

Provo City School District

Comprehensive Annual Financial Report

280 W 940 N
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**For the Year Ended
June 30, 2021**

Provo City School District
280 W 940 N
Provo, UT 84604
801-374-4800
www.provo.edu

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2021

Keith Rittel
Superintendent

Derek Anderson
Business Administrator

Prepared By:
Devyn Dayley
Director of Accounting

Provo City School District Board of Education



Back (left to right) Gina Hales, Board Member; McKay Jensen, Board Member; Teri McCabe, Board Member; Nate Bryson, Board Member

Front (left to right) Rebecca Nielsen, Board Vice President; Melanie Hall, Board President; Jennifer Partridge, Board Member

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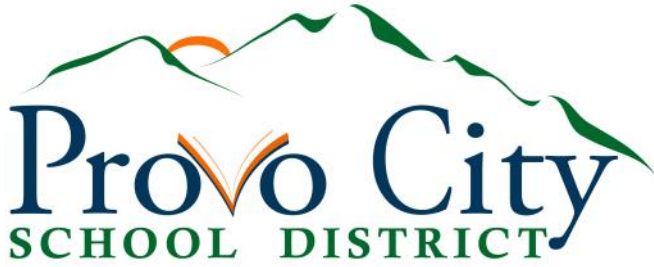
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Introductory Section

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Keith Rittel
Superintendent
Derek Anderson
Business Administrator

October 1, 2021

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 for the fiscal year ended June 30, 2021. This Comprehensive Annual Financial Report includes financial and non-financial information to meet the needs of a broad spectrum of readers.

The report is prepared in accordance with accounting principles generally accepted in the United States of America (U.S. 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, 2021; this opinion indicates the statements are fairly presented in conformity with U.S. 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 13,000 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 elementary and middle school students. 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 online 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 online offerings, and is one of the few districts in the state to offer numerous elementary foreign languages at multiple schools, 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 Foundation's financial statements are not included in the annual audit. 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. See the MD&A for additional information regarding the Municipal Building Authority.

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. In order to fund new buildings, school districts almost solely use general obligation bonds or lease revenue bonds in the state of Utah. In 2015 and 2016, the District issued bonds to replace four elementary schools and one high school. After completion, additional critical needs were identified. In November 2020, voters in Provo approved additional bonds to make significant repairs and a partial replacement of another high school. Other critical needs still exist and District administration and board members are currently identifying options for replacement.

The continuing pandemic caused by COVID-19 made this school year especially challenging. Students were offered full in-person learning, a hybrid option with individually structured classes, or online options to continue learning remotely. Teachers were tasked with tracking all students and keeping lesson plans and assignments available, whether in person or remote. Breakfasts and lunches were provided to any child who needed meals by our Child Nutrition Department, through waivers provided by the United States Department of Agriculture. Services for Special Education students were provided both in person and remotely. The District Student Services Department provided a variety of services to families, including counseling to our most at-risk populations. Our Technology Department provided Chromebooks to all students who did not have access to technology. Our Teaching & Learning Department provided guidance to teachers and other employees for online learning. Federal emergency aid provided the ability to hire additional employees to track the most at-risk students, provide additional technology and allow for additional personnel to clean and sanitize buildings.

Throughout these significant challenges, the financial position of the District remained stable. Federal revenue increased significantly due to the emergency funds provided to combat learning loss and other issues revolving around COVID-19. Local revenue increased from the previous year, including an increase in property tax revenue. State revenue increased primarily due to the increase in the WPU, the main source of funding per student in the state of Utah. The District has been able to maintain a strong financial position through ongoing challenges.

District fund balances increased from \$72,505,054 at June 30, 2020 to \$163,306,956 at June 30, 2021. This fund balance increase is primarily due to the issue of the aforementioned bonds. 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 critical needs, 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 develop-

ment 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 environment 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.

District Master 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, which requires conversations to continue to ensure teacher salaries remain a top priority to the Board of Education and District administration.

Another important asset to Provo City School District are 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.

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 \$11.5 million in bond and maintenance projects from capital outlay funds to address our critical building needs, during fiscal year 2021. Fiscal year 2022 will continue to see bond related expenditures, as well as planned HVAC repairs and various maintenance projects throughout the District.

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, 2021 was \$14.5 million. Total restricted governmental fund balances on June 30, 2020 were \$120.5, which accounts for unspent bond proceeds (\$73 million), \$3.1 million in restricted General Fund programs, \$1.7 million in Debt Service, \$18 million in Capital Projects, \$18.4 million in Building Reserve, and \$1.8 million in Food Services. The remaining fund balances include \$191K in Nonspendable fund balances, \$18.5 million in Committed fund balances, and \$9.5 million in assigned fund balances.

State Funding

The 2021 state fiscal school finance program is designed to provide every Utah school district with a basic operation program of \$3,596 per weighted pupil unit (WPU) (up from \$3,532 in fiscal year 2020). 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 with grades 1-12 considered at full funding and kindergarten at half.

LOCAL ECONOMY

Utah Economic Position

The economic outlook of the District is heavily dependent on State aid, providing 52.1% of General Fund revenues. As noted above, the WPU is provided based on student enrollment. Enrollment in fiscal year 2021 was approximately 13,000. The decrease in enrollment is due to a permanent change in Provo's eSchool program and COVID-19. Projected enrollment for FY22 and FY23 is projected to show some recovery with students returning to school after the primary surge of COVID-19. 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 shown significant improvement over the prior year in relation to COVID-19. Up until the pandemic was declared, unemployment stayed relatively flat at an average of 2.5%. During the business and school closures, unemployment in Utah increased to the peak of 10.4% before settling at 2.7% in June 2021. State leaders are optimistic that the unemployment rate will stay relatively stable and will return to pre-COVID levels.

Provo City is the county seat of Utah County, which has seen explosive growth in recent years. Utah County has seen explosive growth over the last 10 years. Numbers for the 2020 US Census are not available as of the writing of this report, but the projected population for 2020 is 636,235. Provo City has not experienced the same level of growth as its neighboring cities. The projected population for 2019-20 is 116,618, which is a 3.7% increase since 2010.

Utah has historically seen a much higher population growth than most states because of a strong natural increase in addition to in-migration, and Utah is still showing one of the highest cumulative growth rates in the United States. Utah County is the third fastest-growing county in the state of Utah. This includes an almost equal amount of natural increase (births less deaths) and net migration, and Utah County leads the state in both metrics. 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 7 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 2021 budget was approved in August 2020.

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 originally appropriated \$17.3 million for planned capital projects and improvements for fiscal year 2020-21. Appropriations for capital projects and improvements for fiscal year 2020-21 have increased from the last fiscal year as the bonds were issued and construction has commenced. Many other capital projects were part of the long-term capital improvement plan.

Due to COVID-19, a significant amount of resources have been committed to maintenance, cleaning and sanitizing district buildings and classrooms. This has left the main purpose of the Capital fund to account for expenditures related to the project funded by our most recent bond. Expenditures for FY22 are projected to be \$34 million as progress is made in the rebuild of Timpview High School's academic wing.

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 420 retirees (and spouses) receiving benefit coverage in addition to 67 present employees who have earned vested coverage upon retirement.

An actuarial study was completed in 2021, based on data as of July 1, 2020, which projects an estimated OPEB liability of \$20,199,125. This year \$2,470,480 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, 2020. This was the eighteenth 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, 2020. 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 seventeenth 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, appearing to read 'D. Anderson', with a long horizontal flourish extending to the right.

Derek Anderson, 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, 2020

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, 2020.

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



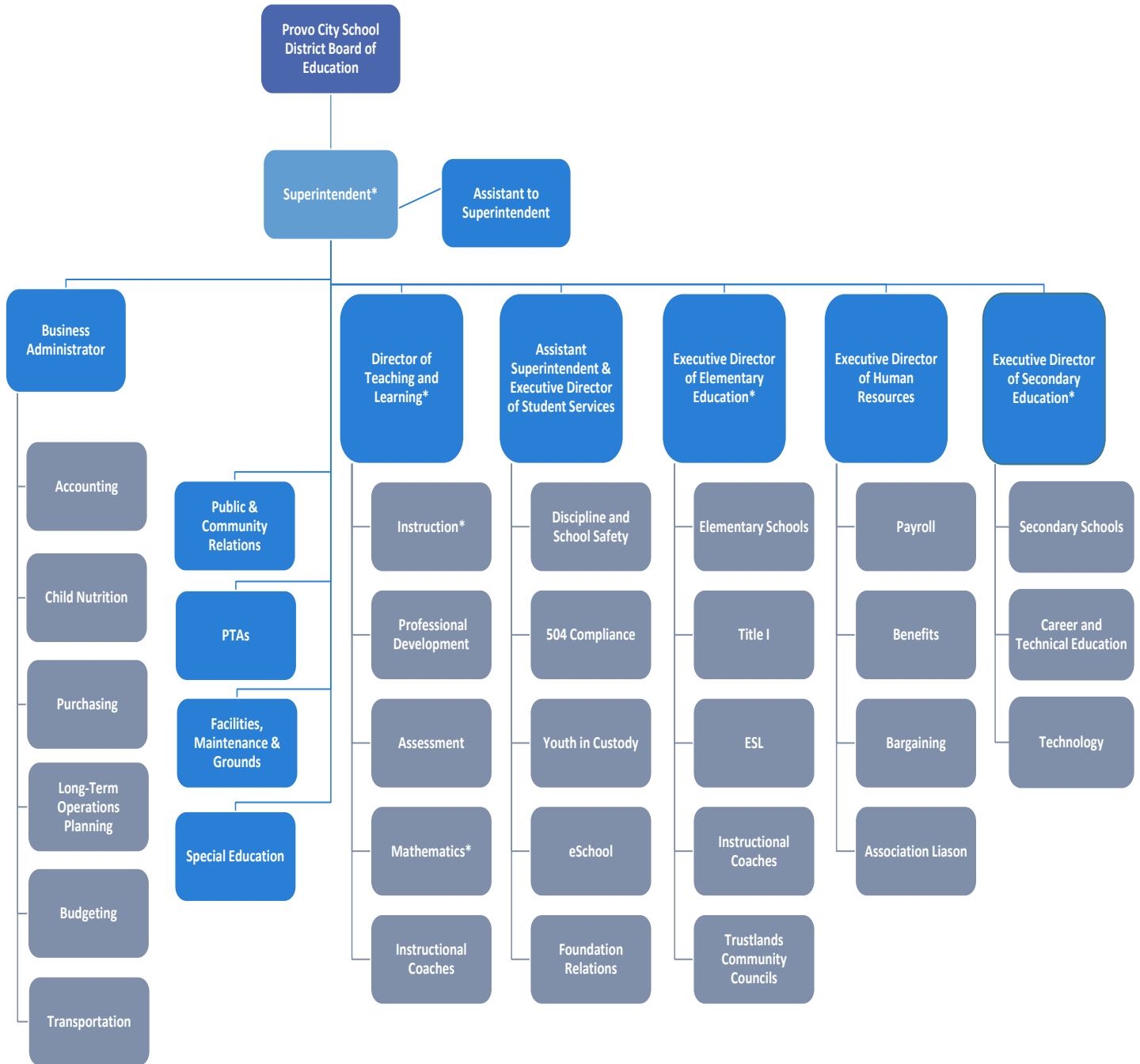
A handwritten signature in blue ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in blue ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

PROVO CITY SCHOOL DISTRICT
Organizational Chart



Board of Education

Nate Bryson
District 1
Present Term: 2019-2023
Initial Appointment: 2019

Melanie Hall (President)
District 2
Present Term: 2019-2023
Initial Appointment: 2017

McKay Jensen
District 3
Present Term: 2019-2023
Initial Appointment: 2013

Jennifer Partridge
District 4
Present Term: 2019-2023
Initial Appointment: 2019

Teri McCabe
District 5
Present Term: 2021-2025
Initial Appointment: 2021

Rebecca Nielsen (Vice President)
District 6
Present Term: 2021-2025
Initial Appointment: 2017

Gina Hales
District 7
Present Term: 2021-2025
Initial Appointment: 2021

District Administration

Keith Rittel
Superintendent
Initial Appointment: 2012

Derek Anderson
Business Administrator
Initial Appointment: 2021

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

Suraj Syal
Special Programs Director

Alex Judd
Exec Director of Elementary Education

M Todd McKee
Exec Director of Secondary Education

Clay Bingham
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

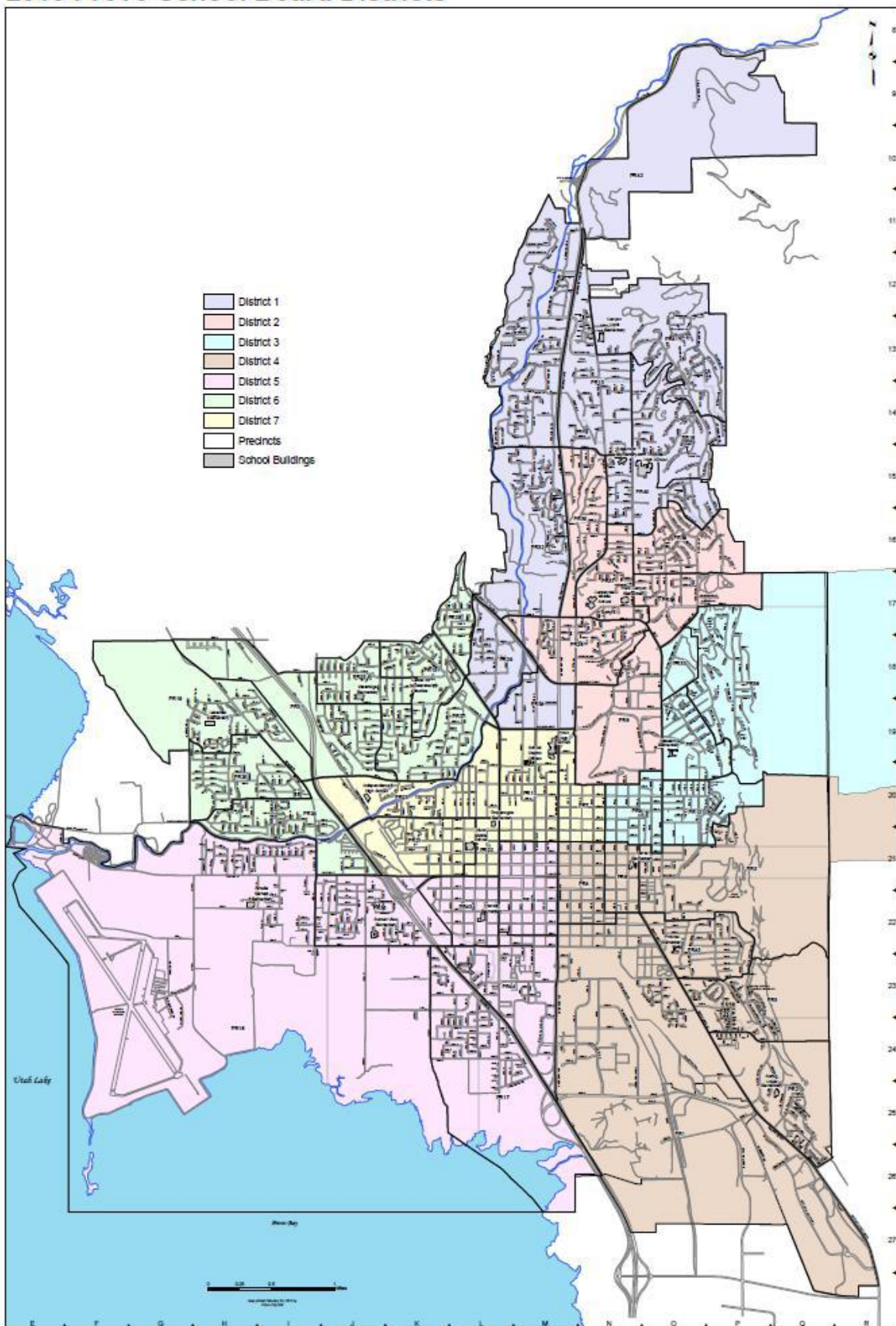
Amelia Earhart Ryan McCarty
Canyon Crest Rene Cunningham
Edgemont Harmony Kartchner
Provo Peaks Mark Burge
Franklin Jason Benson
Lakeview Michael Barker
Provost Kami Alvarez
Rock Canyon Seth Hansen
Spring Creek Jill Franklin
Sunset View Chris Chilcoat
Timpanogos Carrie Rawlins
Wasatch Chris Fuhrman
Westridge Kim Hawkins

Middle Schools

Centennial Kyle Bates
Dixon John Anderson

High Schools

Provo High Boyd McAfee
Timpview Fidel Montero
Independence Jacob Griffin



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
SHAWN F. MARTIN, CPA

INDEPENDENT AUDITOR'S 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, 2021, 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.

Auditor's 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 auditor's 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, 2021, 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, pension schedules on pages 60-63, and other post-employment benefits schedules on pages 64-65 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 28, 2021 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.

ABMC, LLC

September 28, 2021

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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, 2021. 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, 2021:

Government-Wide Net Position. The District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$136.2 million at the close of fiscal year 2021. The overall net position of the District increased by \$33.3 million. The unrestricted net position increased by \$9 million to (\$28.9) 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 6 and 7 that accompany the financial statements and the Required Supplemental Information.

Government-Wide Financial Progress (full-accrual basis of accounting): During the year, expenses were \$33.3 million less than the \$176.1 million generated in taxes and other revenues for governmental activities. Expenses decreased significantly due to the sharp decrease in the net OPEB and pension liabilities. Revenues from operating grants and contributions increased by \$10.6 million and property taxes increased by \$6.3 million. Charges for services decreased by \$1 million primarily due to a decrease in revenue for School Food Services. Waivers were provided this fiscal year due to COVID-19 so the District could provide free breakfast and lunch for all students through the school year and summer months.

Governmental Funds Financial Progress (modified-accrual basis of accounting): During the year ended June 30, 2021, the combined fund balances increased by \$90.8 million. General obligation bonds were issued in May 2021, which accounts for the majority of the increase in fund balance. Revenue increased in local, state and federal categories this fiscal year. Local revenue increased \$3.9 million due to an increase in property taxes. State revenue increased by \$4.7 million. This increase is primarily due to an increase in the WPU (weighted pupil unit). The WPU is the primary source of determining revenue for students. 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, 2021 was \$3,596 (\$3,532 for fiscal year 2020). Federal revenue increased by \$5.8 million primarily due to federal emergency funding for COVID-19 mitigation.

The District's fund balances increased by \$90.8 million to \$163.3 million. The Capital Fund makes up the largest portion of the overall total fund balance among all governmental funds at \$95.5 million. The General Fund has \$43.7 million in fund balances, which includes nonspendable, restricted, committed, assigned and unassigned categories. All other funds have a combined fund balance of \$24.1 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. The District Facilities Advisory Committee continues to meet to determine timing of replacing additional schools in the District and other maintenance needs. General obligation bonds were issued this fiscal year in order to replace the academic wing at Timpview High School, along with significant remodeling throughout the rest of the school.

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, and earned but unused vacation leave.)

Component Unit. The government-wide financial statements include not only the District (the primary government), but also a legally separate component unit, the Provo School District Foundation. The Foundation raises money through donations and fundraising to support district objectives. The Foundation is managed by a board separate from District administration. Separate financial statements are available by sending a request to the Provo School District Foundation, 280 West 940 North, Provo, Utah 84604

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 and/or restricted 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 Tax Increment fund reports 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.

Component Unit. The governmental financial statements include not only the District (the primary government), but also a legally separate component unit, the Municipal Building Authority of Provo City School District, for which the District is financially accountable. Financial information for this blended component unit is presented with the financial statements of the District.

The annual debt service requirements of the MBA fund relate to the Qualified School Construction Bonds, which requires an annual interest payment of \$78,989. A lump sum principle payment of \$6,462,000 will be required to be paid during fiscal year 2026. This amount is being funded by the capital projects property tax revenue and is part of the restricted fund balance of \$4,146,901 for the year ended June 30, 2021. The District has a lease agreement with the MBA, which allows the District exclusive use of the assets obtained with the bond proceeds. The agreement calls for a lease payment in the amount of the annual debt service obligations of the MBA, wherein a lease revenue is recorded by the MBA and a lease expense is recorded by the Capital Projects fund in the amount of \$79,989 for the year ended June 30, 2021.

As previously stated, due to the very limited activity of the MBA fund, management has elected to report the MBA and Capital Project funds together in these financial statements, as the Capital Projects Fund. All pertinent transactions between these funds have been eliminated.

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 \$136.2 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 \$33.3 million. Net position is classified as unrestricted, restricted as to the purposes they can be used for, or are the net investment in capital assets (land, buildings and improvements, equipment, etc.). Consequently, with the implementation of GASB 68 and GASB 75, accounting for net pension liability and net OPEB liability, unrestricted net position is a negative \$28.9 million at the end of this year. The Utah Retirement System provides actuarially determined amounts for the net pension liability as well as the deferred outflows and inflows associated with pensions. During the year, the actuarial team determined that the beginning balances of deferred outflows and inflows needed to be adjusted to better project resources available and necessary for pension liabilities. The 2020 numbers below reflect those updated numbers.

The largest portion of the District's net position (\$107.9 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 (\$57.2 million) represents fund balances that are subject to external restrictions on how they may be used. The majority of restricted net position (\$40.9 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)		
	2021	2020	Change from 2020
Current and other assets	\$ 235.3	\$ 134.8	\$ 100.5
Capital assets	217.4	215.2	2.2
Total assets	452.7	350.0	102.7
Total Deferred Outflows of Resources	12.6	10.3	2.3
Other liabilities	18.8	14.7	4.1
Long-term liabilities outstanding	236.0	184.5	51.5
Total liabilities	254.8	199.2	55.6
Total Deferred Inflows of Resources	74.3	58.3	16.0
Net Position:			
Net investment in capital assets	107.9	99.6	8.3
Restricted	57.2	41.2	16.0
Unrestricted	(28.9)	(37.9)	9.0
Total net position	\$ 136.2	\$ 102.9	\$ 33.3

B. Changes in Net Position – Governmental Activities

The District's total net position increased by \$33.3 million during the current year. The increase in net position is primarily due to a decrease in the net pension liability and net OPEB liability. The net pension liability decreased by 42% and the net OPEB liability

decreased by 27%. This decrease represents how volatile the liability can be from year to year. 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 \$176.1 million, which represents an increase of \$14.7 million over the prior year. Total revenue from operating grants and contributions (specific to programs and funds) comprise 62.7% of the District’s revenues; property taxes generated 33.4% of the District’s revenues.

