314
5,495,155	5,503,377	5,273,792	5,220,467	5,085,658	4,912,708
5,700,965	4,997,337	2,997,607	3,220,175	3,102,163	3,090,296
6,421,600	6,191,211	6,070,069	5,805,386	6,863,193	5,404,007
1,983,217	2,005,850	2,607,556	2,717,234	2,396,835	2,583,551
-	21,617	1,011,101	1,176,456	1,107,400	61,739
5,554,392	6,115,057	5,848,990	5,727,848	5,543,199	5,226,130
3,570,276	5,705,292	6,306,128	3,675,111	3,502,322	3,590,594
1,973,634	1,563,458	1,727,099	2,026,217	2,200,135	2,465,620
<u>117,619,262</u>	<u>115,711,899</u>	<u>112,683,097</u>	<u>109,792,820</u>	<u>107,373,403</u>	<u>100,027,696</u>
74,173,782	65,062,008	62,594,300	33,076,742	32,181,593	33,465,497
4,028,684	1,252,593	1,229,288	2,249,264	2,456,108	2,207,564
1,570,259	2,023,938	1,546,259	223,711	777,618	758,012
606,471	-	-	218,864	651,276	426,727
155,889	3,478,936	345,880	293,359	541,799	627,347
-	-	-	418,742	435,474	570,906
474,297	108,195	148,527	267,385	1,429,453	17,174
1,293,995	1,029,391	3,566,805	1,760,312	524,440	2,252,524
-	-	-	600,050	946,387	75,531
5,718,773	5,350,662	5,466,384	5,292,594	4,897,017	5,005,840
3,038,102	4,564,121	5,012,525	5,957,292	5,841,147	6,704,723
-	-	-	-	-	-
<u>91,060,252</u>	<u>82,869,844</u>	<u>79,909,968</u>	<u>50,358,315</u>	<u>50,682,312</u>	<u>52,111,845</u>
(26,559,010)	(32,842,055)	(32,773,129)	(59,434,504)	(56,691,092)	(47,915,851)
21,439,190	20,319,458	13,411,652	13,580,600	13,482,244	13,676,215
-	-	1,773,442	579,631	575,433	595,474
-	-	536,466	1,877,811	1,864,212	1,112,207
-	-	443,360	-	-	482,285
-	-	354,688	-	-	300,198
-	-	2,660,162	632,324	627,745	649,608
6,561,563	6,218,864	6,202,612	6,308,871	6,263,180	6,432,102
6,471,222	6,133,242	1,108,401	4,704,109	4,670,040	4,576,783
-	-	5,222,786	4,440,640	4,408,480	4,847,453
2,309,132	3,942,631	3,751,789	20,703,055	22,612,145	22,128,854
328,576	234,793	306,619	368,052	280,572	324,949
37,086	23,970	27,169	10,362	(17,638)	63,288
478,360	418,483	297,493	7,249,331	8,426,016	5,424,856
<u>37,625,129</u>	<u>37,291,441</u>	<u>36,096,639</u>	<u>60,454,786</u>	<u>63,192,429</u>	<u>60,614,274</u>
11,066,119	4,449,386	3,323,510	1,020,282	6,501,337	12,698,421
105,370,189	100,920,802	97,022,299	96,831,582	90,330,244	77,586,576
(41,337,539)	-	574,993	-	-	-
<u>\$ 75,098,769</u>	<u>\$ 105,370,189</u>	<u>\$ 100,920,802</u>	<u>\$ 97,851,866</u>	<u>\$ 96,831,582</u>	<u>\$ 90,284,997</u>

PROVO CITY SCHOOL DISTRICT  
Governmental Funds - Aggregate Fund Balances  
June 30, 2010 through June 30, 2019

Fiscal Year Ended June 30,	General Fund					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2019	\$ 22,313	\$ 1,129,146	\$ 19,542,646	\$ 3,714,302	\$ 12,743,617	\$ 37,152,024
2018	493,947	1,686,996	19,542,646	3,523,159	11,129,459	36,376,207
2017	473,722	2,913,152	19,542,646	3,110,298	9,000,366	35,040,184
2016	499,507	3,105,603	19,542,646	-	7,337,273	30,485,029
2015	533,351	2,016,530	19,542,646	-	5,712,495	27,805,022
2014	606,666	1,209,061	19,542,646	-	5,025,862	26,384,235
2013	605,384	1,605,746	19,542,646	-	2,709,865	24,463,641
2012	663,333	1,330,758	19,542,646	396,012	3,149,472	25,082,221
2011	313,724	1,158,146	19,542,646	792,056	4,387,896	26,194,468
2010	315,088	1,104,007	19,542,647	-	3,807,316	24,769,058

Fiscal Year Ended June 30,	All Other Governmental Funds					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2019	\$ 146,798	\$ 29,133,434	\$ -	\$ 2,143,292	\$ -	\$ 31,423,524
2018	355,423	35,097,389	-	2,146,124	-	37,598,936
2017	124,915	72,106,701	-	2,087,804	-	74,319,420
2016	141,216	96,466,004	-	1,732,942	-	98,340,162
2015	146,980	60,783,429	-	1,554,242	-	62,484,651
2014	91,355	9,274,868	-	1,397,081	(506,002)	10,257,302
2013	105,762	13,025,168	-	1,521,583	(1,827,994)	12,824,519
2012	124,736	12,685,604	-	1,831,808	(1,352,300)	13,289,848
2011	163,307	13,779,885	905,138	1,886,471	(2,842)	16,731,959
2010	232,358	11,192,407	10,687,218	12,622,316	(50,380)	34,683,919

Governmental Funds - Net Changes in Aggregate Fund Balances  
June 30, 2010 through June 30, 2019

Fiscal Year Ended June 30th	General Fund	Debt Service	Capital Projects	Non K-12 Instruction	Student Activities	Food Services	Building Reserve	Municipal Building Authority	Foundation	Total Governmental Funds
2019	\$ 775,817	\$ 224,318	\$ (7,833,643)	\$ -	\$ (2,832)	\$ (63,255)	\$ 1,500,000	\$ -	\$ -	\$ (5,399,595)
2018	1,336,023	68,834	(38,441,442)	-	58,320	(406,196)	2,000,000	-	-	(35,384,461)
2017	4,555,155	36,927	(24,483,566)	-	354,862	71,035	-	-	-	(19,465,587)
2016	2,680,007	844,990	31,414,604	-	178,700	535,115	1,500,000	-	-	37,153,416
2015	1,420,787	342,954	53,113,179	232,145	157,161	381,910	(2,000,000)	-	-	53,648,136
2014	1,920,594	(153,915)	(3,364,289)	(534,417)	(124,502)	(335,527)	-	1,945,433	-	(646,623)
2013	(618,580)	(7,571)	2,121,553	121,296	(200,226)	5,217	(1,668,000)	(539,473)	-	(785,784)
2012	(1,112,247)	(138,239)	(1,872,279)	105,442	(54,662)	(87,661)	1,100,000	(2,311,098)	(183,612)	(4,554,357)
2011	1,425,410	(162,049)	647,901	28,730	(48,628)	(311,569)	2,000,000	(9,782,080)	362,952	(5,839,333)
2010	4,900,587	12,526	(6,230,367)	(139,993)	231,708	97,415	2,000,000	10,687,218	123,169	11,682,264

Governmental Funds - Fund Balances  
 June 30,2010 through June 30, 2019

	2019	2018	2017	2016
<b>General Fund</b>				
Nonspendable	\$ 22,313	\$ 493,947	\$ 473,722	\$ 499,507
Restricted	1,177,585	1,686,996	2,913,152	3,105,603
Committed	19,542,646	19,542,646	19,542,646	19,542,646
Assigned	3,714,302	3,523,159	3,110,298	-
Unassigned	12,695,178	11,129,459	9,000,366	7,337,273
	<u>37,152,024</u>	<u>36,376,207</u>	<u>35,040,184</u>	<u>30,485,029</u>
<b>Debt Service Fund</b>				
Restricted	2,051,858	1,827,540	1,758,706	1,721,779
	<u>2,051,858</u>	<u>1,827,540</u>	<u>1,758,706</u>	<u>1,721,779</u>
<b>Capital Projects Fund</b>				
Nonspendable	-	215,000	-	2,705
Restricted	17,040,015	24,658,658	63,315,100	87,795,961
	<u>17,040,015</u>	<u>24,873,658</u>	<u>63,315,100</u>	<u>87,798,666</u>
<b>Non K-12 Instruction Fund</b>				
Restricted	-	-	-	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>School Activities Fund</b>				
Assigned	2,143,292	2,146,124	2,087,804	1,732,942
	<u>2,143,292</u>	<u>2,146,124</u>	<u>2,087,804</u>	<u>1,732,942</u>
<b>Food Services Fund</b>				
Nonspendable	146,798	140,423	124,915	138,511
Restricted	1,669,321	1,738,951	2,160,655	2,076,024
	<u>1,816,119</u>	<u>1,879,374</u>	<u>2,285,570</u>	<u>2,214,535</u>
<b>Building Reserve Fund</b>				
Restricted	8,372,240	6,872,240	4,872,240	4,872,240
	<u>8,372,240</u>	<u>6,872,240</u>	<u>4,872,240</u>	<u>4,872,240</u>
<b>Municipal Building Authority</b>				
Committed	-	-	-	-
Restricted	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Provo School District Foundation</b>				
Restricted	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total All Governmental Funds</b>				
Nonspendable	169,111	849,370	598,637	640,723
Committed	19,542,646	19,542,646	19,542,646	19,542,646
Restricted	30,311,019	36,784,385	75,019,853	99,571,607
Assigned	5,857,594	5,669,283	5,198,102	1,732,942
Unassigned	12,695,178	11,129,459	9,000,366	7,337,273
	<u>\$ 68,575,548</u>	<u>\$ 73,975,143</u>	<u>\$ 109,359,604</u>	<u>\$ 128,825,191</u>



