

Provo City School District

Annual Comprehensive Financial Report

For the Year Ended
June 30, 2022

280 W 940 N
PROVO, UT 84604
(801) 374-4800
WWW.PROVO.EDU

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

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2022

Keith Rittel
Superintendent

Derek Anderson, CPA
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

	Page
1. Introductory Section	
Letter of Transmittal	1-7
GFOA Certificate of Excellence	8
ASBO Certificate of Excellence	9
Organizational Chart.....	10
Elected and Administrative Positions	11
School Board Districts	12
2. Financial Section	
Independent Auditors' Report.....	15-17
Management's Discussion and Analysis.....	19-27
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	30
Statement of Activities.....	31
Fund Financial Statements	
Balance Sheet, Governmental Funds	32
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	33
Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds.....	34
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	35
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, General Fund.....	36
Notes to the Basic Financial Statements	37-59
Required Supplemental Information	
Schedule of the Proportionate Share of the Net Pension Liability.....	62-63
Schedule of Employer Contributions.....	64-65
Schedule of Changes in Net OPEB Liability and Related Ratios	66-67
Notes to Required Supplemental Information	66-67

Supplemental Information

Combining and Individual Fund Statements and Schedules

Major Governmental Funds

Comparative Balance Sheets, General Fund, with comparative totals for 2021 .. 70

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, General Fund, with comparative totals for 2021 71

Comparative Balance Sheets, Debt Service Fund, with comparative totals for 2021 72

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, Debt Service Fund, with comparative totals for 2020 73

Comparative Balance Sheets, Capital Projects Fund, with comparative totals for 2021 74

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, Capital Projects Fund, with comparative totals for 2021 75

Comparative Balance Sheets, Municipal Building Authority (MBA), with comparative totals for 2021 76

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, MBA, with comparative totals for 2021 77

Nonmajor Governmental Funds

Combining Balance Sheet, Nonmajor Governmental Funds 80

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances, Nonmajor Governmental Funds 81

Comparative Balance Sheets, Student Activities Fund, with comparative totals for 2020 82

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, Student Activities Fund, with comparative totals for 2020 83

Comparative Balance Sheets, Food Services Fund, with comparative totals for 2020 84

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, Food Services Fund, with comparative totals for 2020 85

Comparative Balance Sheets, Building Reserve Fund, with comparative totals for 2020 86

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, Building Reserve Fund, with comparative totals for 2020 87

	Page
Comparative Balance Sheets, Tax Increment Fund, with comparative totals for 2021.....	88
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual, Tax Increment Fund, with comparative totals for 2021.....	89
3. Statistical Information.....	90
Financial Trends Information	
Net Position by Component (2013-2022).....	91
Statements of Net Position (2013-2022)	92-93
Changes in Net Position (2013-2022)	94-95
Governmental Funds—Aggregate Fund Balances	96
Governmental Funds—Net Changes in Aggregate Fund Balances.....	97
Governmental Funds—Fund Balances.....	98-99
Total Governmental Funds—Changes in Fund Balances.....	100-101
Revenue Capacity Information	
Property Tax Levies and Collections, Tax Years 2012-2021	102-103
Assessed Value and Estimated Actual Value of Taxable Property, Tax Years 2012-2021	104
Comparison of Utah School District Property Tax Rates, Tax Year 2021	105
Property Tax Rates, Direct and Overlapping Governments, Tax Year 2021	106
History of the Weighted Pupil Unit (WPU), 1975-2022	107
Debt Capacity Information	
Changes in Fund Balance & Ratio of Annual Debt Service to General Fund Expenditures , 2013-2022.....	108-109
Schedule of Long-Term Debt Service.....	110-111
Ratios of Outstanding Debt, 2013-2022.....	112
Overlapping and Underlying General Obligation Debt, Fiscal Year 2022	113
Computation of Legal Debt Margin, 2013-2022	114
Demographic and Economic Information	
Demographic/Population Information.....	115
Top Employers—Utah State	116

	Page
3. Statistical Information (continued)	
Operating Information	
School District Enrollment, 2021-2022	118
Provo City School District Enrollment History, 2001-2021	119
Enrollment History By School, 2013-2022.....	120
Class Size Comparison By District, 2019	121
Enrollment by Grade, 2021-2022.....	122
Employee Information By Function, 2013-2022	123
Per Pupil Expenditures, 2013-2022	124
Building Information, 2022.....	125

Introductory Section

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Keith Rittel
Superintendent
Derek Anderson
Business Administrator

September 30, 2022

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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. This Annual Comprehensive 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, 2022; 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 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,

**Superintendent's
Message**

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 13,700 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 immersion, 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 separately in the financial statements. 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

One of the priorities of the school board and District administration is to progressively plan for the future of Provo students and facilities. In the past, the District created a Facilities Advisory Committee, comprised of District staff and local stakeholders, with 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 most significant issues that was addressed was the aging buildings throughout the District and determining which buildings were most critical to replace. This committee met for a few years to strategize timing for bond issuances and uses for existing capital resources. The District also began planning for future needs by creating a Building Reserve fund to restrict resources for the replacement of a building or other capital needs in the future. With the assistance of that committee, Provo City School District has completed four elementary schools and a high school in the last five years. General obligation bonds were issued in fiscal year 2021 to replace a portion of Timpview High School and the Municipal Building Authority of Provo City School District issued bonds in fiscal year 2022 to replace a middle school and an elementary school.

District Efforts

With work still to be done, District administration has redoubled its efforts in receiving additional input for future capital needs throughout the District. A new Capital Advisory Committee is being formed to review all capital needs, including remodels, repairs and asset replacement. A new work order system is being implemented to better track replacement cycles for basic maintenance and ensure that all projects are completed in a reasonable time and will provide a better tool long-term budgeting and forecasting.

Implications from the COVID-19 pandemic continued to create challenges in day-to-day operations at the District. While some requirements (ie. contact tracing, daily testing, etc) were lessened, the constant work to ensure students were instructed and cared for continued all year. The District was able to maintain small class sizes in the elementary schools with the assistance from American Rescue Plan (ARP) Act funding provided by the federal government. This funding helped to provide additional support to regain learning lost from school closures in previous years. Funding also provided one-to-one technology devices to continue with state-of-the-art instructional opportunities. Professional development for staff was also a priority for District personnel to better navigate the “new normal” in education. 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 and social workers to provide mental health services to our most at-risk populations.

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 \$163,303,956 at June 30, 2021 to \$249,163,713 at June 30, 2022. This fund balance increase is primarily due to the issuance of the general obligation and MBA bonds. State law allows only a modest committed contingency 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 initia-

tives to provide up-to-date curriculum and cutting edge technology, along with professional development activities to provide teachers with the tools they need to be the most effective educators to the students of Provo City School District.

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

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 1931-2020. The District expended \$32.2 million in bond and maintenance projects from capital outlay and MBA funds to address our critical building needs during fiscal year 2022. Fiscal year 2023 will continue to see bond related expenditures, as well as approved plans for general maintenance in District buildings.

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, 2022 was \$16.2 million. Total restricted governmental fund balances on June 30, 2022 were \$204 million, which accounts for unspent bond proceeds (\$151.5 million), \$4 million in restricted General Fund programs, \$217k in Debt Service, \$38.3 million in Capital Projects, \$20.4 million in Building Reserve, and \$3 million in Food Services. The remaining fund balances include \$439K in Nonspendable fund balances, \$17.8 million in Committed fund balances, and \$6.6 million in assigned fund balances.

State Funding

The 2022 state fiscal school finance program is designed to provide every Utah school district with a basic operation program of \$3,809 per weighted pupil unit (WPU) (up from \$3,596 in fiscal year 2021). 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 56.5% of General Fund revenues. As noted above, the WPU is provided based on student enrollment. Enrollment in fiscal year 2022 was approximately 13,600. Projected enrollment for FY23 and FY24 is projected to stay relatively flat. 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 hit a record low in April 2022 at 1.9%. As of June 2022, unemployment rates are at 2%, which represents a 0.7% decrease from the previous June. State leaders remain optimistic that rates will stay around that level. Unemployment claims have dropped almost 50% from the same time last year and 100% of Utah's major industries have added jobs during the past year.

Provo City is the county seat of Utah County, which has seen explosive growth in recent years. The 2020 US Census reported Utah County with a population of 659,399, representing a 22% increase from the 2010 US Census. The US Census reports the population of Provo City is 115,162, which is only 2,674 more than the 2010 US Census. Provo City does not have the capacity for much growth, which is driving the flat enrollment numbers in the District.

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. While fertility rates are falling, net migration is still increasing due to the favorable quality of life offered, low unemployment rate, and other business opportunities. Utah County still had the highest natural increase, net migration and population growth in the state. 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 12% of 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 2022 budget was approved in June 2021.

**Capital Budget /
Long-Term Plan-
ning**

The Board of Education approves an annual capital project plan, including any project that is over \$50,000. Monthly reports are submitted to track the progress of each individual project. While most resources are being used for major construction projects, there are still some smaller projects that have been identified as important and are approved by the board in the budget process. The board originally appropriated \$34 million for planned capital projects and improvements. After the MBA bonds were issued and draw schedules were updated, an additional \$2.5 million was added to the budget for construction projects. Expenditures will continue to increase as construction projects are more substantially complete.

One of the District objectives for fiscal year 2023 is to create a more robust long-term capital plan. A new system to track work orders and life cycle replacements has been implemented to better plan and prepare for major capital projects in the future. This project, along with a Capital Advisory Committee, will provide valuable input to plan better for the future of our buildings and in turn creating a safe environment for students.

Another District objective for fiscal year 2023 is to begin the process of evaluating our health insurance for current employees. District administration wants to ensure that all employees are given access to affordable health plans while spending District resources wisely. In fiscal year 2022 a contract with a new insurance broker was signed to move the district to a self-funded insurance model. We believe this will provide increased options for our employees and save money throughout the district.

**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 2022, based on data as of July 1, 2021, which projects an estimated OPEB liability of \$18,686,224. This year \$2,121,293 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 annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the nineteenth 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 annual comprehensive 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 annual comprehensive 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 Annual Comprehensive Financial Report for the Year Ended June 30, 2021. 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 eighteenth 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

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 Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



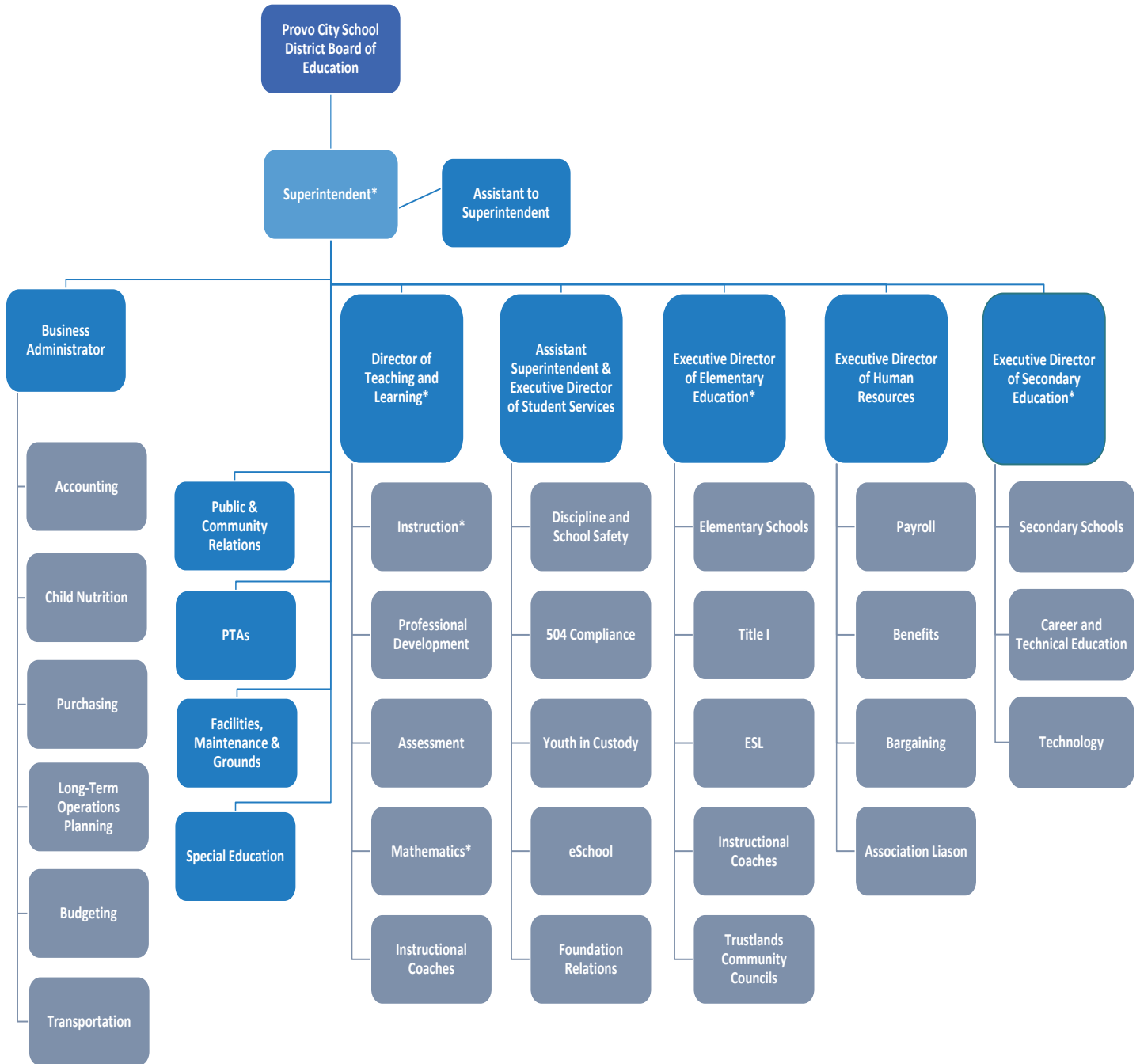
A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

A handwritten signature in black 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