As compared to the prior year, the total cost of all programs and services decreased by \$16.3 million to \$142.8 million. Instruction and support services (including food services) were 57.8% and 38.6%, respectively, of the District’s expenses. Decreases were primarily due to the decrease in the District’s net pension liability and net OPEB liability.

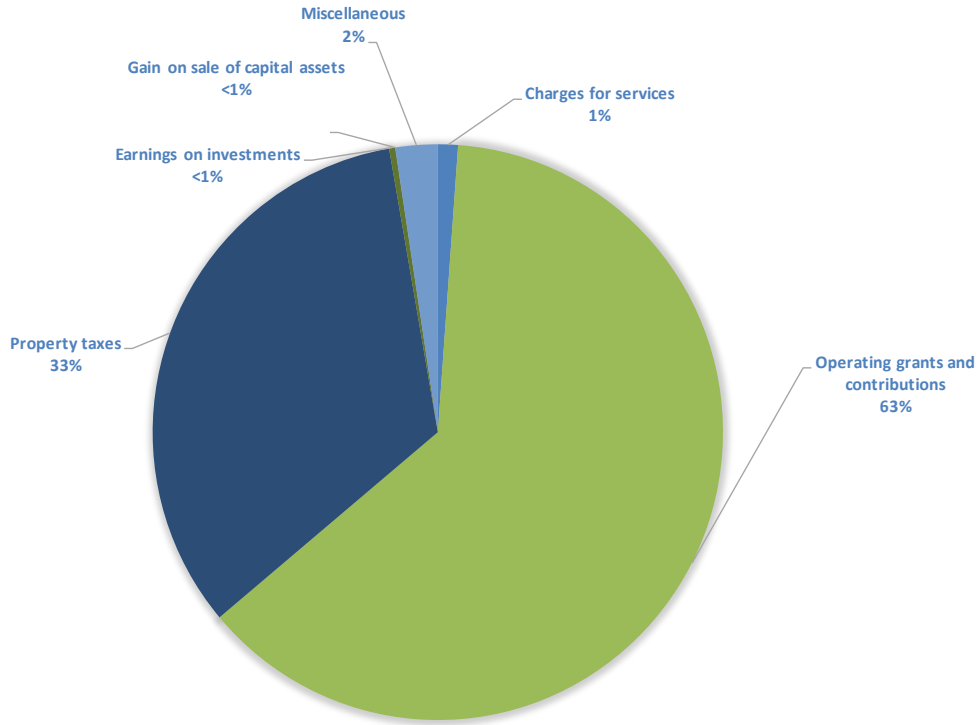
Changes in federal and state aid are a reflection of changes in funding for specific programs and changes in student enrollment. The District’s primary source of funding is based on the WPU and other state appropriations. The state guarantees that if local taxes do not provide money equal to the guarantee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

Provo City School District's Changes in Net Position

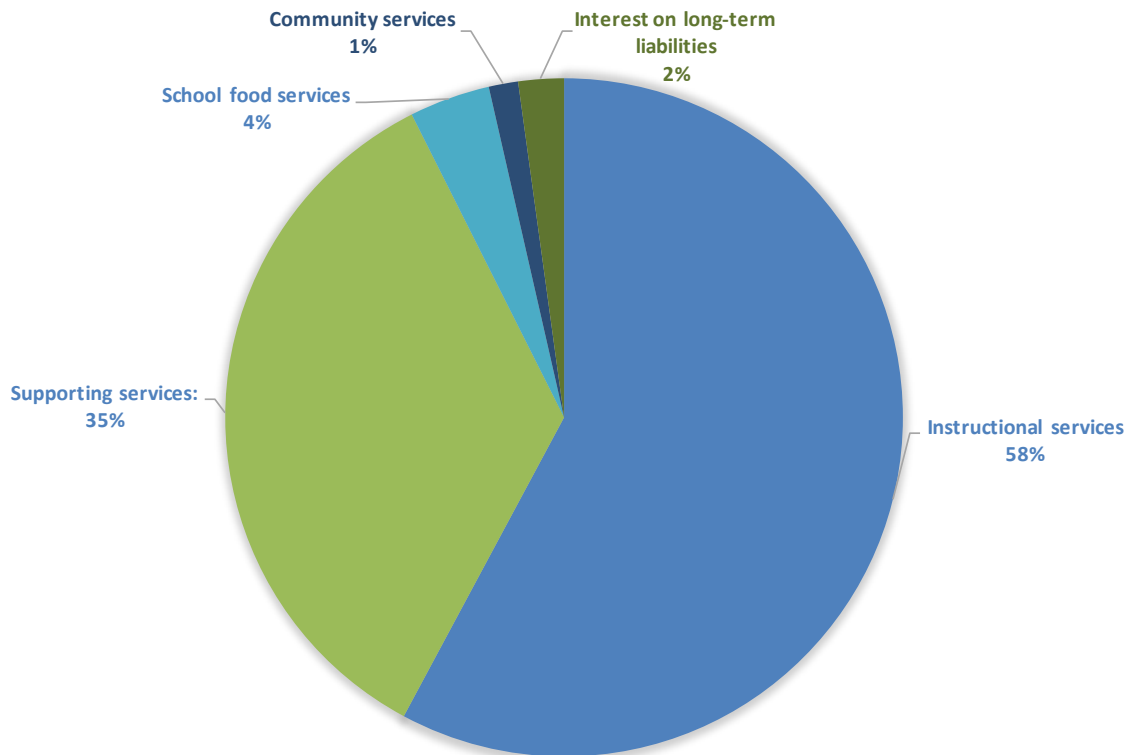
Years Ended June 30, 2021 and 2020

(in millions of dollars)

	Governmental activities		Change from 2020
	2021	2020	
Revenues:			
Program revenues:			
Charges for services	\$ 2.0	\$ 3.0	\$ (1.0)
Operating grants and contributions	110.5	99.9	10.6
General revenues:			
Property taxes	58.8	52.5	6.3
Earnings on investments	0.6	1.7	(1.1)
Gain (loss) on Sale of Capital Assets	0.0	-	0.0
Miscellaneous	4.2	4.3	(0.1)
Total revenues	<u>176.1</u>	<u>161.4</u>	<u>14.7</u>
Expenses:			
Instructional services	82.6	94.9	(12.3)
Supporting services:			
Students	8.5	8.8	(0.3)
Instructional staff	10.6	10.9	(0.3)
District administration	2.1	3.0	(0.9)
School administration	7.1	8.1	(1.0)
Business	5.2	5.4	(0.2)
Operation and maintenance of facilities	14.2	14.4	(0.2)
Transportation	1.9	2.2	(0.3)
School food services	5.5	6.1	(0.6)
Community services	2.0	1.8	0.2
Interest on long-term liabilities	3.1	3.5	(0.4)
Total Expenses	<u>142.8</u>	<u>159.1</u>	<u>(16.3)</u>
Changes in net position	<u>33.3</u>	<u>2.3</u>	<u>31.0</u>
Net position, beginning	<u>102.9</u>	<u>100.6</u>	<u>2.3</u>
Net position, ending	<u>\$ 136.2</u>	<u>\$ 102.9</u>	<u>\$ 33.3</u>



REVENUES BY SOURCES - GOVERNMENTAL ACTIVITIES
FOR YEAR ENDED JUNE 30, 2021



EXPENSES BY FUNCTION - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

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. See the MD&A for additional information regarding the Municipal Building Authority.

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 \$163.3 million, which is a \$90.8 million increase from the previous year. The primary reason for the increase in fund balance is the transfer issuance of bonds for a major renovation to Timpvew High School. In addition, the following changes should be noted:

- The District's *General* fund balance increased \$9.7 million. The primary reason for the increase is decreased expenses during COVID for supplies and travel, along with a sharp increase in federal revenue. The Assigned fund balance increased by approximately \$6 million, which includes many purchases that were ordered in fiscal year 2021 but were not received due to shipping or supply issues in relation to COVID. The Restricted fund balance increased by \$1.6 million. The assigned fund balance accounts for items that are encumbered, administration directed projects, or school balances that carry forward from unrestricted funds. Due to COVID-19, many restricted funds were not spent due to the ongoing pandemic.
- The *Capital Projects* fund balance increased by \$81.2 million. The primary reason for this change in fund balance is due to the issuance of general obligation bonds.
- 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 \$166.6 million, an increase of \$9.3 million compared to the previous fiscal year. The increase is primarily due to school resuming after the closure for COVID-19 and normal operating costs for increased salaries and benefits.
- General fund salaries totaled \$78.8 million, an increase of \$6.6 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) increased in each fund.
- Interest income decreased this year due to a sharp decline in interest rates once the COVID-19 pandemic was declared. Interest rates remain significantly lower than normal through fiscal year 2022.
- Expenditures for supplies increased this year due to an increase in personal protective equipment (PPE) to help protect students and teachers from COVID-19. Property decreased this year due to a change in the District's capitalization policy.

- Local revenue increased overall, primarily due to property taxes.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into nonspendable, restricted, committed, assigned and unassigned portions. *Nonspendable* 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, encumbrances, amounts in excess of nonspendable, 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*: Property taxes increased due to an increase in rates through truth-in-taxation.
- *Student Fees/Tuitions*: Student fees/tuitions represent charges to participants for student programs such as extra-curricular and co-curricular school activities, truancy program fees, after school programs, and preschool. There was a slight increase in school fees in FY21 as activities started again after the school closures.
- *Earnings on investments*: Interest revenue continued to decrease as rates continued to show a sharp decrease from previous fiscal years.
- *Other revenue from local sources*: This classification represents collections for services rendered to other independent entities, fees for local services rendered, and other miscellaneous income sources.
- *Transportation fees, contributions and food services*: Decreases occurred in both Transportation and Food Services due to a decrease in field trips and waivers provided by the federal government allowing the District to provide free breakfast and lunch to all students.

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

	2021	2020
Property taxes	\$ 58,205,541	\$ 52,082,647
School Fees	1,874,160	1,764,231
Transportation fees	151,044	207,793
Earnings on investments	587,864	1,745,463
Food Services	27,161	779,368
Other revenues from local sources	4,279,967	4,662,926
Total	<u>\$ 65,125,737</u>	<u>\$ 61,242,428</u>

Budgetary Highlights

During 2021, 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 \$5.7 million in total General fund revenues and \$9.5 million in expenses. 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 by \$3.9 million from the original and amended budget. The increase was primarily due to enrollment changes in schools.
- *Federal revenue* increased by \$1.8 million due to an increase in federal emergency funding to assist in mitigating the effects of COVID-19.
- The biggest increases in *General* fund expenses from the original budget were salaries (\$4.4 million) and supplies (\$3.1 million). Part of the federal emergency funding was used to pay for additional teachers and aides to lower class sizes and manage learning loss from school closures caused by COVID-19. Additional staff was also hired to manage COVID-19 testing, contact tracing and additional cleaning in buildings. Supplies increased due to a change in the capitalization threshold and additional custodial supplies to assist in cleaning and sanitizing District buildings.

- General obligation bonds were issued in May 2021, which required an increase in other financing sources and expenditures in the *Capital Projects* fund. Other financing sources increased by \$81.8 million to account for the bond proceeds and the expense budget was increased by \$7 million to account for bond expenditures in the current fiscal year.
- Most other budget changes in the *General* fund were minor and between functions to correctly account for expenditures by function.

Capital Assets & Debt Administration

A. Capital Assets

Many 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, 2021 and 2020 are outlined below:

PROVO CITY SCHOOL DISTRICT Capital Assets (net of accumulated depreciation in millions of dollars)			
	2021	2020	Total Change
School sites (land)	\$ 11.5	\$ 11.5	\$ -
Works of art	0.2	0.2	-
Construction in progress	11.6	2.3	9.3
Buildings	182.3	187.8	(5.5)
Furniture & equipment	11.7	13.3	(1.6)
Total	\$ 217.4	\$ 215.2	\$ 2.2

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

- Three new buses were purchased for transporting students to and from school.
- Other technology was replaced and upgraded in several schools.
- Several major asphalt projects were completed throughout the district.
- Construction began on Timpview High School to replace the academic wing and other significant renovations in the school.
- HVAC upgrades and projects were completed.
- Six mobile units were purchased to help with schools who are needing extra classroom space.
- Completion of the CO₂ monitors 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, 2021 is \$444.1 million. General obligation debt at June 30, 2021 is \$169.5 million, resulting in a legal debt margin of \$274.6 million.

	Outstanding General Obligation Debt		
	2021	2020	Total Change
Outstanding G.O. Debt	\$ 169.5	\$ 102.2	\$ 67.3

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, 2021

	Primary Government	Component Unit Provo School District Foundation
	Governmental Activities	
Assets:		
Cash and investments	\$ 166,082,595	\$ 979,956
Restricted cash	6,700,723	-
Receivables:		
Property taxes	53,273,554	-
Other local	778,255	-
State	866,834	-
Federal	7,096,695	-
Prepaid expenses	57,439	-
Inventories	133,525	-
Net pension asset	345,226	-
Capital assets:		
Land, construction in progress, and works of art	23,339,493	-
Buildings and equipment, net of accumulated depreciation	194,057,510	-
 Total assets	 452,731,849	 979,956
Deferred Outflows of Resources:		
Deferred loss on refunding	108,086	-
Deferred outflows relating to pensions	12,570,093	-
 Total deferred outflows of resources	 12,678,179	 -
Liabilities:		
Accounts payable	3,260,616	17,160
Accrued interest payable	244,789	-
Payroll and related payables	15,186,504	-
Unearned revenue:		
Other local	120,600	-
Noncurrent liabilities:		
Due within one year	7,905,507	-
Due in more than one year	184,603,972	-
Net OPEB liability	20,999,125	-
Net pension liability	22,542,911	-
 Total liabilities	 254,864,024	 17,160
Deferred Inflows of Resources:		
Deferred property tax revenue	49,547,014	-
Deferred inflows relating to pensions	24,777,959	-
 Total deferred inflows of resources	 74,324,973	 -
Net Position:		
Net investment in capital assets	107,909,657	-
Restricted for:		
Debt service	1,775,205	-
Capital projects	22,519,963	-
Student activities	2,043,907	-
Building reserve	18,372,240	-
School food services	1,904,379	-
State/Federal restricted programs	10,605,193	-
Unrestricted	(28,909,513)	962,796
 Total net position	 \$ 136,221,031	 \$ 962,796

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

PROVO CITY SCHOOL DISTRICT
Statement of Activities
Year Ended June 30, 2021

Functions	Expenses	Program Revenues		Net Revenues (Expenses) and Changes in net position	
		Charges for Services	Operating Grants and Contributions	Primary	Component Unit
				Government Total Governmental Activities	Provo School District Foundation
Governmental activities:					
Instructional services	\$ 82,609,361	\$ 1,874,160	\$ 90,499,286	\$ 9,764,085	\$ -
Supporting services:					
Students	8,465,017	-	5,854,046	(2,610,971)	-
Instructional staff	10,612,930	-	4,669,816	(5,943,114)	-
District administration	2,133,421	-	770,249	(1,363,172)	-
School administration	7,058,696	-	862,142	(6,196,554)	-
Business	5,194,675	-	37,311	(5,157,364)	-
Operation and maintenance of facilities	14,191,446	-	761,010	(13,430,436)	-
Transportation	1,955,939	151,044	1,634,344	(170,551)	-
School food services	5,522,618	27,161	5,393,016	(102,441)	-
Community services	1,957,885	-	-	(1,957,885)	-
Interest on long-term liabilities	3,133,033	-	-	(3,133,033)	-
Total school district	<u>142,835,021</u>	<u>2,052,365</u>	<u>110,481,220</u>	<u>(30,301,436)</u>	<u>-</u>
Component unit:					
Provo School District Foundation	\$ 59,327	\$ -	97,830	\$ -	\$ 38,503
General Revenues:					
Property taxes levied for:					
Basic state supported program for regular K-12 instruction				13,709,010	-
Voted leeway for regular K-12 instruction				10,539,156	-
Board leeway and Board local leeway				12,306,491	-
Debt service of general obligation bonds				11,187,721	-
Capital outlay for buildings and other capital needs				11,033,686	-
Earnings on investments				587,864	3,810
Gain on sale of assets				15,375	-
Miscellaneous				4,217,370	-
Total general revenues				<u>63,596,673</u>	<u>3,810</u>
Changes in net position				33,295,237	42,313
Net position - beginning				102,925,794	920,483
Net position - ending				<u>\$ 136,221,031</u>	<u>\$ 962,796</u>

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

PROVO CITY SCHOOL DISTRICT
Balance Sheet—Governmental Funds
June 30, 2021

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Debt Service Fund	Capital Projects Fund		
Assets:					
Cash and investments	\$ 49,351,610	\$ -	\$ 96,310,184	\$ 20,420,801	\$ 166,082,595
Restricted cash	3,116,148	1,527,578	-	2,056,997	6,700,723
Receivables:					
Property tax	38,685,693	10,411,944	4,175,917	-	53,273,554
Other local	778,255	-	-	-	778,255
State	727,679	-	-	139,155	866,834
Federal	6,876,995	-	-	219,700	7,096,695
Prepaid items	57,439	-	-	-	57,439
Inventories	-	-	-	133,525	133,525
Total assets	\$ 99,593,819	\$ 11,939,522	\$ 100,486,101	\$ 22,970,178	\$ 234,989,620
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ 2,228,910	\$ -	\$ 958,848	\$ 72,858	\$ 3,260,616
Payroll and related payables	14,589,989	-	19,721	576,794	15,186,504
Unearned revenue:					
Other local	120,600	-	-	-	120,600
Total liabilities	16,939,499	-	978,569	649,652	18,567,720
Deferred Inflows of Resources:					
Deferred property tax revenue	38,943,448	10,164,317	4,007,179	-	53,114,944
Fund Balances:					
Nonspendable:					
Inventories and prepaid items	57,439	-	-	133,525	190,964
Restricted For:					
Building reserve	-	-	-	18,372,240	18,372,240
School food services	-	-	-	1,770,854	1,770,854
Capital projects	-	-	95,500,353	-	95,500,353
Debt service	-	1,775,205	-	-	1,775,205
State/Federal restricted programs	3,116,148	-	-	-	3,116,148
Committed To:					
OPEB	14,198,244	-	-	-	14,198,244
Board voted contingency	4,344,402	-	-	-	4,344,402
Assigned To:					
District Initiatives/Encumbrances	7,489,045	-	-	-	7,489,045
Schools	-	-	-	2,043,907	2,043,907
Unassigned	14,505,594	-	-	-	14,505,594
Total fund balances	43,710,872	1,775,205	95,500,353	22,320,526	163,306,956
Total liabilities, deferred inflows of resources, and fund balances	\$ 99,593,819	\$ 11,939,522	\$ 100,486,101	\$ 22,970,178	\$ 234,989,620

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

Total fund balances for governmental funds \$ 163,306,956

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	
Construction in progress	11,567,069	
Works of art	234,250	
Buildings and improvements	268,136,955	
Furniture and equipment	35,396,727	
Accumulated depreciation for:		
Buildings and improvements	(85,814,124)	
Furniture and equipment	<u>(23,662,048)</u>	217,397,003

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.