2015	2014	2013	2012	2011	2010
\$ 533,351	\$ 606,666	\$ 605,384	\$ 663,333	\$ 313,724	\$ 315,088
2,016,530	1,209,061	1,605,746	1,330,758	1,158,146	1,104,007
19,542,646	19,542,646	19,542,646	19,542,646	19,542,646	19,542,647
-	-	-	396,012	792,056	-
5,712,495	5,025,862	2,709,865	3,149,472	4,387,896	3,807,316
<u>27,805,022</u>	<u>26,384,235</u>	<u>24,463,641</u>	<u>25,082,221</u>	<u>26,194,468</u>	<u>24,769,058</u>
876,789	533,835	687,750	695,321	833,560	995,609
<u>876,789</u>	<u>533,835</u>	<u>687,750</u>	<u>695,321</u>	<u>833,560</u>	<u>995,609</u>
-	-	-	-	-	-
55,001,960	1,888,781	5,253,070	2,490,077	4,362,356	3,714,455
<u>55,001,960</u>	<u>1,888,781</u>	<u>5,253,070</u>	<u>2,490,077</u>	<u>4,362,356</u>	<u>3,714,455</u>
-	273,857	272,732	127,316	78,376	97,184
-	(506,002)	29,540	53,660	(2,842)	(50,380)
-	<u>(232,145)</u>	<u>302,272</u>	<u>180,976</u>	<u>75,534</u>	<u>46,804</u>
1,554,242	1,397,081	1,521,583	1,831,809	1,886,471	1,935,098
<u>1,554,242</u>	<u>1,397,081</u>	<u>1,521,583</u>	<u>1,831,809</u>	<u>1,886,471</u>	<u>1,935,098</u>
146,980	91,355	105,762	124,736	163,307	232,358
1,532,440	1,206,155	1,527,275	1,503,084	1,552,174	1,794,693
<u>1,679,420</u>	<u>1,297,510</u>	<u>1,633,037</u>	<u>1,627,820</u>	<u>1,715,481</u>	<u>2,027,050</u>
3,372,240	5,372,240	5,372,240	7,040,240	5,940,240	3,940,240
<u>3,372,240</u>	<u>5,372,240</u>	<u>5,372,240</u>	<u>7,040,240</u>	<u>5,940,240</u>	<u>3,940,240</u>
-	-	-	-	905,138	10,687,218
-	-	(1,945,433)	(1,405,960)	-	-
-	-	<u>(1,945,433)</u>	<u>(1,405,960)</u>	<u>905,138</u>	<u>10,687,218</u>
-	-	-	829,566	1,013,178	650,226
-	-	-	<u>829,566</u>	<u>1,013,178</u>	<u>650,226</u>
680,331	698,021	711,146	788,069	477,031	547,446
19,542,646	19,542,646	19,542,646	19,542,646	20,447,784	30,229,865
62,799,959	10,483,929	12,773,380	12,610,402	14,938,030	12,296,414
1,554,242	1,397,081	1,521,583	2,227,821	3,583,665	12,622,316
5,712,495	4,519,860	2,739,405	3,203,132	4,385,054	3,756,936
<u>\$ 90,289,673</u>	<u>\$ 36,641,537</u>	<u>\$ 37,288,160</u>	<u>\$ 38,372,069</u>	<u>\$ 43,831,564</u>	<u>\$ 59,452,977</u>

Total Governmental Funds - Change in Fund Balances  
June 30,2010 through June 30, 2019

	2019	2018	2017	2016
<b>Revenues</b>				
Property taxes	\$ 51,290,626	\$ 46,350,744	\$ 45,261,455	\$ 41,153,281
Other local sources	11,336,047	11,461,923	11,156,491	9,481,640
State of Utah	83,519,693	86,540,920	84,634,483	78,150,999
Federal government	12,639,150	12,065,945	13,508,136	14,167,175
Total revenues	<u>158,785,516</u>	<u>156,419,532</u>	<u>154,560,565</u>	<u>142,953,095</u>
<b>Expenditures</b>				
Instruction	80,966,915	79,908,799	81,693,787	80,002,630
Supporting services:				
Students	8,055,457	8,088,360	6,866,314	4,351,628
Instructional staff	9,864,643	8,379,815	4,910,014	1,401,766
District administration	2,942,204	1,453,592	2,743,761	2,677,541
School administration	7,178,006	7,199,465	6,530,722	6,074,372
Business	5,194,789	4,999,674	6,344,098	6,817,715
Operation and maintenance of buildings	11,883,835	11,172,612	10,402,522	7,677,616
Student transportation	2,131,430	2,045,629	2,341,818	2,358,055
Other	-	-	-	-
School food services	5,612,524	5,345,973	5,527,221	5,387,139
Community Services	1,836,912	1,775,494	2,504,604	3,836,172
Capital outlay	18,702,786	51,894,378	59,671,944	32,464,306
Debt Service:				
Bond principal	5,945,941	5,699,757	5,743,793	6,932,626
Bond interest and fees	3,912,626	4,128,761	4,178,111	3,009,273
Total expenditures	<u>164,228,068</u>	<u>192,092,309</u>	<u>199,458,709</u>	<u>162,990,839</u>
Excess (deficiency) of revenues over (under) expenditures	(5,442,552)	(35,672,777)	(44,898,144)	(20,037,744)
<b>Other financing sources (uses)</b>				
Capital lease	-	-	-	-
Sale of capital assets	42,957	288,316	25,432,557	30,044
General obligation bonds issued	-	-	-	50,501,596
Bond premium (discount)	-	-	-	6,659,520
Refunding bonds issued	-	-	-	-
Payment to refunded bonds escrow agent	-	-	-	-
Donated Assets	-	-	-	-
Total other financing sources (uses)	<u>42,957</u>	<u>288,316</u>	<u>25,432,557</u>	<u>57,191,160</u>
Net change in fund balances	<u>\$ (5,399,595)</u>	<u>\$ (35,384,461)</u>	<u>\$ (19,465,587)</u>	<u>\$ 37,153,416</u>
Debt service as a percentage of noncapital expenditures	6.8%	7.0%	7.2%	7.6%

2015	2014	2013	2012	2011	2010
\$ 34,716,507	\$ 32,444,766	\$ 32,428,761	\$ 32,123,987	\$ 31,891,333	\$ 32,672,324
8,147,091	9,600,553	8,949,455	9,672,627	10,872,559	7,859,395
71,360,702	61,612,174	57,509,778	53,467,124	52,601,369	53,877,288
14,668,527	16,253,024	16,756,453	15,539,002	18,491,842	18,258,540
<u>128,892,827</u>	<u>119,910,517</u>	<u>115,644,447</u>	<u>110,802,740</u>	<u>113,857,103</u>	<u>112,667,547</u>
77,992,377	71,499,205	69,533,767	68,680,153	68,102,925	64,797,364
4,103,008	3,804,067	3,542,614	3,852,848	3,675,095	3,681,968
1,277,995	1,405,164	1,569,945	1,521,358	1,421,080	2,060,247
2,220,421	1,595,972	1,541,051	1,551,884	1,216,376	1,160,972
5,650,292	5,429,688	5,196,888	5,155,525	5,023,070	4,851,866
5,814,250	4,984,781	2,803,584	3,004,179	2,888,383	2,905,870
6,251,578	5,781,259	6,042,890	5,849,045	6,833,247	5,378,173
1,986,869	2,005,641	2,158,201	2,216,991	1,901,723	2,156,422
-	21,617	1,011,101	1,176,456	1,107,400	61,739
5,336,863	5,686,209	5,464,818	5,382,955	5,208,605	4,910,053
3,565,614	5,543,167	6,138,445	3,530,746	3,362,893	3,456,294
7,506,058	5,904,104	4,589,266	7,009,197	12,526,166	5,759,945
5,667,993	5,427,727	5,235,098	4,353,461	4,219,671	4,326,211
1,354,260	1,492,509	1,762,279	2,082,660	2,239,229	2,434,054
<u>128,727,578</u>	<u>120,581,110</u>	<u>116,589,947</u>	<u>115,367,458</u>	<u>119,725,862</u>	<u>107,941,176</u>
165,249	(670,593)	(945,500)	(4,564,718)	(5,868,760)	4,726,371
-	-	41,266	-	-	81,721
415,807	23,970	27,169	10,362	29,427	63,288
50,615,000	-	-	-	-	-
2,382,005	-	-	-	-	-
22,789,999	-	9,045,000	-	-	6,462,000
(22,719,924)	-	(8,953,719)	-	-	-
-	-	-	-	-	348,884
<u>53,482,887</u>	<u>23,970</u>	<u>159,716</u>	<u>10,362</u>	<u>29,427</u>	<u>6,955,893</u>
<u>\$ 53,648,136</u>	<u>\$ (646,623)</u>	<u>\$ (785,784)</u>	<u>\$ (4,554,356)</u>	<u>\$ (5,839,333)</u>	<u>\$ 11,682,264</u>
5.8%	6.0%	6.2%	5.9%	6.0%	6.6%