Boyd McAfee
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

Kyle Bates
Facilities Director

Laura Larsen
Food Services Director

Michelle Wall
Title I Director

School Administration

Elementary Schools

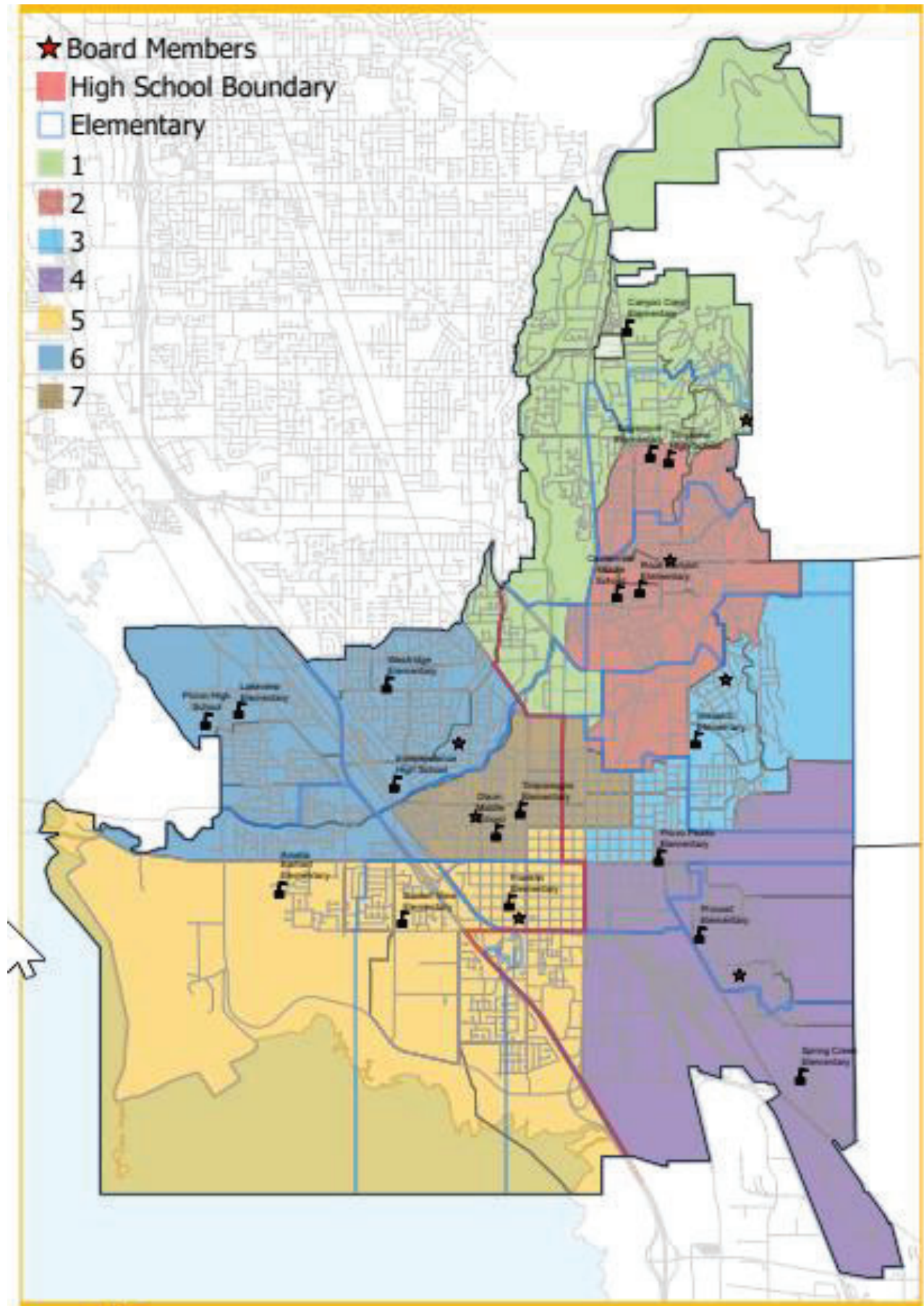
Amelia Earhart Ryan McCarty
Canyon Crest Rene Cunningham
Edgemont Harmony Kartchner
Provo Peaks Mark Burge
Franklin Jason Benson
Lakeview Michael Barker
Provost Kami Alvarez
Rock Canyon Seth Hansen
Spring Creek Jill Franklin
Sunset View Chris Chilcoat
Timpanogos Carrie Rawlins
Wasatch Chris Fuhrman
Westridge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

Middle Schools

Centennial Kyle Bates
Dixon John Anderson

High Schools

Provo High Jarod Sites
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 Audit of the Financial Statements

Opinions

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 the District, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, 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.

Responsibilities of Management for the Financial Statements

The District’s management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District’s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 62-65, and other post-employment benefits schedules on pages 66-67, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2022 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 solely 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 the effectiveness of 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.

HBME, LLC

September 22, 2022

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Management's Discussion and Analysis

This section of Provo City School District's (the District) Annual Comprehensive Financial Report presents Management's Discussion and Analysis (MD&A) of the District's financial performance during the year ended June 30, 2022. 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, 2022:

Government-Wide Net Position. The District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$157.1 million at the close of fiscal year 2022. The overall net position of the District increased by \$20.9 million. The unrestricted net position (deficit) increased by \$25.1 million to (\$3.8) million. The unrestricted net position (deficit) includes the effects of the net pension asset or liability, deferred outflows and inflows, as well as the Other Post Employment Benefits (OPEB) liability. Information about the OPEB and URS pension 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 \$20.9 million less than the \$176.1 million generated in taxes and other revenues for governmental activities. Expenses decreased significantly (\$6.4 million) for a second year in a row, due mainly to changes related to adjustments in the OPEB liability and URS pension. Revenues from operating grants and contributions decreased by \$5.7 million and property taxes decreased by \$3.6 million. Charges for services increased by \$0.8 million primarily due to an increase in school fees with the resumption of school activities after the COVID-19 closures. Charges for services continue to be lower than previous years, due to waivers still being active for school meals, which allowed all students to eat for free. The revenue is therefore recorded in operating grants and contributions.

Governmental Funds Financial Progress (modified-accrual basis of accounting): During the year ended June 30, 2022, the combined fund balances increased by \$85.9 million. Much of the increase relates to lease revenue bonds issued by the Provo School District Municipal Building Authority (MBA) of \$112 million, including a bond premium of \$12 million. As of July 1, 2021, the District made a change to separately disclose the MBA fund, which was previously reported with the Capital Projects fund. All other major funds decreased in the total fund balance due to the spend down of previously issued General Obligation bonds in the Capital Projects fund. Local revenue increased \$3.7 million due to an increase in the District's approved indirect rates and the resumption of school activities and travel. State revenue decreased by \$12.4 million due to a decrease in enrollment. Federal revenue increased by \$6.8 million primarily due to increases in federal emergency funding for COVID-19 mitigation.

The MBA Lease Revenue bonds make up 45% of the total district fund balance of \$249.2 million. The Capital Fund decreased by \$23.5 million due to the planned construction projects from the 2021 General Obligation bonds. The General Fund has \$42.6 million in fund balances, which includes nonspendable, restricted, committed, assigned and unassigned categories. All nonmajor funds have a combined fund balance of \$25.9 million.

District Master Plan - Capital improvements are funded through two major sources: the capital outlay tax levy and general obligation bonds. The District administration is in the process of creating a robust Capital Advisory Committee, which will provide greater oversight and input into long-term capital needs, as well as routine maintenance and replacement. This committee will be tasked with creating a plan to equitably plan projects for both short-term and long-term needs.

Overview of the Financial Statements

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

A. Government-wide financial statements

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

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

Component Units. The government-wide financial statements include not only the District (the primary government), but also a legally separate not-for-profit fund-raising foundation for which the District is financial accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The Municipal Building Authority of the Provo City School District, although also legally separate, functions for all practical purposes as a department of the District, and therefore has been included as an integral part of the primary government.

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 and the Municipal Building Authority fund, which is a blended component unit. 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, Capital Projects fund, and the Municipal Building Authority 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.

Municipal Building Authority of the Provo City School District. The annual debt service requirements of the MBA fund relate to the MBA Lease Revenue Bonds, Series 2010 (Qualified School Construction Bonds) which requires an annual interest payment of approximately \$80k. 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, paid as lease expense to the MBA and reported as part of the restricted fund balance of the MBA for the year ended June 30, 2022. 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 \$539,413 for the year ended June 30, 2022.

The annual debt service requirements of the MBA related to the MBA Lease Revenue Bonds, Series 2022, will also be paid as a lease expense from the property tax levy in the Capital Projects fund and recorded as a lease revenue in the MBA fund. No lease payments were required for this fiscal year. Payments will begin in fiscal year 2023.

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 59 of this report.

D. Required Supplemental Information

Information regarding net OPEB liability and net pension asset can be found on pages 61 to 66 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 70 to 89 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 \$157.1 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 \$20.9 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 asset and net OPEB liability, unrestricted net position (deficit) is a negative \$6 million at the end of this year. The Utah Retirement System provides actuarially determined amounts for the net pension asset 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 2022 numbers below reflect those updated numbers.

The largest portion of the District's net position (\$97.5 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 and lease revenue 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 (\$63.4 million) represents fund balances that are subject to external restrictions on how they may be used. The majority of restricted net position (\$44.6 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)		
	2022	2021	Change from 2021
Current and other assets	\$ 341.2	\$ 235.3	\$ 105.9
Capital assets	240.9	217.4	23.5
Total assets	582.1	452.7	129.4
Total Deferred Outflows of Resources	21.8	12.6	9.2
Other liabilities	26.7	18.8	7.9
Long-term liabilities outstanding	315.6	236.0	79.6
Total liabilities	342.3	254.8	87.5
Total Deferred Inflows of Resources	104.5	74.3	30.2
Net Position:			
Net investment in capital assets	97.5	107.9	(10.4)
Restricted	63.4	57.2	6.2
Unrestricted (deficit)	(3.8)	(28.9)	25.1
Total net position	\$ 157.1	\$ 136.2	\$ 20.9

B. Changes in Net Position – Governmental Activities

The District's total revenues for the year were \$170.1 million, which represents a decrease of \$6 million over the prior year. Total revenue from operating grants and contributions (specific to programs and funds) comprise 61.6% of the District's revenues; property taxes generated 32.5% of the District's revenues.

As compared to the prior year, the total cost of all programs and services increased by \$6.4 million to \$149.2 million. Instruction and support services (including food services) were 56.8% and 33.2%, respectively, of the District's expenses. Increases were primarily due to normal operations of the District.

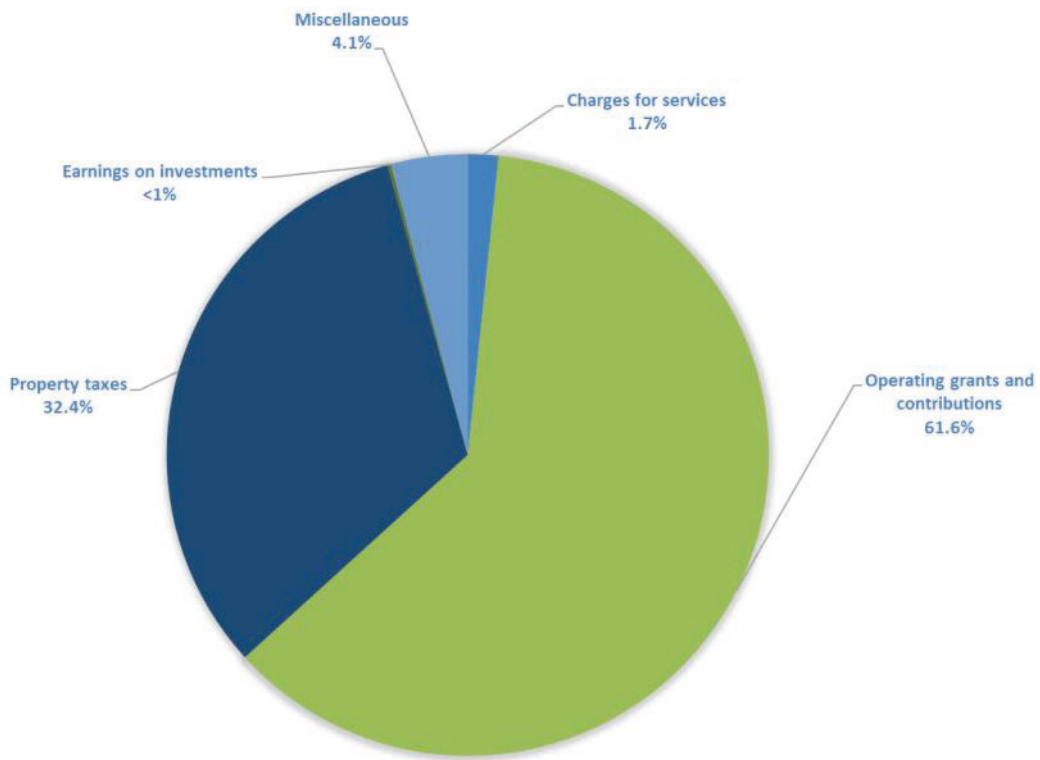
Changes in federal and state aid are a reflection of changes in funding for specific programs and changes in student enrollment. The District's primary source of funding is based on the WPU (weighted pupil unity) and other state appropriations. The state guarantees that if local taxes do not provide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

Provo City School District's Changes in Net Position

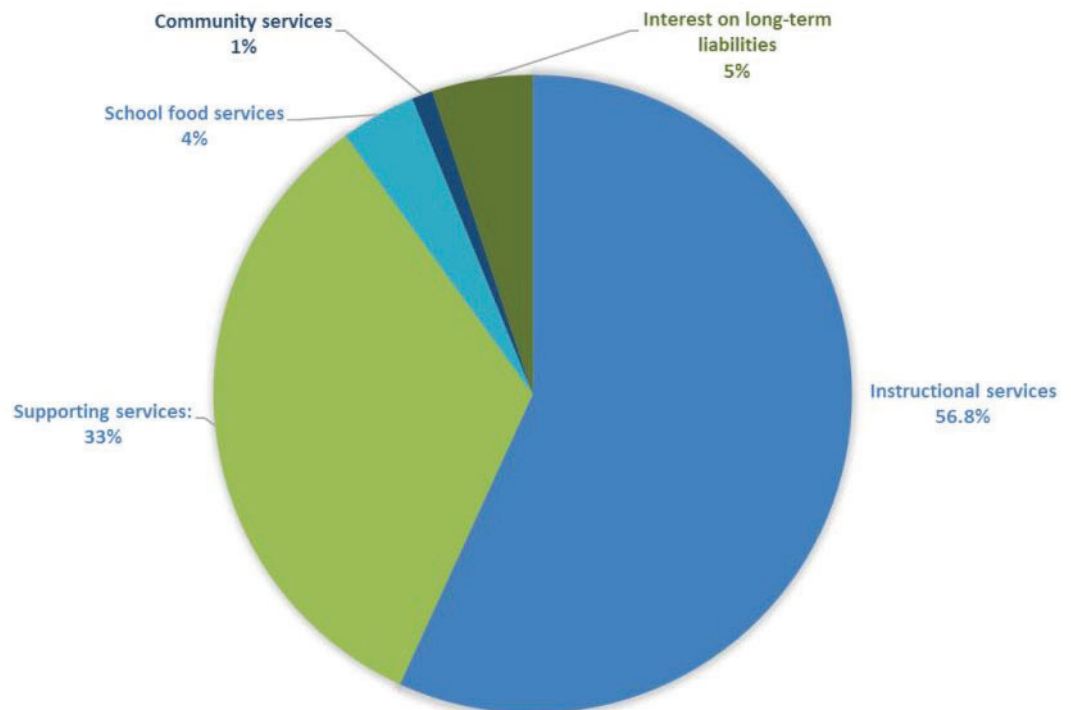
Years Ended June 30, 2022 and 2021

(in millions of dollars)

	Governmental activities		Change from 2021
	2022	2021	
Revenues:			
Program revenues:			
Charges for services	\$ 2.8	\$ 2.0	\$ 0.8
Operating grants and contributions	104.8	110.5	(5.7)
General revenues:			
Property taxes	55.2	58.8	(3.6)
Earnings on investments	0.3	0.6	(0.3)
Gain (loss) on Sale of Capital Assets	-	0.0	(0.0)
Miscellaneous	7.0	4.2	2.8
Total revenues	170.1	176.1	(6.0)
Expenses:			
Instructional services	84.8	82.6	2.2
Supporting services:			
Students	9.0	8.5	0.5
Instructional staff	10.3	10.6	(0.3)
District administration	2.2	2.1	0.1
School administration	7.0	7.1	(0.1)
Business	5.2	5.2	-
Operation and maintenance of facilities	13.7	14.2	(0.5)
Transportation	2.1	1.9	0.2
School food services	5.7	5.5	0.2
Community services	1.6	2.0	(0.4)
Interest on long-term liabilities	7.6	3.1	4.5
Total Expenses	149.2	142.8	6.4
Changes in net position	20.9	33.3	(12.4)
Net position, beginning	136.2	102.9	33.3
Net position, ending	\$ 157.1	\$ 136.2	\$ 20.9



REVENUES BY SOURCES - GOVERNMENTAL ACTIVITIES
FOR YEAR ENDED JUNE 30, 2022



EXPENSES BY FUNCTION - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

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 - a major 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 - a major fund, used to account for funds accumulated and restricted for payments of general long-term obligation debt.