Net pension asset	345,226	
Deferred outflows relating to pensions	12,570,093	
Net pension liability	(22,542,911)	
Net OPEB liability	(20,999,125)	
Deferred inflows relating to pensions	<u>(24,777,959)</u>	(55,404,676)

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. 3,567,930

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (244,789)

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	(169,475,000)	
Deferred amounts for issuance premium/discount	(14,696,608)	
Deferred amount on refunding	108,086	
Lease revenue bonds	(6,462,000)	
Notes payable	(88,081)	
Vacation payable	<u>(1,787,790)</u>	<u>(192,401,393)</u>

Total net position of governmental activities \$ 136,221,031

The notes to the basic 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, 2021

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General Fund	Debt Service Fund	Capital Projects Fund		
Revenues:					
Local sources:					
Property taxes	\$ 37,861,708	\$ 9,913,762	\$ 8,620,353	\$ 1,809,718	\$ 58,205,541
Food service sales	-	-	-	27,161	27,161
Interest	494,043	-	89,263	4,558	587,864
Other local	3,812,494	-	52,321	2,440,356	6,305,171
State	90,307,945	-	-	1,068,341	91,376,286
Federal	14,790,719	-	-	4,251,618	19,042,337
Total revenues	147,266,909	9,913,762	8,761,937	9,601,752	175,544,360
Expenditures:					
Current:					
Instructional services	80,569,988	-	-	1,966,625	82,536,613
Supporting services:					
Students	9,338,445	-	-	134,325	9,472,770
Instructional staff	11,866,384	-	-	57,118	11,923,502
District administration	2,535,537	-	-	-	2,535,537
School administration	7,918,849	-	-	299,008	8,217,857
Business	5,748,200	-	-	-	5,748,200
Operations and maintenance of facilities	13,956,836	-	6,461	-	13,963,297
Transportation	2,003,125	-	-	-	2,003,125
Other	-	-	-	-	-
School food services	111,953	-	-	5,557,148	5,669,101
Community services	208,730	-	-	1,809,718	2,018,448
Capital outlay					
Capital Outlay (Buildings & Construction)	-	-	9,263,798	-	9,263,798
Instructional Services	146,216	-	-	10,748	156,964
Instructional Staff	99,009	-	-	-	99,009
Other Support Services	408,262	-	-	-	408,262
Operation and maintenance of facilities	2,260,703	-	-	-	2,260,703
Transportation	414,408	-	-	-	414,408
School Food Services	-	-	-	-	-
Debt service:					
Principal retirement	-	6,420,000	23,387	-	6,443,387
Interest and fiscal charges	-	3,356,265	82,454	-	3,438,719
Total expenditures	137,586,645	9,776,265	9,376,100	9,834,690	166,573,700
Excess (deficiency) of revenues over (under) expenditures	9,680,264	137,497	(614,163)	(232,938)	8,970,660
Other financing sources (uses):					
Proceeds from debt issuance	-	-	73,670,000	-	73,670,000
Proceeds from debt issuance (premium)	-	-	8,145,867	-	8,145,867
Proceeds from sale of capital assets	15,375	-	-	-	15,375
Total other financing sources (uses)	15,375	-	81,815,867	-	81,831,242
Net change in fund balances	9,695,639	137,497	81,201,704	(232,938)	90,801,902
Fund balances - beginning	34,015,233	1,637,708	14,298,649	22,553,464	72,505,054
Fund balances - ending	\$ 43,710,872	\$ 1,775,205	\$ 95,500,353	\$ 22,320,526	\$ 163,306,956

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

PROVO CITY SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 Year Ended June 30, 2021

Net change in fund balances - total governmental funds \$ 90,801,902

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	\$ 12,603,144	
Depreciation expense - capital assets	<u>(10,422,320)</u>	2,180,824

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. 7,843,596

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. 7,297,319

Property tax revenues in the statement of activities that do not provide current financial resources are not reported in the fund statements. 570,523

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:

Proceeds from bond issuance	(81,815,867)	
Repayment of bond principal	6,420,000	
Bond interest expense	(74,636)	
Amortization of deferred amounts, net	<u>380,322</u>	(75,090,181)

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		23,387
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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>(332,133)</u>
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Change in net position of governmental activities \$ 33,295,237

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

PROVO CITY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual—General Fund
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Property taxes	\$ 38,309,518	\$ 38,309,518	\$ 37,861,708	\$ (447,810)
Interest	960,000	960,000	494,043	(465,957)
Other local	3,675,752	3,685,752	3,812,494	126,742
State	86,919,476	90,814,374	90,307,945	(506,429)
Federal	10,050,982	11,876,706	14,790,719	2,914,013
Total revenues	<u>139,915,728</u>	<u>145,646,350</u>	<u>147,266,909</u>	<u>1,620,559</u>
Expenditures:				
Current:				
Instructional services	88,353,870	94,311,344	80,569,988	13,741,356
Supporting services:				
Students	8,412,324	9,040,161	9,338,445	(298,284)
Instructional staff	8,333,529	9,496,390	11,866,384	(2,369,994)
District administration	2,535,305	2,878,793	2,535,537	343,256
School administration	7,611,221	7,770,271	7,918,849	(148,578)
Business	6,181,366	6,802,556	5,748,200	1,054,356
Operations and maintenance of facilities	7,670,219	7,914,684	13,956,836	(6,042,152)
Transportation	2,363,080	2,452,070	2,003,125	448,945
School Food Services	-	134,380	111,953	22,427
Capital Outlay	1,485,249	1,710,809	3,328,598	(1,617,789)
Community services	497,451	497,451	208,730	288,721
Total expenditures	<u>133,443,614</u>	<u>143,008,909</u>	<u>137,586,645</u>	<u>5,422,264</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,472,114</u>	<u>2,637,441</u>	<u>9,680,264</u>	<u>7,042,823</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	<u>100,000</u>	<u>100,000</u>	<u>15,375</u>	<u>(84,625)</u>
Total other financing sources (uses)	<u>100,000</u>	<u>100,000</u>	<u>15,375</u>	<u>(84,625)</u>
Net change in fund balance	6,572,114	2,737,441	9,695,639	6,958,198
Fund balance - beginning	<u>34,015,233</u>	<u>34,015,233</u>	<u>34,015,233</u>	
Fund balance - ending	<u>\$ 40,587,347</u>	<u>\$ 36,752,674</u>	<u>\$ 43,710,872</u>	<u>\$ 6,958,198</u>

The notes to the basic 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 City School District Foundation. 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 curricular, co-curricular and extra-curricular fees collected for classes and programs and for the expenses associated with each activity.
- *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. This fund is wholly funded by transfers from the General and Capital fund. Expenditures are not recorded in the Building Reserve fund, so transfers back to the Capital fund will be done when buildings are constructed.
- *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, 2021, 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.

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 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 acquisition 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.

Major outlays 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	Lab Equipment	10
Physical Education Equipment	20	Music - Instruments & Accessories	10
Standard Furniture & Accessories	20	Licensed Vehicles	8
Stage & Auditorium	20	Business Machines	5
Portable Classrooms	15	Miscellaneous Equipment	5
Machinery & Tools	15	Software	3
Appliances	15		

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 at fair value when received, using the first-in first-out (FIFO) method. Inventory in the special revenue fund 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. Actual results may differ from these estimates.

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 refunded debt and the reacquisition price.

V. Tax Abatements

Provo City School District participates in five tax increments through the Provo Redevelopment Agency. Local government units may permit, by board vote, property tax increments to support business development within the cities they preside over. During the fiscal year ending June 30, 2021, the District had board-approved increments for five specific redevelopment projects within the city of Provo of approximately \$12,418,091.

2. DEPOSITS AND INVESTMENTS

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2021, as shown on the financial statements is as follows:

	Primary Government	Component Unit
Carrying amount of deposits	\$ 22,352	\$ 218,332
Carrying amount of investments:		
Public Treasurers' Investment Fund	153,651,239	761,624
Zions Public Finance Investment	11,237,823	-
Sinking Fund (Lease Revenue Bond)	4,146,901	
Repurchase Agreement	3,725,003	-
	<u>172,760,966</u>	<u>761,624</u>
Total investments		
	<u>172,760,966</u>	<u>761,624</u>
Total cash and investments	\$ 172,783,318	\$ 979,956

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, 2021, 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	\$ (550,491)	\$ 356	\$ 356
Student Activities	572,843	691,323	691,323
	<u>22,352</u>	<u>691,679</u>	<u>691,679</u>
Total primary government			
	<u>22,352</u>	<u>691,679</u>	<u>691,679</u>
Component unit:			
Provo School District Foundation	\$ 218,332	\$ 236,539	\$ 236,539

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 FY2021, 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, 2021, the District had the following investments:

Investment Type	Fair Value	Maturities	
		<1 Year	1-5 Years
PTIF	\$ 162,967,974	\$ 162,967,974	\$ -
US Obligations	250,006	-	250,006
Corporate Floating	6,339,483	2,953,983	3,385,500
Marketable CD	240,124		240,124
Repurchase Agreement	3,725,003	3,725,003	-
	<u>\$ 173,522,590</u>	<u>\$ 169,646,960</u>	<u>\$ 3,875,630</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+-BB-	Unrated
PTIF	\$ 162,967,974	\$ -	\$ -	\$ -	\$ 162,967,974
US Obligations	250,006	-	-	-	250,006
Corporate Floating	6,339,483	-	5,685,767	1,143,846	-
Marketable CD	240,124	-	-	-	240,124
Repurchase Agreement	3,725,003	3,725,003	-	-	-
	<u>\$ 173,522,590</u>	<u>\$ 3,725,003</u>	<u>\$ 5,685,767</u>	<u>\$ 1,143,846</u>	<u>\$ 163,458,104</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 \$3,725,003 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.

Investments - Fair Value of Investments - The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Financial instruments with unadjusted, quoted prices listed on active market exchanges.
- Level 2: Financial instruments lacking unadjusted, quoted prices from active market exchanges, including over-the-counter traded financial instruments. The prices for the financial instruments are determined using prices for recently traded financial instruments with similar underlying terms as well as directly or indirectly observable inputs, such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3: Financial instruments that are not actively traded on a market exchange. This category includes situations where there is little, if any, market activity for the financial instruments. The prices are determined using significant unobservable inputs or valuation techniques.

At June 30, 2021, the District had the following recurring fair value measurements.

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Debt Securities				
PTIF	\$ 162,967,974	\$ -	\$ 162,967,974	\$ -
US Obligations	250,006	-	250,006	-
Corporate Floating	6,339,483	-	6,339,483	-
Marketable CD	240,124	-	240,124	-
Repurchase Agreements	3,725,003	-	3,725,003	-
	<u>\$ 173,522,590</u>	<u>\$ -</u>	<u>\$ 173,522,590</u>	<u>\$ -</u>

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, 2021, the District had accrued a property tax receivable on the government-wide financial statements of \$53,273,554. This accrual includes calendar year 2020 property taxes of \$53,114,944 levied for the year ended June 30, 2021 due to be collected by November 30, 2021, plus \$3,567,930 of delinquent property taxes receivable for taxes assessed prior to 2020 that remain uncollected.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 11,538,174	\$ -	\$ -	\$ 11,538,174
Construction in progress	\$ 2,303,271	9,263,798	-	\$ 11,567,069
Works of art	\$ 234,250	-	-	\$ 234,250
Total capital assets, not being depreciated	<u>\$ 14,075,695</u>	<u>9,263,798</u>	<u>-</u>	<u>\$ 23,339,493</u>
Capital assets, being depreciated :				
Buildings and improvements	\$ 266,298,130	1,838,825	-	\$ 268,136,955
Furniture and equipment	\$ 34,217,880	1,500,521	(321,674)	\$ 35,396,727
Total capital assets, being depreciated	<u>\$ 300,516,010</u>	<u>3,339,346</u>	<u>(321,674)</u>	<u>\$ 303,533,682</u>
Accumulated depreciation for:				
Buildings and improvements	\$ (78,512,038)	(7,302,086)	-	\$ (85,814,124)
Furniture and equipment	\$ (20,863,488)	(3,120,234)	321,674	\$ (23,662,048)
Total accumulated depreciation	<u>\$ (99,375,526)</u>	<u>(10,422,320)</u>	<u>321,674</u>	<u>\$ (109,476,172)</u>
Total capital assets, being depreciated, net	<u>\$ 201,140,485</u>	<u>(7,082,974)</u>	<u>-</u>	<u>\$ 194,057,511</u>
Governmental activity capital assets, net	<u>\$ 215,216,179</u>	<u>\$ 2,180,824</u>	<u>\$ -</u>	<u>\$ 217,397,003</u>

For the year ended June 30, 2021, depreciation expense was charged to functions of the District as follows:

Governmental activities:

	Buildings and improvements	Furniture and equipment	Total
Instructional services	\$ (6,352,814)	\$ (2,714,604)	\$ (9,067,418)
Supporting services:			
Students	(36,510)	(15,601)	(52,111)
Instructional Staff	(36,510)	(15,601)	(52,111)
District administration	(36,511)	(15,601)	(52,112)
School administration	(36,511)	(15,601)	(52,112)
Business	(36,511)	(15,601)	(52,112)
Operation and maintenance of facilities	(584,167)	(249,619)	(833,786)
Transportation	(73,021)	(31,202)	(104,223)
School food services	(109,531)	(46,804)	(156,335)
Total depreciation expense, governmental activities	<u>\$ (7,302,086)</u>	<u>\$ (3,120,234)</u>	<u>\$ (10,422,320)</u>

5. LONG TERM LIABILITIES

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 102,225,000	\$ 73,670,000	\$ (6,420,000)	\$ 169,475,000	\$ 7,010,000
Qualified school construction bonds	6,462,000	-	-	6,462,000	-
Deferred amounts for issuance premium/discount	6,995,397	8,145,867	(444,656)	14,696,608	-
Total bonds payable, net	<u>115,682,397</u>	<u>81,815,867</u>	<u>(6,864,656)</u>	<u>190,633,608</u>	<u>7,010,000</u>
Other long-term liabilities:					
Notes payable	111,468	-	(23,387)	88,081	24,156
Net pension liability	38,375,101	-	(15,832,190)	22,542,911	-
Net OPEB liability	28,842,721	-	(7,843,596)	20,999,125	-
Vacation payable	1,455,657	1,143,999	(811,866)	1,787,790	871,351
Total governmental activity long-term liabilities	<u>\$ 184,467,344</u>	<u>\$ 82,959,866</u>	<u>\$ (31,375,695)</u>	<u>\$ 236,051,515</u>	<u>\$ 7,905,507</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, 2021 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	\$ 13,305,000
2015 Series G.O. Bonds	School Building	50,615,000	2.25% to 5%	June 15, 2035	39,475,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	43,025,000
2021 Series G.O. Bonds	School Building	73,670,000	1.75% to 5%	June 15, 2041	73,670,000
Total General Obligation Bonds Payable as of June 30, 2021					<u>\$ 169,475,000</u>

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

General Obligation Bonds

Year Ending June 30	Principal	Interest	Debt Service Fund
2022	7,010,000	5,795,466	12,805,466
2023	8,330,000	5,115,202	13,445,202
2024	9,155,000	4,829,283	13,984,283
2025	10,040,000	4,499,223	14,539,223
2026	10,860,000	4,121,000	14,981,000
2027-2031	48,435,000	14,981,701	63,416,701
2032-2036	51,725,000	6,346,913	58,071,913
2037-2041	23,920,000	1,444,520	25,364,520
	<u>\$ 169,475,000</u>	<u>\$ 47,133,306</u>	<u>\$ 216,608,306</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, 2021, the sinking fund has a balance of \$4,146,901. 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:

Year Ending June 30,	Principal	Interest	Total
2022	-	79,483	79,483
2023	-	79,483	79,483
2024	-	79,483	79,483
2025	-	79,483	79,483
2026	6,462,000	79,482	6,541,482
	<u>\$ 6,462,000</u>	<u>\$ 397,414</u>	<u>\$ 6,859,414</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. The purpose of this note was to replace a chiller at Timpview High School. Annual payments are typically financed through the District's General fund, and payments at June 30, 2021 are as follows:

Note Payable

Year Ending June 30,	Principal	Interest	Capital Fund
2022	\$ 24,156	\$ 2,570	\$ 26,726
2023	24,951	1,776	26,727
2024	25,772	955	26,727
2025	13,202	161	13,363
	<u>\$ 88,081</u>	<u>\$ 5,462</u>	<u>\$ 93,543</u>

E. Combined Maturities on Long-Term Borrowings

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

All Long-term Borrowings

Year Ending June 30,	Principal	Interest	Total
2022	7,034,156	5,877,519	12,911,676
2023	8,354,951	5,196,461	13,551,411
2024	9,180,772	4,909,721	14,090,492
2025	10,053,202	4,578,867	14,632,069
2026	17,322,000	4,200,482	21,522,482
2027-2031	48,435,000	14,981,701	69,958,184
2032-2036	51,725,000	6,346,913	58,071,913
2037-2041	23,920,000	1,444,520	25,364,520
	<u>\$ 176,025,081</u>	<u>\$ 47,536,182</u>	<u>\$ 230,102,746</u>
Add: Deferred amounts, net:	14,696,608		
Compensated absences:	1,787,790		
	<u>\$ 192,509,479</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/general/publications.

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

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%

* Actuarial reductions are applied

**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.

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, 2021 are as follows:

Utah Retirement Systems

	<u>Employee Paid</u>	<u>Employer Contribution Rates</u>	<u>Employer Rate for 401(k) Plan</u>
Contributory System			
State and School Tier 1	6.00%	17.70%	N/A
State and School Tier 2	N/A	19.13%	0.89%
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, 2021 the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 8,981,723	N/A
Contributory System	25,694	8,710
Tier 2 Public Employees System	4,589,910	-
Tier 2 DC Only System	425,491	N/A
Total Contributions	\$ 14,022,818	\$ 8,710

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, 2020, the District reported a net pension asset of \$345,226 and a net pension liability of \$22,542,911.

	Measurement Date: December 31, 2020		December 31, 2019		Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share	
Noncontributory System	\$ -	\$ 22,352,259	1.6766854%	1.7091602%	-0.0324748%
Contributory System	345,226	-	1.4515114%	1.2771143%	0.1743971%
Tier 2 Public Employees System	-	190,652	1.3255556%	1.3982956%	-0.0727400%
Total Net Pension Asset/Liability	\$ 345,226	\$ 22,542,911			

The net pension asset and liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 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, 2021, the District recognized pension expense of \$6,710,298.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,626,902	\$ 87,300
Changes in assumptions	2,349,570	6,936
Net difference between projected and actual earnings on pension plan investments	-	23,736,231
Changes in proportion and differences between contributions and proportionate share of contributions	316,903	947,491
Contributions subsequent to the measurement date	7,276,718	-
Total	\$ 12,570,093	\$ 24,777,958

\$7,276,718 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, 2020.

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>
2021	\$ (5,795,700)
2022	(2,127,820)
2023	(8,037,651)
2024	(3,876,083)
2025	62,253
Thereafter	290,417

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

For the year ended June 30, 2021, the District recognized pension expense of \$4,926,588.

At June 30, 2021, 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	\$ 2,451,403	\$ -
Changes in assumptions	2,108,418	-
Net difference between projected and actual earnings on pension plan investments	-	22,499,137
Changes in proportion and differences between contributions and proportionate share of contributions	58,715	947,491
Contributions subsequent to the measurement date	<u>4,630,158</u>	<u>-</u>
Total	<u>\$ 9,248,694</u>	<u>\$ 23,446,628</u>

\$4,630,158 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, 2020.

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>
2021	\$ (5,481,714)
2022	(1,948,077)
2023	(7,666,177)
2024	(3,732,124)
2025	-
Thereafter	-

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

For the year ended June 30, 2021, we recognized pension expense of (\$80,078).

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	679,817
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	13,156	-
Total	<u>\$ 13,156</u>	<u>\$ 679,817</u>

\$13,156 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, 2020.

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,	Net Deferred Outflows (Inflows) of Resources
2021	\$ (216,087)
2022	(120,999)
2023	(239,279)
2024	(103,452)
2025	-
Thereafter	-

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

For the year ended June 30, 2021, the District recognized pension expense of \$1,863,787.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 175,499	\$ 87,300
Changes in assumptions	241,152	6,936
Net difference between projected and actual earnings on pension plan investments	-	557,277
Changes in proportion and differences between contributions and proportionate share of contributions	258,188	-
Contributions subsequent to the measurement date	2,633,403	-
Total	<u>\$ 3,308,242</u>	<u>\$ 651,513</u>

\$2,633,403 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, 2020.

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,	Net Deferred Outflows (Inflows) of Resources
2021	\$ (97,899)
2022	(58,744)
2023	(132,195)
2024	(40,507)
2025	62,253
Thereafter	290,417

Actuarial Assumptions

The total pension liability in the December 31, 2020, 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 adopted from an actuarial experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2019 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	37%	6.30%	2.33%
Debt securities	20%	0.00%	0.00%
Real assets	15%	6.19%	0.93%
Private equity	12%	9.50%	1.14%
Absolute return	16%	2.75%	0.44%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.84%
	Inflation		2.50%
	Expected arithmetic nominal return		7.34%

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 remained unchanged at 6.95 percent.

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	\$ 71,656,286	\$ 22,352,259	\$ (18,872,642)
Contributory System	524,055	(345,226)	(1,090,352)
Tier 2 Public Employees System	3,208,099	190,652	(2,117,616)
Total Pension Liability	\$ 75,388,440	\$ 22,197,685	\$ (22,080,610)

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, 2021 were as follows:

	2021	2020	2019
401(k) Plan			
Employer Contributions	\$ 1,603,774	\$ 1,445,086	\$ 1,337,556
Employee Contributions	956,322	841,924	842,207
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	65,313	76,085	68,621
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	236,375	229,727	192,337
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	8,865	7,340	7,140
Total Contributions	\$ 2,870,649	\$ 2,600,162	\$ 2,447,861

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 420 retirees receiving benefit coverage in addition to 67 present employees who have earned vested coverage upon retirement. The 67 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 expenditures for OPEB for the 2021, 2020, and 2019 were \$2,470,480, \$3,331,060, and \$3,252,580, 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 a full actuarial valuation every other year. On the off years, the District is provided with interim numbers to provide timely OPEB liability projections for financial statements.

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, 2020	
Rate of investment return (net of administrative expenses)	2.16%
Annual salary increase	3.25%
Inflation rate	2.20%
Health care cost increase (65 and under)	6.00%
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	The most recent valuation updated to the mortality assumption from the SOA-RP-2014 Adjusted to 2006 Total Dataset Mortality with the MP-2018 projection scale to the Pri-2012 White Collar Dataset Retiree Amount-Weighted Mortality with Scale MP-2020.
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, 2020	<u>\$ 28,842,721</u>
Activity during the year	
Service Cost	92,294
Interest Cost	612,314
Effect of plan changes	-
Effect of economic/demographic gains or losses	(4,601,624)
Changes in assumptions or other inputs	(1,476,100)
Benefit Payments	<u>(2,470,480)</u>
Net change in total OPEB liability	<u>(7,843,596)</u>
Total OPEB Liability at June 30, 2021	<u>\$ 20,999,125</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 (3.16%) and one-percentage-point lower (1.16%) than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Net OPEB Liability	\$ 22,642,100	\$ 20,999,125	\$ 19,567,349

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	Current Trend Rate	1% Increase
Net OPEB Liability	\$ 19,709,202	\$ 20,999,125	\$ 22,454,033

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

At June 30, 2021, the District reported no deferred outflows of resources and deferred inflows of resources related to OPEB.

General Fund Balance Designations

At June 30, 2021, 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 15, 2021, 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.

	Fund				
	General	Debt Service	Capital Projects	Building Reserve	Food Services
Debt Service	\$ -	\$ 1,775,205	\$ -	\$ -	\$ -
Capital Levy	-	-	95,500,353	-	-
Food Services	-	-	-	-	1,770,854
Building Reserve	-	-	-	18,372,240	-
Extended Day Kindergarten	133,403	-	-	-	-
Adult Education	202,264	-	-	-	-
CTE	1,070,193	-	-	-	-
Programs Advanced Placement	88,719	-	-	-	-
Youth in Custody	301,035	-	-	-	-
Concurrent Enrollment	11,215	-	-	-	-
Gifted and Talented	8,214	-	-	-	-
Drivers Education	99,273	-	-	-	-
STEM Action Center	85,903	-	-	-	-
Computer Science	29,738	-	-	-	-
Critical Languages	106,565	-	-	-	-
Art Education	5,000	-	-	-	-
School Land Trust	409,864	-	-	-	-
TSSA	564,759	-	-	-	-
Total	\$ 3,116,148	\$ 1,775,205	\$ 95,500,353	\$ 18,372,240	\$ 1,770,854
Total Restricted Fund Balances	<u>\$ 120,534,800</u>				

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, 2021, 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, 2021, 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, 2021, which have not been resolved.