Property Tax Levies and Collections  
 June 30,2010 through June 30, 2019

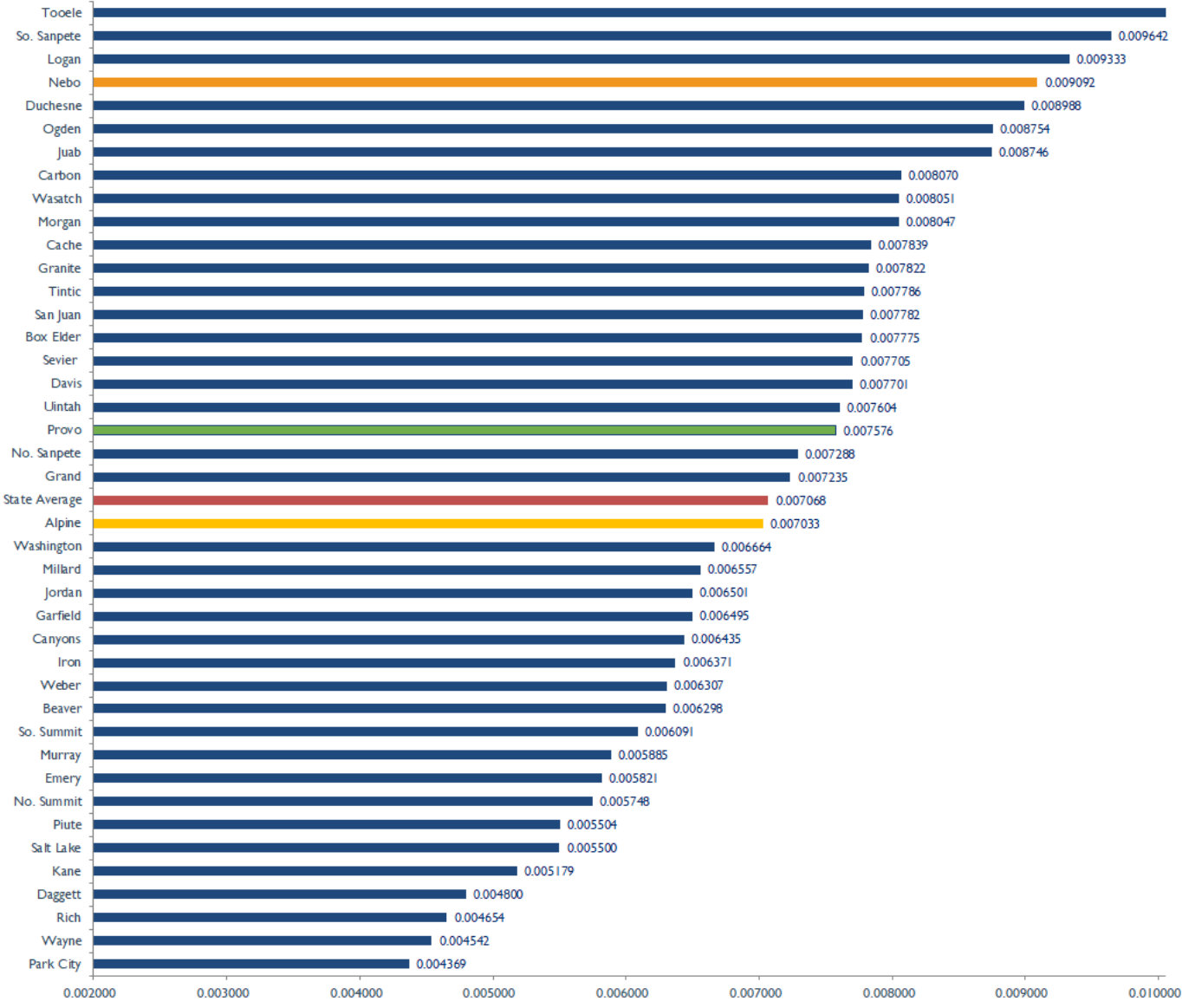
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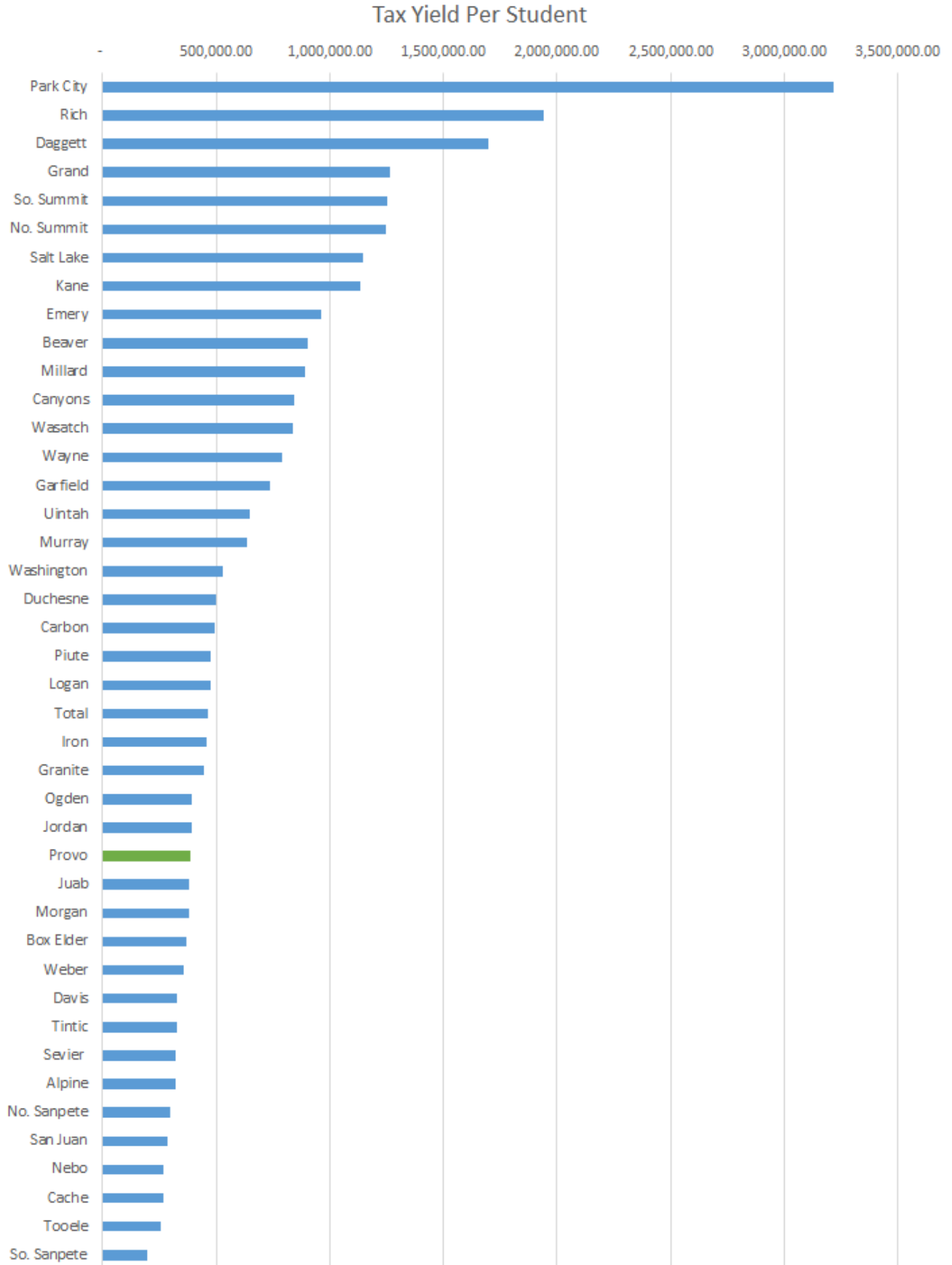
<u>Calendar Tax Year</u>	<u>Fiscal Year Ended June 30th</u>	<u>Mill Levy or Tax Rate</u>	<u>Taxable Value</u>	<u>Redevelopment Value</u>	<u>Net Taxable Value</u>	<u>Total Tax Levied</u>
2018	2019	0.007576	\$ 6,293,078,149	\$ 148,504,794	\$ 6,144,573,355	\$ 47,598,383
2017	2018	0.007327	5,904,585,986	122,235,928	5,782,350,058	43,461,376
2016	2017	0.007883	5,424,302,232	108,238,377	5,316,063,855	42,652,455
2015	2016	0.007568	4,683,063,300	177,179,882	4,505,883,418	38,521,083
2014	2015	0.006636	4,437,390,095	152,685,850	4,284,704,245	30,457,762
2013	2014	0.007094	4,146,424,992	137,588,204	4,008,836,788	30,457,762
2012	2013	0.007319	4,153,830,545	-	4,153,830,545	30,401,886
2011	2012	0.007153	4,151,831,455	-	4,151,831,455	29,698,050
2010	2011	0.006706	4,475,415,735	-	4,475,415,735	30,012,138
2009	2010	0.006639	4,653,441,873	-	4,653,441,873	30,894,201

Calendar Tax Year	Collected within the Calendar Year of the Levy			Collections in Subsequent Years	Total Collections	
	Current	Percent of Current Collections	Fee-in-Lieu & Other Collections	Delinquent Collections	Amount	Percent of Annual Assessment
2018	\$44,709,303	93.93%	\$2,909,674	\$2,806,543	\$50,173,357	99.51%
2017	40,473,376	93.12%	2,385,538	3,053,900	45,912,813	98.61%
2016	38,280,360	89.75%	2,275,223	2,317,766	42,873,349	95.18%
2015	34,956,657	93.98%	2,535,560	2,263,279	39,755,497	90.75%
2014	29,042,289	93.16%	2,375,155	2,018,705	33,436,150	95.35%
2013	28,375,468	93.16%	2,271,140	2,360,582	33,007,190	93.16%
2012	28,163,850	92.64%	2,333,134	2,036,439	32,533,423	92.64%
2011	27,552,286	92.77%	2,313,938	2,284,594	32,150,818	92.77%
2010	26,646,431	88.79%	2,463,553	2,173,810	31,283,794	88.79%
2009	27,282,047	88.31%	2,808,721	2,751,631	32,842,399	88.31%

Assessed Value and Estimated Actual Value of Taxable Property  
 Tax Years 2009 through 2018

Tax Year	Centrally Assessed	Residential	Industrial & Commercial	Agriculture	Personal	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2018	\$ 148,504,794	\$ 3,836,735,607	\$ 1,993,322,668	\$ 1,355,700	\$ 313,159,380	\$ 6,293,078,149	0.007576	9,423,134,014	66.78%
2017	122,235,928	4,280,912,747	1,142,996,081	1,473,500	356,967,730	5,904,585,986	0.007327	8,785,451,744	62.66%
2016	108,238,377	3,221,349,131	1,602,427,048	2,581,881	340,696,637	5,275,293,074	0.007883	7,904,221,043	66.74%
2015	101,032,025	2,984,495,487	1,557,330,708	1,966,767	487,123,189	5,131,948,176	0.007568	7,568,631,079	67.81%
2014	82,937,762	2,772,015,561	1,478,928,761	1,491,220	476,336,473	4,790,839,169	0.006636	7,204,269,301	66.50%
2013	89,859,373	2,518,526,525	1,530,457,068	1,471,444	437,940,237	4,578,254,647	0.007094		69.01%
2012	87,002,827	1,801,508,388	961,043,880	1,331,238	278,833,085	4,344,956,950	0.007319	6,310,719,080	68.85%
2011	86,944,769		data not available		263,576,184	4,306,864,257	0.007153	6,447,129,327	66.80%
2010	88,668,674		data not available		362,493,475	4,435,552,148	0.006706	6,573,948,214	67.47%
2009	85,820,447	2,826,394,972	1,479,872,571	12,903,941	389,053,152	4,653,441,873	0.006639	6,966,327,000	66.80%







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Property Tax Rates - Direct and Overlapping Governments (Prior 10 Years)  
Based on \$1,000 Assessed Valuation