Capital Projects Fund - a major 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 (special revenue fund) - a blended component unit, a major fund, used to account for funds received from lease revenue bonds under the direction of 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 \$249.2 million, which is a \$85.9 million increase from the previous year. The primary reason for the increase in fund balance is issuance of lease revenue bonds in the Municipal building Authority for the construction of Shoreline Middle School and Wasatch Elementary School. In addition, the following changes should be noted:

- The District's *General* fund balance decreased by \$1.1 million. The Assigned fund balance decreased by approximately \$3 million. The Restricted fund balance increased by \$923k. 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 decreased by \$23.5 million. The primary reason for this change in fund balance progress in the building of Timpview High School.
- The *Debt Service* fund balance decreased by \$1.6 million. The primary reason for this decrease is the refunding of bonds that took place at the beginning of fiscal year 2022. Proceeds and retirement were not budgeted originally due to a change in District administration and the non-cash nature of the transaction.
- District-wide expenditures totaled \$213.3 million, an increase of \$46.7 million compared to the previous fiscal year. The increase is primarily due to construction costs and the retirement of bonds.
- General fund salaries totaled \$81.4 million, an increase of \$2.3 million from the previous fiscal year. This is due to an increase in salaries districtwide and a commitment to increase salaries each year. 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 continuing decline in interest rates due to economic instability.
- Expenditures for purchased services in the General fund decreased by almost \$5 million. This is due to the change in the format of our e-School. This change also has caused the sharp decrease this year in state revenue in the General fund.

Governmental funds report the differences between their assets and liabilities and deferred outflows of resources and deferred inflows of resources as fund balance, which is divided into nonspendable, restricted, committed, assigned and unassigned portions. *Nonspendable* includes inventories 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 stayed relatively flat for fiscal year 2022.
- *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. Total fee revenue collected increased by \$1.2 million.
- *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, indirect charges and other miscellaneous income sources.
- *Transportation fees, contributions and food services*: Increases occurred in both Transportation and Food Services due to a resumption of field trips and families eating with their students. Waivers provided by the federal government allowing the District to provide free breakfast and lunch to all students were still active for fiscal year 2022.

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

	2022	2021
Property taxes	\$ 58,668,732	\$ 58,205,541
Student Activities	3,100,333	1,874,160
Transportation fees	370,896	151,044
Earnings on investments	290,546	587,864
Food Services	39,854	27,161
Other revenues from local sources	6,387,833	4,279,967
Total	\$ 68,858,194	\$ 65,125,737

Budgetary Highlights

During 2022, 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 decreased by \$550k from the original and amended budget. The decrease was primarily due to adjustments to a few programs.
- *Federal revenue* decreased by \$16.9 million from the original and amended budget due to an decrease in planned expenditures from 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 (\$6.8 million) and benefits (\$2.6 million). In the previous fiscal year, 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. In fiscal year 2022, staffing resumed fairly normal operations, although many positions were not able to be filled throughout the year due to labor shortages. Additional technology supplies were purchased during fiscal year, which accounts for the increase in budget to supplies in the General fund of \$6.4 million.

- MBA Lease Revenue Bonds, Series 2022, were issued in March 2022, which required an increase in other financing sources and expenditures in the *Municipal Building Authority* fund. Other financing sources increased by \$110 million to account for the bond proceeds and the expense budget was increased by \$4 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, 2022 and 2021 are outlined below:

PROVO CITY SCHOOL DISTRICT Capital Assets
(net of accumulated depreciation in millions of dollars)

	2022	2021	Total Change
School sites (land)	\$ 11.5	\$ 11.5	\$ -
Works of art	0.2	0.2	-
Construction in progress	43.7	11.6	32.1
Buildings	175.0	182.3	(7.3)
Furniture, equipment and vehicles	10.4	11.7	(1.3)
Total	\$ 240.9	\$ 217.4	\$ 23.5

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

- The District changed the capitalization threshold and policy to more closely align with federal guidelines. As such, fewer capital assets are purchased, but depreciation continues on existing furniture, equipment and vehicles.
- No building improvements have been made other than the construction on buildings funded by General Obligation bonds and Lease Revenue bonds. All changes to our Buildings in FY22 are because of depreciation expense.
- Construction continued on Timpview High School to replace the academic wing and other significant renovations in the school.
- Construction started on Shoreline Middle School and Wasatch Elementary School, both being funded by proceeds in the Municipal Building Authority.

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, 2022 is \$474.6 million. General obligation debt at June 30, 2022 is \$161.2 million, resulting in a legal debt margin of \$313.4 million.

	Outstanding General Obligation Debt		
	2022	2021	Total Change
Outstanding G.O. Debt	\$ 161.2	\$ 169.5	\$ (8.3)

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, 2022

	Primary Government	Component Unit Provo School District Foundation
	Governmental Activities	
Assets:		
Cash and investments	\$ 69,396,562	\$ 1,247,527
Restricted cash and investments	187,334,886	-
Receivables:		
Property taxes	53,186,710	-
Other local	2,953,528	-
State	1,243,287	-
Federal	12,741,285	-
Prepaid expenses	170,723	-
Inventories	268,107	-
Net pension asset	13,914,970	-
Capital assets:		
Land, construction in progress, and works of art	55,522,909	-
Machinery & Equipment - right to use, net of accumulated depreciation	59,194	-
Buildings and equipment, net of accumulated depreciation	185,337,763	-
	<u>582,129,924</u>	<u>1,247,527</u>
Deferred Outflows of Resources:		
Deferred outflows relating to pensions	21,804,799	-
	<u>21,804,799</u>	<u>-</u>
Liabilities:		
Accounts payable	9,063,139	64,314
Accrued interest payable	1,499,241	-
Payroll and related payables	15,214,309	-
Lease Payable	69,859	-
Unearned revenue:		
Other local	273,000	-
Federal	594,491	-
Noncurrent liabilities:		
Due within one year	11,901,474	-
Due in more than one year	285,025,057	-
Net OPEB liability	18,686,224	-
	<u>342,326,794</u>	<u>64,314</u>
Deferred Inflows of Resources:		
Deferred property tax revenue	52,942,548	-
Deferred inflows relating to pensions	51,595,408	-
	<u>104,537,956</u>	<u>-</u>
Net Position:		
Net investment in capital assets	97,458,082	-
Restricted for:		
Debt service	4,827,246	-
Capital projects	24,216,927	-
Student activities	2,219,256	-
Building reserve	20,372,240	-
School food services	3,281,437	-
State/Federal restricted programs	8,457,380	-
Unrestricted (deficit)	(3,762,595)	1,183,213
	<u>\$ 157,069,973</u>	<u>\$ 1,183,213</u>

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, 2022

Functions	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in net position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Unit
					Government Total	Provo School District Foundation
					Governmental Activities	
Governmental activities:						
Instructional services	\$ 84,798,122	\$ 2,383,100	\$ 82,263,991	\$ 75,063	\$ (75,968)	\$ -
Supporting services:						
Students	8,950,150	-	6,422,451	-	(2,527,699)	-
Instructional staff	10,359,929	-	4,881,116	-	(5,478,813)	-
District administration	2,184,594	-	968,929	-	(1,215,665)	-
School administration	7,004,581	-	848,176	-	(6,156,405)	-
Business	5,234,774	-	106,076	-	(5,128,698)	-
Operation and maintenance of facilities	13,675,292	4,113	312,077	-	(13,359,102)	-
Transportation	2,104,720	370,896	1,749,113	-	15,289	-
School food services	5,683,857	39,854	7,204,266	-	1,560,263	-
Community services	1,624,249	-	-	-	(1,624,249)	-
Interest on long-term liabilities	7,591,577	-	-	-	(7,591,577)	-
Total school district	<u>149,211,845</u>	<u>2,797,963</u>	<u>104,756,195</u>	<u>75,063</u>	<u>(41,582,624)</u>	<u>-</u>
Component unit:						
Provo School District Foundation	\$ 129,688	\$ -	346,210	-	\$ -	\$ 216,522
General Revenues:						
Property taxes levied for:						
Basic state supported program for regular K-12 instruction					13,223,696	-
Voted leeway for regular K-12 instruction					7,251,527	-
Board leeway and Board local leeway					13,808,230	-
Debt service of general obligation bonds					10,742,186	-
Capital outlay for buildings and other capital needs					10,119,051	-
Earnings on investments					290,546	3,895
Miscellaneous					7,005,983	-
Total general revenues					<u>62,441,219</u>	<u>3,895</u>
Changes in net position					20,858,595	220,417
Net position - beginning					136,221,031	962,796
Prior period adjustment (Note 12)					(9,653)	-
Net position beginning, as restated					<u>136,211,378</u>	<u>962,796</u>
Net position - ending					<u>\$ 157,069,973</u>	<u>\$ 1,183,213</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, 2022

	Major Funds				Total Nonmajor Funds	Total Governmental Funds
	General Fund	Debt Service Fund	Capital Projects Fund	Municipal Bldg Authority		
Assets:						
Cash and investments	\$ 40,082,521	\$ -	\$ 27,046,926	\$ -	\$ 2,267,115	\$ 69,396,562
Restricted cash and investments	4,039,026	179,994	43,506,335	115,266,685	24,342,846	187,334,886
Receivables:						
Property tax	33,066,831	10,361,066	9,758,813	-	-	53,186,710
Other local	2,907,818	-	-	-	45,710	2,953,528
State	1,097,658	-	-	-	145,629	1,243,287
Federal	12,688,926	-	-	-	52,359	12,741,285
Prepaid items	170,723	-	-	-	-	170,723
Inventories	-	-	-	-	268,107	268,107
Total assets	\$ 94,053,503	\$ 10,541,060	\$ 80,312,074	\$ 115,266,685	\$ 27,121,766	\$ 327,295,088
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	\$ 3,533,831	\$ 2,500	\$ 2,706,762	\$ 2,694,466	\$ 125,580	\$ 9,063,139
Payroll and related payables	14,653,849	-	31,698	-	528,762	15,214,309
Unearned revenue:						
Other local	273,000	-	-	-	-	273,000
Federal	-	-	-	-	594,491	594,491
Total liabilities	18,460,680	2,500	2,738,460	2,694,466	1,248,833	25,144,939
Deferred Inflows of Resources:						
Deferred property tax revenue	32,941,667	10,321,758	9,723,011	-	-	52,986,436
Fund Balances:						
Nonspendable:						
Inventories and prepaid items	170,723	-	-	-	268,107	438,830
Restricted For:						
Building reserve	-	-	-	-	20,372,240	20,372,240
School food services	-	-	-	-	3,013,330	3,013,330
Capital projects	-	-	67,850,603	107,961,775	-	175,812,378
Debt service	-	216,802	-	4,610,444	-	4,827,246
State/Federal restricted programs	4,039,026	-	-	-	-	4,039,026
Committed To:						
OPEB	13,448,244	-	-	-	-	13,448,244
Board voted contingency	4,344,402	-	-	-	-	4,344,402
Assigned To:						
District Initiatives/Encumbrances	4,418,354	-	-	-	-	4,418,354
Schools	-	-	-	-	2,219,256	2,219,256
Unassigned	16,230,407	-	-	-	-	16,230,407
Total fund balances	42,651,156	216,802	67,850,603	112,572,219	25,872,933	249,163,713
Total liabilities, deferred inflows of resources, and fund balances	\$ 94,053,503	\$ 10,541,060	\$ 80,312,074	\$ 115,266,685	\$ 27,121,766	\$ 327,295,088

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

Total fund balances for governmental funds \$ 249,163,713

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	43,750,485	
Works of art	234,250	
Buildings and improvements	268,136,955	
Right to Use Asset - Modular Units	126,233	
Furniture and equipment	35,804,061	
Accumulated depreciation for:		
Buildings and improvements	(93,172,896)	
Machinery and Equipment - Right to Use	(67,039)	
Furniture and equipment	<u>(25,430,357)</u>	240,919,866

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	13,914,970	
Deferred outflows relating to pensions	21,804,799	
Net OPEB liability	(18,686,224)	
Deferred inflows relating to pensions	<u>(51,595,408)</u>	(34,561,863)

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. 43,888

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (1,499,241)

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	(161,165,000)	
Deferred amounts for issuance premium/discount	(27,075,235)	
Lease revenue bonds	(106,817,000)	
Obligations under capital leases	(69,859)	
Notes payable	(63,925)	
Vacation payable	<u>(1,805,371)</u>	<u>(296,996,390)</u>