Required Supplemental Information

PROVO CITY SCHOOL DISTRICT
 Required Supplemental Information
Schedule of the Proportionate Share of the Net Pension Liability
 Last 10 Fiscal Years
 June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Noncontributory Retirement System			
Proportion of Net Pension Liability	1.6766854%	1.7091602%	1.5711423%
Proportionate share of the net pension liability (asset)	\$ 22,352,259	\$ 37,972,444	\$ 58,454,619
Covered payroll	\$ 39,739,238	\$ 40,232,417	\$ 39,620,195
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	56.25%	94.38%	147.50%
Plan fiduciary net position as percentage of covered payroll	94.3%	90.1%	84.1%
Contributory Retirement System			
Proportion of Net Pension Liability	1.4515114%	1.2771143%	0.9173062%
Proportionate share of the net pension liability (asset)	\$ (345,226)	\$ 88,170	\$ 551,291
Covered payroll	\$ 139,987	\$ 142,480	\$ 178,026
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-246.6%	61.9%	365.8%
Plan fiduciary net position as percentage of covered payroll	103.7%	98.9%	91.4%
Tier 2 Public Employees System			
Proportion of Net Pension Liability	1.3255556%	1.3982956%	1.4593175%
Proportionate share of the net pension liability (asset)	\$ 190,652	\$ 314,487	\$ 624,994
Covered payroll	\$ 21,242,671	\$ 19,477,405	\$ 17,171,718
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.90%	1.61%	3.64%
Plan fiduciary net position as percentage of covered payroll	98.3%	96.5%	90.8%

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.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
1.6334430%	1.5742888%	1.5900394%	1.6109284%
\$ 39,943,588	\$ 51,021,392	\$ 49,947,691	\$ 40,475,038
\$ 41,361,914	\$ 40,485,774	\$ 40,944,924	\$ 42,956,230
96.57%	126.02%	121.99%	94.2%
89.2%	84.9%	84.5%	87.2%
1.1657030%	1.4158416%	1.4845473%	1.4374656%
\$ 76,708	\$ 775,821	\$ 930,295	\$ 157,616
\$ 265,231	\$ 379,541	\$ 470,271	\$ 528,776
28.9%	204.4%	197.8%	29.8%
99.2%	93.4%	92.4%	98.7%
1.5173020%	1.5164092%	1.6688829%	1.8017097%
\$ 133,776	\$ 169,154	\$ (3,643)	\$ (54,600)
\$ 14,901,285	\$ 12,435,747	\$ 10,775,651	\$ 8,814,157
0.90%	1.36%	-0.03%	-0.6%
97.4%	95.1%	100.2%	103.5%

PROVO CITY SCHOOL DISTRICT
 Required Supplemental Information
Schedule of Employer Contributions
 Last 10 Fiscal Years
 June 30, 2021

	2021	2020	2019	2018
Noncontributory System				
Actuarial determined contributions	\$ 8,981,723	\$ 8,843,583	\$ 8,735,716	\$ 8,934,339
Contributions in relation to				
contractually required contribution	8,981,723	8,843,583	8,735,716	8,934,339
Covered payroll	40,885,528	40,250,731	39,861,680	40,764,845
Contributions as a percentage of				
covered payroll	21.97%	21.97%	21.92%	21.92%
Contributory System				
Actuarial determined contributions	\$ 25,694	\$ 24,779	\$ 25,466	\$ 37,357
Contributions in relation to				
contractually required contribution	25,694	24,779	25,466	37,357
Covered payroll	145,162	139,993	143,878	211,056
Contributions as a percentage of				
covered payroll	17.70%	17.70%	17.70%	17.70%
Tier 2 Public Employees System*				
Actuarial determined contributions	\$ 4,589,910	\$ 3,831,829	\$ 3,524,919	\$ 2,988,873
Contributions in relation to				
contractually required contribution	4,589,910	3,831,829	3,425,919	2,988,873
Covered payroll	24,410,979	20,247,336	18,736,479	16,206,393
Contributions as a percentage of				
covered payroll	18.80%	18.93%	18.81%	18.44%
Tier 2 Public Employees DC Only System*				
Actuarial determined contributions	\$ 425,491	\$ 404,212	\$ 318,684	\$ 280,148
Contributions in relation to				
contractually required contribution	425,491	404,212	318,684	280,148
Covered payroll	4,263,345	3,877,370	3,059,541	2,723,643
Contributions as a percentage of				
covered payroll	9.98%	10.42%	10.42%	10.29%

* 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 six 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.

2017	2016	2015	2014
\$ 8,896,189	\$ 8,903,564	\$ 9,137,526	\$ 8,700,556
8,896,189	8,903,564	9,137,526	8,700,556
40,561,200	40,564,154	42,407,414	43,781,598
21.93%	21.95%	21.55%	19.87%
\$ 60,401	\$ 82,894	\$ 81,264	\$ 91,919
60,401	82,894	81,264	91,919
339,769	480,171	466,690	586,091
17.78%	17.26%	17.41%	15.68%
\$ 2,464,611	\$ 2,189,852	\$ 1,628,003	\$ 1,339,134
2,464,611	2,189,852	1,628,003	1,339,134
13,512,648	11,950,243	9,005,387	8,082,471
18.24%	18.32%	18.08%	16.57%
\$ 240,413	\$ 139,472	\$ 94,707	\$ 41,043
240,413	139,472	94,707	41,043
2,143,782	1,363,576	897,234	544,216
11.21%	10.23%	10.56%	7.54%

PROVO CITY SCHOOL DISTRICT
 Required Supplemental Information
 Schedule of Changes in Net OPEB Liability and Related Ratios and Notes to the Required Supplemental Information
 Last 10 Fiscal Years
 June 30, 2021

	2021	2020	2019
Total OPEB Liability			
Service Cost	\$ 92,294	\$ 133,969	\$ 133,762
Interest	612,314	949,483	1,037,186
Effect of economic/demographic gains or losses	(4,601,624)	-	157,805
Differences between expected and actual experience	-	-	-
Changes of assumptions	(1,476,100)	2,533,737	33,524
Benefit payments	(2,470,480)	(3,331,060)	(3,252,580)
Net change in total OPEB Liability	(7,843,596)	286,129	(1,890,303)
Total OPEB Liability--beginning	28,842,721	28,559,592	30,449,895
Total OPEB Liability--ending	<u>\$ 20,999,125</u>	<u>\$ 28,845,721</u>	<u>\$ 28,559,592</u>
Covered employee payroll	\$ 4,418,984	\$ 9,349,091	\$ 9,054,810
Net OPEB liability as a percentage of covered employee payroll	475%	309%	315%

The 10-year schedule will need to be built prospectively. Full actuarial valuations are done every year, and the latest valuation was done as of June 30, 2021. 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, 2020. 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.

PROVO CITY SCHOOL DISTRICT
 Required Supplemental Information
 Schedule of Changes in Net OPEB Liability and Related Ratios and Notes to the Required Supplemental Information
 Last 10 Fiscal Years
 June 30, 2021

2018	2017
\$ -	\$ 225,142
-	1,346,728
-	-
-	(7,200,082)
-	4,138,650
<u>(3,722,215)</u>	<u>(3,462,281)</u>
(3,722,215)	(4,951,843)
34,172,110	39,123,953
<u>\$ 30,449,895</u>	<u>\$34,172,110</u>

\$ 11,726,291 \$11,440,284

260% 299%

Actuarial Assumptions and Methods
 July 1, 2020

Rate of investment return (net of administrative expenses)	2.16%
Annual salary increase	3.25%
Inflation rate	2.20%
Health care cost increase (65 and under)	6.00%

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	The most recent valuation updated to the mortality assumption from the SOA-RP-2014 Adjusted to 2006 Total Dataset Mortality with the MP-2018 projection scale to the Pri-2012 White Cllar Dataset Retiree Amount-Weighted Mortality with Scale MP-2020.

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

MAJOR GOVERNMENTAL FUNDS

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets
 General Fund
 June 30, 2021 (with comparative totals for 2020)

	2021	2020
Assets:		
Cash and investments	\$ 49,351,610	\$ 43,424,590
Restricted cash	3,116,148	1,520,930
Receivables:		
Property taxes	38,685,693	34,854,581
Other local	778,255	106,202
State	727,679	401,021
Federal	6,876,995	2,594,054
Prepaid items	57,439	11,157
Total assets	\$ 99,593,819	\$ 82,912,535
Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Liabilities:		
Accounts payable	\$ 2,228,910	\$ 2,359,215
Payroll and related payables	14,589,989	11,478,706
Deferred revenue:		
Other local	120,600	-
Total liabilities	16,939,499	13,837,921
Deferred Inflows of Resources:		
Deferred property tax revenue	38,943,448	35,059,381
Fund balance:		
Nonspendable:		
Inventories and prepaid items	57,439	11,157
Restricted For:		
State/Federal restricted programs	3,116,148	1,520,930
Committed To:		
OPEB	14,198,244	14,198,244
Board voted contingency	4,344,402	4,344,402
Assigned	7,489,045	1,566,218
Unassigned	14,505,594	12,374,282
Total fund balance	43,710,872	34,015,233
Total liabilities, deferred inflows of resources, and fund balance	\$ 99,593,819	\$ 82,912,535

PROVO CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - *General Fund*
Year Ended June 30, 2021 (with comparative totals for 2020)

	2021			Variance with Final Budget - Positive (Negative)	2020
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 38,309,518	\$ 38,309,518	\$ 37,861,708	\$ (447,810)	33,046,806
Interest	960,000	960,000	494,043	(465,957)	1,652,653
Other local	3,675,752	3,685,752	3,812,494	126,742	3,787,734
State	86,919,476	90,814,374	90,307,945	(506,429)	85,411,264
Federal	10,050,982	11,876,706	14,790,719	2,914,013	8,905,035
Total revenues	<u>139,915,728</u>	<u>145,646,350</u>	<u>147,266,909</u>	<u>1,620,559</u>	<u>132,803,492</u>
Expenditures:					
Salaries	79,351,872	83,806,989	78,778,602	5,028,387	72,260,522
Employee benefits	35,093,108	35,835,876	34,470,630	1,365,246	32,868,802
Purchased services	4,858,490	5,436,555	10,495,093	(5,058,538)	12,792,485
Supplies	11,039,644	14,142,637	10,538,004	3,604,633	8,079,652
Property	1,715,285	2,282,232	1,712,470	569,762	2,971,870
Other	1,385,215	1,504,620	1,591,846	(87,226)	1,471,215
Total expenditures	<u>133,443,614</u>	<u>143,008,909</u>	<u>137,586,645</u>	<u>5,422,264</u>	<u>130,444,546</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,472,114</u>	<u>2,637,441</u>	<u>9,680,264</u>	<u>7,042,823</u>	<u>2,358,946</u>
Other financing sources (uses):					
Proceeds from sale of capital assets	100,000	100,000	15,375	(84,625)	4,263
Transfer out	-	-	-	-	(5,500,000)
Total other financing sources (uses)	<u>100,000</u>	<u>100,000</u>	<u>15,375</u>	<u>(84,625)</u>	<u>(5,495,737)</u>
Net change in fund balance	6,572,114	2,737,441	9,695,639	6,958,198	(3,136,791)
Fund balance - beginning	<u>34,015,233</u>	<u>34,015,233</u>	<u>34,015,233</u>		<u>37,152,024</u>
Fund balance - ending	<u>\$ 40,587,347</u>	<u>\$ 36,752,674</u>	<u>\$ 43,710,872</u>	<u>\$ 6,958,198</u>	<u>\$ 34,015,233</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets
Debt Service Fund
 June 30, 2021 (with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Assets:		
Cash and investments	\$ 1,527,578	\$ 1,402,478
Receivables:		
Property taxes	<u>10,411,944</u>	<u>9,385,798</u>
Total assets	<u><u>11,939,522</u></u>	<u><u>10,788,276</u></u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Deferred Inflows of Resources:		
Deferred property tax revenue	<u>10,164,317</u>	<u>9,150,568</u>
Fund balance:		
Restricted for:		
Debt service	<u>1,775,205</u>	<u>1,637,708</u>
Total fund balance	<u>1,775,205</u>	<u>1,637,708</u>
Total liabilities, deferred inflows of resources, and fund balance	<u><u>\$ 11,939,522</u></u>	<u><u>\$ 10,788,276</u></u>

PROVO CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - *Debt Service Fund*
Year Ended June 30, 2021 (with comparative totals for 2020)

	2021			Variance with Final Budget - Positive (Negative)	2020
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 9,778,800	\$ 9,778,800	\$ 9,913,762	\$ 134,962	\$ 9,354,849
Total revenues	<u>9,778,800</u>	<u>9,778,800</u>	<u>9,913,762</u>	<u>134,962</u>	<u>9,354,849</u>
Expenditures:					
Debt service:					
Principal retirement	6,420,000	6,420,000	6,420,000	-	6,175,000
Interest and fiscal charges	<u>3,358,800</u>	<u>3,358,800</u>	<u>3,356,265</u>	<u>2,535</u>	<u>3,593,999</u>
Total expenditures	<u>9,778,800</u>	<u>9,778,800</u>	<u>9,776,265</u>	<u>2,535</u>	<u>9,768,999</u>
Net change in fund balance	-	-	137,497	137,497	(414,150)
Fund balance - beginning	<u>1,637,708</u>	<u>1,637,708</u>	<u>1,637,708</u>	-	<u>2,051,858</u>
Fund balance - ending	<u>\$ 1,637,708</u>	<u>\$ 1,637,708</u>	<u>\$ 1,775,205</u>	<u>\$ 137,497</u>	<u>\$ 1,637,708</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets
Capital Projects Fund
 June 30, 2021 (with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Assets:		
Cash and investments	\$ 96,310,184	\$ 13,903,969
Receivables:		
Property taxes	4,175,917	3,767,621
Prepaid items	<u>-</u>	<u>346,018</u>
Total assets	<u>\$ 100,486,101</u>	<u>\$ 18,017,608</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Liabilities:		
Accounts payable	\$ 958,848	\$ 104,712
Payroll and related payables	<u>19,721</u>	<u>6,729</u>
Total liabilities	<u>978,569</u>	<u>111,441</u>
Deferred Inflows of Resources:		
Deferred property tax revenue	<u>4,007,179</u>	<u>3,607,518</u>
Fund balance:		
Nonspendable	-	346,018
Restricted for:		
Capital projects	<u>95,500,353</u>	<u>13,952,631</u>
Total fund balance	<u>95,500,353</u>	<u>14,298,649</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 100,486,101</u>	<u>\$ 18,017,608</u>

PROVO CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - *Capital Projects Fund*
Year Ended June 30, 2021 (with comparative totals for 2020)

	2021			Variance with Final Budget - Positive (Negative)	2020
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Orginal	Final			
Revenues:					
Local sources:					
Property taxes	\$ 8,499,850	\$ 8,499,850	\$ 8,620,353	\$ 120,503	\$ 8,240,141
Interest	-	-	89,263	89,263	74,502
Other local	-	-	52,321	52,321	-
State	-	-	-	-	111,674
Federal	-	-	-	-	48,173
Total revenues	8,499,850	8,499,850	8,761,937	262,087	8,474,490
Expenditures:					
Salaries	1,120,409	1,120,409	-	1,120,409	-
Employee benefits	515,748	515,748	-	515,748	-
Purchased services	9,168,279	16,226,301	9,270,259	6,956,042	6,053,947
Supplies	463,793	463,793	-	463,793	22,409
Property	742,612	742,612	-	742,612	533,762
Other	493,830	493,830	-	493,830	-
Debt service:					
Principal retirement	-	-	23,387	(23,387)	22,642
Interest and fiscal charges	-	-	82,454	(82,454)	83,096
Total expenditures	12,504,671	19,562,693	9,376,100	10,186,593	6,715,856
Excess (deficiency) of revenues over (under) expenditures	(4,004,821)	(11,062,843)	(614,163)	10,448,680	1,758,634
Other financing sources (uses):					
Proceeds from debt issuance	-	81,815,867	81,815,867	-	-
Transfers in (out)	-	-	-	-	(4,500,000)
Total other financing sources (uses)	-	81,815,867	81,815,867	-	(4,500,000)
Net change in fund balance	(4,004,821)	70,753,024	81,201,704	10,448,680	(2,741,366)
Fund balance - beginning	14,298,649	14,298,649	14,298,649	-	17,040,015
Fund balance - ending	\$ 10,293,828	\$ 85,051,673	\$ 95,500,353	\$ 10,448,680	\$ 14,298,649

Nonmajor Governmental Funds

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PROVO CITY SCHOOL DISTRICT
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2021

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Student Activities	Food Services	Building Reserve	Tax Increment	
Assets:					
Cash and investments	\$ 2,048,561	\$ -	\$ 18,372,240	\$ -	\$ 20,420,801
Restricted cash	-	2,056,997	-	-	2,056,997
Receivables:					
State	-	139,155	-	-	139,155
Federal	-	219,700	-	-	219,700
Inventories	-	133,525	-	-	133,525
Total assets	\$ 2,048,561	\$ 2,549,377	\$ 18,372,240	\$ -	\$ 22,970,178
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	\$ 4,654	\$ 68,204	\$ -	\$ -	\$ 72,858
Payroll and related payables	-	576,794	-	-	576,794
Total liabilities	4,654	644,998	-	-	649,652
Fund Balance:					
Nonspendable:					
Inventories	-	133,525	-	-	133,525
Restricted	-	1,770,854	18,372,240	-	20,143,094
Assigned to:					
Schools	2,043,907	-	-	-	2,043,907
Total fund balance	2,043,907	1,904,379	18,372,240	-	22,320,526
Total liabilities and fund balance	\$ 2,048,561	\$ 2,549,377	\$ 18,372,240	\$ -	\$ 22,970,178

PROVO CITY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Student Activities	Food Services	Building Reserve	Tax Increment	
Revenues:					
Local sources:					
Property taxes	\$ -	\$ -	\$ -	\$ 1,809,718	\$ 1,809,718
Food service sales	-	27,161	-	-	27,161
Interest	4,558	-	-	-	4,558
Other local	2,430,901	9,455	-	-	2,440,356
State	-	1,068,341	-	-	1,068,341
Federal	-	4,251,618	-	-	4,251,618
Total revenues	<u>2,435,459</u>	<u>5,356,575</u>	<u>-</u>	<u>1,809,718</u>	<u>9,601,752</u>
Expenditures:					
Current:					
Instructional services	1,966,625	-	-	-	1,966,625
Student Support	134,325	-	-	-	134,325
Instructional staff	57,118	-	-	-	57,118
School food services	-	5,557,148	-	-	5,557,148
Admin	299,008	-	-	-	299,008
Community services	-	-	-	1,809,718	1,809,718
Capital Outlay	10,748	-	-	-	10,748
Total expenditures	<u>2,467,824</u>	<u>5,557,148</u>	<u>-</u>	<u>1,809,718</u>	<u>9,834,690</u>
Excess of revenues over expenditures	<u>(32,365)</u>	<u>(200,573)</u>	<u>-</u>	<u>-</u>	<u>(232,938)</u>
Other financing sources:					
Transfers In	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(32,365)</u>	<u>(200,573)</u>	<u>-</u>	<u>-</u>	<u>(232,938)</u>
Fund balances, beginning	<u>2,076,272</u>	<u>2,104,952</u>	<u>18,372,240</u>	<u>-</u>	<u>22,553,464</u>
Fund balances, ending	<u>\$ 2,043,907</u>	<u>\$ 1,904,379</u>	<u>\$ 18,372,240</u>	<u>\$ -</u>	<u>\$ 22,320,526</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets - Nonmajor Governmental Funds
Student Activities Special Revenue Fund
 June 30, 2021 (with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Assets:		
Cash and investments	<u>\$ 2,048,561</u>	<u>\$ 2,096,937</u>
Total assets	<u><u>\$ 2,048,561</u></u>	<u><u>\$ 2,096,937</u></u>
Liabilities and Fund Balance:		
Liabilities:		
Accounts payable	<u>4,654</u>	<u>20,665</u>
Total liabilities	<u>4,654</u>	<u>20,665</u>
Fund Balance:		
Assigned To:		
Schools	<u>2,043,907</u>	<u>2,076,272</u>
Total fund balance	<u>2,043,907</u>	<u>2,076,272</u>
Total liabilities and fund balance	<u><u>\$ 2,048,561</u></u>	<u><u>\$ 2,096,937</u></u>

PROVO CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds
Budget and Actual - *Student Activities Special Revenue Fund*
Year Ended June 30, 2021 (with comparative totals for 2020)

	2021			Variance with Final Budget - Positive (Negative)	2020
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Interest	\$ 3,000	\$ 3,000	\$ 4,558	\$ 1,558	\$ 18,308
Other local	3,632,500	3,632,500	2,430,901	(1,201,599)	2,837,386
Total revenues	<u>3,635,500</u>	<u>3,635,500</u>	<u>2,435,459</u>	<u>(1,200,041)</u>	<u>2,855,694</u>
Expenditures:					
Salaries	-	-	1,394	(1,394)	38,167
Employee benefits	-	-	118	(118)	15,262
Purchased services	1,416,875	1,416,875	452,996	963,879	827,961
Supplies	1,917,500	1,917,500	1,949,442	(31,942)	1,964,897
Property	25,000	25,000	10,748	14,252	-
Other	284,200	284,200	53,126	231,074	76,427
Total expenditures	<u>3,643,575</u>	<u>3,643,575</u>	<u>2,467,824</u>	<u>1,177,263</u>	<u>2,922,714</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,075)</u>	<u>(8,075)</u>	<u>(32,365)</u>	<u>(22,778)</u>	<u>(67,020)</u>
Net change in fund balances	(8,075)	(8,075)	(32,365)	(22,778)	(67,020)
Fund balance - beginning	<u>2,076,272</u>	<u>2,076,272</u>	<u>2,076,272</u>	-	<u>2,143,292</u>
Fund balance - ending	<u>\$ 2,068,197</u>	<u>\$ 2,068,197</u>	<u>\$ 2,043,907</u>	<u>\$ (22,778)</u>	<u>\$ 2,076,272</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets - Nonmajor Governmental Funds
Food Services Special Revenue Fund
 June 30, 2021 (with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Assets:		
Cash and investments	\$ -	\$ -
Restricted cash	2,056,997	1,968,384
Receivables:		
Other Local	-	-
State	139,155	213,468
Federal	219,700	355,160
Inventories	<u>133,525</u>	<u>118,333</u>
Total assets	<u>\$ 2,549,377</u>	<u>\$ 2,655,345</u>
Liabilities and Fund Balance:		
Liabilities:		
Accounts payable	\$ 68,204	\$ 66,175
Payroll and related payables	<u>576,794</u>	<u>484,218</u>
Total liabilities	<u>644,998</u>	<u>550,393</u>
Fund Balance:		
Nonspendable:		
Inventories	133,525	118,333
Restricted	<u>1,770,854</u>	<u>1,986,619</u>
Total fund balance	<u>1,904,379</u>	<u>2,104,952</u>
Total liabilities and fund balance	<u>\$ 2,549,377</u>	<u>\$ 2,655,345</u>

PROVO CITY SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds
 Budget and Actual - *Food Services Special Revenue Fund*
 Year Ended June 30, 2021 (with comparative totals for 2020)