	Tax Rates for the year ended December 31,									
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Direct Rates:										
Basic Program	0.001666	0.001568	0.001675	0.001736	0.001419	0.001535	0.001651	0.001591	0.001495	0.001433
Voted Leeway	0.001094	0.001024	0.001093	0.001151	0.001228	0.001300	0.001455	0.001434	0.001340	0.001346
Board Leeway (Class Size Reduction)	0.001682	0.001416	0.001600	0.001293	0.001445	0.001518	0.001904	0.000400	0.000392	0.000226
Board Leeway (Reading Program)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000121	0.000121	0.000121
Transportation	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000100	0.000000	0.000098
Tort Liability	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000080	0.000000	0.000061
10% of Basic Operating [1]	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000602	0.000463	0.000492
Recreation Levy	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000600	0.000132	0.000132
Debt Service	0.001692	0.001812	0.001995	0.002139	0.001268	0.001380	0.001432	0.001399	0.001317	0.001307
Capital Outlay Foundation	0.001353	0.001424	0.001520	0.001249	0.001276	0.001361	0.000877	0.000250	0.000982	0.000930
Charter School	0.000089	0.000083	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
10% of Basic Capital	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000576	0.000464	0.000493
<b>Total direct rate</b>	<b>0.007576</b>	<b>0.007327</b>	<b>0.007883</b>	<b>0.007568</b>	<b>0.006636</b>	<b>0.007094</b>	<b>0.007319</b>	<b>0.007153</b>	<b>0.006706</b>	<b>0.006639</b>
Overlapping rates:*										
Provo City	0.001888	0.002089	0.002239	0.002377	0.002775	0.002956	0.003032	0.002843	0.002394	0.002307
Utah County	0.000732	0.000779	0.000834	0.000870	0.000916	0.001006	0.001127	0.001342	0.001294	0.001203
Central UT Water District	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455	0.000436	0.000421	0.000400

\* source: [www.taxrates.utah.gov](http://www.taxrates.utah.gov)

[1] 10% of Basic Operating was established by state law in 2009, prior to 2009 10% of basic was only for capital

School Year	WPU	Dollar Change	Percent 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%
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%
1988-89	\$ 1,204	\$ -	0.0%
1989-90	\$ 1,240	\$ 36	3.0%
1990-91	\$ 1,346	\$ 106	8.5%
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%
1999-2000	\$ 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%
2010-11	\$ 2,577	\$ -	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	4.1%
2016-17	\$ 3,184	\$ 92	3.0%
2017-18	\$ 3,311	\$ 127	4.0%
2018-19	\$ 3,395	\$ 84	2.5%

Changes in Fund Balance & Ratio of Annual Debt Service to General Fund Expenditures

June 30, 2010 through June 30, 2019

Modified Accrual-Based Accounting

	2019	2018	2017	2016
<b>Revenues:</b>				
Property taxes	\$ 31,310,666	\$ 26,762,574	\$ 26,310,700	\$ 22,720,856
Other local sources	6,345,904	4,813,702	3,751,585	3,666,797
State of Utah	82,056,244	84,782,657	82,795,715	76,361,890
Federal government	8,858,715	8,482,019	9,924,840	10,429,429
Total revenues	<u>128,571,529</u>	<u>124,840,952</u>	<u>122,782,840</u>	<u>113,178,972</u>
<b>Expenditures:</b>				
Instructional services	77,346,369	76,287,006	78,028,370	76,138,778
Supporting services:				
Students	8,055,457	8,088,360	6,866,314	4,351,628
Instructional staff	9,854,662	8,379,815	4,910,014	1,401,766
District administration	2,942,204	1,453,592	2,743,761	2,677,541
School administration	7,178,006	7,199,465	6,530,722	6,074,372
Business	5,194,789	4,999,674	5,715,810	5,572,004
Operations and maintenance	9,474,167	9,560,307	8,583,757	6,855,656
Student transportation	2,131,430	2,045,629	2,341,818	2,111,779
Other	-	-	-	-
School food services	-	52,748		
Community services	531,780	540,859	2,504,604	3,836,172
Capital Outlay	3,620,785	3,177,257	28,732	-
Debt service:				
Principal retirement	9,020	8,533	-	-
Interest and fees	-	-	-	-
Total expenditures	<u>126,338,669</u>	<u>121,793,245</u>	<u>118,253,902</u>	<u>109,019,696</u>
Excess (deficiency) of revenues over expenditures	2,232,860	3,047,707	4,528,938	4,159,276
<b>Other financing sources (uses):</b>				
Sale of assets	42,957	288,316	26,217	20,731
Transfers In (Out)	(1,500,000)	(2,000,000)	-	(1,500,000)
Insurance recoveries				
Proceeds from Capital lease obligation	-	-	-	-
Total other financing sources (uses)	<u>(1,457,043)</u>	<u>(1,711,684)</u>	<u>26,217</u>	<u>(1,479,269)</u>
<b>Net change in fund balance</b>	<u><u>\$ 775,817</u></u>	<u><u>\$ 1,336,023</u></u>	<u><u>\$ 4,555,155</u></u>	<u><u>\$ 2,680,007</u></u>
Total debt service expenditures (all funds) (general obligations, capital leases, etc.)	\$ 9,746,785	\$ 9,828,518	\$ 9,921,904	\$ 9,834,812
<b>Debt service as a percentage of total general fund expenditures</b>	<b>7.7%</b>	<b>8.1%</b>	<b>8.4%</b>	<b>9.0%</b>

PROVO CITY SCHOOL DISTRICT  
 Changes in Fund Balance & Ratio of Annual Debt Service to General Fund Expenditures - Continued  
 June 30, 2010 through June 30, 2019  
 Modified Accrual-Based Accounting

2015	2014	2013	2012	2011	2010
\$ 20,808,558	\$ 20,657,597	\$ 19,574,339	\$ 20,730,368	\$ 18,126,128	\$ 18,454,770
2,990,279	4,241,205	3,673,465	3,777,236	3,804,292	2,413,107
70,389,904	59,502,309	55,110,921	51,556,199	51,001,740	51,756,518
10,593,904	11,992,367	12,616,532	11,381,864	14,610,869	14,486,136
<u>104,782,645</u>	<u>96,393,478</u>	<u>90,975,257</u>	<u>87,445,667</u>	<u>87,543,029</u>	<u>87,110,531</u>
74,229,205	67,739,515	65,776,955	64,984,092	64,604,710	61,744,803
4,103,008	3,804,067	3,542,614	3,852,848	3,675,095	3,681,968
1,277,995	1,405,164	1,569,945	1,521,358	1,421,080	2,060,247
2,220,421	1,595,972	1,541,051	1,551,884	1,216,376	1,160,972
5,650,292	5,429,688	5,196,888	5,155,525	5,023,070	4,851,866
4,704,250	4,984,781	2,803,584	3,004,179	2,888,383	2,905,870
5,407,883	5,137,464	5,065,572	5,177,986	4,169,208	3,605,897
1,986,869	2,005,641	2,158,201	2,126,248	1,901,723	1,952,076
-	21,617	1,011,101	1,176,456	1,106,071	61,739
3,291,762	2,372,925	2,992,710	-	-	-
-	-	-	-	-	-
-	-	-	14,461	33,671	310,211
-	-	-	539	1,329	16,789
<u>102,871,685</u>	<u>94,496,834</u>	<u>91,658,621</u>	<u>88,565,576</u>	<u>86,040,715</u>	<u>82,352,438</u>
1,910,960	1,896,644	(683,364)	(1,119,909)	1,502,314	4,758,093
15,824	23,950	23,518	7,662	29,427	60,773
(505,997)	-	-	-	(106,331)	-
-	-	41,266	-	-	-
<u>(490,173)</u>	<u>23,950</u>	<u>64,784</u>	<u>7,662</u>	<u>(76,904)</u>	<u>142,494</u>
<u><b>\$ 1,420,787</b></u>	<u><b>\$ 1,920,594</b></u>	<u><b>\$ (618,580)</b></u>	<u><b>\$ (1,112,247)</b></u>	<u><b>\$ 1,425,410</b></u>	<u><b>\$ 4,900,587</b></u>
\$ 6,455,797	\$ 6,920,236	\$ 6,997,377	\$ 6,436,121	\$ 6,460,229	\$ 6,760,264
<b>6.3%</b>	<b>7.3%</b>	<b>7.6%</b>	<b>7.3%</b>	<b>7.5%</b>	<b>8.2%</b>

PROVO CITY SCHOOL DISTRICT  
Schedule of Long Term Debt Service

		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
<b>General obligation bonds:</b>								
<i>Debt Service Fund</i>								
Series 2015 Refunding	Principal	\$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	376,052	330,150	283,397	236,004	187,973	138,663	88,715
Series 2015	Principal	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	1,448,088	1,344,588	1,235,838	1,121,838	1,067,950	1,006,700	937,675
Series 2016	Principal	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	1,776,563	1,679,063	1,597,063	1,490,813	1,378,313	1,260,813	1,137,063
Total Principal - General Obligation Bonds		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		3,600,703	3,353,801	3,116,298	2,848,655	2,634,236	2,406,176	2,163,453
Total - General Obligation Bonds		<u>9,775,703</u>	<u>9,773,801</u>	<u>9,746,298</u>	<u>9,748,655</u>	<u>9,749,236</u>	<u>9,736,176</u>	<u>9,738,453</u>
<b>Lease revenue bonds:</b>								
<i>Debt Service Fund</i>								
2010 Lease Revenue Bonds	Principal	-	-	-	-	-	-	6,462,000
\$ 6,462,000	Interest	39,877	34,219	28,561	22,903	17,245	11,587	59,612
Total - Lease Revenue Bonds		<u>39,877</u>	<u>34,219</u>	<u>28,561</u>	<u>22,903</u>	<u>17,245</u>	<u>11,587</u>	<u>6,521,612</u>
Total - Bonds payable		<u>9,815,580</u>	<u>9,808,020</u>	<u>9,774,859</u>	<u>9,771,558</u>	<u>9,766,481</u>	<u>9,747,763</u>	<u>16,260,065</u>
<b>Note payable:</b>								
<i>Capital Projects Fund</i>								
2011 Energy Efficiency Chiller	Principal	22,642	23,387	24,157	24,951	25,772	13,202	-
\$264,697	Interest	4,085	3,340	2,570	1,776	955	161	-
Total note payable		<u>26,727</u>	<u>26,727</u>	<u>26,727</u>	<u>26,727</u>	<u>26,727</u>	<u>13,363</u>	<u>-</u>
<b>Total long-term debt obligations:</b>								
Total Principal - All Funds - All Long-Term Debt		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		3,644,665	3,391,360	3,147,429	2,873,334	2,652,436	2,417,924	2,223,065
Total - All Funds - All Long-Term Debt		<u>\$9,842,307</u>	<u>\$9,834,747</u>	<u>\$9,801,586</u>	<u>\$9,798,285</u>	<u>\$9,793,208</u>	<u>\$9,761,126</u>	<u>\$16,260,065</u>