Total net position of governmental activities \$ 157,069,973

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, 2022

	Major Funds				Total Nonmajor Funds	Total Governmental Funds
	General Fund	Debt Service Fund	Capital Projects Fund	Municipal Bldg Authority		
Revenues:						
Local sources:						
Property taxes	\$ 35,541,844	\$ 11,141,801	\$ 10,411,199	\$ -	\$ 1,573,888	\$ 58,668,732
Food service sales	-	-	-	-	39,854	39,854
Interest	281,708	6,618	338,257	(340,216)	4,179	290,546
Other local	4,517,820	-	1,701,496	539,413	3,100,333	9,859,062
State	77,841,829	-	-	-	1,097,534	78,939,363
Federal	19,690,191	-	-	-	6,106,732	25,796,923
Total revenues	137,873,392	11,148,419	12,450,952	199,197	11,922,520	173,594,480
Expenditures:						
Current:						
Instructional services	86,107,486	-	-	-	2,771,539	88,879,025
Supporting services:						
Students	10,309,708	-	-	-	49,204	10,358,912
Instructional staff	12,131,958	-	-	-	53,589	12,185,547
District administration	2,759,644	-	-	-	-	2,759,644
School administration	8,472,995	-	-	-	148,777	8,621,772
Business	6,018,253	-	-	-	-	6,018,253
Operations and maintenance of facilities	7,903,718	-	5,757,942	-	-	13,661,660
Transportation	2,212,681	-	-	-	-	2,212,681
School food services	82,949	-	-	-	5,867,062	5,950,011
Community services	133,733	-	-	-	1,573,888	1,707,621
Capital outlay						
Capital Outlay (Buildings & Construction)	-	-	29,499,015	2,684,401	-	32,183,416
Instructional Services	140,928	-	-	-	44,640	185,568
Instructional Staff	6,623	-	-	-	-	6,623
Other Support Services	138,595	-	-	-	-	138,595
Operation and maintenance of facilities	150,518	-	510,272	-	-	660,790
Transportation	263,194	-	131,597	-	-	394,791
Debt service:						
Principal retirement	-	19,960,000	45,863	-	-	20,005,863
Interest and fiscal charges	-	6,160,843	9,112	1,205,038	-	7,374,993
Total expenditures	136,832,983	26,120,843	35,953,801	3,889,439	10,508,699	213,305,765
Excess (deficiency) of revenues over (under) expenditures	1,040,409	(14,972,424)	(23,502,849)	(3,690,242)	1,413,821	(39,711,285)
Other financing sources (uses):						
Issuance of debt	-	11,650,000	-	100,355,000	-	112,005,000
Issuance of debt (premium)	-	1,764,021	-	11,760,560	-	13,524,581
Proceeds from sale of capital assets	38,461	-	-	-	-	38,461
Transfers in (out)	(2,138,586)	-	-	-	2,138,586	-
Total other financing sources (uses)	(2,100,125)	13,414,021	-	112,115,560	2,138,586	125,568,042
Net change in fund balances	(1,059,716)	(1,558,403)	(23,502,849)	108,425,318	3,552,407	85,856,757
Fund balances - beginning	43,710,872	1,775,205	91,353,452	4,146,901	22,320,526	163,306,956
Fund balances - ending	\$ 42,651,156	\$ 216,802	\$ 67,850,603	\$ 112,572,219	\$ 25,872,933	\$ 249,163,713

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, 2022

Net change in fund balances - total governmental funds \$ 85,856,757

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	\$ 33,569,783	
Sale of capital assets	(59,346)	
Depreciation expense - capital assets	<u>(10,069,487)</u>	23,440,950

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. 2,312,901

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. 18,529,912

Property tax revenues in the statement of activities that do not provide current financial resources are not reported in the fund statements. (3,524,042)

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	(125,529,581)	
Repayment of bond principal	19,960,000	
Bond interest expense	(1,254,452)	
Amortization of deferred amounts, net	<u>1,037,868</u>	(105,786,165)

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 45,863

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) (17,581)

Change in net position of governmental activities \$ 20,858,595

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, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Property taxes	\$ 39,954,554	\$ 39,954,554	\$ 35,541,844	\$ (4,412,710)
Interest	480,000	480,000	281,708	(198,292)
Other local	3,560,330	3,830,170	4,517,820	687,650
State	79,051,993	78,503,458	77,841,829	(661,629)
Federal	34,840,000	17,957,504	19,690,191	1,732,687
Total revenues	<u>157,886,877</u>	<u>140,725,686</u>	<u>137,873,392</u>	<u>(2,852,294)</u>
Expenditures:				
Current:				
Instructional services	112,081,377	101,476,529	86,107,486	15,369,043
Supporting services:				
Students	8,885,175	10,208,480	10,309,708	(101,228)
Instructional staff	8,234,574	9,697,399	12,131,958	(2,434,559)
District administration	2,547,975	2,915,446	2,759,644	155,802
School administration	7,821,474	7,857,852	8,472,995	(615,143)
Business	6,984,709	8,018,654	6,018,253	2,000,401
Operations and maintenance of facilities	7,800,356	8,369,522	7,903,718	465,804
Transportation	2,373,970	2,373,970	2,212,681	161,289
School Food Services	-	-	82,949	(82,949)
Capital Outlay	362,366	362,366	699,858	(337,492)
Community services	-	175,000	133,733	41,267
Total expenditures	<u>157,091,976</u>	<u>151,455,218</u>	<u>136,832,983</u>	<u>14,622,235</u>
Excess (deficiency) of revenues over (under) expenditures	<u>794,901</u>	<u>(10,729,532)</u>	<u>1,040,409</u>	<u>11,769,941</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	75,000	75,000	38,461	(36,539)
Transfers in (out)	-	(5,200,000)	(2,138,586)	3,061,414
Total other financing sources (uses)	<u>75,000</u>	<u>(5,125,000)</u>	<u>(2,100,125)</u>	<u>3,024,875</u>
Net change in fund balance	869,901	(15,854,532)	(1,059,716)	14,794,816
Fund balance - beginning	<u>34,015,233</u>	<u>34,015,233</u>	<u>43,710,872</u>	
Fund balance - ending	<u>\$ 34,885,134</u>	<u>\$ 18,160,701</u>	<u>\$ 42,651,156</u>	<u>\$ 14,794,816</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 units. 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.

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 MBA 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 MBA's debt outstanding is expected to be repaid with resources of the District. The MBA is presented as a blended component unit of the District as its own 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.
- *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.

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.
- *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, 2022, 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 individual 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), unspent bond proceeds, 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 assets 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 assets that applies to a future period. The District recognizes deferred outflows in relation to pensions.

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. At the end of the fiscal year ending June 30, 2022, the District had two existing board-approved projects and three newly approved projects. One project that had been previously approved expired during this fiscal year.

2. DEPOSITS AND INVESTMENTS

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2022, as shown on the financial statements is as follows:

	Primary Government	Component Unit
Carrying amount of deposits	\$ 494,236	\$ 482,147
Carrying amount of investments:		
Public Treasurers' Investment Fund	134,850,718	765,380
Zions Public Finance Investment	114,010,447	-
Sinking Fund (Lease Revenue Bond)	4,610,444	
Repurchase Agreement	2,765,603	-
 Total investments	 256,237,212	 765,380
 Total cash and investments	 \$ 256,731,448	 \$ 1,247,527

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, 2022, 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	\$ (338,520)	\$ 348	\$ 348
Student Activities	832,756	893,590	815,661
 Total primary government	 \$ 494,236	 \$ 893,938	 \$ 816,009
 Component unit:			
Provo School District Foundation	\$ 482,147	\$ 495,646	\$ 250,000

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 FY2022, the District invested a portion of the MBA 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, 2022, the District had the following investments:

Investment Type	Fair Value	Maturities	
		<1 Year	1-5 Years
PTIF	\$ 140,226,542	\$ 140,226,542	\$ -
US Obligations	2,904,187	-	2,904,187
US Treasury Notes & Bonds	104,036,915	78,493,326	25,543,589
Corporate Floating	5,373,369	3,255,244	2,118,125
Government Agency Securities	730,436	-	730,436
International Bonds	741,762	496,079	245,683
Marketable CD	223,778	-	223,778
Repurchase Agreement	2,765,603	2,765,603	-
	\$ 257,002,592	\$ 225,236,794	\$ 31,765,798

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	\$ 140,226,542	\$ -	\$ -	\$ -	\$ 140,226,542
US Obligations	2,904,187	-	2,904,187	-	-
US Treasury Notes & Bonds	104,036,915	-	-	-	104,036,915
Corporate Floating	5,373,369	-	3,504,337	1,469,147	399,885
Government Agency Securities	730,436	-	730,436	-	-
International Bonds	741,762	-	245,683	496,079	-
Marketable CD	223,778	-	-	-	223,778
Repurchase Agreement	2,765,603	2,765,603	-	-	-
	<u>\$ 257,002,592</u>	<u>\$ 2,765,603</u>	<u>\$ 7,384,643</u>	<u>\$ 1,965,226</u>	<u>\$ 244,887,120</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 \$2,765,603 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, 2022, the District had the following recurring fair value measurements.

Debt Securities	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
PTIF	\$ 140,226,542	\$ -	\$ 140,226,542	\$ -
US Obligations	2,904,187	-	2,904,187	-
US Treasury Notes & Bonds	104,036,915	-	104,036,915	-
Corporate Floating	5,373,369	-	5,373,369	-
Government Agency Securities	730,436	-	730,436	-
International Bonds	741,762	-	741,762	-
Marketable CD	223,778	-	223,778	-
Repurchase Agreement	2,765,603	-	2,765,603	-
	<u>\$ 257,002,592</u>	<u>\$ -</u>	<u>\$ 257,002,592</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, 2022, the District had accrued a property tax receivable on the government-wide financial statements of \$53,186,710. This accrual includes calendar year 2021 property taxes of \$52,986,436 levied for the year ended June 30, 2022 due to be collected by November 30, 2022, plus \$3,524,042 of delinquent property taxes receivable for taxes assessed prior to 2021 that remain uncollected.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 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	11,567,069	32,183,416	-	43,750,485
Works of art	234,250	-	-	234,250
Total capital assets, not being depreciated	<u>\$ 23,339,493</u>	<u>32,183,416</u>	<u>-</u>	<u>\$ 55,522,909</u>
Capital assets, being depreciated :				
Buildings and improvements	\$ 268,136,955	-	-	\$ 268,136,955
Right to Use - Modular Units	126,233	-	-	126,233
Furniture, equipment and vehicles	35,396,727	1,386,367	(979,033)	35,804,061
Total capital assets, being depreciated	<u>\$ 303,659,915</u>	<u>1,386,367</u>	<u>(979,033)</u>	<u>\$ 304,067,249</u>
Accumulated depreciation for:				
Buildings and improvements	\$ (85,814,124)	(7,358,772)	-	\$ (93,172,896)
Right to Use - Modular Units	(44,320)	(22,719)	-	(67,039)
Furniture and equipment	(23,662,048)	(2,687,996)	919,687	(25,430,357)
Total accumulated depreciation	<u>\$ (109,520,492)</u>	<u>(10,069,487)</u>	<u>919,687</u>	<u>\$ (118,670,292)</u>
Total capital assets, being depreciated, net	<u>\$ 194,139,423</u>	<u>(8,683,120)</u>	<u>(59,346)</u>	<u>\$ 185,396,957</u>
Governmental activity capital assets, net	<u>\$ 217,478,916</u>	<u>\$ 23,500,296</u>	<u>\$ (59,346)</u>	<u>\$ 240,919,866</u>

For the year ended June 30, 2022, depreciation expense was charged to functions of the District as follows:

Governmental activities:

	Buildings and improvements	Furniture and equipment	Total
Instructional services	\$ (6,402,132)	\$ (2,338,556)	\$ (8,740,688)
Supporting services:			
Students	(36,794)	(13,440)	(50,234)
Instructional Staff	(36,794)	(13,440)	(50,234)
District administration	(36,794)	(13,440)	(50,234)
School administration	(36,794)	(13,440)	(50,234)
Business	(36,794)	(13,440)	(50,234)
Operation and maintenance of facilities	(611,420)	(215,040)	(826,460)
Transportation	(73,588)	(26,880)	(100,468)
School food services	(110,382)	(40,320)	(150,702)
Total depreciation expense, governmental activities	\$ (7,381,491)	\$ (2,687,996)	\$ (10,069,487)

5. LONG TERM LIABILITIES

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2022 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 169,475,000	\$ 11,650,000	\$ (19,960,000)	\$ 161,165,000	\$ 7,970,000
Qualified school construction bonds	6,462,000	100,355,000	-	106,817,000	3,000,000
Deferred amounts for issuance premium/discount	14,696,608	13,524,581	(1,145,954)	27,075,235	-
Total bonds payable, net	190,633,608	125,529,581	(21,105,954)	295,057,235	10,970,000
Other long-term liabilities:					
Notes payable	88,081	-	(24,156)	63,925	24,951
Net pension liability	22,542,911	-	(22,542,911)	-	-
Net OPEB liability	20,999,125	-	(2,312,901)	18,686,224	-
Vacation payable	1,787,790	1,103,447	(1,085,866)	1,805,371	906,523
Total governmental activity long-term liabilities	\$ 236,051,515	\$ 126,633,028	\$ (47,071,788)	\$ 315,612,755	\$ 11,901,474

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, 2022 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
2015 Series G.O. Bonds	School Building	\$ 50,615,000	2.25% to 5%	June 15, 2035	\$ 37,195,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	40,900,000
2021 Series G.O. Bonds	School Building	73,670,000	1.75% to 5%	June 15, 2041	73,290,000
2021B Series G.O. Bonds	Bond Refunding	11,650,000	5%	June 15, 2027	9,780,000
Total General Obligation Bonds Payable as of June 30, 2022					<u>\$ 161,165,000</u>

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

<u>General Obligation Bonds</u>			
Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Debt Service Fund</u>
2023	\$ 7,970,000	\$ 5,368,198	\$ 13,338,198
2024	8,840,000	5,035,560	13,875,560
2025	9,775,000	4,654,810	14,429,810
2026	10,650,000	4,222,535	14,872,535
2027	10,280,000	3,741,635	14,021,635
2028-2032	48,465,000	13,128,538	61,593,538
2033-2037	45,865,000	4,975,450	50,840,450
2038-2041	19,320,000	970,810	20,290,810
	<u>\$ 161,165,000</u>	<u>\$ 42,097,536</u>	<u>\$ 203,262,536</u>

C. Lease Revenue Bonds Payable

During fiscal year 2010, the District was awarded \$6,462,000 in MBA Lease Revenue Bonds, Series 2010, referred to as Qualified School Construction Bonds (QSCB). These bonds were part of the 2009 federal stimulus bill. The bonds were issued via the MBA 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, 2022, the sinking fund has a balance of \$4,610,444. Payments into the sinking fund come from the MBA via a transfer from the Capital Projects Fund.

In 2022, the MBA issued new bonds in the amount of \$100,355,000. These bonds will be used to rebuild Wasatch Elementary School on the same site and Shoreline Middle School (formerly Dixon Middle School) on a new site. Lease payments will be made to the MBA from the Capital Projects fund to meet debt service obligations.