	2021			Variance with Final Budget - Positive (Negative)	2020
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Food sales	\$ 1,002,846	\$ 1,002,846	\$ 27,161	\$ (975,685)	\$ 779,368
Other local	-	-	9,455	9,455	9,830
State	1,019,700	1,019,700	1,068,341	48,641	1,169,608
Federal	3,518,177	3,518,177	4,251,618	733,441	4,232,430
Total revenues	5,540,723	5,540,723	5,356,575	(184,148)	6,191,236
Expenditures:					
Salaries	2,169,834	2,073,604	2,138,153	(64,549)	2,261,532
Employee benefits	729,127	729,127	759,401	(30,274)	777,336
Purchased services	201,800	194,970	127,653	67,317	138,247
Supplies	233,921	290,481	255,573	34,908	211,513
Food	1,964,480	2,035,980	1,810,331	225,649	2,072,699
Property	25,000	-	-	-	21,960
Other	449,100	449,100	466,037	(16,937)	419,116
Total expenditures	5,773,262	5,773,262	5,557,148	216,114	5,902,403
Net change in fund balance	(232,539)	(232,539)	(200,573)	31,966	288,833
Fund balance - beginning	2,104,952	2,104,952	2,104,952	-	1,816,119
Fund balance - ending	\$ 1,872,413	\$ 1,872,413	\$ 1,904,379	\$ 31,966	\$ 2,104,952

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets - Nonmajor Governmental Funds
Building Reserve Special Revenue Fund
 June 30, 2021 (with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Assets:		
Cash and investments	\$ 18,372,240	\$ 18,372,240
Total assets	<u>\$ 18,372,240</u>	<u>\$ 18,372,240</u>
Liabilities and Fund Balance:		
Total liabilities	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:		
Restricted for:		
Other purposes	<u>18,372,240</u>	<u>18,372,240</u>
Total fund balance	<u>18,372,240</u>	<u>18,372,240</u>
Total liabilities and fund balance	<u>\$ 18,372,240</u>	<u>\$ 18,372,240</u>

PROVO CITY SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds
 Budget and Actual - *Building Reserve Special Revenue Fund*
 Year Ended June 30, 2021 (with comparative totals for 2020)

	2021			Variance with Final Budget - Positive (Negative)	2020
	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	-	-	-	-	10,000,000
Total other financing sources	-	-	-	-	10,000,000
Net change in fund balance	-	-	-	-	10,000,000
Fund balance - beginning	18,372,240	18,372,240	18,372,240	-	8,372,240
Fund balance - ending	<u>\$ 18,372,240</u>	<u>\$ 18,372,240</u>	<u>\$ 18,372,240</u>	<u>\$ -</u>	<u>\$ 18,372,240</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets - Nonmajor Governmental Funds
Tax Increment Special Revenue Fund
 June 30, 2021 (with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Assets:		
Total assets	<u>\$ -</u>	<u>\$ -</u>
Liabilities and fund balance:		
Liabilities:		
Due to other funds	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>
Fund balance:		
Unassigned	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ -</u>

PROVO CITY SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds
 Budget and Actual - Tax Increment Special Revenue Fund
 Year Ended June 30, 2021 (with comparative totals for 2020)

	2021			2020	
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 900,000	\$ 1,900,000	\$ 1,809,718	\$ (90,282)	\$ 1,440,851
Total revenues	<u>900,000</u>	<u>1,900,000</u>	<u>1,809,718</u>	<u>(90,282)</u>	<u>1,440,851</u>
Expenditures:					
Other	<u>900,000</u>	<u>1,900,000</u>	<u>1,809,718</u>	<u>90,282</u>	<u>1,440,851</u>
Total expenditures	<u>900,000</u>	<u>1,900,000</u>	<u>1,809,718</u>	<u>90,282</u>	<u>1,440,851</u>
Net change in fund balance	-	-	-	-	-
Fund balance - beginning	-	-	-	-	-
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
2021	\$ 107,909,657	\$57,220,887	\$ (28,909,513)	\$ 136,221,031
2020	99,594,734	41,230,951	(37,899,891)	102,925,794
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

Source: District data

PROVO CITY SCHOOL DISTRICT
 Statements of Net Position
 June 30, 2012 through June 30, 2021
 (full accrual-based accounting)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Assets:				
Cash and temporary cash investments	\$ 172,783,318	\$ 82,689,528	\$ 75,954,070	\$ 85,454,172
Accounts, taxes, and grants receivables:				
Local	54,051,809	48,114,202	47,314,812	42,585,573
State	866,834	614,489	1,330,518	1,566,912
Federal	7,096,695	2,949,214	4,772,842	3,509,438
Note receivable	-	-	-	-
Prepaid expenditures	57,439	357,175	22,313	708,947
Inventory	133,525	118,333	146,798	140,423
Net Pension Asset	345,226	-	-	-
Bond issuance costs, net of accumulated amortization	-	-	-	-
Net other post employment benefits	-	-	-	-
Total capital assets, net accumulated depreciation	<u>217,397,003</u>	<u>215,216,179</u>	<u>219,974,268</u>	<u>211,899,507</u>
Total assets	<u>452,731,849</u>	<u>350,059,120</u>	<u>349,515,621</u>	<u>345,864,972</u>
Deferred Outflows of Resources:				
Deferred outflows relating to pensions	12,570,093	10,134,807	23,713,695	24,147,714
Deferred outflows relating to OPEB	-	-	-	2,167,865
Deferred loss on refundings	108,086	172,420	455,692	738,964
Total deferred outflows of resources	<u>12,678,179</u>	<u>10,307,227</u>	<u>24,169,387</u>	<u>27,054,543</u>
Liabilities:				
Accounts payable	3,260,616	2,550,767	2,991,031	5,808,890
Accrued interest payable	244,789	170,153	153,341	218,620
Payroll and related payables	15,186,504	11,969,653	11,553,718	12,221,730
Due to other agencies - fiduciary activities	-	-	-	-
Deferred revenue:	-	-	-	-
Property taxes	-	-	-	-
Other deferred revenues	120,600	-	161,209	125,105
Noncurrent liabilities:				
Due within one year	7,905,507	7,313,688	6,950,202	6,505,067
Net OPEB Liability	20,999,125	28,842,721	28,559,592	30,449,895
Net Pension Liability	22,542,911	38,375,101	59,730,904	40,154,073
Due in more than one year	184,603,972	109,935,834	116,907,495	123,709,102
Total liabilities	<u>254,864,024</u>	<u>199,157,917</u>	<u>227,007,492</u>	<u>219,192,482</u>
Deferred Inflows of Resources:				
Deferred inflows relating to pensions	24,777,959	13,462,576	2,368,754	20,474,819
Deferred inflows relating to OPEB	-	-	-	3,625,689
Deferred property tax revenue	49,547,014	44,820,060	43,677,039	39,614,261
Total Deferred inflows of resources	<u>74,324,973</u>	<u>58,282,636</u>	<u>46,045,793</u>	<u>63,714,769</u>
Net Position:				
Net investment in capital assets	107,909,657	99,594,734	97,993,796	83,854,481
Restricted for:				
Debt service	1,775,205	1,637,708	2,051,858	1,827,540
Capital projects	22,519,963	13,952,631	17,040,015	24,658,658
Non K-12 instruction	-	-	-	-
Building Reserve	18,372,240	18,372,240	8,372,240	6,872,240
Student Activities	2,043,907	2,076,272	2,143,292	2,146,124
School food services	1,904,379	2,104,952	1,816,119	1,879,374
Foundation	-	-	-	-
Other restricted programs	10,605,193	3,087,148	4,843,448	5,210,155
Unrestricted	<u>(28,909,513)</u>	<u>(37,899,891)</u>	<u>(33,629,046)</u>	<u>(36,393,538)</u>
Total net position	<u>\$ 136,221,031</u>	<u>\$ 102,925,794</u>	<u>\$ 100,631,722</u>	<u>\$ 90,055,034</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.

PROVO CITY SCHOOL DISTRICT
 Statements of Net Position - Continued
 June 30, 2012 through June 30, 2021
(full accrual-based accounting)

2017	2016	2015	2014**	2013	2012
\$ 122,227,835	\$ 140,573,367	\$ 101,681,552	\$ 42,961,335	\$ 45,364,687	\$ 45,475,281
40,623,503	37,607,056	31,524,701	30,783,129	30,475,167	30,680,067
1,866,318	1,295,937	780,388	908,619	971,442	126,375
3,200,651	2,532,608	3,122,256	2,879,066	2,463,606	4,038,422
45,065	71,072	91,028	169,634	217,234	-
428,657	430,940	438,103	430,845	384,693	396,044
124,915	138,511	153,905	100,912	109,219	128,927
-	3,643	54,600	5,454	-	-
-	-	-	-	-	43,745
-	10,427,705	8,701,705	7,091,705	5,419,705	3,903,705
170,174,684	127,624,677	101,577,050	100,560,480	102,796,170	104,505,216
<u>338,691,628</u>	<u>320,705,516</u>	<u>248,125,288</u>	<u>185,891,179</u>	<u>188,201,923</u>	<u>189,297,782</u>
21,507,634	19,285,859	6,252,334	5,205,304	-	-
2,167,865	-	-	-	-	-
1,022,236	1,305,508	1,588,780	387,432	609,213	-
<u>24,697,735</u>	<u>20,591,367</u>	<u>7,841,114</u>	<u>5,592,736</u>	<u>609,213</u>	<u>-</u>
8,354,379	6,413,102	4,151,620	926,131	1,423,772	1,982,305
228,764	174,074	592,055	58,021	63,563	83,953
10,260,788	9,862,485	11,657,418	9,741,907	10,556,031	10,914,605
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	26,705,685
397,589	600,035	618,515	899,816	1,273,468	696,641
5,699,736	5,888,581	7,514,299	5,774,253	5,557,145	5,455,007
34,172,110	-	-	-	-	-
51,966,368	50,877,986	40,632,654	46,548,297	-	-
130,526,638	135,994,988	82,763,845	35,741,928	41,608,177	46,185,543
<u>241,606,372</u>	<u>209,811,251</u>	<u>147,930,406</u>	<u>99,690,353</u>	<u>60,482,156</u>	<u>92,023,740</u>
7,152,188	5,506,188	3,856,245	-	-	-
3,771,471	-	-	-	-	-
38,222,472	34,979,933	29,080,982	27,408,178	-	-
<u>49,146,131</u>	<u>40,486,121</u>	<u>32,937,227</u>	<u>27,408,178</u>	<u>-</u>	<u>-</u>
60,551,276	67,791,542	61,464,177	56,728,164	53,795,168	49,159,753
1,758,706	1,721,779	876,789	687,750	1,195,509	1,365,353
38,989,571	7,774,982	2,599,405	5,253,070	3,083,405	4,955,684
-	-	-	272,732	181,479	132,539
4,872,240	4,872,240	3,372,240	1,521,583	7,040,240	5,940,240
2,087,804	1,732,942	1,554,242	5,372,240	1,831,809	1,886,471
2,285,570	2,214,535	1,679,420	1,633,037	1,627,820	1,715,481
-	-	-	-	829,566	1,013,178
6,023,450	3,105,603	2,016,530	1,605,746	1,330,758	1,158,146
(43,931,757)	1,785,888	1,535,966	27,846,480	26,936,110	29,504,737
<u>\$ 72,636,860</u>	<u>\$ 90,999,511</u>	<u>\$ 75,098,769</u>	<u>\$ 100,920,802</u>	<u>\$ 97,851,864</u>	<u>\$ 96,831,582</u>

PROVO CITY SCHOOL DISTRICT

Changes in Net Position

June 30, 2012 through June 30, 2021

(full accrual-based accounting)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses:				
Instruction	\$ 82,609,361	\$ 94,909,706	\$ 89,330,430	\$ 83,343,381
Supporting services:				
Student	8,465,017	8,777,403	8,050,659	7,925,025
Instructional staff	10,612,930	10,945,083	9,896,451	8,343,232
District administration	2,133,421	3,014,386	2,968,609	1,398,299
School administration	7,058,696	8,093,390	7,135,542	6,905,709
Business	5,194,675	5,377,033	5,192,276	4,844,251
Operation and maintenance of facilities	14,191,446	14,423,966	12,679,298	13,659,049
Student transportation	1,955,939	2,196,094	2,211,707	2,030,154
Other	-	-	-	-
School food services	5,522,618	6,138,971	5,726,784	5,301,448
Community services	1,957,885	1,836,848	1,783,862	1,591,801
Interest on long-term liabilities	3,133,033	3,532,523	3,685,963	3,957,233
Total school district	<u>142,835,021</u>	<u>159,245,403</u>	<u>148,661,581</u>	<u>139,299,582</u>
Program Revenues:				
Instructional services	92,373,446	84,522,439	81,823,335	84,740,299
Supporting services:				
Student	5,854,046	4,563,224	4,189,798	4,222,799
Instructional staff	4,669,816	4,056,111	4,054,228	2,947,347
General administration	770,249	825,393	1,242,044	1,536,143
School administration	862,142	862,703	713,532	630,249
Business	37,311	2,087	36,084	232,633
Operation and maintenance of facilities	761,010	330,217	244,489	99,969
Transportation	1,785,388	1,630,269	1,905,603	1,680,543
Other	-	-	-	-
School food services	5,420,177	6,181,406	5,548,469	5,240,959
Community services	-	653	64,211	50,405
Interest on long-term liabilities	-	-	-	-
Total program revenues	<u>112,533,585</u>	<u>102,974,502</u>	<u>99,821,793</u>	<u>101,381,346</u>
Net (expense) revenue	<u>(30,301,436)</u>	<u>(56,270,901)</u>	<u>(48,839,788)</u>	<u>(37,918,236)</u>
General revenues:				
Property taxes levied for:				
General purposes	36,554,657	32,649,667	32,124,664	29,012,440
Reading Program	-	-	-	-
Class size reduction	-	-	-	-
Special transportation	-	-	-	-
Tort liability	-	-	-	-
Recreation	-	-	-	-
Debt service	11,187,721	9,992,580	9,831,901	8,879,390
Capital outlay	11,033,686	9,855,001	9,696,534	8,757,138
Ten percent of basic for constuction, textbooks and supplies	-	-	-	-
Federal and state aid not restricted to specific purposes	-	-	-	-
Earnings on investments	587,864	1,745,463	2,451,659	1,982,001
Gain on sale of assets	15,375	4,263	90,281	-
Miscellaneous	4,217,370	4,317,999	5,221,437	6,705,441
Total general revenues	<u>63,596,673</u>	<u>58,564,973</u>	<u>59,416,476</u>	<u>55,336,410</u>
Change in net position	33,295,237	2,294,072	10,576,688	17,418,174
Net position - beginning	102,925,794	100,631,722	90,055,034	72,636,860
Prior period adjustments	-	-	-	-
Net position - ending	<u>\$ 136,221,031</u>	<u>\$ 102,925,794</u>	<u>\$ 100,631,722</u>	<u>\$ 90,055,034</u>

PROVO CITY SCHOOL DISTRICT
Changes in Net Position - Continued
June 30, 2012 through June 30, 2021
(full accrual-based accounting)

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 85,107,082	\$ 81,704,867	\$ 79,335,822	\$ 76,511,349	\$ 73,787,894	\$ 72,935,322
7,007,455	4,506,235	4,136,695	4,020,840	3,835,378	4,117,960
4,867,301	1,385,368	1,230,402	1,405,164	1,603,967	1,559,232
2,733,059	2,726,120	2,217,104	1,671,347	1,613,516	1,611,412
6,384,894	6,069,529	5,495,155	5,503,377	5,273,792	5,220,467
6,276,657	6,786,963	5,700,965	4,997,337	2,997,607	3,220,175
10,792,684	8,006,633	6,421,600	6,191,211	6,070,069	5,805,386
2,459,535	2,405,649	1,983,217	2,005,850	2,607,556	2,717,234
-	-	-	21,617	1,011,101	1,176,456
5,691,721	5,744,991	5,554,392	6,115,057	5,848,990	5,727,848
2,570,966	3,944,727	3,570,276	5,705,292	6,306,128	3,675,111
4,071,417	2,753,362	1,973,634	1,563,458	1,727,099	2,026,217
<u>137,962,771</u>	<u>126,034,444</u>	<u>117,619,262</u>	<u>115,711,899</u>	<u>112,683,097</u>	<u>109,792,820</u>
84,377,168	85,135,704	74,173,782	65,062,008	62,594,300	33,076,742
4,259,217	2,338,180	4,028,684	1,252,593	1,229,288	2,249,264
1,508,225	350,447	1,570,259	2,023,938	1,546,259	223,711
1,345,595	757,370	606,471	-	-	218,864
474,717	416,914	155,889	3,478,936	345,880	293,359
319,478	314,039	-	-	-	418,742
124	-	474,297	108,195	148,527	267,385
1,411,968	1,370,907	1,293,995	1,029,391	3,566,805	1,760,312
-	-	-	-	-	600,050
5,594,088	5,653,530	5,718,773	5,350,662	5,466,384	5,292,594
1,910,589	2,323,484	3,038,102	4,564,121	5,012,525	5,957,292
-	-	-	-	-	-
<u>101,201,169</u>	<u>98,660,575</u>	<u>91,060,252</u>	<u>82,869,844</u>	<u>79,909,968</u>	<u>50,358,315</u>
(36,761,602)	(27,373,869)	(26,559,010)	(32,842,055)	(32,773,129)	(59,434,504)
28,120,500	25,578,966	21,439,190	20,319,458	13,411,652	13,580,600
-	-	-	-	1,773,442	579,631
-	-	-	-	536,466	1,877,811
-	-	-	-	443,360	-
-	-	-	-	354,688	-
-	-	-	-	2,660,162	632,324
8,606,408	7,828,560	6,561,563	6,218,864	6,202,612	6,308,871
8,487,914	7,720,775	6,471,222	6,133,242	1,108,401	4,704,109
-	-	-	-	5,222,786	4,440,640
-	-	2,309,132	3,942,631	3,751,789	20,703,055
1,684,216	569,045	328,576	234,793	306,619	368,052
14,637,846	(992,929)	37,086	23,970	27,169	10,362
6,413,725	2,570,194	478,360	418,483	297,493	7,249,331
<u>67,950,609</u>	<u>43,274,611</u>	<u>37,625,129</u>	<u>37,291,441</u>	<u>36,096,639</u>	<u>60,454,786</u>
31,189,007	15,900,742	11,066,119	4,449,386	3,323,510	1,020,282
90,999,511	75,098,769	105,370,189	100,920,802	97,022,299	96,831,582
(49,551,658)	-	(41,337,539)	-	574,993	-
<u>\$ 72,636,860</u>	<u>\$ 90,999,511</u>	<u>\$ 75,098,769</u>	<u>\$ 105,370,189</u>	<u>\$ 100,920,802</u>	<u>\$ 97,851,866</u>

PROVO CITY SCHOOL DISTRICT
 Governmental Funds - Aggregate Fund Balances
 June 30,2012 through June 30, 2021

Fiscal Year Ended June 30,	General Fund					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2021	\$ 57,439	\$ 3,116,148	\$ 18,542,646	\$ 7,489,045	\$ 14,505,594	\$ 43,710,872
2020	11,157	1,520,930	18,542,646	1,566,218	12,374,282	34,015,233
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

Fiscal Year Ended June 30,	All Other Governmental Funds					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2021	\$ 133,525	\$ 117,418,652	\$ -	\$ 2,043,907	\$ -	\$ 119,596,084
2020	464,351	35,949,198	-	2,076,272	-	38,489,821
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

Source: District data

PROVO CITY SCHOOL DISTRICT
 Governmental Funds - Net Changes in Aggregate Fund Balances
 June 30,2012 through June 30, 2021

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
2021	\$ 9,695,639	\$ 137,497	\$ 81,201,704	\$ -	\$ (32,365)	\$(200,573)	\$ -	\$ -	\$ -	\$ 90,801,902
2020	(3,136,791)	(414,150)	(2,741,366)	-	(67,020)	288,833	10,000,000	-	-	3,929,506
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)

Source: District data

PROVO CITY SCHOOL DISTRICT
 Governmental Funds - Fund Balances
 June 30,2012 through June 30, 2021

	2021	2020	2019	2018
General Fund				
Nonspendable	\$ 57,439	\$ 11,157	\$ 22,313	\$ 493,947
Restricted	3,116,148	1,520,930	1,177,585	1,686,996
Committed	18,542,646	18,542,646	19,542,646	19,542,646
Assigned	7,489,045	1,566,218	3,714,302	3,523,159
Unassigned	14,505,594	12,374,282	12,695,178	11,129,459
	<u>43,710,872</u>	<u>34,015,233</u>	<u>37,152,024</u>	<u>36,376,207</u>
Debt Service Fund				
Restricted	1,775,205	1,637,708	2,051,858	1,827,540
	<u>1,775,205</u>	<u>1,637,708</u>	<u>2,051,858</u>	<u>1,827,540</u>
Capital Projects Fund				
Nonspendable	-	346,018	-	215,000
Restricted	95,500,353	13,952,631	17,040,015	24,658,658
	<u>95,500,353</u>	<u>14,298,649</u>	<u>17,040,015</u>	<u>24,873,658</u>
Non K-12 Instruction Fund				
Restricted	-	-	-	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School Activities Fund				
Assigned	2,043,907	2,076,272	2,143,292	2,146,124
	<u>2,043,907</u>	<u>2,076,272</u>	<u>2,143,292</u>	<u>2,146,124</u>
Food Services Fund				
Nonspendable	133,525	118,333	146,798	140,423
Restricted	1,770,854	1,986,619	1,669,321	1,738,951
	<u>1,904,379</u>	<u>2,104,952</u>	<u>1,816,119</u>	<u>1,879,374</u>
Building Reserve Fund				
Restricted	18,372,240	18,372,240	8,372,240	6,872,240
	<u>18,372,240</u>	<u>18,372,240</u>	<u>8,372,240</u>	<u>6,872,240</u>
Municipal Building Authority				
Committed	-	-	-	-
Restricted	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Provo School District Foundation				
Restricted	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Governmental Funds				
Nonspendable	190,964	475,508	169,111	849,370
Committed	18,542,646	18,542,646	19,542,646	19,542,646
Restricted	120,534,800	37,470,128	30,311,019	36,784,385
Assigned	9,532,952	3,642,490	5,857,594	5,669,283
Unassigned	14,505,594	12,374,282	12,695,178	11,129,459
	<u>\$ 163,306,956</u>	<u>\$ 72,505,054</u>	<u>\$ 68,575,548</u>	<u>\$ 73,975,143</u>