PROVO CITY SCHOOL DISTRICT  
Schedule of Long Term Debt Service

<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>Totals</b>
\$1,770,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,655,000
37,701	-	-	-	-	-	-	-	-	-	1,678,655
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	-	43,720,000
860,275	780,625	684,900	585,850	483,300	392,250	298,500	201,900	102,450	-	12,552,727
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	47,025,000
1,007,063	952,563	897,063	784,063	666,063	566,125	463,750	357,313	247,625	126,000	16,387,319
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	108,400,000
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	30,618,701
<b>9,055,039</b>	<b>7,243,188</b>	<b>7,236,963</b>	<b>7,249,913</b>	<b>7,259,363</b>	<b>7,233,375</b>	<b>7,257,250</b>	<b>7,249,213</b>	<b>7,240,075</b>	<b>3,726,000</b>	<b>139,018,701</b>
-	-	-	-	-	-	-	-	-	-	6,462,000
-	-	-	-	-	-	-	-	-	-	214,002
-	-	-	-	-	-	-	-	-	-	6,676,002
<b>9,055,039</b>	<b>7,243,188</b>	<b>7,236,963</b>	<b>7,249,913</b>	<b>7,259,363</b>	<b>7,233,375</b>	<b>7,257,250</b>	<b>7,249,213</b>	<b>7,240,075</b>	<b>3,726,000</b>	<b>145,694,703</b>
-	-	-	-	-	-	-	-	-	-	134,111
-	-	-	-	-	-	-	-	-	-	12,887
-	-	-	-	-	-	-	-	-	-	146,998
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	114,996,111
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	30,845,590
<b>\$9,055,039</b>	<b>\$7,243,188</b>	<b>\$7,236,963</b>	<b>\$7,249,913</b>	<b>\$7,259,363</b>	<b>\$7,233,375</b>	<b>\$7,257,250</b>	<b>\$7,249,213</b>	<b>\$7,240,075</b>	<b>\$3,726,000</b>	<b>\$145,841,701</b>

Ratios of Outstanding Debt

June 30, 2010 through June 30, 2019

Fiscal Year Ended June 30,	Outstanding General Obligation Bonds	Net General Bonded Debt as Percentage of Taxable Value	Net General Obligation Bonded Debt Per Capita	Net General Obligation Bonded Debt Per Student	Outstanding Capital Lease, Notes Payable, and Lease Revenue Obligations	Total Debt	Total Debt as Percentage of Taxable Value	Total Debt Per Capita	Total Debt Per Student
2019	\$ 108,400,000	1.69%	\$ 922	\$ 6,605	\$ 6,596,110	\$ 114,996,110	1.83%	\$ 997	\$ 7,143
2018	114,315,000	1.79%	975	7,030	6,627,051	120,942,051	1.92%	1,049	7,561
2017	119,985,000	2.00%	1,025	6,961	6,656,808	126,641,808	2.14%	1,098	7,457
2016	125,700,000	2.35%	1,075	7,300	6,707,093	132,407,093	2.51%	1,148	7,796
2015	84,337,005	1.63%	724	5,028	5,333,227	89,670,232	1.75%	778	5,402
2014	35,006,000	0.96%	304	2,479	5,583,266	40,589,266	0.98%	352	2,874
2013	39,947,000	0.96%	346	2,829	6,051,772	45,998,772	1.11%	399	3,257
2012	43,843,000	0.67%	374	2,921	6,470,506	50,313,506	0.78%	436	3,406
2011	48,182,000	0.72%	400	3,537	6,484,967	54,666,967	0.83%	461	4,084
2010	52,368,000	0.74%	434	3,887	6,518,638	58,886,638	0.85%	497	4,456



Taxing Entity	2018 Taxable Value	Board's Portion of Taxable Value	Board's Percentage	Entity's General Obligation Debt	Board's Portion of G.O. Debt.
<b>Overlapping:</b>					
State of Utah	\$ 284,817,721,010	\$ 6,293,078,149	1.90%	\$ 2,396,875,000	\$ 45,648,053
CUWCD (1)	38,866,466,595	\$ 6,293,078,149	13.96%	664,609,000	92,754,510
Utah County	38,866,466,595	\$ 6,293,078,149	13.96%	-	-
Total Overlapping					138,402,563
<b>Underlying:</b>					
Provo City (2)	\$ 5,424,302,232	\$ 5,424,302,232	100.00%	30,010,000	30,010,000
Total Underlying					30,010,000
Total Overlapping and Underlying General Obligation Debt					\$ 168,412,563
Total overlapping general obligation debt (excluding the State) (3)					92,754,510
Total direct general obligation bonded indebtedness					108,400,000
Total direct and overlapping general obligation debt (excluding the State) (3)					\$ 201,154,510
Total underlying general obligation debt					30,010,000
Total direct general obligation bonded indebtedness					108,400,000
Total direct and underlying general obligation debt					\$ 138,410,000
Total overlapping and underlying general obligation debt (excluding the State) (3)					122,764,510
Total direct general obligation bonded indebtedness					108,400,000
Total direct, overlapping, and underlying general obligation debt (excluding the State) (3)					\$ 231,164,510

**Taxable Value:** Taxable values used in this table for non-district entities were derived from [www.taxrates.utah.gov](http://www.taxrates.utah.gov)

(1) Central Utah Water Conservancy District (CUWCD) outstanding general obligation bonds are limited ad valorem tax bonds. By law CUWCD may levy a tax rate of up to .000400 to pay for operation and maintenance expenses and any outstanding limited ad valorem tax bonds.

(2) All or portions of these governmental entities outstanding general obligation debt are supported by user fee revenues from water or sewer. The District's portion of overlapping general obligation debt does not include user fee revenue supported general obligation debt.

(3) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.

PROVO CITY SCHOOL DISTRICT  
 Computation of Legal Debt Margin  
 June 30, 2010 through June 30, 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Estimated Fair Market Value	\$ 9,423,134,014	\$ 8,785,451,744	\$ 7,904,221,043	\$ 7,568,631,079	\$ 7,204,269,301	\$ 6,634,648,400	\$ 6,310,719,080	\$ 6,447,129,327	\$ 6,573,948,214	\$ 6,966,327,621
"Fair Market Value" X 4% (Debt Limit)	376,925,361	351,418,070	316,168,842	302,745,243	288,170,772	252,428,763	252,428,763	257,885,173	262,957,929	278,653,105
Less: General Obligation Debt	108,400,000	114,315,000	119,985,000	127,500,000	81,955,000	35,006,000	39,947,000	43,843,000	48,182,000	52,368,000
Legal Debt Margin*	<u>268,525,361</u>	<u>237,103,070</u>	<u>196,183,842</u>	<u>175,245,243</u>	<u>206,215,772</u>	<u>217,422,763</u>	<u>212,481,763</u>	<u>214,042,173</u>	<u>214,775,929</u>	<u>226,285,105</u>
Ratio Legal Debt Margin to Legal Debt Limit	71.24%	67.47%	62.05%	57.89%	71.56%	86.13%	84.17%	83.00%	81.68%	81.21%

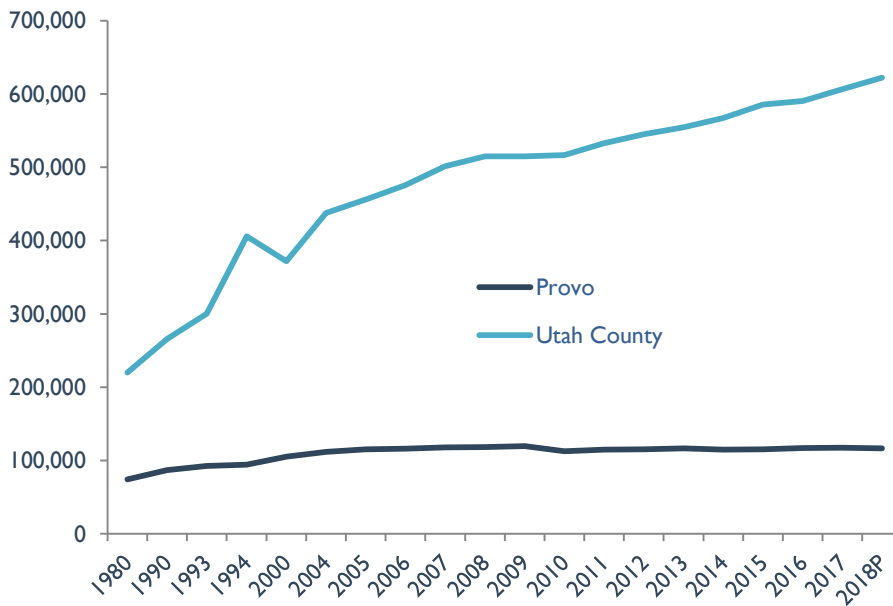
\*The General Obligation Bonded Debt of the District is limited by Utah law to 4% of the fair market value of the total taxable property in the District. The legal debt limit and additional debt incurring capacity of the District are based on estimated fair market value and the calculated valuation value from uniform fees, and are calculated as shown above.

Provo/Utah County Population

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
2018 <sup>P</sup>	116,702	622,213

Source: <http://factfinder.census.gov/>

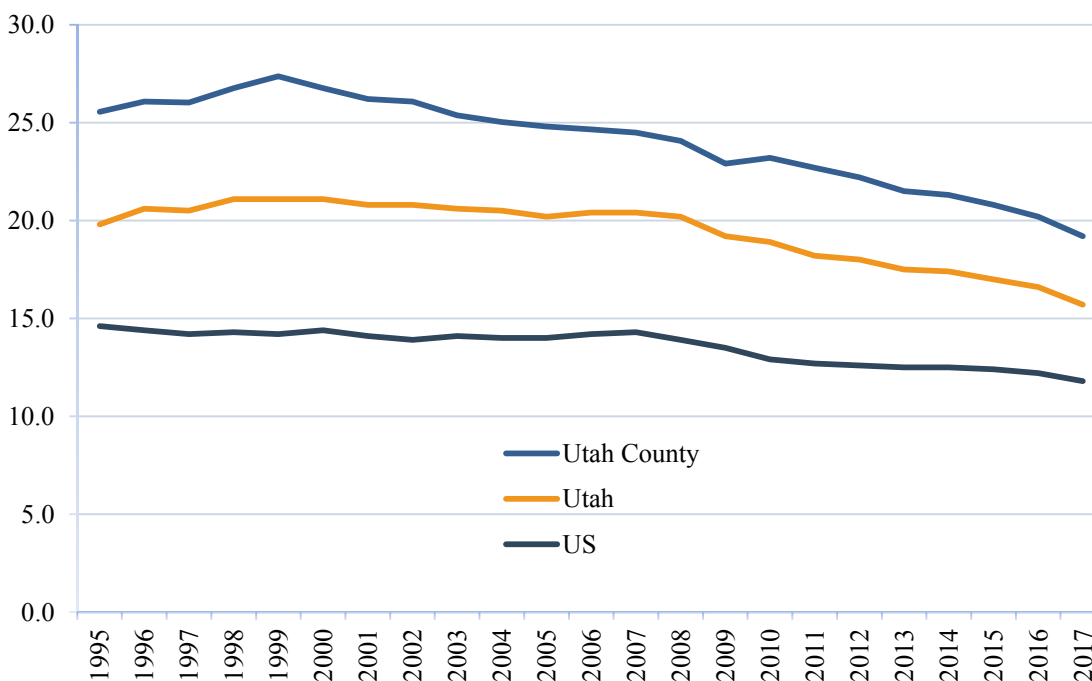
P—Projected



Birth Rates per 1,000

1995-2017

Year	Utah County	Utah	US
1995	25.6	19.8	14.6
1996	26.1	20.6	14.4
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
2017	19.2	15.7	11.8