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
2010 MBA Lease Revenue Bonds	School Building	\$6,462,000	1.23%	June 15, 2026	\$ 6,462,000
2022 MBA Lease Revenue Bonds	School Building	100,355,000	3% to 5%	March 15, 2042	100,355,000
Total MBA Lease Revenue Bonds Payable as of June 30, 2022					<u>\$ 106,817,000</u>

The debt service requirements to maturity, including interest for all bonds held in the MBA are as follows:

<u>Lease Revenue Bonds</u>			
Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 3,000,000	\$ 4,147,683	\$ 7,147,683
2024	3,300,000	3,997,683	7,297,683
2025	3,465,000	3,832,683	7,297,683
2026	10,097,000	3,659,433	13,756,433
2027	3,820,000	3,398,200	7,218,200
2028-2032	22,155,000	13,928,500	36,083,500
2033-2037	27,935,000	8,149,650	36,084,650
2038-2042	33,045,000	3,032,550	36,077,550
	<u>\$ 106,817,000</u>	<u>\$ 44,146,381</u>	<u>\$ 150,963,381</u>

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, 2022 are as follows:

Note Payable

Year Ending June 30,	Principal	Interest	Capital Fund
2023	\$ 24,951	\$ 1,776	\$ 26,727
2024	25,772	955	26,727
2025	13,202	161	13,363
	<u>\$ 63,925</u>	<u>\$ 2,892</u>	<u>\$ 66,817</u>

E. Combined Maturities on Long-Term Borrowings

The combined aggregate amounts of maturities on all long-term borrowings (general obligation bonds, lease revenue bonds, and note payable) are as follows:

All Long-term Borrowings

Year Ending June 30,	Principal	Interest	Total
2023	\$ 10,994,951	\$ 9,517,656	\$ 20,512,607
2024	12,165,772	9,034,198	21,199,970
2025	13,253,202	8,487,654	21,740,856
2026	20,747,000	7,881,968	28,628,968
2027	14,100,000	7,139,835	21,239,835
2028-2032	70,620,000	27,057,038	97,677,038
2033-2037	73,800,000	13,125,100	86,925,100
2038-2042	52,365,000	4,003,360	56,368,360
	<u>\$ 268,045,925</u>	<u>\$ 86,246,808</u>	<u>\$ 354,292,733</u>
Add: Deferred amounts, net:	27,075,235		
Compensated absences:	1,805,371		
	<u>\$ 296,926,531</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, 2022 are as follows:

Utah Retirement Systems		Employer Contribution Rates	Employer Rate for 401(k) Plan
	Employee Paid		
Contributory System			
State and School Tier 1	6.00%	17.70%	N/A
State and School Tier 2	N/A	19.40%	0.62%
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, 2022 the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 9,112,129	N/A
Contributory System	16,145	890
Tier 2 Public Employees System	5,229,390	-
Tier 2 DC Only System	580,805	N/A
Total Contributions	\$ 14,938,469	\$ 890

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, 2022, the District reported a net pension asset of \$13,914,970 and no net pension liability.

	Measurement Date: December 31, 2021			December 31, 2020	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share	
Noncontributory System	\$ 12,013,439	\$ -	1.7582934%	1.6766854%	0.0816080%
Contributory System	1,322,510	-	1.4686382%	1.4515114%	0.0171268%
Tier 2 Public Employees System	579,021	-	1.3680775%	1.3255556%	0.0425219%
Total Net Pension Asset/Liability	\$ 13,914,970	\$ -			

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, 2022, the District recognized a pension expense of (\$3,619,970).

At June 30, 2022, 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	\$ 7,487,455	\$ 74,603
Changes in assumptions	5,224,303	5,474
Net difference between projected and actual earnings on pension plan investments	-	51,139,799
Changes in proportion and differences between contributions and proportionate share of contributions	1,643,571	375,532
Contributions subsequent to the measurement date	7,449,470	-
Total	\$ 21,804,799	\$ 51,595,408

\$7,449,470 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, 2021.

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>
2022	\$ (5,874,240)
2023	(12,074,857)
2024	(11,517,757)
2025	(8,396,291)
2026	111,199
Thereafter	511,865

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

For the year ended June 30, 2022, the District recognized a pension expense of (\$5,252,562).

At June 30, 2022, 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	\$ 7,206,155	\$ -
Changes in assumptions	4,684,409	-
Net difference between projected and actual earnings on pension plan investments	-	48,451,432
Changes in proportion and differences between contributions and proportionate share of contributions	1,340,644	375,532
Contributions subsequent to the measurement date	4,515,216	-
Total	<u>\$ 17,746,423</u>	<u>\$ 48,826,964</u>

\$4,515,216 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, 2021.

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>
2022	\$ (5,285,292)
2023	(11,290,428)
2024	(10,965,386)
2025	(8,054,650)
2026	-
Thereafter	-

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

For the year ended June 30, 2022, we recognized pension expense of (\$377,419).

At June 30, 2022, 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	-	1,257,680
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	7,298	-
Total	<u>\$ 7,298</u>	<u>\$ 1,257,680</u>

\$7,298 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, 2021.

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
2022	\$ (319,547)
2023	(439,222)
2024	(301,792)
2025	(197,119)
2026	-
Thereafter	-

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

For the year ended June 30, 2022, the District recognized pension expense of \$2,010,010.

At June 30, 2022, 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	\$ 281,300	\$ 74,603
Changes in assumptions	539,894	5,474
Net difference between projected and actual earnings on pension plan investments	-	1,430,687
Changes in proportion and differences between contributions and proportionate share of contributions	302,927	-
Contributions subsequent to the measurement date	2,926,956	-
Total	<u>\$ 4,051,077</u>	<u>\$ 1,510,764</u>

\$2,926,956 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, 2021.

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
2022	\$ (269,401)
2023	(345,207)
2024	(250,579)
2025	(144,522)
2026	111,199
Thereafter	511,865

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, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2019.

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	\$ 43,144,407	\$ (12,013,439)	\$ (58,125,793)
Contributory System	(466,245)	(1,322,510)	(2,057,674)
Tier 2 Public Employees System	3,449,937	(579,021)	(3,672,424)
Total Pension Liability	\$ 46,128,099	\$ (13,914,970)	\$ (63,855,891)

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 were as follows:

	2022	2021	2020
401(k) Plan			
Employer Contributions	\$ 1,675,284	\$ 1,603,774	\$ 1,321,412
Employee Contributions	1,116,162	956,322	779,567
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	127,278	65,313	70,535
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	260,809	236,375	211,554
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	15,000	8,865	6,695
Total Contributions	\$ 3,194,533	\$ 2,870,649	\$ 2,389,763

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 2022, 2021, and 2020 were \$2,147,470, \$2,470,480, and \$3,331,060, 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, 2021	
Rate of investment return (net of administrative expenses)	3.54%
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, 2021	<u>\$ 20,999,125</u>
Activity during the year	
Service Cost	113,020
Interest Cost	443,895
Effect of plan changes	-
Effect of economic/demographic gains or losses	-
Changes in assumptions or other inputs	(1,740,879)
Benefit Payments	<u>(1,128,937)</u>
Net change in total OPEB liability	<u>(2,312,901)</u>
Total OPEB Liability at June 30, 2022	<u>\$ 18,686,224</u>

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

The following presents the net OPEB liability for the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate of one-percentage-point higher (4.54%) and one-percentage-point lower (2.54%) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Net OPEB Liability	\$ 19,915,668	\$ 18,686,224	\$ 17,603,322

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	\$ 17,571,595	\$ 18,686,224	\$ 19,934,663

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

At June 30, 2022, the District reported no deferred outflows of resources and deferred inflows of resources related to OPEB.

General Fund Balance Designations

At June 30, 2022, the District has committed \$13,448,244 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 30, 2022, 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. TRANSFERS BETWEEN FUNDS

Two transfers from the General Fund occurred in FY22. One transfer in the amount of \$2,000,000 was done from the General Fund to the Building Reserve Fund. Balances in this fund will allow for the District to use existing funds for capital needs rather than issuing new bonds. Another transfer was done from the General Fund to the Student Activities Fund in the amount of \$138,586 to provide support for revenue lost through fees waived for students in economic need.

12. LEASE OBLIGATIONS

GASB Statement No. 87 *Leases* is a comprehensive change the Government Accounting Standards Board for lease arrangements. Prior guidance did not allow for separate accounting for operating leases in the Statement of Net Position. GASB 87 requires government entities to disclose and monetize current and future lease arrangements that the District enters into. The District generally does not often enter into new lease arrangements, unless circumstances require different types of

financing. All of the District leases are in relation to modular units leased to provide additional classrooms or office space at crowded District buildings.

GASB reporting requires qualitative as well as quantitative information to allow readers of financial statements to determine future obligations of leases and understanding the District’s position in acquiring assets, either capital or operating, through a lease. In the District’s evaluation of the leases it is currently servicing, some were found to be inconsequential to the financial position of the District. Those leases that are substantive are listed below.

	Role	Lease Type	Classification	Net Asset Balance	Accumulated Amortization	Gross Asset Balance
Grandview Modular Unit	Lessee	Operating	Building	\$ 16,767	\$ 15,570	\$ 32,337
Lakeview Modular Unit	Lessee	Operating	Building	42,427	51,469	93,896
Building Total				<u>\$ 59,194</u>	<u>\$ 67,039</u>	<u>\$ 126,233</u>

Lease service requirements, including both present value of principal and interest, are listed below.

<u>Lease Obligations</u>			
Year Ending June 30	Principal	Interest	Lease Obligations
2023	\$ 23,509	\$ 4,739	\$ 28,248
2024	12,022	3,186	15,208
2025	10,223	2,377	12,600
2026	11,072	1,528	12,600
2027	11,990	610	12,600
2028	1,043	7	1,050
	<u>\$ 69,859</u>	<u>\$ 12,447</u>	<u>\$ 82,306</u>

In implementing GASB 87, we calculated the beginning balance for the Right to Use asset, as of July 1, 2021, net of accumulated depreciation, at \$81,913. The beginning of the year lease payable totaled \$91,566. This resulted in a prior period adjustment to the District’s net position of (\$9,653).

13. 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	Municipal Building Authority	Building Reserve	Food Services
Debt Service	\$ -	\$ 216,802	\$ -	\$ -	\$ -	\$ -
Capital Levy	-	-	24,344,268	-	-	-
Municipal Building Authority	-	-	-	112,572,219	-	-
Food Services	-	-	-	-	-	3,013,330
Building Reserve	-	-	-	-	20,372,240	-
Extended Day Kindergarten	247,257	-	-	-	-	-
Adult Education	279,314	-	-	-	-	-
CTE	1,429,430	-	-	-	-	-
Advanced Placement	152,389	-	-	-	-	-
Youth in Custody	388,244	-	-	-	-	-
Concurrent Enrollment	48,841	-	-	-	-	-
Gifted and Talented	8,214	-	-	-	-	-
Drivers Education	111,761	-	-	-	-	-
STEM Action Center	16,867	-	-	-	-	-
Computer Science	58,568	-	-	-	-	-
Critical Languages	83,504	-	-	-	-	-
Art Education	25,324	-	-	-	-	-
School Land Trust	352,277	-	-	-	-	-
TSSA	754,223	-	-	-	-	-
Elementary Counseling	28,567	-	-	-	-	-
Financial Literacy	5,255	-	-	-	-	-
Tobacco Prevention	48,991	-	-	-	-	-
Total	<u>\$ 4,039,026</u>	<u>\$ 216,802</u>	<u>\$ 67,850,603</u>	<u>\$ 112,572,219</u>	<u>\$ 20,372,240</u>	<u>\$ 3,013,330</u>
Total Restricted Fund Balances	<u>\$ 208,064,220</u>					

14. 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, 2022, 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, 2022, 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, 2022, which have not been resolved.

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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, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Noncontributory Retirement System			
Proportion of Net Pension Liability	1.7582934%	1.6766854%	1.7091602%
Proportionate share of the net pension liability (asset)	\$ (12,013,439)	\$ 22,352,259	\$ 37,972,444
Covered payroll	\$ 42,053,691	\$ 39,739,238	\$ 40,232,417
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-28.57%	56.25%	94.38%
Plan fiduciary net position as percentage of covered payroll	102.7%	94.3%	90.1%

Contributory Retirement System

Proportion of Net Pension Liability	1.4686382%	1.4515114%	1.2771143%
Proportionate share of the net pension liability (asset)	\$ (1,322,510)	\$ (345,226)	\$ 88,170
Covered payroll	\$ 124,310	\$ 139,987	\$ 142,480
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-1063.88%	-246.6%	61.9%
Plan fiduciary net position as percentage of covered payroll	114.1%	103.7%	98.9%

Tier 2 Public Employees System

Proportion of Net Pension Liability	1.3680775%	1.3255556%	1.3982956%
Proportionate share of the net pension liability (asset)	\$ (579,021)	\$ 190,652	\$ 314,487
Covered payroll	\$ 25,518,281	\$ 21,242,671	\$ 19,477,405
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-2.27%	0.90%	1.61%
Plan fiduciary net position as percentage of covered payroll	103.8%	98.3%	96.5%

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.

Changes in Assumptions:

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

2019	2018	2017	2016	2015
1.5711423%	1.6334430%	1.5742888%	1.5900394%	1.6109284%
\$ 58,454,619	\$ 39,943,588	\$ 51,021,392	\$ 49,947,691	\$ 40,475,038
\$ 39,620,195	\$ 41,361,914	\$ 40,485,774	\$ 40,944,924	\$ 42,956,230
147.50%	96.57%	126.02%	122.0%	94.2%
84.1%	89.2%	84.9%	84.5%	87.2%
0.9173062%	1.1657030%	1.4158416%	1.4845473%	1.4374656%
\$ 551,291	\$ 76,708	\$ 775,821	\$ 930,295	\$ 157,616
\$ 178,026	\$ 265,231	\$ 379,541	\$ 470,271	\$ 528,776
365.8%	28.9%	204.4%	197.8%	29.8%
91.4%	99.2%	93.4%	92.4%	98.7%
1.4593175%	1.5173020%	1.5164092%	1.6688829%	1.8017097%
\$ 624,994	\$ 133,776	\$ 169,154	\$ (3,643)	\$ (54,600)
\$ 17,171,718	\$ 14,901,285	\$ 12,435,747	\$ 10,775,651	\$ 8,814,157
3.64%	0.90%	1.36%	0.0%	-0.6%
90.8%	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, 2022

	2022	2021	2020	2019
Noncontributory System				
Actuarial determined contributions	\$ 9,112,129	\$ 8,981,723	\$ 8,843,583	\$ 8,735,716
Contributions in relation to				
contractually required contribution	9,112,129	8,981,723	8,843,583	8,735,716
Covered payroll	41,648,029	40,885,528	40,250,731	39,861,680
Contributions as a percentage of covered payroll	21.88%	21.97%	21.97%	21.92%
Contributory System				
Actuarial determined contributions	\$ 16,145	\$ 25,694	\$ 24,779	\$ 25,466
Contributions in relation to				
contractually required contribution	16,145	25,694	24,779	25,466
Covered payroll	92,923	145,162	139,993	143,878
Contributions as a percentage of covered payroll	17.37%	17.70%	17.70%	17.70%
Tier 2 Public Employees System*				
Actuarial determined contributions	\$ 5,229,390	\$ 4,589,910	\$ 3,831,829	\$ 3,524,919
Contributions in relation to				
contractually required contribution	5,229,390	4,589,910	3,831,829	3,425,919
Covered payroll	27,070,486	24,410,979	20,247,336	18,736,479
Contributions as a percentage of covered payroll	19.32%	18.80%	18.93%	18.81%
Tier 2 Public Employees DC Only System*				
Actuarial determined contributions	\$ 580,805	\$ 425,491	\$ 404,212	\$ 318,684
Contributions in relation to				
contractually required contribution	580,805	425,491	404,212	318,684
Covered payroll	5,778,398	4,263,345	3,877,370	3,059,541
Contributions as a percentage of covered payroll	10.05%	9.98%	10.42%	10.42%

* 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 eight 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.