2017	2016	2015	2014	2013	2012
\$ 473,722	\$ 499,507	\$ 533,351	\$ 606,666	\$ 605,384	\$ 663,333
2,913,152	3,105,603	2,016,530	1,209,061	1,605,746	1,330,758
19,542,646	19,542,646	19,542,646	19,542,646	19,542,646	19,542,646
3,110,298	-	-	-	-	396,012
9,000,366	7,337,273	5,712,495	5,025,862	2,709,865	3,149,472
35,040,184	30,485,029	27,805,022	26,384,235	24,463,641	25,082,221
1,758,706	1,721,779	876,789	533,835	687,750	695,321
1,758,706	1,721,779	876,789	533,835	687,750	695,321
-	2,705	-	-	-	-
63,315,100	87,795,961	55,001,960	1,888,781	5,253,070	2,490,077
63,315,100	87,798,666	55,001,960	1,888,781	5,253,070	2,490,077
-	-	-	273,857	272,732	127,316
-	-	-	(506,002)	29,540	53,660
-	-	-	(232,145)	302,272	180,976
2,087,804	1,732,942	1,554,242	1,397,081	1,521,583	1,831,809
2,087,804	1,732,942	1,554,242	1,397,081	1,521,583	1,831,809
124,915	138,511	146,980	91,355	105,762	124,736
2,160,655	2,076,024	1,532,440	1,206,155	1,527,275	1,503,084
2,285,570	2,214,535	1,679,420	1,297,510	1,633,037	1,627,820
4,872,240	4,872,240	3,372,240	5,372,240	5,372,240	7,040,240
4,872,240	4,872,240	3,372,240	5,372,240	5,372,240	7,040,240
-	-	-	-	-	-
-	-	-	-	(1,945,433)	(1,405,960)
-	-	-	-	(1,945,433)	(1,405,960)
-	-	-	-	-	829,566
-	-	-	-	-	829,566
598,637	640,723	680,331	698,021	711,146	788,069
19,542,646	19,542,646	19,542,646	19,542,646	19,542,646	19,542,646
75,019,853	99,571,607	62,799,959	10,483,929	12,773,380	12,610,402
5,198,102	1,732,942	1,554,242	1,397,081	1,521,583	2,227,821
9,000,366	7,337,273	5,712,495	4,519,860	2,739,405	3,203,132
<u>\$ 109,359,604</u>	<u>\$ 128,825,191</u>	<u>\$ 90,289,673</u>	<u>\$ 36,641,537</u>	<u>\$ 37,288,160</u>	<u>\$ 38,372,069</u>

Source: District data

PROVO CITY SCHOOL DISTRICT
 Total Governmental Funds - Change in Fund Balances
 June 30, 2012 through June 30, 2021

	2021	2020	2019	2018
Revenues				
Property taxes	\$ 58,205,541	\$ 52,082,647	\$ 51,290,626	\$ 46,350,744
Other local sources	6,920,196	9,159,781	11,336,047	11,461,923
State of Utah	91,376,286	86,692,546	83,519,693	86,540,920
Federal government	19,042,337	13,185,638	12,639,150	12,065,945
Total revenues	<u>175,544,360</u>	<u>161,120,612</u>	<u>158,785,516</u>	<u>156,419,532</u>
Expenditures				
Instruction	82,536,613	83,637,213	80,966,915	79,908,799
Supporting services:				
Students	9,472,770	8,473,557	8,055,457	8,088,360
Instructional staff	11,923,502	10,569,236	9,864,643	8,379,815
District administration	2,535,537	2,854,541	2,942,204	1,453,592
School administration	8,217,857	7,753,544	7,178,006	7,199,465
Business	5,748,200	5,181,189	5,194,789	4,999,674
Operation and maintenance of buildings	13,963,297	13,450,470	11,883,835	11,172,612
Student transportation	2,003,125	2,056,407	2,131,430	2,045,629
Other	-	-	-	-
School food services	5,669,101	5,911,440	5,612,524	5,345,973
Community Services	2,018,448	1,822,447	1,836,912	1,775,494
Capital outlay	12,603,144	5,610,588	18,702,786	51,894,378
Debt Service:				
Bond principal	6,443,387	6,197,642	5,945,941	5,699,757
Bond interest and fees	3,438,719	3,677,095	3,912,626	4,128,761
Total expenditures	<u>166,573,700</u>	<u>157,195,369</u>	<u>164,228,068</u>	<u>192,092,309</u>
Excess (deficiency) of revenues over (under) expenditures	8,970,660	3,925,243	(5,442,552)	(35,672,777)
Other financing sources (uses)				
Capital lease	-	-	-	-
Sale of capital assets	15,375	4,263	42,957	288,316
General obligation bonds issued	73,670,000	-	-	-
Bond premium (discount)	8,145,867	-	-	-
Refunding bonds issued	-	-	-	-
Payment to refunded bonds escrow agent	-	-	-	-
Donated Assets	-	-	-	-
Total other financing sources (uses)	<u>81,831,242</u>	<u>4,263</u>	<u>42,957</u>	<u>288,316</u>
Net change in fund balances	<u>\$ 90,801,902</u>	<u>\$ 3,929,506</u>	<u>\$ (5,399,595)</u>	<u>\$ (35,384,461)</u>
Debt service as a percentage of noncapital expenditures	6.4%	6.5%	6.8%	7.0%

PROVO CITY SCHOOL DISTRICT
Total Governmental Funds - Change in Fund Balances - Continued
June 30,2012 through June 30, 2021

2017	2016	2015	2014	2013	2012
\$ 45,261,455	\$ 41,153,281	\$ 34,716,507	\$ 32,444,766	\$ 32,428,761	\$ 32,123,987
11,156,491	9,481,640	8,147,091	9,600,553	8,949,455	9,672,627
84,634,483	78,150,999	71,360,702	61,612,174	57,509,778	53,467,124
13,508,136	14,167,175	14,668,527	16,253,024	16,756,453	15,539,002
<u>154,560,565</u>	<u>142,953,095</u>	<u>128,892,827</u>	<u>119,910,517</u>	<u>115,644,447</u>	<u>110,802,740</u>
81,693,787	80,002,630	77,992,377	71,499,205	69,533,767	68,680,153
6,866,314	4,351,628	4,103,008	3,804,067	3,542,614	3,852,848
4,910,014	1,401,766	1,277,995	1,405,164	1,569,945	1,521,358
2,743,761	2,677,541	2,220,421	1,595,972	1,541,051	1,551,884
6,530,722	6,074,372	5,650,292	5,429,688	5,196,888	5,155,525
6,344,098	6,817,715	5,814,250	4,984,781	2,803,584	3,004,179
10,402,522	7,677,616	6,251,578	5,781,259	6,042,890	5,849,045
2,341,818	2,358,055	1,986,869	2,005,641	2,158,201	2,216,991
-	-	-	21,617	1,011,101	1,176,456
5,527,221	5,387,139	5,336,863	5,686,209	5,464,818	5,382,955
2,504,604	3,836,172	3,565,614	5,543,167	6,138,445	3,530,746
59,671,944	32,464,306	7,506,058	5,904,104	4,589,266	7,009,197
5,743,793	6,932,626	5,667,993	5,427,727	5,235,098	4,353,461
4,178,111	3,009,273	1,354,260	1,492,509	1,762,279	2,082,660
<u>199,458,709</u>	<u>162,990,839</u>	<u>128,727,578</u>	<u>120,581,110</u>	<u>116,589,947</u>	<u>115,367,458</u>
(44,898,144)	(20,037,744)	165,249	(670,593)	(945,500)	(4,564,718)
-	-	-	-	41,266	-
25,432,557	30,044	415,807	23,970	27,169	10,362
-	50,501,596	50,615,000	-	-	-
-	6,659,520	2,382,005	-	-	-
-	-	22,789,999	-	9,045,000	-
-	-	(22,719,924)	-	(8,953,719)	-
-	-	-	-	-	-
<u>25,432,557</u>	<u>57,191,160</u>	<u>53,482,887</u>	<u>23,970</u>	<u>159,716</u>	<u>10,362</u>
<u>\$ (19,465,587)</u>	<u>\$ 37,153,416</u>	<u>\$ 53,648,136</u>	<u>\$ (646,623)</u>	<u>\$ (785,784)</u>	<u>\$ (4,554,356)</u>
7.2%	7.6%	5.8%	6.0%	6.2%	5.9%

Source: District data

PROVO CITY SCHOOL DISTRICT
Property Tax Levies and Collections
June 30,2012 through June 30, 2021

<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>
2020	2021	0.007337	\$ 7,459,493,580	\$ 171,167,613	\$ 7,288,325,967	\$ 54,642,197
2019	2020	0.007129	6,939,175,635	147,413,591	6,791,762,044	49,640,606
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

Calendar Tax Year	Collected within the Calendar Year of the Levy		Fee-in-Lieu & Other Collections	Collections in Subsequent Years	Total Collections	
	Current	Percent of Current Collections		Delinquent Collections	Amount	Percent of Annual Assessment
2020	\$51,145,096	93.60%	\$2,773,319	\$3,815,377	\$57,481,629	98.21%
2019	46,643,199	93.96%	2,931,882	2,806,543	52,129,461	99.36%
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%

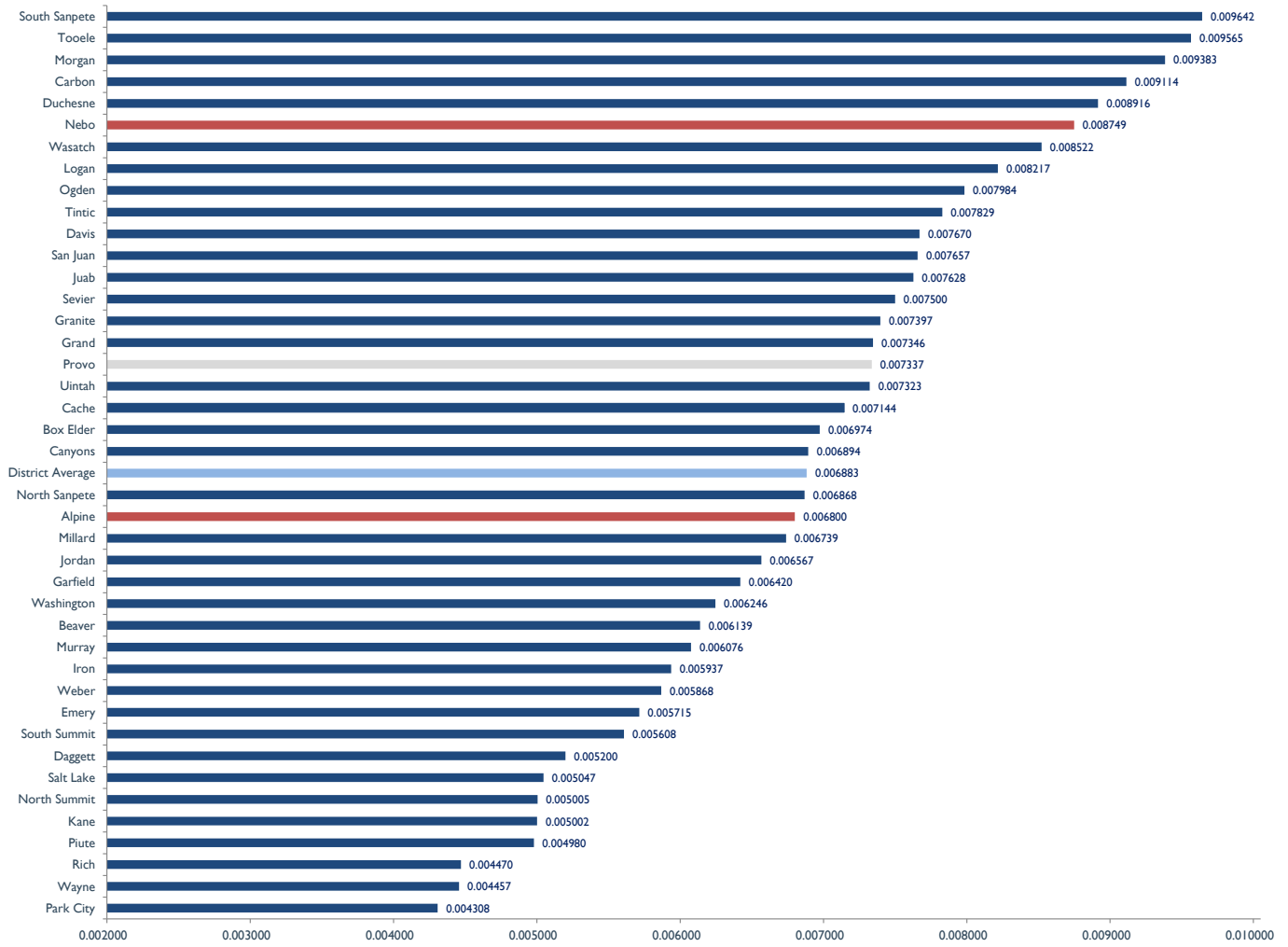
Source: taxrates.utah.gov

PROVO CITY SCHOOL DISTRICT
 Assessed Value and Estimated Actual Value of Taxable Property
 Tax Years 2011 through 2020

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
2020	\$ 171,167,613	\$ 4,502,782,059	\$ 2,360,095,831	\$ 1,852,800	\$ 423,595,277	\$ 7,459,493,580	0.007129	11,103,352,058	67.18%
2019	147,413,591	5,032,973,125	1,373,953,310	1,786,200	383,049,409	6,939,175,635	0.007129	10,376,702,550	62.50%
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	60.65%
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%

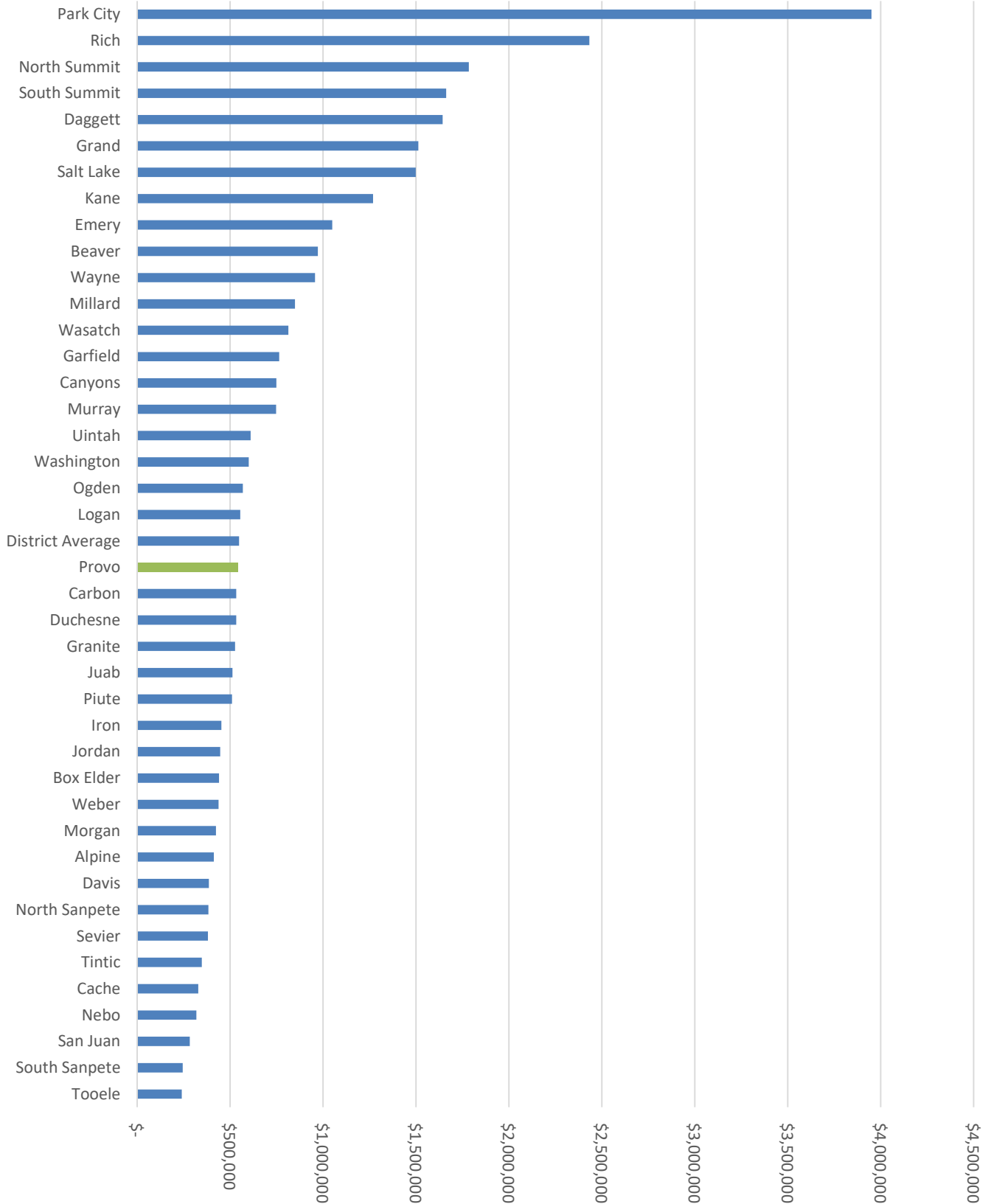
Source: taxrates.utah.gov

PROVO CITY SCHOOL DISTRICT
 Comparison of Utah School District Property Tax Rates
 Tax Year 2020 (Fiscal Year 2021)



Source: taxrates.utah.gov

Tax Yield Per Student



Source: taxrates.utah.gov

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

	Tax Rates for the year ended December 31,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Direct Rates:										
Basic Program	0.001628	0.001661	0.001666	0.001568	0.001675	0.001736	0.001419	0.001535	0.001651	0.001591
Voted Leeway	0.000968	0.001016	0.001094	0.001024	0.001093	0.001151	0.001228	0.001300	0.001455	0.001434
Board Leeway (Class Size Reduction)	0.001997	0.001548	0.001682	0.001416	0.001600	0.001293	0.001445	0.001518	0.001904	0.000400
Board Leeway (Reading Program)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000121
Transportation	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000100
Tort Liability	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000080
10% of Basic Operating [1]	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000602
Recreation Levy	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000600
Debt Service	0.001453	0.001550	0.001692	0.001812	0.001995	0.002139	0.001268	0.001380	0.001432	0.001399
Capital Outlay Foundation	0.001198	0.001257	0.001353	0.001424	0.001520	0.001249	0.001276	0.001361	0.000877	0.000250
Charter School	0.000093	0.000097	0.000089	0.000083	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	0.000000	0.000000	0.000576
Total direct rate	0.007337	0.007129	0.007576	0.007327	0.007883	0.007568	0.006636	0.007094	0.007319	0.007153
Overlapping rates:*										
Provo City	0.002230	0.002560	0.001888	0.002089	0.002239	0.002377	0.002775	0.002956	0.003032	0.002843
Utah County	0.000853	0.000672	0.000732	0.000779	0.000834	0.000870	0.000916	0.001006	0.001127	0.001342
Central UT Water District	0.000400	0.000400	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455	0.000436

* source: 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
[2] Reading Program not used by District until tax year 2008, become available by law in 2004

Source: taxrates.utah.gov

School Year	WPU	Dollar Change	Percent Change	School Year	WPU	Dollar Change	Percent Change
1975-76	\$ 621	\$ -	-	1998-99	\$ 1,854	\$ 63	3.5%
1976-77	\$ 683	\$ 62	10.0%	1999-00	\$ 1,901	\$ 47	2.5%
1977-78	\$ 732	\$ 49	7.2%	2000-01	\$ 2,006	\$ 105	5.5%
1978-79	\$ 795	\$ 63	8.6%	2001-02	\$ 2,116	\$ 110	5.5%
1979-80	\$ 852	\$ 57	7.2%	2002-03	\$ 2,132	\$ 16	0.8%
1980-81	\$ 946	\$ 94	11.0%	2003-04	\$ 2,150	\$ 18	0.8%
1981-82	\$ 1,003	\$ 57	6.0%	2004-05	\$ 2,182	\$ 32	1.5%
1982-83	\$ 1,103	\$ 100	10.0%	2005-06	\$ 2,280	\$ 98	4.5%
1983-84	\$ 1,103	\$ -	0.0%	2006-07	\$ 2,417	\$ 137	6.0%
1984-85	\$ 1,124	\$ 21	1.9%	2007-08	\$ 2,514	\$ 97	4.0%
1985-86	\$ 1,180	\$ 56	5.0%	2008-09	\$ 2,577	\$ 63	2.5%
1986-87	\$ 1,204	\$ 24	2.0%	2009-10	\$ 2,577	\$ -	0.0%
1987-88	\$ 1,204	\$ -	0.0%	2010-11	\$ 2,577	\$ -	0.0%
1988-89	\$ 1,204	\$ -	0.0%	2011-12	\$ 2,816	\$ 239	9.3%
1989-90	\$ 1,240	\$ 36	3.0%	2012-13	\$ 2,842	\$ 26	0.9%
1990-91	\$ 1,346	\$ 106	8.5%	2013-14	\$ 2,899	\$ 57	2.0%
1991-92	\$ 1,408	\$ 62	4.6%	2014-15	\$ 2,971	\$ 72	2.5%
1992-93	\$ 1,490	\$ 82	5.8%	2015-16	\$ 3,092	\$ 121	4.1%
1993-94	\$ 1,539	\$ 49	3.3%	2016-17	\$ 3,184	\$ 92	3.0%
1994-95	\$ 1,608	\$ 69	4.5%	2017-18	\$ 3,311	\$ 127	4.0%
1995-96	\$ 1,672	\$ 64	4.0%	2018-19	\$ 3,395	\$ 84	2.5%
1996-97	\$ 1,739	\$ 67	4.0%	2019-20	\$ 3,532	\$ 137	4.0%
1997-98	\$ 1,791	\$ 52	3.0%	2020-21	\$ 3,596	\$ 64	1.8%