Largest Employers in Utah County  
 2018 (Most recent year available) with comparative data from 2009

2018				2009		
Company Name	Employees	Industry		Company Name	Employees	
Brigham Young University	5,000-6,999	Higher Education		Brigham Young University	1,000-4,999	
Utah Valley Regional Medical Center	3,000-3,999	Health Care		Utah Valley Regional Medical Center	1,000-4,999	
Vivint, Inc.	3,000-3,999	Home Security		Vivint, Inc.		
Provo City School District	1,000-1,999	Public Education		Provo City School District	1,000-1,999	
RBD Acquisition Sub, Inc	1,000-1,999	Custodial		RBD Acquisition Sub, Inc	250-499	
Central Utah Medical Clinic	500-999	Health Care		Central Utah Medical Clinic	250-499	
Chrysalis Utah, Inc	500-999	Health Care		Chrysalis Utah, Inc	250-499	
Nu Skin International Inc	500-999	Personal Care		Nu Skin International Inc	5,000-9,999	
Qualtrics LLC	500-999	Management		Qualtrics LLC		
Results Customer Solutions LLC	500-999	Call Center		Results Customer Solutions LLC		

PROVO CITY SCHOOL DISTRICT  
 Full Time Equivalent by Function  
 Fiscal Years 2010 through 2019

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Function	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Instruction	984	977	984	998	1,005	1,002	1,022	1,020	1,022	1,001
Students	51	49	50	50	50	50	68	84	101	103
Instructional Staff	41	31	32	32	32	27	29	42	90	77
General Administration	15	16	17	17	17	17	24	26	17	21
School Administration	70	70	70	70	72	65	71	76	81	84
Business and Central	26	27	26	26	26	41	47	51	43	50
Operation and Maintenance	148	95	95	95	95	133	109	114	114	119
Transportation	46	44	46	46	46	66	51	39	48	40
Other Support	1	25	26	26	26	-	-	-	-	-
Food Services	82	92	92	80	84	77	82	87	76	84
Community Services	100	93	93	93	93	103	62	47	4	4
Total FTEs	1,564	1,519	1,531	1533	1,546	1,583	1,566	1,587	1,596	1,583

\*\* FY 2018 FTE employee functions were adjusted to align to new State mandated standards, resulting in large shifts in totals

PROVO CITY SCHOOL DISTRICT  
Average Daily Membership , by School (Unaudited)  
Fiscal Years 2010 through 2019

School	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Amelia Earhart Elementary	569	560	588	558	551	515	532	523	504	518
Canyon Crest Elementary	469	487	494	532	541	541	538	547	524	503
Edgemont Elementary	505	525	565	569	570	632	623	626	645	665
Provo Peaks Elementary	412	366	462	506	484	613	592	571	546	504
Franklin Elementary	544	521	517	516	494	453	472	450	407	383
Lakeview Elementary	693	680	685	673	724	765	787	754	813	823
Provost Elementary	434	438	457	440	436	447	464	472	445	465
Rock Canyon Elementary	580	600	625	623	642	634	612	623	591	583
Spring Creek Elementary	567	564	570	567	558	501	486	476	418	411
Sunset View Elementary	568	560	531	527	541	510	473	561	568	546
Timpanogos Elementary	621	629	630	672	663	703	758	668	649	629
Wasatch Elementary	704	774	864	861	906	965	944	892	883	799
Westridge Elementary	862	870	889	893	890	826	785	806	769	730
Centennial Middle	1,030	1,003	996	1,033	1,023	988	1,056	1,103	1,119	1,191
Dixon Middle	854	863	835	833	836	822	847	869	835	882
Provo High	1,696	1,705	1,683	1,777	1,825	1,895	1,924	1,901	1,853	1,889
Timpview High	1,822	1,900	1,938	1,953	1,967	1,976	2,058	2,114	2,173	2,162
Independence High	265	277	328	322	326	251	259	285	190	200
Oak Springs/Slate Canyon	3	2	-	74	63	45	48	42	39	55
Central Utah Enterprises	24	47	51	51	47	83	65	-	-	-
eSchool <sup>1</sup>	19	14	90	270	737	2,435	2,660	3,557	2,020	2,227
Total:	13,241	13,385	13,798	14,250	14,824	16,600	16,983	17,840	15,991	16,165
Elementary Enrollment	7,528	7,574	7,877	7,937	8,000	8,105	8,066	7,969	7,762	7,559
Middle Enrollment	1,884	1,866	1,831	1,866	1,859	1,810	1,903	1,972	1,954	2,073
HS Enrollment	3,783	3,882	3,949	4,052	4,118	4,122	4,241	4,300	4,216	4,251
All Traditional Enrollment	13,195	13,322	13,657	13,855	13,977	14,037	14,210	14,241	13,932	13,883

<sup>1</sup>Aggregate of full-time students only

Average Daily Membership by School by Grade (Unaudited)

June 30, 2019

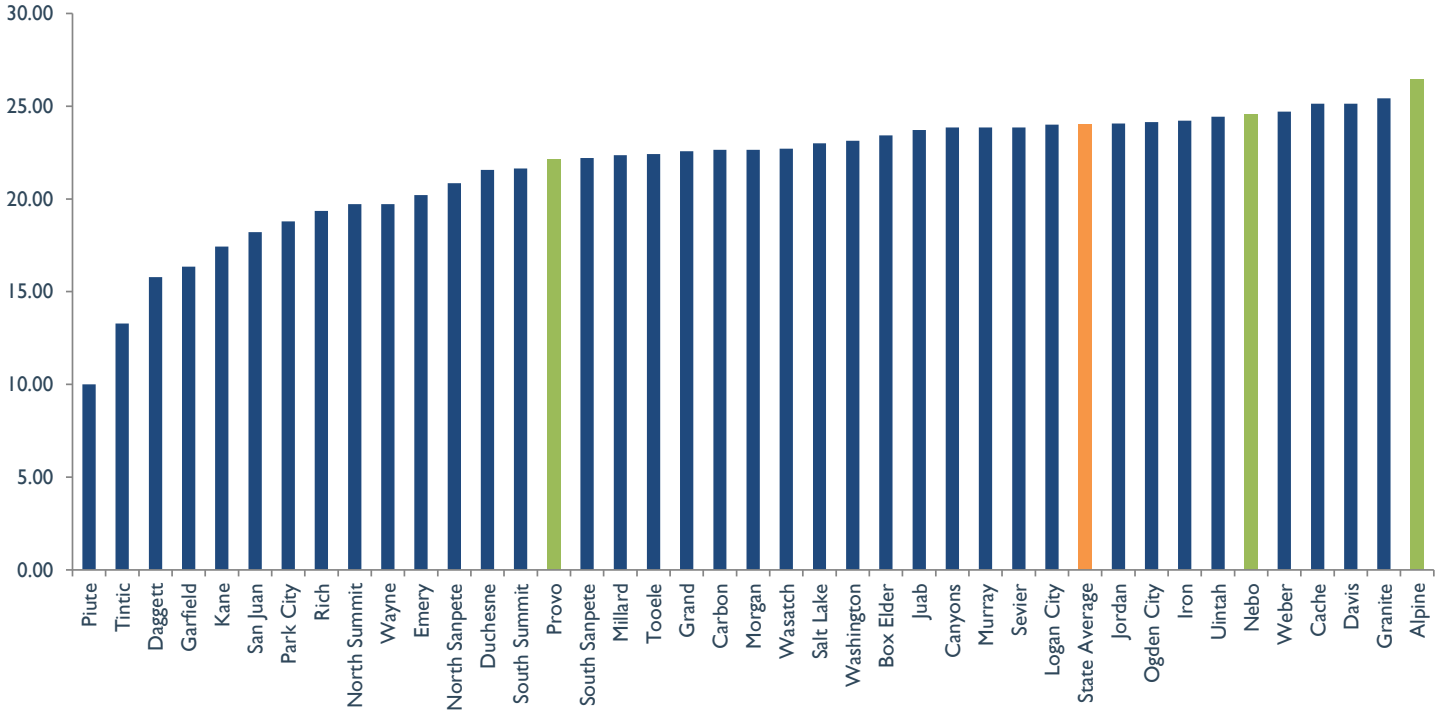
School	K	1st	2nd	3rd	4th	5th	6th	Total Enrollment	
AMELIA EARHART		76	69	75	71	74	84	69	518
CANYON CREST		57	79	71	74	72	71	79	503
EDGEMONT		94	84	96	100	97	92	102	665
PROVO PEAKS		71	59	57	64	78	81	94	504
FRANKLIN		52	60	60	44	60	53	54	383
LAKEVIEW		106	130	105	122	108	128	124	823
PROVOST		71	65	68	65	66	71	59	465
ROCK CANYON		80	73	89	74	84	82	101	583
SPRING CREEK		62	53	56	55	62	55	68	411
SUNSET VIEW		68	69	69	77	88	93	82	546
TIMPANOGOS		90	93	88	90	96	85	87	629
WASATCH		96	101	122	111	106	127	136	799
WESTRIDGE		105	86	109	98	109	109	114	730

	7th	8th	9th	10th	11th	12th	Total Enrollment
CENTENNIAL	601	590	-	-	-	-	1,191
DIXON	473	409	-	-	-	-	882
PROVO H.S.	-	-	477	497	477	438	1,889
TIMPVIEW H.S.	-	-	567	596	508	491	2,162
INDEPENDENCE H.S.	-	-	14	28	58	100	200
OAK SPRINGS/SLATE CANYON	All grades combined						55
Eschool@psd	All grades combined						2,227

Total Enrollment - Districtwide	16,165
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PROVO CITY SCHOOL DISTRICT  
 Class Size Comparison by District  
 June 30, 2018 (latest information available)