	2018	2017	2016	2015	2014
\$	8,934,339	\$ 8,896,189	\$ 8,903,564	\$ 9,137,526	\$ 8,700,556
	8,934,339	8,896,189	8,903,564	9,137,526	8,700,556
	40,764,845	40,561,200	40,564,154	42,407,414	43,781,598
	21.92%	21.93%	21.95%	21.55%	19.87%
\$	37,357	\$ 60,401	\$ 82,894	\$ 81,264	\$ 91,919
	37,357	60,401	82,894	81,264	91,919
	211,056	339,769	480,171	466,690	586,091
	17.70%	17.78%	17.26%	17.41%	15.68%
\$	2,988,873	\$ 2,464,611	\$ 2,189,852	\$ 1,628,003	\$ 1,339,134
	2,988,873	2,464,611	2,189,852	1,628,003	1,339,134
	16,206,393	13,512,648	11,950,243	9,005,387	8,082,471
	18.44%	18.24%	18.32%	18.08%	16.57%
\$	280,148	\$ 240,413	\$ 139,472	\$ 94,707	\$ 41,043
	280,148	240,413	139,472	94,707	41,043
	2,723,643	2,143,782	1,363,576	897,234	544,216
	10.29%	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, 2022

	2022	2021	2020
Total OPEB Liability			
Service Cost	\$ 113,020	\$ 92,294	\$ 133,969
Interest	443,895	612,314	949,483
Effect of economic/demographic gains or losses	-	(4,601,624)	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	(1,740,879)	(1,476,100)	2,533,737
Benefit payments	(1,128,937)	(2,470,480)	(3,331,060)
Net change in total OPEB Liability	(2,312,901)	(7,843,596)	286,129
Total OPEB Liability--beginning	20,999,125	28,842,721	28,559,592
Total OPEB Liability--ending	<u>\$ 18,686,224</u>	<u>\$ 20,999,125</u>	<u>\$ 28,845,721</u>
Covered employee payroll	\$ 4,562,601	\$ 4,418,984	\$ 9,349,091
Net OPEB liability as a percentage of covered employee payroll	410%	475%	309%

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, 2022. 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, 2021. 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 \$13,448,244 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.

The District has no assets accumulated in a trust that meets the criteria of the Government Accounting Standards Board applicable to either pensions or OPEB.

	2019	2018	2017
\$	133,762	\$ -	\$ 225,142
	1,037,186	-	1,346,728
	157,805	-	-
	-	-	(7,200,082)
	33,524	-	4,138,650
	(3,252,580)	(3,722,215)	(3,462,281)
	(1,890,303)	(3,722,215)	(4,951,843)
	30,449,895	34,172,110	39,123,953
\$	28,559,592	\$30,449,895	\$34,172,110
\$	9,054,810	\$11,726,291	\$11,440,284
	315%	260%	299%

Actuarial Assumptions and Methods
July 1, 2021

Rate of investment return (net of administrative expenses)	3.54%
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.

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

MAJOR GOVERNMENTAL FUNDS

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets
 General Fund
 June 30, 2022 (with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and investments	\$ 40,082,521	\$ 49,351,610
Restricted cash	4,039,026	3,116,148
Receivables:		
Property taxes	33,066,831	38,685,693
Other local	2,907,818	778,255
State	1,097,658	727,679
Federal	12,688,926	6,876,995
Prepaid items	<u>170,723</u>	<u>57,439</u>
 Total assets	 <u><u>\$ 94,053,503</u></u>	 <u><u>\$ 99,593,819</u></u>
 Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Liabilities:		
Accounts payable	\$ 3,533,831	\$ 2,228,910
Payroll and related payables	14,653,849	14,589,989
Deferred revenue:		
Other local	<u>273,000</u>	<u>120,600</u>
 Total liabilities	 <u>18,460,680</u>	 <u>16,939,499</u>
 Deferred Inflows of Resources:		
Deferred property tax revenue	<u>32,941,667</u>	<u>38,943,448</u>
 Fund balance:		
Nonspendable:		
Inventories and prepaid items	170,723	57,439
Restricted For:		
State/Federal restricted programs	4,039,026	3,116,148
Committed To:		
OPEB	13,448,244	14,198,244
Board voted contingency	4,344,402	4,344,402
Assigned	4,418,354	7,489,045
Unassigned	<u>16,230,407</u>	<u>14,505,594</u>
 Total fund balance	 <u>42,651,156</u>	 <u>43,710,872</u>
 Total liabilities, deferred inflows of resources, and fund balance	 <u><u>\$ 94,053,503</u></u>	 <u><u>\$ 99,593,819</u></u>

PROVO CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - *General Fund*
Year Ended June 30, 2022 (with comparative totals for 2021)

	2022			Variance with Final Budget - Positive (Negative)	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 39,954,554	\$ 39,954,554	\$ 35,541,844	\$ (4,412,710)	37,861,708
Interest	480,000	480,000	281,708	(198,292)	494,043
Other local	3,560,330	3,830,170	4,517,820	687,650	3,812,494
State	79,051,993	78,503,458	77,841,829	(661,629)	90,307,945
Federal	34,840,000	17,957,504	19,690,191	1,732,687	14,790,719
Total revenues	157,886,877	140,725,686	137,873,392	(2,852,294)	147,266,909
Expenditures:					
Salaries	93,391,017	86,542,368	81,375,084	5,167,284	78,778,602
Employee benefits	39,039,413	36,394,956	35,166,818	1,228,138	34,470,630
Purchased services	8,142,884	6,204,931	5,674,762	530,169	10,495,093
Supplies	13,687,933	20,063,973	11,536,579	8,527,394	10,538,004
Property	362,366	362,366	699,858	(337,492)	1,712,470
Other	2,468,363	1,886,624	2,379,882	(493,258)	1,591,846
Total expenditures	157,091,976	151,455,218	136,832,983	14,622,235	137,586,645
Excess (deficiency) of revenues over (under) expenditures	794,901	(10,729,532)	1,040,409	11,769,941	9,680,264
Other financing sources (uses):					
Proceeds from sale of capital assets	75,000	75,000	38,461	(36,539)	15,375
Transfer out	-	(5,200,000)	(2,138,586)	3,061,414	-
Total other financing sources (uses)	75,000	(5,125,000)	(2,100,125)	3,024,875	15,375
Net change in fund balance	869,901	(15,854,532)	(1,059,716)	14,794,816	9,695,639
Fund balance - beginning	40,587,347	36,752,674	43,710,872		34,015,233
Fund balance - ending	\$ 41,457,248	\$ 20,898,142	\$ 42,651,156	\$ 14,794,816	\$ 43,710,872

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets
Debt Service Fund
 June 30, 2022 (with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Restricted cash	\$ 179,994	\$ 1,527,578
Receivables:		
Property taxes	<u>10,361,066</u>	<u>10,411,944</u>
Total assets	<u>\$ 10,541,060</u>	<u>\$ 11,939,522</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Deferred Inflows of Resources:		
Accounts Payable	\$ 2,500	\$ -
Deferred property tax revenue	<u>10,321,758</u>	<u>10,164,317</u>
	10,324,258	10,164,317
Fund balance:		
Restricted for:		
Debt service	<u>216,802</u>	<u>1,775,205</u>
Total fund balance	<u>216,802</u>	<u>1,775,205</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 10,541,060</u>	<u>\$ 11,939,522</u>

PROVO CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - *Debt Service Fund*
Year Ended June 30, 2022 (with comparative totals for 2021)

	2022			Variance with Final Budget - Positive (Negative)	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 12,812,500	\$ 12,812,500	\$ 11,141,801	\$ (1,670,699)	\$ 9,913,762
Interest	-	-	6,618		-
Total revenues	<u>12,812,500</u>	<u>12,812,500</u>	<u>11,148,419</u>	<u>(1,670,699)</u>	<u>9,913,762</u>
Expenditures:					
Debt service:					
Principal retirement	7,010,000	7,010,000	19,960,000	(12,950,000)	6,420,000
Interest and fiscal charges	5,802,500	5,802,500	6,160,843	(358,343)	3,356,265
Total expenditures	<u>12,812,500</u>	<u>12,812,500</u>	<u>26,120,843</u>	<u>(13,308,343)</u>	<u>9,776,265</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(14,972,424)	(14,979,042)	137,497
Other financing sources (uses):					
Issuance of debt	-	-	11,650,000	11,650,000	-
Issuance of debt (premium)			1,764,021		
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>13,414,021</u>	<u>11,650,000</u>	<u>-</u>
Net change in fund balance	-	-	(1,558,403)	(3,329,042)	137,497
Fund balance - beginning	1,775,205	1,775,205	1,775,205	-	1,637,708
Fund balance - ending	<u>\$ 1,775,205</u>	<u>\$ 1,775,205</u>	<u>\$ 216,802</u>	<u>\$ (3,329,042)</u>	<u>\$ 1,775,205</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets
Capital Projects Fund
 June 30, 2022 (with comparative totals for 2021)

	2022	2021
Assets:		
Cash and investments	\$ 27,046,926	\$ 19,182,893
Restricted cash and investments	43,506,335	77,127,291
Receivables:		
Property taxes	9,758,813	4,175,917
Total assets	\$ 80,312,074	\$ 100,486,101
Liabilities, Deferred Inflows of Resources, and Fund Balance:		
Liabilities:		
Accounts payable	\$ 2,706,762	\$ 958,848
Payroll and related payables	31,698	19,721
Total liabilities	2,738,460	978,569
Deferred Inflows of Resources:		
Deferred property tax revenue	9,723,011	4,007,179
Fund balance:		
Nonspendable	-	-
Restricted for:		
Capital projects	67,850,603	95,500,353
Total fund balance	67,850,603	95,500,353
Total liabilities, deferred inflows of resources, and fund balance	\$ 80,312,074	\$ 100,486,101

PROVO CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - *Capital Projects Fund*
Year Ended June 30, 2022 (with comparative totals for 2021)

	2022			Variance with Final Budget - Positive (Negative)	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Property taxes	\$ 8,924,843	\$ 8,924,843	\$ 10,411,199	\$ 1,486,356	\$ 8,620,353
Interest	28,305	28,305	338,257	309,952	89,263
Other local	-	1,700,000	1,701,496	1,496	52,321
Total revenues	<u>8,953,148</u>	<u>10,653,148</u>	<u>12,450,952</u>	<u>1,797,804</u>	<u>8,761,937</u>
Expenditures:					
Salaries	1,114,999	1,114,999	1,126,862	(11,863)	-
Employee benefits	525,897	525,897	522,366	3,531	-
Purchased services	34,817,669	38,667,669	32,869,201	5,798,468	9,270,259
Supplies	1,066,179	1,666,179	738,509	927,670	-
Property	518,132	518,132	641,869	(123,737)	-
Other	460,000	460,000	19	459,981	-
Debt service:					
Principal retirement	-	-	45,863	(45,863)	23,387
Interest and fiscal charges	80,000	80,000	9,112	70,888	82,454
Total expenditures	<u>38,582,876</u>	<u>43,032,876</u>	<u>35,953,801</u>	<u>7,079,075</u>	<u>9,376,100</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,629,728)</u>	<u>(32,379,728)</u>	<u>(23,502,849)</u>	<u>8,876,879</u>	<u>(614,163)</u>
Other financing sources (uses):					
Issuance of debt	-	-	-	-	81,815,867
Transfers in (out)	-	3,000,000	-	(3,000,000)	-
Total other financing sources (uses)	<u>-</u>	<u>3,000,000</u>	<u>-</u>	<u>(3,000,000)</u>	<u>81,815,867</u>
Net change in fund balance	(29,629,728)	(29,379,728)	(23,502,849)	5,876,879	81,201,704
Fund balance - beginning	91,353,452	91,353,452	91,353,452	-	14,298,649
Fund balance - ending	<u>\$ 61,723,724</u>	<u>\$ 61,973,724</u>	<u>\$ 67,850,603</u>	<u>\$ 5,876,879</u>	<u>\$ 95,500,353</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets
 Municipal Building Authority
 June 30, 2022 (with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Restricted cash and investments	\$ 115,266,685	-
Total assets	<u>\$ 115,266,685</u>	<u>\$ -</u>
Liabilities and fund balance:		
Liabilities:		
Payables	\$ 2,694,466	-
Total liabilities	<u>2,694,466</u>	<u>-</u>
Fund balance:		
2022 Bond Proceeds	107,961,775	-
Sinking Fund Balance	<u>4,610,444</u>	<u>-</u>
Total fund balance	<u>112,572,219</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 115,266,685</u>	<u>\$ -</u>

PROVO CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - *Municipal Building Authority*
Year Ended June 30, 2022 (with comparative totals for 2021)

	2022			Variance with Final Budget - Positive (Negative)	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Interest/Other Local	\$ -	\$ -	199,197	\$ 199,197	\$ -
Total revenues	-	-	199,197	199,197	-
Expenditures:					
Purchased services	-	4,000,000	2,684,401	1,315,599	-
Debt service:					
Interest and fiscal charges	-	-	1,205,038	(1,205,038)	-
Total expenditures	-	4,000,000	3,889,439	110,561	-
Excess (deficiency) of revenues over (under) expenditures	-	(4,000,000)	(3,690,242)	309,758	-
Other financing sources (uses)					
Issuance of debt	-	111,000,000	100,355,000	10,645,000	
Issuance of debt (premium)	-	-	11,760,560	(11,760,560)	-
Net change in fund balance	-	-	108,425,318	309,758	-
Fund balance - beginning	-	-	4,146,901	-	-
Fund balance - ending	\$ -	\$ -	\$ 112,572,219	\$ 309,758	\$ -

Nonmajor Governmental Funds

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PROVO CITY SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Student Activities	Food Services	Building Reserve	Tax Increment	
Assets:					
Cash and investments	\$ 2,267,115	\$ -	\$ -	\$ -	\$ 2,267,115
Restricted cash and investments	-	3,970,606	20,372,240	-	24,342,846
Receivables:					
Other local	45,710	-	-	-	45,710
State	-	145,629	-	-	145,629
Federal	-	52,359	-	-	52,359
Inventories	-	268,107	-	-	268,107
Total assets	\$ 2,312,825	\$ 4,436,701	\$ 20,372,240	\$ -	\$ 27,121,766
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	\$ 93,569	\$ 32,011	\$ -	\$ -	\$ 125,580
Payroll and related payables	-	528,762	-	-	528,762
Deferred Revenue	-	594,491	-	-	594,491
Total liabilities	93,569	1,155,264	-	-	1,248,833
Fund Balance:					
Nonspendable:					
Inventories	-	268,107	-	-	268,107
Restricted	-	3,013,330	20,372,240	-	23,385,570
Assigned to:					
Schools	2,219,256	-	-	-	2,219,256
Total fund balance	2,219,256	3,281,437	20,372,240	-	25,872,933
Total liabilities and fund balance	\$ 2,312,825	\$ 4,436,701	\$ 20,372,240	\$ -	\$ 27,121,766

PROVO CITY SCHOOL DISTRICT
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
 Year Ended June 30, 2022