Source: District data

PROVO CITY SCHOOL DISTRICT

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

June 30, 2012 through June 30, 2021

Modified Accrual-Based Accounting

	2021	2020	2019	2018
Revenues:				
Property taxes	\$ 37,861,708	\$ 33,046,806	\$ 31,310,666	\$ 26,762,574
Other local sources	4,306,537	5,440,387	6,345,904	4,813,702
State of Utah	90,307,945	85,411,264	82,056,244	84,782,657
Federal government	14,790,719	8,905,035	8,858,715	8,482,019
Total revenues	<u>147,266,909</u>	<u>132,803,492</u>	<u>128,571,529</u>	<u>124,840,952</u>
Expenditures:				
Instructional services	80,569,988	80,768,604	77,346,369	76,287,006
Supporting services:				
Students	9,338,445	8,473,557	8,055,457	8,088,360
Instructional staff	11,866,384	10,550,190	9,854,662	8,379,815
District administration	2,535,537	2,854,541	2,942,204	1,453,592
School administration	7,918,849	7,718,485	7,178,006	7,199,465
Business	5,748,200	5,181,189	5,194,789	4,999,674
Operations and maintenance	13,956,836	9,683,180	9,474,167	9,560,307
Student transportation	2,003,125	2,056,407	2,131,430	2,045,629
Other	-	-	-	-
School food services	111,953	30,997	-	52,748
Community services	208,730	381,596	531,780	540,859
Capital Outlay	3,328,598	2,745,800	3,620,785	3,177,257
Debt service:				
Principal retirement	-	-	9,020	8,533
Interest and fees	-	-	-	-
Total expenditures	<u>137,586,645</u>	<u>130,444,546</u>	<u>126,338,669</u>	<u>121,793,245</u>
Excess (deficiency) of revenues over expenditures	9,680,264	2,358,946	2,232,860	3,047,707
Other financing sources (uses):				
Sale of assets	15,375	4,263	42,957	288,316
Transfers In (Out)	-	(5,500,000)	(1,500,000)	(2,000,000)
Insurance recoveries				
Proceeds from Capital lease obligation	-	-	-	-
Total other financing sources (uses)	<u>15,375</u>	<u>(5,495,737)</u>	<u>(1,457,043)</u>	<u>(1,711,684)</u>
Net change in fund balance	<u>\$ 9,695,639</u>	<u>\$ (3,136,791)</u>	<u>\$ 775,817</u>	<u>\$ 1,336,023</u>
Total debt service expenditures (all funds) (general obligations, capital leases, etc.)	\$ 9,882,106	\$ 9,874,737	\$ 9,746,785	\$ 9,828,518
Debt service as a percentage of total general fund expenditures	7.2%	7.6%	7.7%	8.1%

PROVO CITY SCHOOL DISTRICT
 Changes in Fund Balance & Ratio of Annual Debt Service to General Fund Expenditures - Continued
 June 30, 2012 through June 30, 2021
 Modified Accrual-Based Accounting

2017	2016	2015	2014	2013	2012
\$ 26,310,700	\$ 22,720,856	\$ 20,808,558	\$ 20,657,597	\$ 19,574,339	\$ 20,730,368
3,751,585	3,666,797	2,990,279	4,241,205	3,673,465	3,777,236
82,795,715	76,361,890	70,389,904	59,502,309	55,110,921	51,556,199
9,924,840	10,429,429	10,593,904	11,992,367	12,616,532	11,381,864
<u>122,782,840</u>	<u>113,178,972</u>	<u>104,782,645</u>	<u>96,393,478</u>	<u>90,975,257</u>	<u>87,445,667</u>
78,028,370	76,138,778	74,229,205	67,739,515	65,776,955	64,984,092
6,866,314	4,351,628	4,103,008	3,804,067	3,542,614	3,852,848
4,910,014	1,401,766	1,277,995	1,405,164	1,569,945	1,521,358
2,743,761	2,677,541	2,220,421	1,595,972	1,541,051	1,551,884
6,530,722	6,074,372	5,650,292	5,429,688	5,196,888	5,155,525
5,715,810	5,572,004	4,704,250	4,984,781	2,803,584	3,004,179
8,583,757	6,855,656	5,407,883	5,137,464	5,065,572	5,177,986
2,341,818	2,111,779	1,986,869	2,005,641	2,158,201	2,126,248
-	-	-	21,617	1,011,101	1,176,456
-	-	-	-	-	-
2,504,604	3,836,172	3,291,762	2,372,925	2,992,710	-
28,732	-	-	-	-	-
-	-	-	-	-	14,461
-	-	-	-	-	539
<u>118,253,902</u>	<u>109,019,696</u>	<u>102,871,685</u>	<u>94,496,834</u>	<u>91,658,621</u>	<u>88,565,576</u>
4,528,938	4,159,276	1,910,960	1,896,644	(683,364)	(1,119,909)
26,217	20,731	15,824	23,950	23,518	7,662
-	(1,500,000)	(505,997)	-	-	-
-	-	-	-	41,266	-
<u>26,217</u>	<u>(1,479,269)</u>	<u>(490,173)</u>	<u>23,950</u>	<u>64,784</u>	<u>7,662</u>
<u>\$ 4,555,155</u>	<u>\$ 2,680,007</u>	<u>\$ 1,420,787</u>	<u>\$ 1,920,594</u>	<u>\$ (618,580)</u>	<u>\$ (1,112,247)</u>
\$ 9,921,904	\$ 9,834,812	\$ 6,455,797	\$ 6,920,236	\$ 6,997,377	\$ 6,436,121
8.4%	9.0%	6.3%	7.3%	7.6%	7.3%

Source: District data

PROVO CITY SCHOOL DISTRICT
Schedule of Long Term Debt Service

		2022	2023	2024	2025	2026	2027	2028	2029	2030
General obligation bonds:										
<i>Debt Service Fund</i>										
Series 2015 Refunding	Principal	\$ 2,225,000	\$ 2,255,000	\$ 2,315,000	\$ 2,345,000	\$ 2,395,000	\$ 1,770,000	\$ -	\$ -	\$ -
\$22,790,000	Interest	283,397	236,004	187,973	138,663	88,715	37,701	-	-	-
Series 2015	Principal	2,280,000	2,395,000	2,450,000	2,510,000	2,580,000	2,655,000	2,735,000	2,830,000	2,930,000
\$50,615,000	Interest	1,235,838	1,121,838	1,067,950	1,006,700	937,675	860,275	780,625	684,900	585,850
Series 2016	Principal	2,125,000	2,250,000	2,350,000	2,475,000	2,600,000	2,725,000	2,775,000	2,825,000	2,950,000
\$50,650,000	Interest	1,597,063	1,490,813	1,378,313	1,260,813	1,137,063	1,007,063	952,563	897,063	784,063
Series 2021	Principal	380,000	1,430,000	2,040,000	2,710,000	3,285,000	3,280,000	3,445,000	3,615,000	3,800,000
\$73,670,000	Interest	2,679,170	2,266,548	2,195,048	2,093,048	1,957,548	1,793,298	1,629,298	1,457,048	1,276,298
Total Principal - General Obligation Bonds		7,010,000	8,330,000	9,155,000	10,040,000	10,860,000	10,430,000	8,955,000	9,270,000	9,680,000
Total Interest - General Obligation Bonds		5,795,468	5,115,203	4,829,284	4,499,224	4,121,001	3,698,337	3,362,486	3,039,011	2,646,211
Total - General Obligation Bonds		12,805,468	13,445,203	13,984,284	14,539,224	14,981,001	14,128,337	12,317,486	12,309,011	12,326,211
Lease revenue bonds:										
<i>Debt Service Fund</i>										
2010 Lease Revenue Bonds	Principal	-	-	-	-	6,462,000	-	-	-	-
\$ 6,462,000	Interest	79,483	79,483	79,483	79,483	79,483	-	-	-	-
Total - Lease Revenue Bonds		79,483	79,483	79,483	79,483	6,541,483	-	-	-	-
Total - Bonds payable		9,828,138	9,828,719	9,815,659	9,817,936	15,596,522	7,243,188	7,236,963	7,249,913	7,259,363
Note payable:										
<i>Capital Projects Fund</i>										
2011 Energy Efficiency Chiller	Principal	24,156	24,951	25,772	13,202	-	-	-	-	-
\$264,697	Interest	2,570	1,776	955	161	-	-	-	-	-
Total note payable		26,727	26,727	26,727	13,363	-	-	-	-	-
Total long-term debt obligations:										
Total Principal - All Funds - All Long-Term Debt		7,034,156	8,354,951	9,180,772	10,053,202	17,322,000	10,430,000	8,955,000	9,270,000	9,680,000
Total Interest - All Funds - All Long-Term Debt		5,877,521	5,196,462	4,909,722	4,578,868	4,200,484	3,698,337	3,362,486	3,039,011	2,646,211
Total - All Funds - All Long-Term Debt		\$ 12,911,677	\$ 13,551,413	\$ 14,090,494	\$ 14,632,070	\$ 21,522,484	\$ 14,128,337	\$ 12,317,486	\$ 12,309,011	\$ 12,326,211

PROVO CITY SCHOOL DISTRICT
Schedule of Long Term Debt Service

2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,305,000
-	-	-	-	-	-	-	-	-	-	-	972,453
3,035,000	3,125,000	3,220,000	3,315,000	3,415,000	-	-	-	-	-	-	39,475,000
483,300	392,250	298,500	201,900	102,450	-	-	-	-	-	-	9,760,051
3,075,000	3,150,000	3,275,000	3,375,000	3,475,000	3,600,000	-	-	-	-	-	43,025,000
666,063	566,125	463,750	357,313	247,625	126,000	-	-	-	-	-	12,931,693
3,990,000	4,185,000	4,270,000	4,355,000	4,445,000	4,520,000	4,600,000	4,690,000	4,780,000	4,875,000	4,975,000	73,670,000
1,086,298	886,798	803,098	717,698	630,598	552,810	473,710	381,710	292,600	197,000	99,500	23,469,124
10,100,000	10,460,000	10,765,000	11,045,000	11,335,000	8,120,000	4,600,000	4,690,000	4,780,000	4,875,000	4,975,000	169,475,000
2,235,661	1,845,173	1,565,348	1,276,911	980,673	678,810	473,710	381,710	292,600	197,000	99,500	47,133,321
12,335,661	12,305,173	12,330,348	12,321,911	12,315,673	8,798,810	5,073,710	5,071,710	5,072,600	5,072,000	5,074,500	216,608,321
-	-	-	-	-	-	-	-	-	-	-	6,462,000
-	-	-	-	-	-	-	-	-	-	-	397,415
-	-	-	-	-	-	-	-	-	-	-	6,859,415
7,233,375	7,257,250	7,249,213	7,240,075	3,726,000	3,726,000	5,073,710	7,240,075	3,726,000	3,726,000	5,074,500	223,467,736
-	-	-	-	-	-	-	-	-	-	-	88,081
-	-	-	-	-	-	-	-	-	-	-	5,462
-	-	-	-	-	-	-	-	-	-	-	93,544
10,100,000	10,460,000	10,765,000	11,045,000	11,335,000	8,120,000	4,600,000	4,690,000	4,780,000	4,875,000	4,975,000	176,025,081
2,235,661	1,845,173	1,565,348	1,276,911	980,673	678,810	473,710	381,710	292,600	197,000	99,500	47,536,198
\$ 12,335,661	\$ 12,305,173	\$ 12,330,348	\$ 12,321,911	\$ 12,315,673	\$ 8,798,810	\$ 5,073,710	\$ 5,071,710	\$ 5,072,600	\$ 3,726,000	\$ 5,074,500	\$ 223,561,279

Source: District data

PROVO CITY SCHOOL DISTRICT
 Ratios of Outstanding Debt
 June 30,2012 through June 30, 2021

Fiscal Year Ended June 30,	Outstanding General Obligation General Bonds (no discount or premium)	Bond Premium/ Discount	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
2021	\$ 169,475,000	\$ 14,696,608	2.45%	\$ 1,568	\$ 14,030	\$ 6,550,081	\$ 190,721,689	2.56%	\$ 1,640	\$ 14,671
2020	102,225,000	6,995,397	1.44%	933	6,481	6,573,468	115,793,865	1.55%	1,004	6,976
2019	108,400,000	7,440,053	1.81%	987	7,068	6,596,110	122,436,163	1.95%	1,062	7,605
2018	114,315,000	7,884,709	2.28%	1,045	7,094	6,627,051	128,826,760	2.44%	1,117	7,586
2017	119,985,000	8,329,365	2.66%	1,105	7,677	6,656,808	134,971,173	2.82%	1,170	8,131
2016	125,700,000	8,774,021	3.24%	1,166	9,522	6,707,093	141,181,114	3.40%	1,224	9,997
2015	84,337,005	2,382,005	2.09%	752	6,140	5,333,227	92,052,237	2.22%	798	6,518
2014	35,006,000	158,237	0.53%	299	2,333	5,583,266	40,747,503	0.63%	353	2,758
2013	39,947,000	303,527	0.60%	333	2,945	6,051,772	46,302,299	0.70%	391	3,459
2012	43,843,000	396,542	0.62%	365	3,272	6,470,506	50,710,048	0.73%	428	3,837

Source: District data

PROVO CITY SCHOOL DISTRICT
Overlapping and Underlying General Obligation Debt
Fiscal Year Ending June 30, 2021

Taxing Entity	2020 Taxable Value	Board's Portion of Taxable Value	Board's Percentage	Entity's General Obligation Debt	Board's Portion of G.O. Debt.
Overlapping:					
State of Utah	\$ 329,096,000,000	\$ 7,459,493,580	2.12%	\$ 2,397,925,000	\$ 50,752,938
CUWCD (1)	54,956,245,000	\$ 7,459,493,580	12.67%	576,103,000	73,018,226
Utah County	54,956,245,000	\$ 7,459,493,580	12.67%	-	-
Total Overlapping					<u>123,771,164</u>
Underlying:					
Provo City (2)	\$ 6,965,434,179	\$ 6,965,434,179	100.00%	85,995,000	<u>85,995,000</u>
Total Underlying					<u>85,995,000</u>
Total Overlapping and Underlying General Obligation Debt					<u>\$ 209,766,164</u>
Total overlapping general obligation debt (excluding the State) (3)					73,018,226
Total direct general obligation bonded indebtedness					<u>184,171,608</u>
Total direct and overlapping general obligation debt (excluding the State) (3)					<u>\$ 257,189,834</u>
Total underlying general obligation debt					85,995,000
Total direct general obligation bonded indebtedness					<u>184,171,608</u>
Total direct and underlying general obligation debt					<u>\$ 270,166,608</u>
Total overlapping and underlying general obligation debt (excluding the State) (3)					159,013,226
Total direct general obligation bonded indebtedness					<u>184,171,608</u>
Total direct, overlapping, and underlying general obligation debt (excluding the State) (3)					<u>\$ 343,184,834</u>

Taxable Value: Taxable values used in this table for non-district entities were derived from 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.

Source: Utah.gov, provo.org, cuwcd.com, taxrates.utah.gov, district data

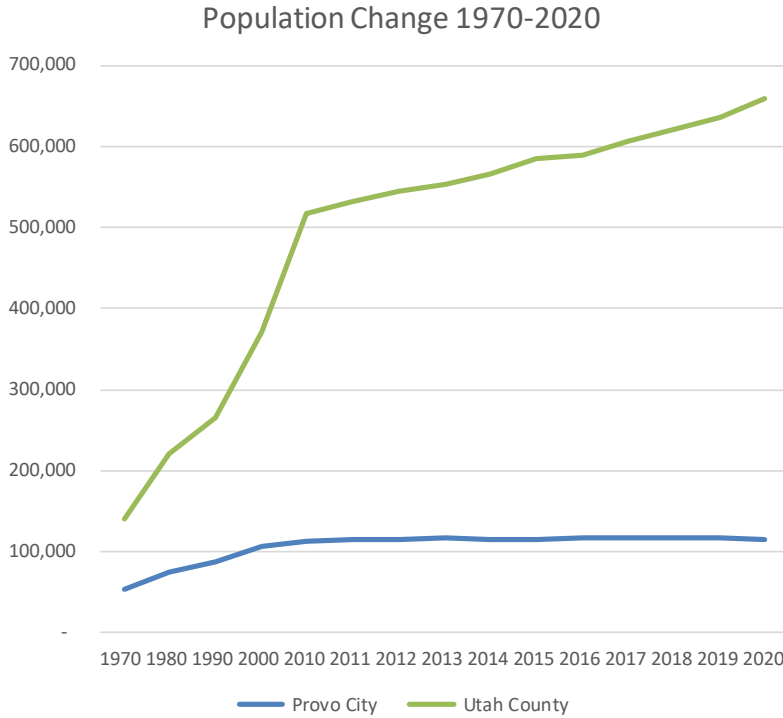
PROVO CITY SCHOOL DISTRICT
 Computation of Legal Debt Margin
 June 30,2012 through June 30, 2021

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Estimated Fair Market Value	\$ 11,103,352,058	\$ 10,376,702,550	\$ 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
"Fair Market Value" X 4% (Debt Limit)	444,134,082	415,068,102	376,925,361	351,418,070	316,168,842	302,745,243	288,170,772	252,428,763	252,428,763	257,885,173
Less: General Obligation Debt	169,475,000	102,225,000	108,400,000	114,315,000	119,985,000	127,500,000	81,955,000	35,006,000	39,947,000	43,843,000
Legal Debt Margin*	<u>\$ 274,659,082</u>	<u>\$ 312,843,102</u>	<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>
Ratio Legal Debt Margin to Legal Debt Limit	61.84%	75.37%	71.24%	67.47%	62.05%	57.89%	71.56%	86.13%	84.17%	83.00%

*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.

Source: taxrates.utah.gov and district data

Provo/Utah County Population



	Provo City	Utah County
1970	53,131	139,300
1980	74,111	220,000
1990	86,835	265,766
2000	105,439	371,894
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	116,713	622,213
2019	116,618	636,235
2020	115,162	659,399

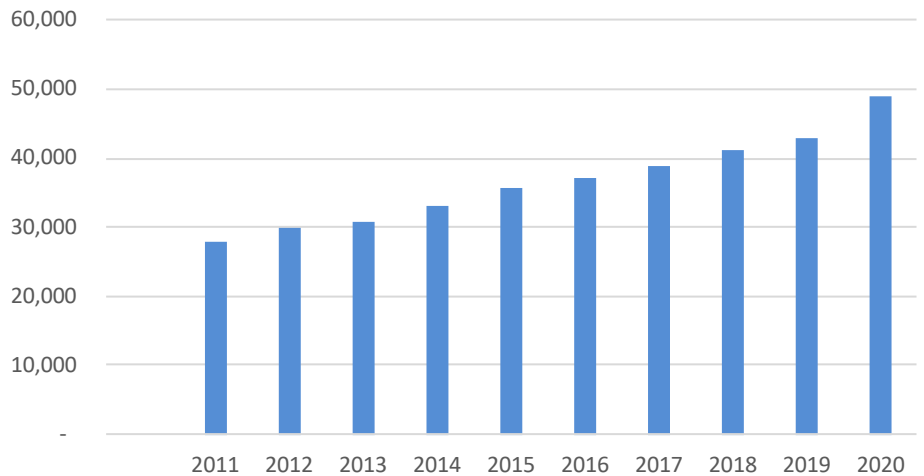
Source: www.census.gov

Median Household Income - Provo

2011	\$	27,894
2012	\$	29,983
2013	\$	30,926
2014	\$	33,180
2015	\$	35,610
2016	\$	37,289
2017	\$	38,789
2018	\$	41,272
2019	\$	42,923
2020	\$	48,888

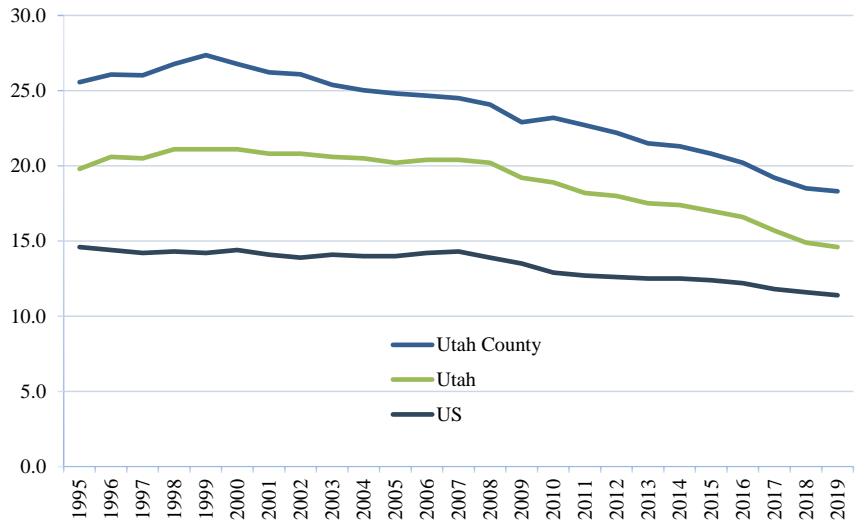
www.census.gov

Median Household Income - Provo 2011-2020



Birth Rates per 1,000
1995-2019

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
2018	18.5	14.9	11.6
2019	18.3	14.6	11.4



2019 is the latest available as of 7/7/2021

https://ibis.health.utah.gov/indicator/complete_profile/BrthRat.html

Largest Employers in Provo City
 Current Year and 2012

Company Name	2020 Employees	2012 Employees
Brigham Young University	5,000 - 6,999	1,000 - 4,999
Utah Valley Regional Medical Center	3,000 - 3,999	1,000 - 4,999
Vivint	3,000 - 3,999	
Provo School District	1,000 - 1,999	1,000 - 1,999
Utah County	1,000 - 1,999	1,000 - 1,999
Provo City	1,000 - 1,999	500 - 999
Revere Health (formerly Central Utah Clinic)	1,000 - 1,999	500 - 999
Qualtrics	1,000 - 1,999	
Chrysalis Utah, Inc.	1,000 - 1,999	
Nu Skin International	500 - 999	1,000 - 4,999

Utah County Labor Information

Year	Labor Force	Employment	Unemployment	
			Unemployment	Rate %
2012	233,753	221,555	12,198	5.22
2013	245,698	235,207	10,491	4.27
2014	260,387	251,291	9,097	3.50
2015	266,616	257,721	8,895	3.30
2016	286,153	277,572	8,581	3.00
2017	295,944	287,721	8,223	2.80
2018	299,036	290,741	8,295	2.80
2019	312,109	304,023	8,086	2.60
2020 ^e	315,625	305,613	10,012	3.20
2021 ^p	328,812	321,688	7,124	2.20