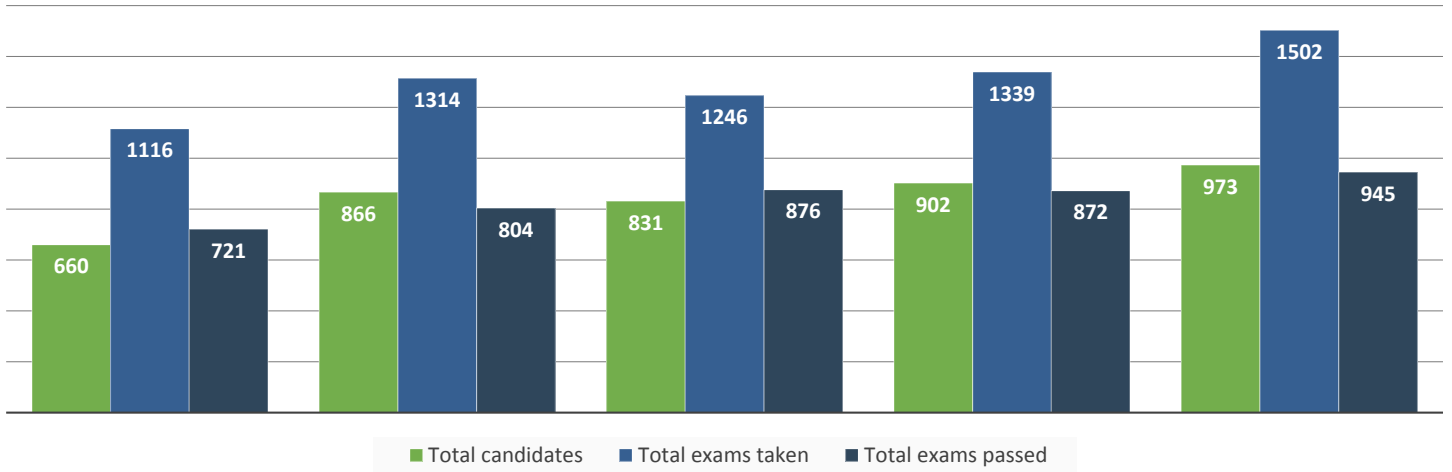


PROVO CITY SCHOOL DISTRICT  
 Per Pupil Expenditures by Function  
 June 30,2010 through June 30, 2019

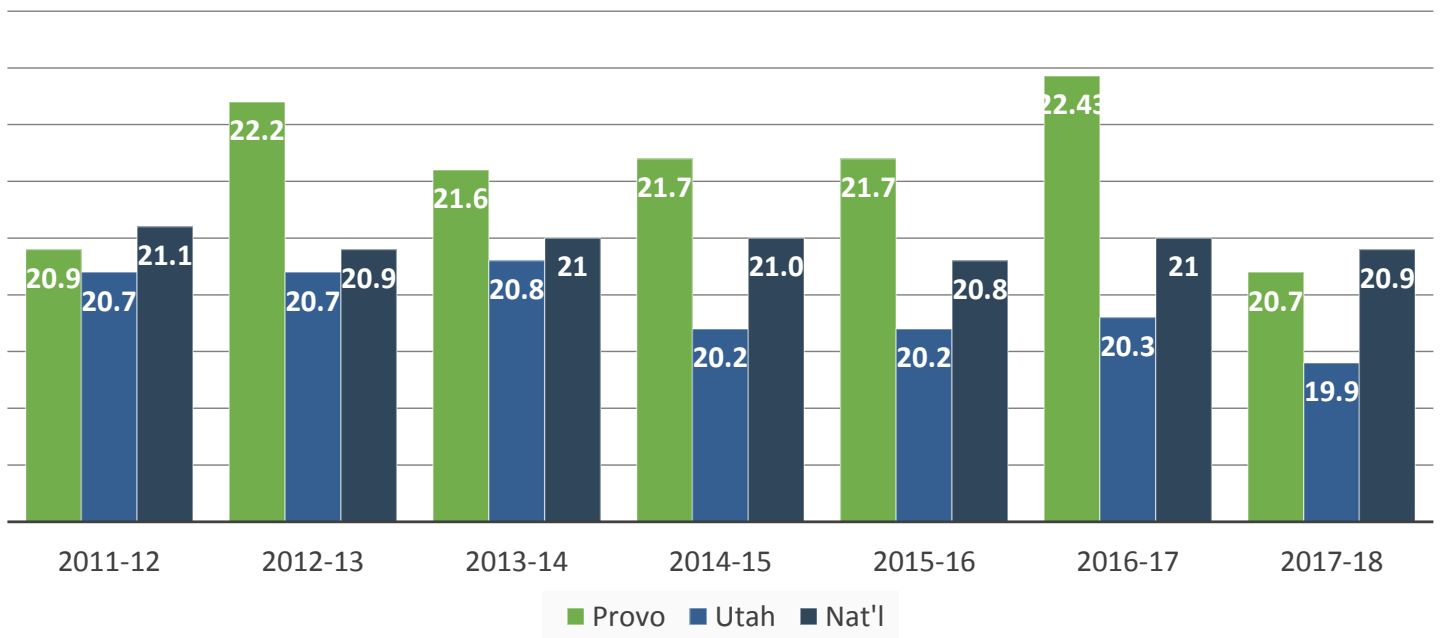
Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	5,517	5,071	4,602	4,711	4,698	4,871	4,923	4,649	5,088	4,972
Supporting Services										
Student	433	517	385	256	247	262	251	261	275	283
Instructional Staff	514	479	210	83	77	122	111	103	106	158
District administration	217	177	219	158	134	115	109	105	91	89
School administration	433	450	366	358	340	382	368	349	375	372
Business	466	324	364	401	350	279	199	203	216	223
Operation and maintenance of facilities	886	767	516	452	377	384	428	391	511	413
Student transportation	232	158	131	139	120	138	153	150	142	165
Other	-	-	-	-	-	-	72	80	83	5
School food services	360	358	310	317	322	397	387	364	389	377
Community services	117	111	165	226	215	445	435	239	251	265
Facilities and construction	261	2,984	3,450	1,912	452	398	696	774	936	442
Debt service	603	615	551	585	423	105	125	141	167	187
Total school district	10,039	12,011	11,269	9,598	7,755	7,899	8,257	7,809	8,630	7,951
Student average daily membership	16,165	15,991	17,840	16,983	16,600	14,824	14,123	14,772	13,385	13,033

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

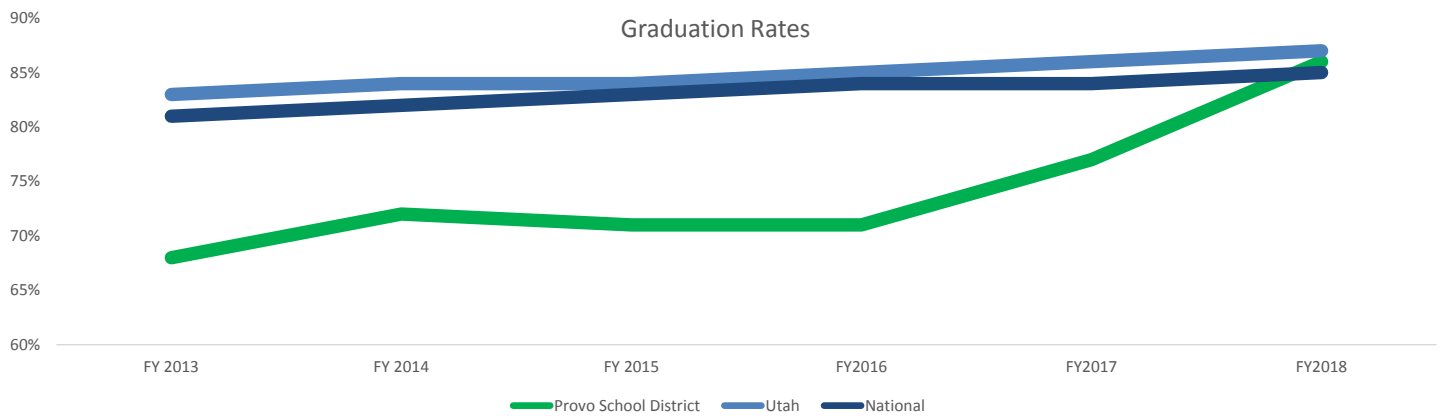
Advanced Placement Test Data



ACT Test Composite Score Average

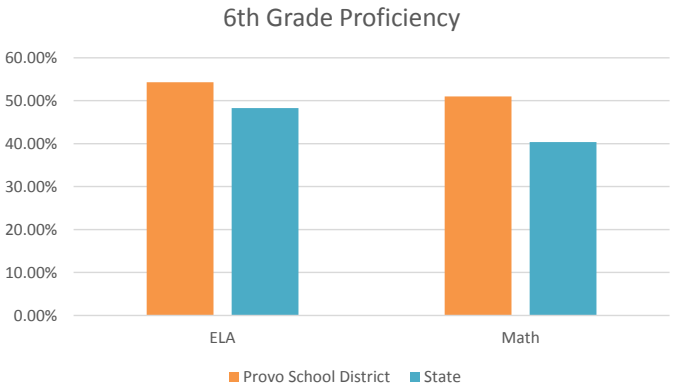
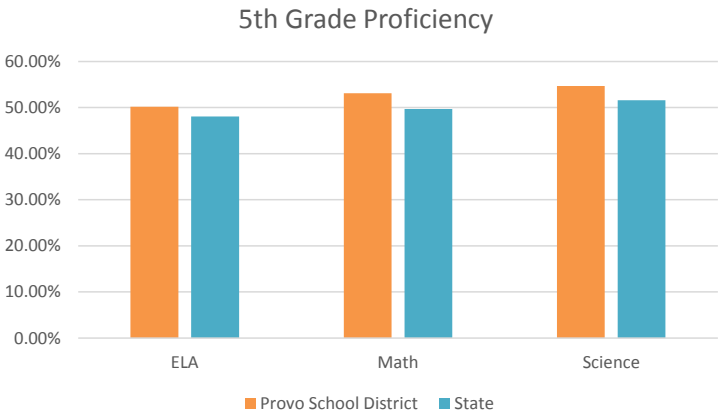
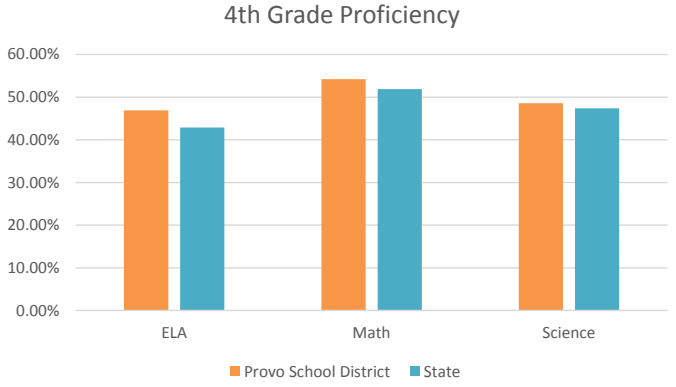
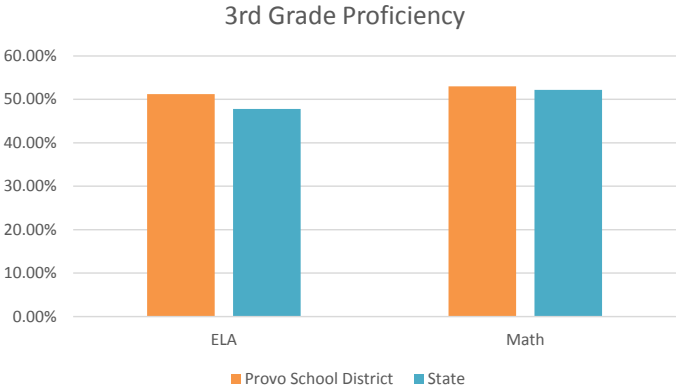