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Student Activities	Food Services	Building Reserve	Tax Increment	
Revenues:					
Local sources:					
Property taxes	\$ -	\$ -	\$ -	\$ 1,573,888	\$ 1,573,888
Food service sales	-	39,854	-	-	39,854
Interest	4,179	-	-	-	4,179
Other local	3,100,333	-	-	-	3,100,333
State	-	1,097,534	-	-	1,097,534
Federal	-	6,106,732	-	-	6,106,732
Total revenues	<u>3,104,512</u>	<u>7,244,120</u>	<u>-</u>	<u>1,573,888</u>	<u>11,922,520</u>
Expenditures:					
Current:					
Instructional services	2,771,539	-	-	-	2,771,539
Student Support	49,204	-	-	-	49,204
Instructional staff	53,589	-	-	-	53,589
School food services	-	5,867,062	-	-	5,867,062
Admin	148,777	-	-	-	148,777
Community services	-	-	-	1,573,888	1,573,888
Capital Outlay	44,640	-	-	-	44,640
Total expenditures	<u>3,067,749</u>	<u>5,867,062</u>	<u>-</u>	<u>1,573,888</u>	<u>10,508,699</u>
Excess of revenues over expenditures	<u>36,763</u>	<u>1,377,058</u>	<u>-</u>	<u>-</u>	<u>1,413,821</u>
Other financing sources:					
Transfers In	138,586	-	2,000,000	-	2,138,586
Total other financing sources	<u>138,586</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>	<u>2,138,586</u>
Net change in fund balance	175,349	1,377,058	2,000,000	-	3,552,407
Fund balances, beginning	2,043,907	1,904,379	18,372,240	-	22,320,526
Fund balances, ending	<u>\$ 2,219,256</u>	<u>\$ 3,281,437</u>	<u>\$ 20,372,240</u>	<u>\$ -</u>	<u>\$ 25,872,933</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets - Nonmajor Governmental Funds
Student Activities Special Revenue Fund
 June 30, 2022 (with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and investments	\$ 2,267,115	\$ 2,048,561
Receivables:		
Other local	<u>45,710</u>	<u>-</u>
Total assets	<u>\$ 2,312,825</u>	<u>\$ 2,048,561</u>
Liabilities and Fund Balance:		
Liabilities:		
Accounts payable	<u>93,569</u>	<u>4,654</u>
Total liabilities	<u>93,569</u>	<u>4,654</u>
Fund Balance:		
Assigned To:		
Schools	<u>2,219,256</u>	<u>2,043,907</u>
Total fund balance	<u>2,219,256</u>	<u>2,043,907</u>
Total liabilities and fund balance	<u>\$ 2,312,825</u>	<u>\$ 2,048,561</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, 2022 (with comparative totals for 2021)

	2022			Variance with Final Budget - Positive (Negative)	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Interest	\$ 3,000	\$ 3,000	\$ 4,179	\$ 1,179	\$ 4,558
Other local	3,150,575	3,650,575	3,100,333	(550,242)	2,430,901
Total revenues	<u>3,153,575</u>	<u>3,653,575</u>	<u>3,104,512</u>	<u>(549,063)</u>	<u>2,435,459</u>
Expenditures:					
Salaries	-	-	-	-	1,394
Employee benefits	-	-	-	-	118
Purchased services	966,875	966,875	863,240	103,635	452,996
Supplies	2,017,500	2,517,500	2,046,513	470,987	1,949,442
Property	10,000	10,000	44,640	(34,640)	10,748
Other	159,200	159,200	113,356	45,844	53,126
Total expenditures	<u>3,153,575</u>	<u>3,653,575</u>	<u>3,067,749</u>	<u>585,826</u>	<u>2,467,824</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>36,763</u>	<u>36,763</u>	<u>(32,365)</u>
Other financing sources:					
Transfer in	-	200,000	138,586	(61,414)	-
Total other financing sources	-	200,000	138,586	(61,414)	-
Net change in fund balances	-	-	175,349	36,763	(32,365)
Fund balance - beginning	2,043,907	2,043,907	2,043,907	-	2,076,272
Fund balance - ending	<u>\$ 2,043,907</u>	<u>\$ 2,043,907</u>	<u>\$ 2,219,256</u>	<u>\$ 175,349</u>	<u>\$ 2,043,907</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets - Nonmajor Governmental Funds
Food Services Special Revenue Fund
 June 30, 2022 (with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Restricted cash	\$ 3,970,606	\$ 2,056,997
Receivables:		
State	145,629	139,155
Federal	52,359	219,700
Inventories	<u>268,107</u>	<u>133,525</u>
Total assets	<u>\$ 4,436,701</u>	<u>\$ 2,549,377</u>
Liabilities and Fund Balance:		
Liabilities:		
Accounts payable	\$ 32,011	\$ 68,204
Deferred Revenue	594,491	-
Payroll and related payables	<u>528,762</u>	<u>576,794</u>
Total liabilities	<u>1,155,264</u>	<u>644,998</u>
Fund Balance:		
Nonspendable:		
Inventories	268,107	133,525
Restricted	<u>3,013,330</u>	<u>1,770,854</u>
Total fund balance	<u>3,281,437</u>	<u>1,904,379</u>
Total liabilities and fund balance	<u>\$ 4,436,701</u>	<u>\$ 2,549,377</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, 2022 (with comparative totals for 2021)

	2022			Variance with Final Budget - Positive (Negative)	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Local sources:					
Food sales	\$ 1,002,846	\$ 1,002,846	\$ 39,854	\$ (962,992)	\$ 27,161
Other local	-	-	-	-	9,455
State	1,121,670	1,121,670	1,097,534	(24,136)	1,068,341
Federal	3,588,540	3,588,540	6,106,732	2,518,192	4,251,618
Total revenues	<u>5,713,056</u>	<u>5,713,056</u>	<u>7,244,120</u>	<u>1,531,064</u>	<u>5,356,575</u>
Expenditures:					
Salaries	2,181,537	2,181,537	2,047,752	133,785	2,138,153
Employee benefits	759,959	759,959	727,114	32,845	759,401
Purchased services	194,970	194,970	134,816	60,154	127,653
Supplies	290,481	290,481	378,207	(87,726)	255,573
Food	2,035,980	2,035,980	2,126,740	(90,760)	1,810,331
Other	409,100	409,100	452,433	(43,333)	466,037
Total expenditures	<u>5,872,027</u>	<u>5,872,027</u>	<u>5,867,062</u>	<u>4,965</u>	<u>5,557,148</u>
Net change in fund balance	(158,971)	(158,971)	1,377,058	1,536,029	(200,573)
Fund balance - beginning	<u>1,904,379</u>	<u>1,904,379</u>	<u>1,904,379</u>	-	<u>2,104,952</u>
Fund balance - ending	<u>\$ 1,745,408</u>	<u>\$ 1,745,408</u>	<u>\$ 3,281,437</u>	<u>\$ 1,536,029</u>	<u>\$ 1,904,379</u>

PROVO CITY SCHOOL DISTRICT
 Comparative Balance Sheets - Nonmajor Governmental Funds
Building Reserve Special Revenue Fund
 June 30, 2022 (with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and investments	\$ 20,372,240	\$ 18,372,240
Total assets	<u>\$ 20,372,240</u>	<u>\$ 18,372,240</u>
Liabilities and Fund Balance:		
Total liabilities	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:		
Restricted for:		
Other purposes	<u>20,372,240</u>	<u>18,372,240</u>
Total fund balance	<u>20,372,240</u>	<u>18,372,240</u>
Total liabilities and fund balance	<u>\$ 20,372,240</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, 2022 (with comparative totals for 2021)

	2022			Variance with Final Budget - Positive (Negative)	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues:					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Total expenditures	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Other financing sources:					
Transfer in	-	2,000,000	2,000,000	-	-
Total other financing sources	-	2,000,000	2,000,000	-	-
Net change in fund balance	-	2,000,000	2,000,000	-	-
Fund balance - beginning	18,372,240	18,372,240	18,372,240	-	18,372,240
Fund balance - ending	<u>\$ 18,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</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, 2022 (with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and investments	<u>\$ -</u>	<u>\$ -</u>
Total assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Liabilities and Fund Balance:		
Total liabilities	<u>\$ -</u>	<u>\$ -</u>
Fund balance:		
Restricted For:		
Other Purposes	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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, 2022 (with comparative totals for 2021)

	2022			Variance with Final Budget - Positive (Negative)	2021
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Orginal	Final			
Revenues:					
Local sources:					
Property taxes	\$ 1,930,000	\$ 1,930,000	\$ 1,573,888	\$ (356,112)	\$ 1,809,718
Total revenues	1,930,000	1,930,000	1,573,888	(356,112)	1,809,718
Expenditures:					
Other	1,930,000	1,930,000	1,573,888	356,112	1,809,718
Total expenditures	1,930,000	1,930,000	1,573,888	356,112	1,809,718
Net change in fund balance	-	-	-	-	-
Fund balance - beginning	-	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -	\$ -

Statistical Information

This part of Provo City School District's Annual Comprehensive 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
2022	\$ 97,458,082	\$63,374,486	\$ (3,762,595)	\$ 157,069,973
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

Source: District data

PROVO CITY SCHOOL DISTRICT
 Statements of Net Position
 June 30,2013 through June 30, 2022
 (full accrual-based accounting)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Assets:				
Cash and temporary cash investments	\$ 256,731,448	\$ 172,783,318	\$ 82,689,528	\$ 75,954,070
Accounts, taxes, and grants receivables:				
Local	56,140,238	54,051,809	48,114,202	47,314,812
State	1,243,287	866,834	614,489	1,330,518
Federal	12,741,285	7,096,695	2,949,214	4,772,842
Note receivable	-	-	-	-
Prepaid expenditures	170,723	57,439	357,175	22,313
Inventory	268,107	133,525	118,333	146,798
Net Pension Asset	13,914,970	345,226	-	-
Net other post employment benefits	-	-	-	-
Total capital assets, net accumulated depreciation	<u>240,919,866</u>	<u>217,397,003</u>	<u>215,216,179</u>	<u>219,974,268</u>
Total assets	<u>582,129,924</u>	<u>452,731,849</u>	<u>350,059,120</u>	<u>349,515,621</u>
Deferred Outflows of Resources:				
Deferred outflows relating to pensions	21,804,799	12,570,093	10,134,807	23,713,695
Deferred outflows relating to OPEB	-	-	-	-
Deferred loss on refundings	-	108,086	172,420	455,692
Total deferred outflows of resources	<u>21,804,799</u>	<u>12,678,179</u>	<u>10,307,227</u>	<u>24,169,387</u>
Liabilities:				
Accounts payable	9,063,139	3,260,616	2,550,767	2,991,031
Accrued interest payable	1,499,241	244,789	170,153	153,341
Payroll and related payables	15,214,309	15,186,504	11,969,653	11,553,718
Lease Payable	69,859	-	-	-
Unearned Revenue				
Federal	594,491	-	-	-
Other deferred revenues	273,000	120,600	-	161,209
Noncurrent liabilities:				
Due within one year	11,901,474	7,905,507	7,313,688	6,950,202
Net OPEB Liability	18,686,224	20,999,125	28,842,721	28,559,592
Net Pension Liability	-	22,542,911	38,375,101	59,730,904
Due in more than one year	<u>285,025,057</u>	<u>184,603,972</u>	<u>109,935,834</u>	<u>116,907,495</u>
Total liabilities	<u>342,326,794</u>	<u>254,864,024</u>	<u>199,157,917</u>	<u>227,007,492</u>
Deferred Inflows of Resources:				
Deferred inflows relating to pensions	51,595,408	24,777,959	13,462,576	2,368,754
Deferred inflows relating to OPEB	-	-	-	-
Deferred property tax revenue	<u>52,942,548</u>	<u>49,547,014</u>	<u>44,820,060</u>	<u>43,677,039</u>
Total Deferred inflows of resources	<u>104,537,956</u>	<u>74,324,973</u>	<u>58,282,636</u>	<u>46,045,793</u>
Net Position:				
Net investment in capital assets	97,458,082	107,909,657	99,594,734	97,993,796
Restricted for:				
Debt service	4,827,246	1,775,205	1,637,708	2,051,858
Capital projects	24,216,927	22,519,963	13,952,631	17,040,015
Non K-12 instruction	-	-	-	-
Building Reserve	20,372,240	18,372,240	18,372,240	8,372,240
Student Activities	2,219,256	2,043,907	2,076,272	2,143,292
School food services	3,281,437	1,904,379	2,104,952	1,816,119
Foundation	-	-	-	-
Other restricted programs	8,457,380	10,605,193	3,087,148	4,843,448
Unrestricted	<u>(3,762,595)</u>	<u>(28,909,513)</u>	<u>(37,899,891)</u>	<u>(33,629,046)</u>
Total net position	<u>\$ 157,069,973</u>	<u>\$ 136,221,031</u>	<u>\$ 102,925,794</u>	<u>\$ 100,631,722</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, 2013 through June 30, 2022
(full accrual-based accounting)

2018	2017	2016	2015	2014**	2013
\$ 85,454,172	\$ 122,227,835	\$ 140,573,367	\$ 101,681,552	\$ 42,961,335	\$ 45,364,687
42,585,573	40,623,503	37,607,056	31,524,701	30,783,129	30,475,167
1,566,912	1,866,318	1,295,937	780,388	908,619	971,442
3,509,438	3,200,651	2,532,608	3,122,256	2,879,066	2,463,606
-	45,065	71,072	91,028	169,634	217,234
708,947	428,657	430,940	438,103	430,845	384,693
140,423	124,915	138,511	153,905	100,912	109,219
-	-	3,643	54,600	5,454	-
-	-	10,427,705	8,701,705	7,091,705	5,419,705
211,899,507	170,174,684	127,624,677	101,577,050	100,560,480	102,796,170
345,864,972	338,691,628	320,705,516	248,125,288	185,891,179	188,201,923
24,147,714	21,507,634	19,285,859	6,252,334	5,205,304	-
2,167,865	2,167,865	-	-	-	-
738,964	1,022,236	1,305,508	1,588,780	387,432	609,213
27,054,543	24,697,735	20,591,367	7,841,114	5,592,736	609,213
5,808,890	8,354,379	6,413,102	4,151,620	926,131	1,423,772
218,620	228,764	174,074	592,055	58,021	63,563
12,221,730	10,260,788	9,862,485	11,657,418	9,741,907	10,556,031
-	-	-	-	-	-
-	-	-	-	-	-
125,105	397,589	600,035	618,515	899,816	1,273,468
6,505,067	5,699,736	5,888,581	7,514,299	5,774,253	5,557,145
30,449,895	34,172,110	-	-	-	-
40,154,073	51,966,368	50,877,986	40,632,654	46,548,297	-
123,709,102	130,526,638	135,994,988	82,763,845	35,741,928	41,608,177
219,192,482	241,606,372	209,811,251	147,930,406	99,690,353	60,482,156
20,474,819	7,152,188	5,506,188	3,856,245	-	-
3,625,689	3,771,471	-	-	-	-
39,614,261	38,222,472	34,979,933	29,080,982	27,408,178	-
63,714,769	49,146,131	40,486,121	32,937,227	27,408,178	-
83,854,481	60,551,276	67,791,542	61,464,177	56,728,164	53,795,168
1,827,540	1,758,706	1,721,779	876,789	687,750	1,195,509
24,658,658	38,989,571	7,774,982	2,599,405	5,253,070	3,083,405
-	-	-	-	272,732	181,479
6,872,240	4,872,240	4,872,240	3,372,240	1,521,583	7,040,240
2,146,124	2,087,804	1,732,942	1,554,242	5,372,240	1,831,809
1,879,374	2,285,570	2,214,535	1,679,420	1,633,037	1,627,820
-	-	-	-	-	829,566
5,210,155	6,023,450	3,105,603	2,016,530	1,605,746	1,330,758
(36,393,538)	(43,931,757)	1,785,888	1,535,966	27,846,480	26,936,110
\$ 90,055,034	\$ 72,636,860	\$ 90,999,511	\$ 75,098,769	\$ 100,920,802	\$ 97,851,864