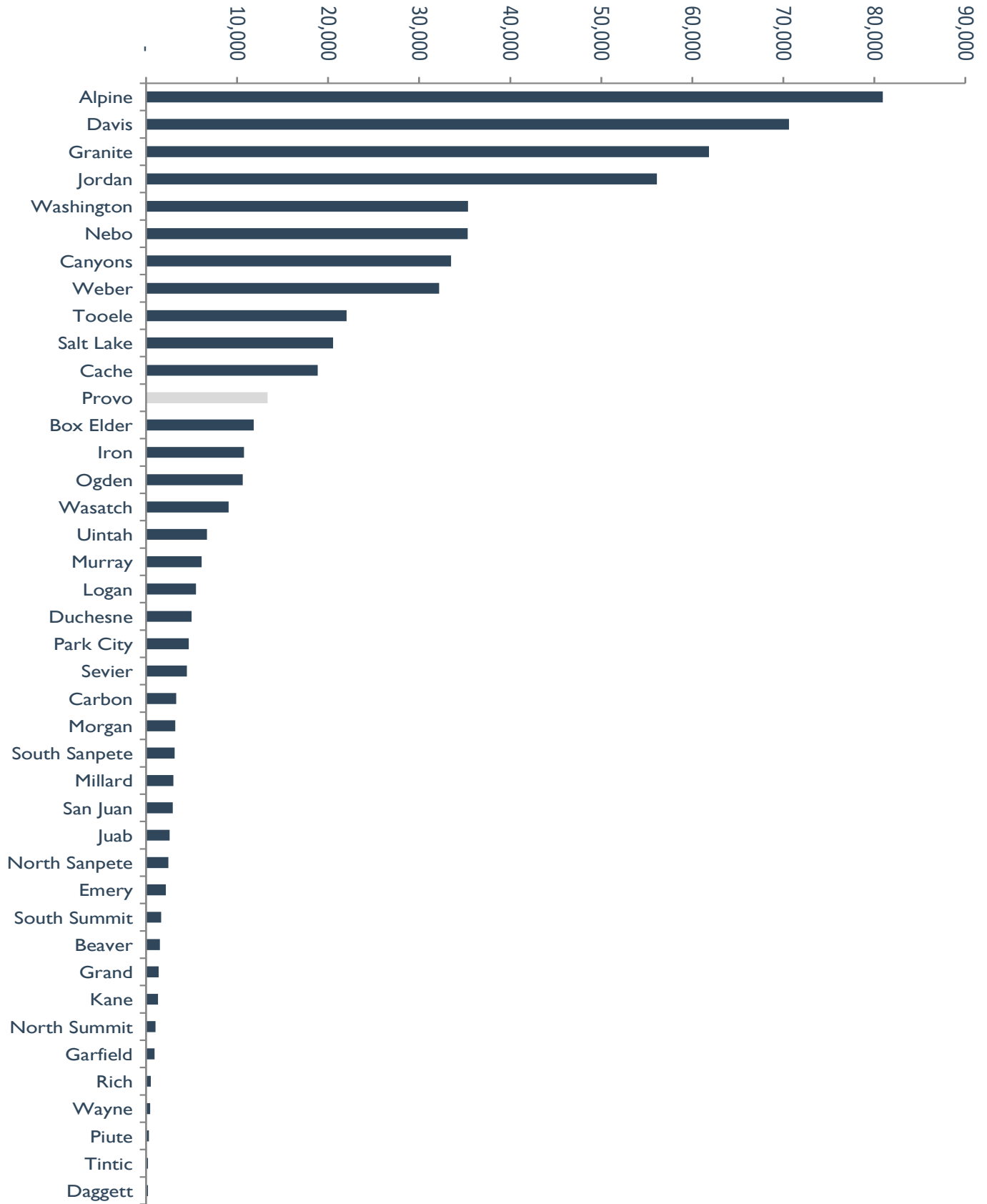
^eEstimated

^pProjected

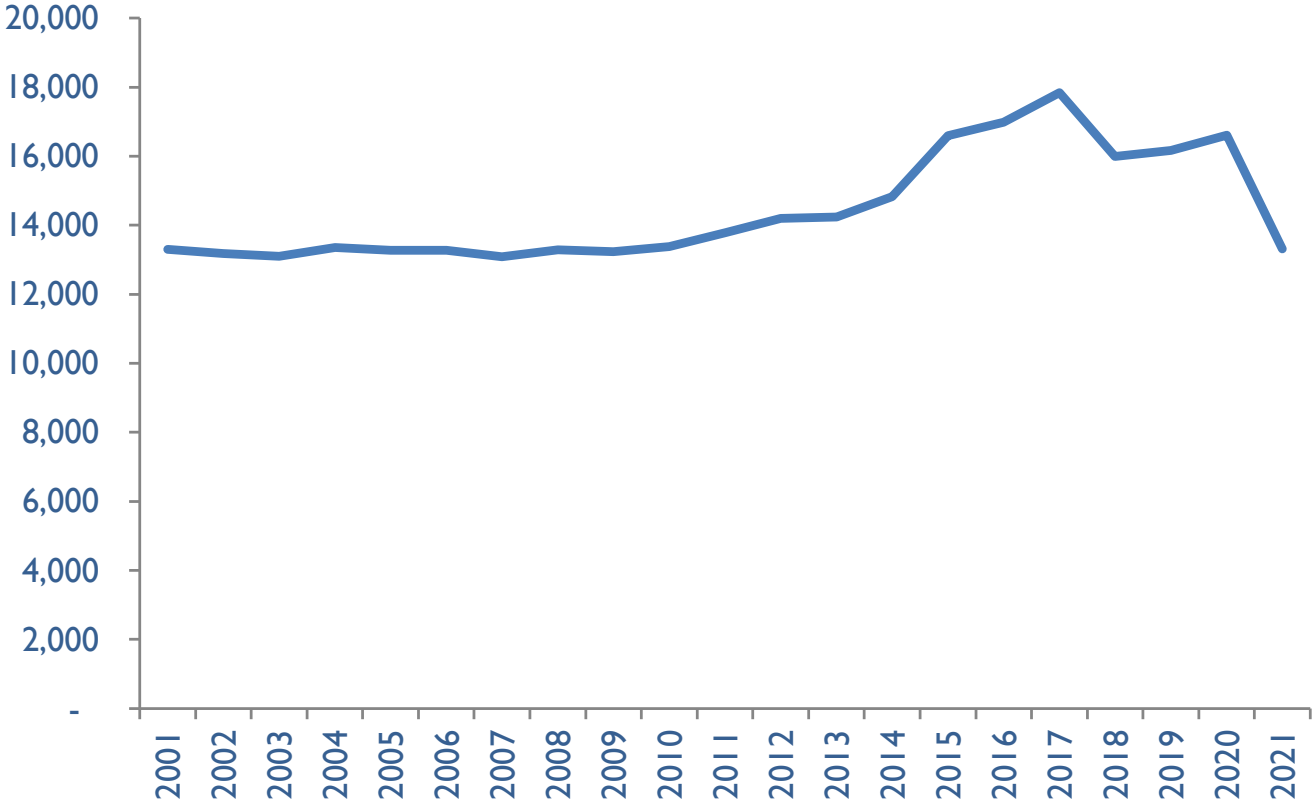
<https://jobs.utah.gov/>

Utah Department of Workforce Services

PROVO CITY SCHOOL DISTRICT
 School District Enrollment—Utah State
 School Year 2019-20



<https://schools.utah.gov>



Note: In 2010 Provo City School District created an eSchool program to provide more options for students and families. In 2019, changes were made in the district's program, which significantly impacted district enrollment starting in the 2019-20 school year.

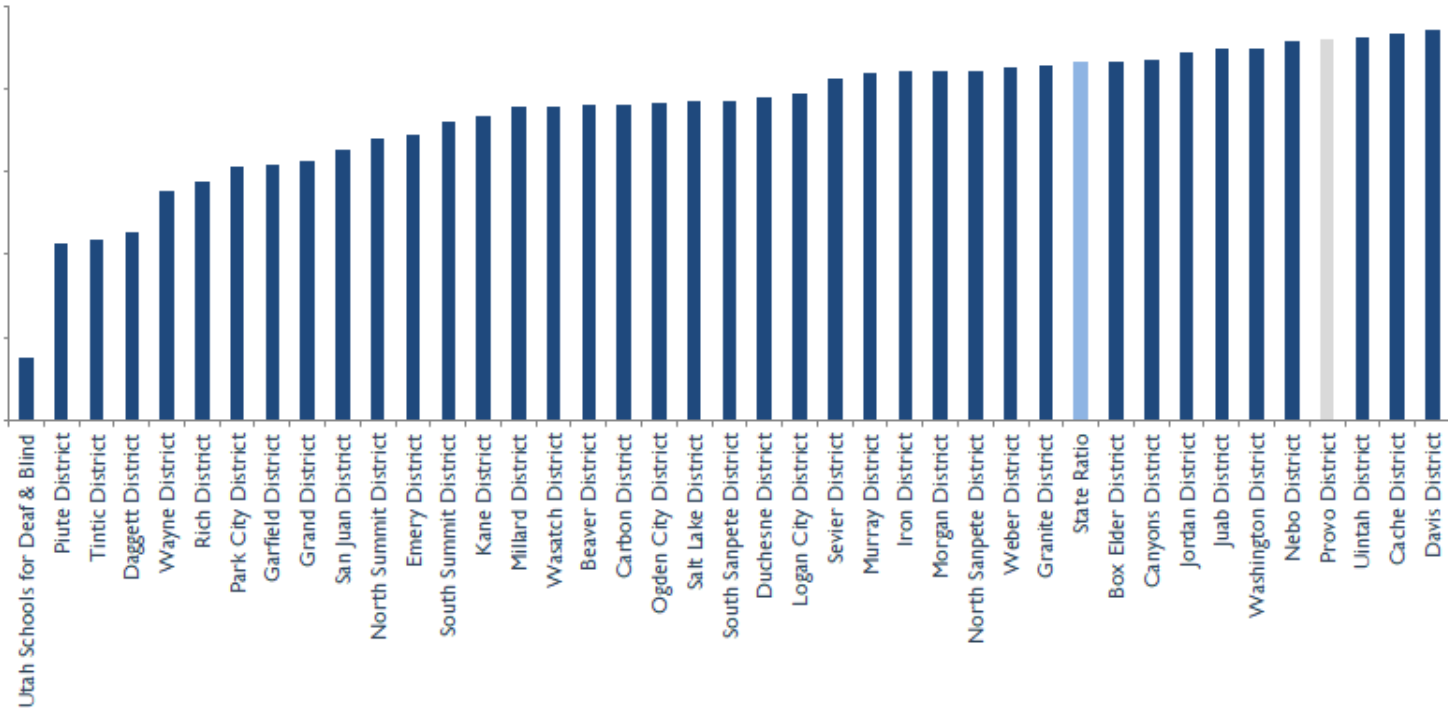
Source: District data

PROVO CITY SCHOOL DISTRICT
 Enrollment History by School
 School Year 2011-2021

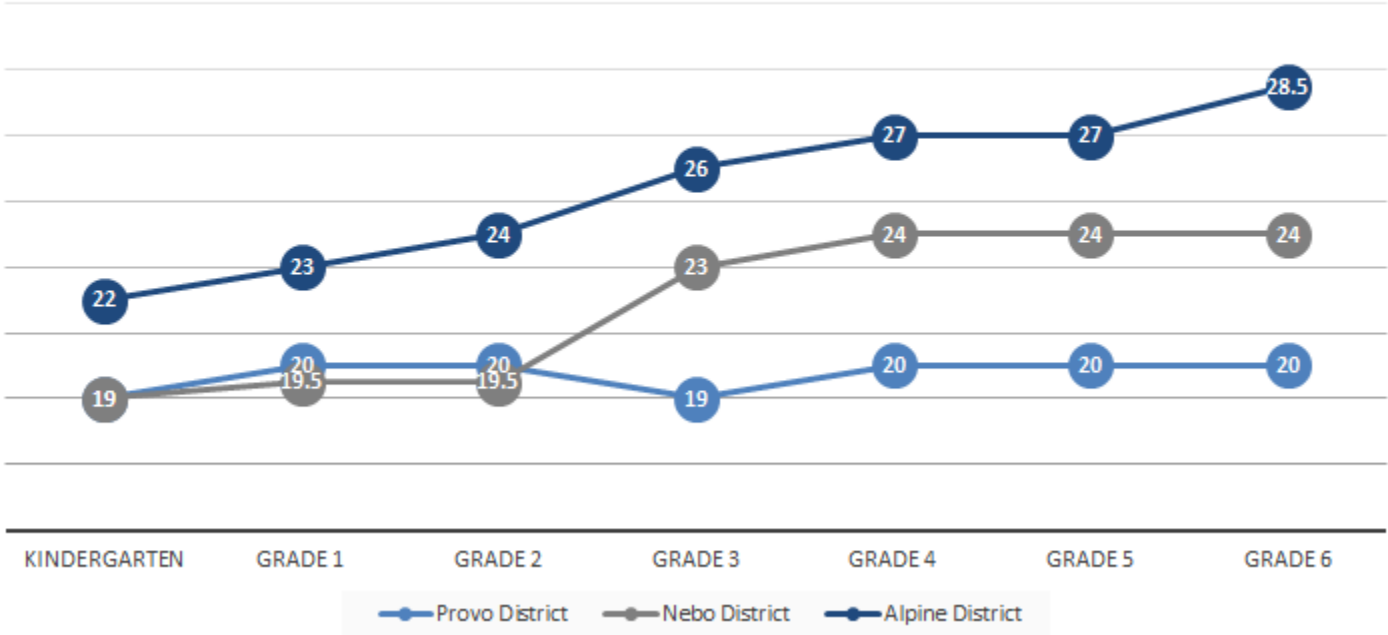
School	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Amelia Earhart Elementary	588	558	551	515	532	523	504	518	485	422
Canyon Crest Elementary	494	532	541	541	538	547	524	503	476	379
Edgemont Elementary	565	569	570	632	623	626	645	665	631	536
Provo Peaks Elementary ²	462	506	484	613	592	571	546	504	496	473
Franklin Elementary	517	516	494	453	472	450	407	383	349	332
Lakeview Elementary ¹	685	673	724	765	787	754	813	823	791	667
Provost Elementary	457	440	436	447	464	472	445	465	464	416
Rock Canyon Elementary	625	623	642	634	612	623	591	583	589	515
Spring Creek Elementary	570	567	558	501	486	476	418	411	401	382
Sunset View Elementary	531	527	541	510	473	561	568	546	583	526
Timpanogos Elementary	630	672	663	703	758	668	649	629	629	565
Wasatch Elementary	864	861	906	965	944	892	883	799	744	623
Westridge Elementary	889	893	890	826	785	806	769	730	718	601
Centennial Middle	996	1,033	1023	988	1056	1103	1,119	1,191	1,238	1,200
Dixon Middle	835	833	836	822	847	869	835	882	988	928
Provo High	1,683	1,777	1825	1895	1924	1901	1,853	1,889	1,915	1,931
Timpview High	1,938	1,953	1967	1976	2058	2114	2,173	2,162	2,270	2,353
Independence High	328	322	326	251	259	285	190	200	190	184
Oak Springs/Slate Canyon	-	74	63	45	48	42	39	55	60	33
Central Utah Enterprises	51	51	47	83	65	0	0	0	-	-
eSchool ³	90	270	737	2435	2660	3557	2020	2227	2,586	251
Total:	13,798	14,250	14,824	16,600	16,983	17,840	15,991	16,165	16,603	13,317
Elementary Enrollment	7,877	7,937	8,000	8,105	8,066	7,969	7,762	7,559	7,356	6,437
Middle Enrollment	1,831	1,866	1,859	1,810	1,903	1,972	1,954	2,073	2,226	2,128
HS Enrollment	3,949	4,052	4,118	4,122	4,241	4,300	4,216	4,251	4,375	4,468
All Traditional Enrollment	13,657	13,855	13,977	14,037	14,210	14,241	13,932	13,883	13,957	13,033

Source: District data

Source: USOE
<http://www.schools.utah.gov/data/Reports/Class-Size.aspx>



Elementary Class-Size



PROVO CITY SCHOOL DISTRICT

Enrollment by Grade

2020-2021 School Year

School	K	1st	2nd	3rd	4th	5th	6th	Total Enrollment
AMELIA EARHART		58	46	63	60	68	60	422
CANYON CREST		42	61	55	57	50	60	379
EDGEMONT		45	87	91	78	83	77	536
PROVO PEAKS		67	62	58	52	79	80	473
FRANKLIN		57	54	38	57	51	34	332
LAKEVIEW		93	91	88	105	84	116	667
PROVOST		80	59	48	53	61	54	416
ROCK CANYON		59	80	76	61	86	71	515
SPRING CREEK		61	41	58	52	49	58	382
SUNSET VIEW		64	70	73	67	83	85	526
TIMPANOGOS		67	93	97	79	62	79	565
WASATCH		86	77	94	93	88	87	623
WESTRIDGE		87	88	86	66	96	77	601

	7th	8th	9th	10th	11th	12th	Total Enrollment
CENTENNIAL		570	630	-	-	-	1,200
DIXON		443	485	-	-	-	928
PROVO H.S.		-	-	487	459	500	1,931
TIMPVUE H.S.		-	-	608	618	551	2,353
INDEPENDENCE H.S.		-	-	20	26	47	184

Source: District data

Function	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Instruction	984	998	1,005	1,002	1,022	1,020	1,022	1,001	1,036	1,088
Students	50	50	50	50	68	84	101	103	104	109
Instructional Staff	32	32	32	27	29	42	90	77	91	97
General Administration	17	17	17	17	24	26	17	21	16	21
School Administration	70	70	72	65	71	76	81	84	89	89
Business and Central	26	26	26	41	47	51	43	50	36	40
Operation and Maintenance	95	95	95	133	109	114	114	119	120	134
Transportation	46	46	46	66	51	39	48	40	48	52
Other Support	26	26	26	-	-	-	-	-	-	-
Food Services	92	80	84	77	82	87	76	84	74	84
Community Services	93	93	93	103	62	47	4	4	3	1
Total FTEs	1,531	1533	1,546	1,583	1,566	1,587	1,596	1,583	1,616	1,715

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

Source: District data

PROVO CITY SCHOOL DISTRICT
 Per Pupil Expenditures
 June 30, 2021

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction	\$ 7,398	\$5,109	\$5,517	\$ 5,071	\$ 4,602	\$4,711	\$4,698	\$4,871	\$4,923	\$4,649
Supporting Services										
Student	679	510	433	517	385	256	247	262	251	261
Instructional Staff	762	653	514	479	210	83	77	122	111	103
District administration	216	172	217	177	219	158	134	115	109	105
School administration	585	469	433	450	366	358	340	382	368	349
Business	558	362	466	324	364	401	350	279	199	203
Operation and maintenance of facilities	1,180	1,323	886	767	516	452	377	384	428	391
Student transportation	208	153	232	158	131	139	120	138	153	150
Other	-	-	-	-	-	-	-	-	72	80
School food services	444	357	360	358	310	317	322	397	387	364
Community services	180	110	117	111	165	226	215	445	435	239
Facilities and construction	<u>1,360</u>	<u>44</u>	<u>261</u>	<u>2,984</u>	<u>3,450</u>	<u>1,912</u>	<u>452</u>	<u>398</u>	<u>696</u>	<u>774</u>
Total school district (Not including debt)	<u>\$13,570</u>	<u>\$9,262</u>	<u>\$9,436</u>	<u>\$11,396</u>	<u>\$10,718</u>	<u>\$9,012</u>	<u>\$7,332</u>	<u>\$7,793</u>	<u>\$8,132</u>	<u>\$7,668</u>
Student average daily membership	13,317	16,603	16,165	15,991	17,840	16,983	16,600	14,824	14,250	13,798

Source: District data

Location/Site	Year Built/Renovated Substantially	Square Footage
Elementary Schools:		
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
Secondary Schools:		
Centennial Middle School	1996	144,795
Dixon Middle School	1931	124,276
Provo High School	2018	325,842
Timview High School	1974	409,803
Independence High School	1992	48,121
Other:		
Oakridge	1979	43,992
District Office	1965	28,875
Grandview Learning Center	1949	69,546
Technology Auxiliary Services	2016	10,477
Transportation	2018	12,964

Source: District data

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
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
2019-20	380,639	6,751	165	1,857	267	\$339	47
2020-21	323,640	5,203	138	1,603	209	\$420	46

Source: District data

Average Fuel Costs - Provo City School District

Year	Expenditures	Average Annual Cost	Sep-May Average
FY 2012	\$ 275,395	\$ 3.92	\$ 3.94
FY 2013	\$ 264,667	\$ 3.97	\$ 4.01
FY 2014	\$ 245,568	\$ 3.92	\$ 3.93
FY 2015	\$ 200,486	\$ 3.30	\$ 3.21
FY 2016	\$ 147,461	\$ 2.36	\$ 2.28
FY 2017	\$ 168,983	\$ 2.49	\$ 2.52
FY 2018	\$ 194,861	\$ 2.61	\$ 2.61
FY 2019	\$ 221,426	\$ 2.57	\$ 2.52
FY 2020	\$ 161,243	\$ 2.30	\$ 2.27
FY 2021	\$ 165,230	\$ 2.38	\$ 2.38

Source: US Energy Information Administration

<http://www.eia.gov/petroleum/gasdiesel/>

Free and Reduced Lunch Participation Rates

	Free Lunch Program	Reduced Lunch Program	Paid Lunch Program	Total Enrolled	Free/Reduced %
2020-21	4,057	963	8,151	13,171	38.11%
2019-20	4,740	1,142	8,139	14,021	41.95%
2018-19	4,857	1,119	8,027	14,003	42.68%
2017-18	5,345	1,109	7,483	13,937	46.31%
2016-17	5,445	1,144	8,499	15,088	43.67%
2015-16	6,014	1,281	7,210	14,505	50.29%
2014-15	5,721	1,155	7,242	14,118	48.70%
2013-14	5,452	1,283	7,325	14,060	47.90%
2012-13	5,493	1,385	7,085	13,963	49.26%
2011-12	5,295	1,234	7,321	13,850	47.14%

Due to waivers provided by the federal government in response to COVID-19, application rates are significantly lower than previous years because all students receive breakfasts and lunches for free.

PSD Annual Food Cost - Food Services

Fiscal Year	District Food Costs
2012	\$ 1,956,644.85
2013	\$ 1,969,236.50
2014	\$ 1,942,665.31
2015	\$ 2,030,225.36
2016	\$ 2,033,213.83
2017	\$ 1,948,992.28
2018	\$ 1,717,393.28
2019	\$ 1,839,671.25
2020	\$ 2,072,695.75
2021	\$ 1,783,797.22

Source: District data

Based on most current information available at time of publication