Graduation Rates

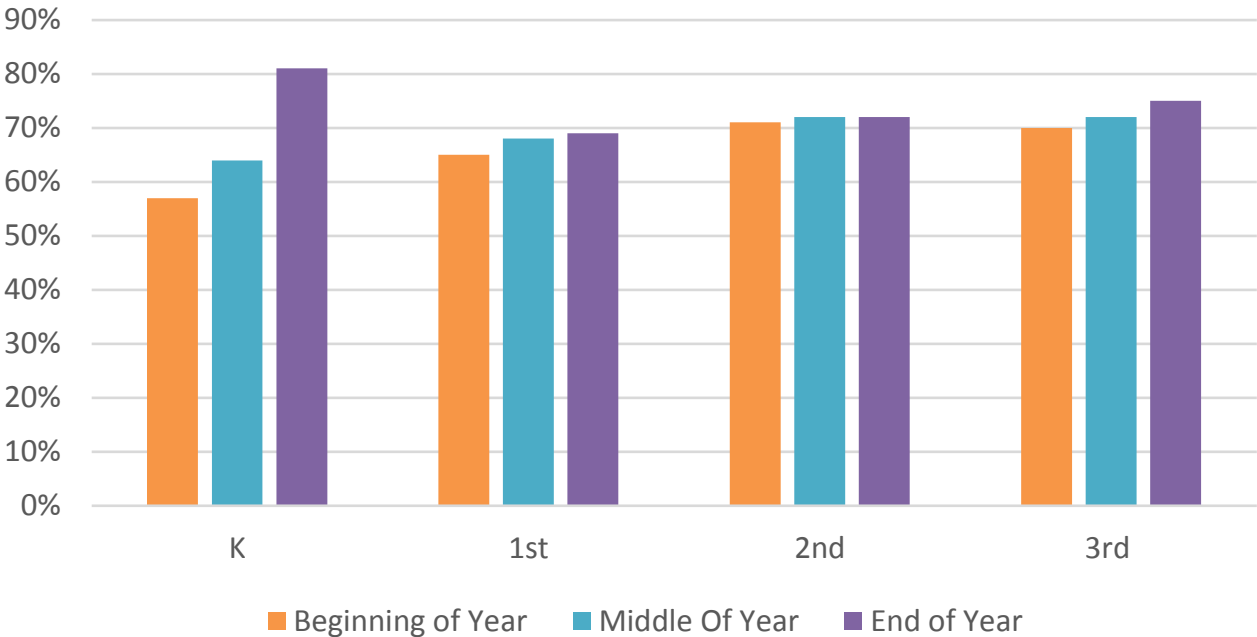


# District Testing Results

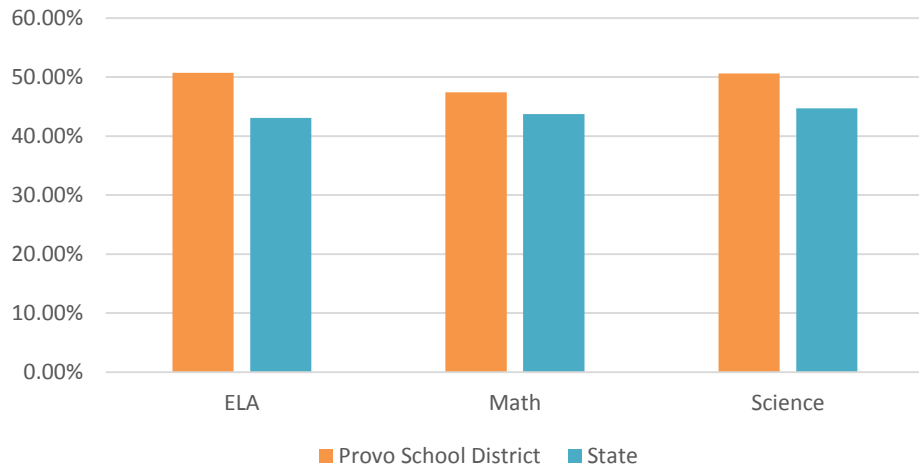
\*\*Grade 6-8 Science data not available at time of report



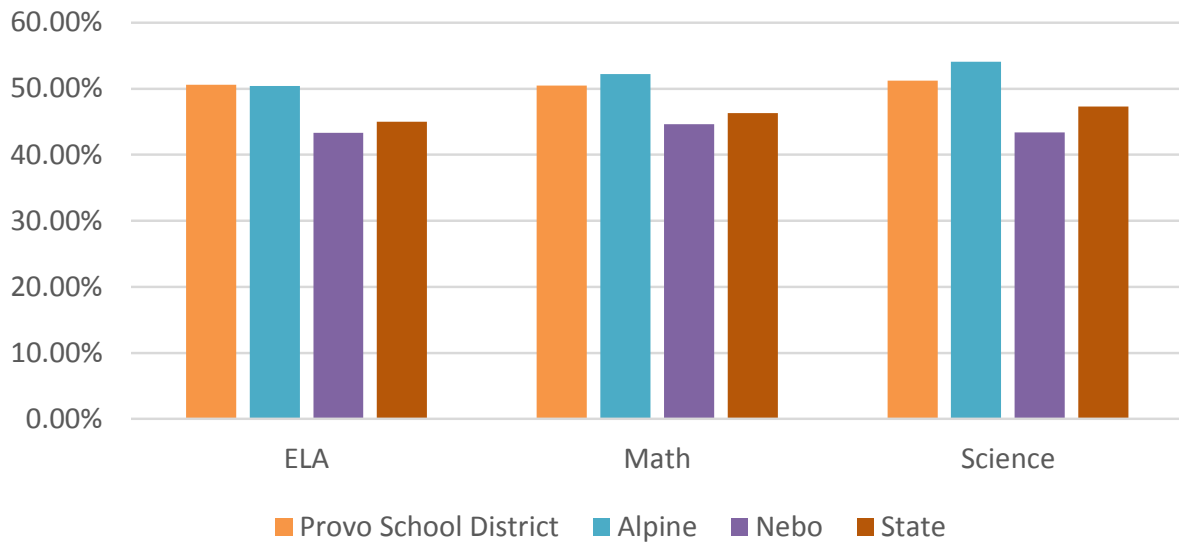
# DIBELS results



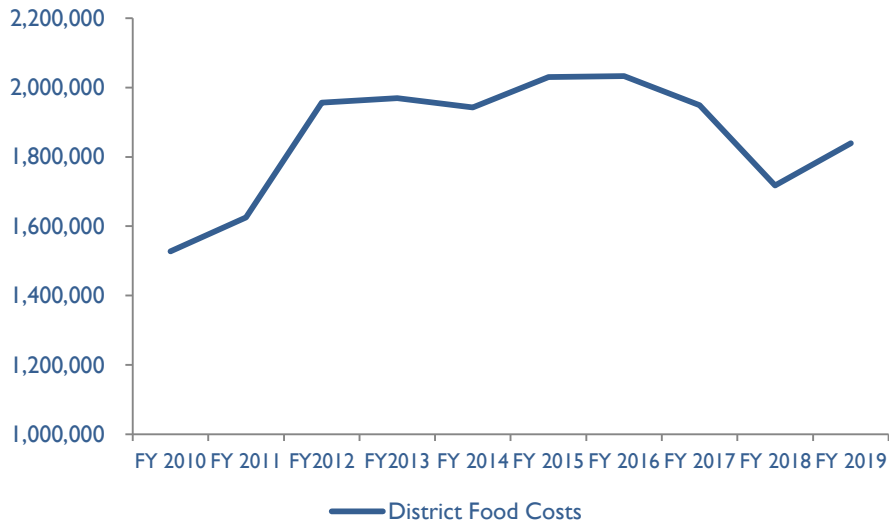
### Secondary Test Proficiency



### SAGE Results - District Wide (compared with neighboring districts & state)



### District Food Costs



School Year	Lunches Served	Breakfast Served	Free Lunch Served	% of Free Lunches to Total Served	Reduced Cost Lunch Served	% of Reduced Cost Lunches to Total Served	Total Meals Served	Free/Reduced Meals Served	% F/R Lunch Out of Total Lunches Served
FY 2010	1,315,197	345,581	693,426	52.72%	155,354	11.81%	1,660,778	848,780	64.54%
FY 2011	1,343,858	338,210	736,472	54.80%	152,940	11.38%	1,682,068	889,412	66.18%
FY 2012	1,319,933	357,943	736,901	55.83%	150,151	11.38%	1,677,876	887,052	67.20%
FY 2013	1,232,859	339,783	732,485	59.41%	157,697	12.79%	1,572,642	890,182	72.20%
FY 2014	1,215,543	329,534	705,006	58.00%	150,490	12.38%	1,545,077	855,496	70.38%
FY 2015	1,209,334	343,320	721,222	59.64%	136,191	11.26%	1,552,654	857,413	70.90%
FY 2016	1,191,836	346,216	704,271	59.09%	137,477	11.53%	1,538,052	841,748	70.63%
FY 2017	1,132,209	319,931	674,123	59.54%	120,880	10.68%	1,452,140	795,003	70.22%
FY 2018	1,086,600	301,280	628,069	57.80%	125,058	11.51%	1,387,880	753,127	69.31%
FY 2019	1,095,784	319,067	603,988	55.12%	125,431	11.45%	1,414,851	729,419	66.57%

Source: USOE

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
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
2018-19	405,789	7,027	173	1,880	395	\$353	46

Based on most current information available at time of publication