PROVO CITY SCHOOL DISTRICT
 Changes in Net Position
 June 30,2013 through June 30, 2022
 (full accrual-based accounting)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Expenses:				
Instruction	\$ 84,798,122	\$ 82,609,361	\$ 94,909,706	\$ 89,330,430
Supporting services:				
Student	8,950,150	8,465,017	8,777,403	8,050,659
Instructional staff	10,359,929	10,612,930	10,945,083	9,896,451
District administration	2,184,594	2,133,421	3,014,386	2,968,609
School administration	7,004,581	7,058,696	8,093,390	7,135,542
Business	5,234,774	5,194,675	5,377,033	5,192,276
Operation and maintenance of facilities	13,675,292	14,191,446	14,423,966	12,679,298
Student transportation	2,104,720	1,955,939	2,196,094	2,211,707
Other	-	-	-	-
School food services	5,683,857	5,522,618	6,138,971	5,726,784
Community services	1,624,249	1,957,885	1,836,848	1,783,862
Interest on long-term liabilities	7,591,577	3,133,033	3,532,523	3,685,963
Total school district	<u>149,211,845</u>	<u>142,835,021</u>	<u>159,245,403</u>	<u>148,661,581</u>
Program Revenues:				
Instructional services	84,722,154	92,373,446	84,522,439	81,823,335
Supporting services:				
Student	6,422,451	5,854,046	4,563,224	4,189,798
Instructional staff	4,881,116	4,669,816	4,056,111	4,054,228
General administration	968,929	770,249	825,393	1,242,044
School administration	848,176	862,142	862,703	713,532
Business	106,076	37,311	2,087	36,084
Operation and maintenance of facilities	316,190	761,010	330,217	244,489
Transportation	2,120,009	1,785,388	1,630,269	1,905,603
Other	-	-	-	-
School food services	7,244,120	5,420,177	6,181,406	5,548,469
Community services	-	-	653	64,211
Interest on long-term liabilities	-	-	-	-
Total program revenues	<u>107,629,221</u>	<u>112,533,585</u>	<u>102,974,502</u>	<u>99,821,793</u>
Net (expense) revenue	<u>(41,582,624)</u>	<u>(30,301,436)</u>	<u>(56,270,901)</u>	<u>(48,839,788)</u>
General revenues:				
Property taxes levied for:				
General purposes	34,283,453	36,554,657	32,649,667	32,124,664
Reading Program	-	-	-	-
Class size reduction	-	-	-	-
Special transportation	-	-	-	-
Tort liability	-	-	-	-
Recreation	-	-	-	-
Debt service	10,742,186	11,187,721	9,992,580	9,831,901
Capital outlay	10,119,051	11,033,686	9,855,001	9,696,534
Ten percent of basic for constuction, textbooks and supplies	-	-	-	-
Federal and state aid not restricted to specific purposes	-	-	-	-
Earnings on investments	290,546	587,864	1,745,463	2,451,659
Gain on sale of assets	-	15,375	4,263	90,281
Miscellaneous	7,005,983	4,217,370	4,317,999	5,221,437
Total general revenues	<u>62,441,219</u>	<u>63,596,673</u>	<u>58,564,973</u>	<u>59,416,476</u>
Change in net position	20,858,595	33,295,237	2,294,072	10,576,688
Net position - beginning	136,221,031	102,925,794	100,631,722	90,055,034
Prior period adjustments	(9,653)	-	-	-
Net position - ending	<u>\$ 157,069,973</u>	<u>\$ 136,221,031</u>	<u>\$ 102,925,794</u>	<u>\$ 100,631,722</u>

PROVO CITY SCHOOL DISTRICT
Changes in Net Position - Continued
June 30, 2013 through June 30, 2022
(full accrual-based accounting)

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 83,343,381	\$ 85,107,082	\$ 81,704,867	\$ 79,335,822	\$ 76,511,349	\$ 73,787,894
7,925,025	7,007,455	4,506,235	4,136,695	4,020,840	3,835,378
8,343,232	4,867,301	1,385,368	1,230,402	1,405,164	1,603,967
1,398,299	2,733,059	2,726,120	2,217,104	1,671,347	1,613,516
6,905,709	6,384,894	6,069,529	5,495,155	5,503,377	5,273,792
4,844,251	6,276,657	6,786,963	5,700,965	4,997,337	2,997,607
13,659,049	10,792,684	8,006,633	6,421,600	6,191,211	6,070,069
2,030,154	2,459,535	2,405,649	1,983,217	2,005,850	2,607,556
-	-	-	-	21,617	1,011,101
5,301,448	5,691,721	5,744,991	5,554,392	6,115,057	5,848,990
1,591,801	2,570,966	3,944,727	3,570,276	5,705,292	6,306,128
3,957,233	4,071,417	2,753,362	1,973,634	1,563,458	1,727,099
<u>139,299,582</u>	<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>
84,740,299	84,377,168	85,135,704	74,173,782	65,062,008	62,594,300
4,222,799	4,259,217	2,338,180	4,028,684	1,252,593	1,229,288
2,947,347	1,508,225	350,447	1,570,259	2,023,938	1,546,259
1,536,143	1,345,595	757,370	606,471	-	-
630,249	474,717	416,914	155,889	3,478,936	345,880
232,633	319,478	314,039	-	-	-
99,969	124	-	474,297	108,195	148,527
1,680,543	1,411,968	1,370,907	1,293,995	1,029,391	3,566,805
-	-	-	-	-	-
5,240,959	5,594,088	5,653,530	5,718,773	5,350,662	5,466,384
50,405	1,910,589	2,323,484	3,038,102	4,564,121	5,012,525
-	-	-	-	-	-
<u>101,381,346</u>	<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>
(37,918,236)	(36,761,602)	(27,373,869)	(26,559,010)	(32,842,055)	(32,773,129)
29,012,440	28,120,500	25,578,966	21,439,190	20,319,458	13,411,652
-	-	-	-	-	1,773,442
-	-	-	-	-	536,466
-	-	-	-	-	443,360
-	-	-	-	-	354,688
-	-	-	-	-	2,660,162
8,879,390	8,606,408	7,828,560	6,561,563	6,218,864	6,202,612
8,757,138	8,487,914	7,720,775	6,471,222	6,133,242	1,108,401
-	-	-	-	-	5,222,786
-	-	-	2,309,132	3,942,631	3,751,789
1,982,001	1,684,216	569,045	328,576	234,793	306,619
-	14,637,846	(992,929)	37,086	23,970	27,169
6,705,441	6,413,725	2,570,194	478,360	418,483	297,493
<u>55,336,410</u>	<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>
17,418,174	31,189,007	15,900,742	11,066,119	4,449,386	3,323,510
72,636,860	90,999,511	75,098,769	105,370,189	100,920,802	97,022,299
-	(49,551,658)	-	(41,337,539)	-	574,993
<u>\$ 90,055,034</u>	<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>

PROVO CITY SCHOOL DISTRICT
 Governmental Funds - Aggregate Fund Balances
 June 30,2013 through June 30, 2022

Fiscal Year Ended June 30,	General Fund					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2022	\$ 170,723	\$ 4,039,026	\$ 17,792,646	\$ 4,418,354	\$ 16,230,407	\$ 42,651,156
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

Fiscal Year Ended June 30,	All Other Governmental Funds					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2022	\$ 268,107	\$ 204,025,194	\$ -	\$ 2,219,256	\$ -	\$ 206,512,557
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

Source: District data

PROVO CITY SCHOOL DISTRICT
 Governmental Funds - Net Changes in Aggregate Fund Balances
 June 30, 2013 through June 30, 2022

Fiscal Year Ended June 30th	General Fund	Debt Service	Capital Projects	Non K-12 Instruction	Student Activities	Food Services	Building Reserve	Municipal Building Authority	Total Governmental Funds
2022	\$(1,059,716)	\$(1,558,403)	\$(23,502,849)	\$ -	\$ 175,349	\$1,377,058	\$ 2,000,000	\$108,425,318	\$ 85,856,757
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)

Source: District data

PROVO CITY SCHOOL DISTRICT
Governmental Funds - Fund Balances
June 30,2013 through June 30, 2022

	2022	2021	2020	2019
General Fund				
Nonspendable	\$ 170,723	\$ 57,439	\$ 11,157	\$ 22,313
Restricted	4,039,026	3,116,148	1,520,930	1,177,585
Committed	17,792,646	18,542,646	18,542,646	19,542,646
Assigned	4,418,354	7,489,045	1,566,218	3,714,302
Unassigned	16,230,407	14,505,594	12,374,282	12,695,178
	<u>42,651,156</u>	<u>43,710,872</u>	<u>34,015,233</u>	<u>37,152,024</u>
Debt Service Fund				
Restricted	216,802	1,775,205	1,637,708	2,051,858
	<u>216,802</u>	<u>1,775,205</u>	<u>1,637,708</u>	<u>2,051,858</u>
Capital Projects Fund				
Nonspendable	-	-	346,018	-
Restricted	67,850,603	95,500,353	13,952,631	17,040,015
	<u>67,850,603</u>	<u>95,500,353</u>	<u>14,298,649</u>	<u>17,040,015</u>
Non K-12 Instruction Fund				
Restricted	-	-	-	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Student Activities Fund				
Assigned	2,219,256	2,043,907	2,076,272	2,143,292
	<u>2,219,256</u>	<u>2,043,907</u>	<u>2,076,272</u>	<u>2,143,292</u>
Food Services Fund				
Nonspendable	268,107	133,525	118,333	146,798
Restricted	3,013,330	1,770,854	1,986,619	1,669,321
	<u>3,281,437</u>	<u>1,904,379</u>	<u>2,104,952</u>	<u>1,816,119</u>
Building Reserve Fund				
Restricted	20,372,240	18,372,240	18,372,240	8,372,240
	<u>20,372,240</u>	<u>18,372,240</u>	<u>18,372,240</u>	<u>8,372,240</u>
Municipal Building Authority				
Committed	-	-	-	-
Restricted	112,572,219	-	-	-
	<u>112,572,219</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Governmental Funds				
Nonspendable	438,830	190,964	475,508	169,111
Committed	17,792,646	18,542,646	18,542,646	19,542,646
Restricted	208,064,220	120,534,800	37,470,128	30,311,019
Assigned	6,637,610	9,532,952	3,642,490	5,857,594
Unassigned	16,230,407	14,505,594	12,374,282	12,695,178
	<u>\$ 249,163,713</u>	<u>\$ 163,306,956</u>	<u>\$ 72,505,054</u>	<u>\$ 68,575,548</u>

2018	2017	2016	2015	2014	2013
\$ 493,947	\$ 473,722	\$ 499,507	\$ 533,351	\$ 606,666	\$ 605,384
1,686,996	2,913,152	3,105,603	2,016,530	1,209,061	1,605,746
19,542,646	19,542,646	19,542,646	19,542,646	19,542,646	19,542,646
3,523,159	3,110,298	-	-	-	-
11,129,459	9,000,366	7,337,273	5,712,495	5,025,862	2,709,865
<u>36,376,207</u>	<u>35,040,184</u>	<u>30,485,029</u>	<u>27,805,022</u>	<u>26,384,235</u>	<u>24,463,641</u>
1,827,540	1,758,706	1,721,779	876,789	533,835	687,750
<u>1,827,540</u>	<u>1,758,706</u>	<u>1,721,779</u>	<u>876,789</u>	<u>533,835</u>	<u>687,750</u>
215,000	-	2,705	-	-	-
24,658,658	63,315,100	87,795,961	55,001,960	1,888,781	5,253,070
<u>24,873,658</u>	<u>63,315,100</u>	<u>87,798,666</u>	<u>55,001,960</u>	<u>1,888,781</u>	<u>5,253,070</u>
-	-	-	-	273,857	272,732
-	-	-	-	(506,002)	29,540
-	-	-	-	<u>(232,145)</u>	<u>302,272</u>
2,146,124	2,087,804	1,732,942	1,554,242	1,397,081	1,521,583
<u>2,146,124</u>	<u>2,087,804</u>	<u>1,732,942</u>	<u>1,554,242</u>	<u>1,397,081</u>	<u>1,521,583</u>
140,423	124,915	138,511	146,980	91,355	105,762
1,738,951	2,160,655	2,076,024	1,532,440	1,206,155	1,527,275
<u>1,879,374</u>	<u>2,285,570</u>	<u>2,214,535</u>	<u>1,679,420</u>	<u>1,297,510</u>	<u>1,633,037</u>
6,872,240	4,872,240	4,872,240	3,372,240	5,372,240	5,372,240
<u>6,872,240</u>	<u>4,872,240</u>	<u>4,872,240</u>	<u>3,372,240</u>	<u>5,372,240</u>	<u>5,372,240</u>
-	-	-	-	-	-
-	-	-	-	-	(1,945,433)
-	-	-	-	-	<u>(1,945,433)</u>
849,370	598,637	640,723	680,331	698,021	711,146
19,542,646	19,542,646	19,542,646	19,542,646	19,542,646	19,542,646
36,784,385	75,019,853	99,571,607	62,799,959	10,483,929	12,773,380
5,669,283	5,198,102	1,732,942	1,554,242	1,397,081	1,521,583
11,129,459	9,000,366	7,337,273	5,712,495	4,519,860	2,739,405
<u>\$ 73,975,143</u>	<u>\$ 109,359,604</u>	<u>\$ 128,825,191</u>	<u>\$ 90,289,673</u>	<u>\$ 36,641,537</u>	<u>\$ 37,288,160</u>

Source: District data

PROVO CITY SCHOOL DISTRICT
 Total Governmental Funds - Change in Fund Balances
 June 30, 2013 through June 30, 2022

	2022	2021	2020	2019
Revenues				
Property taxes	\$ 58,668,732	\$ 58,205,541	\$ 52,082,647	\$ 51,290,626
Other local sources	10,189,462	6,920,196	9,159,781	11,336,047
State of Utah	78,939,363	91,376,286	86,692,546	83,519,693
Federal government	25,796,923	19,042,337	13,185,638	12,639,150
Total revenues	<u>173,594,480</u>	<u>175,544,360</u>	<u>161,120,612</u>	<u>158,785,516</u>
Expenditures				
Instruction	88,879,025	82,536,613	83,637,213	80,966,915
Supporting services:				
Students	10,358,912	9,472,770	8,473,557	8,055,457
Instructional staff	12,185,547	11,923,502	10,569,236	9,864,643
District administration	2,759,644	2,535,537	2,854,541	2,942,204
School administration	8,621,772	8,217,857	7,753,544	7,178,006
Business	6,018,253	5,748,200	5,181,189	5,194,789
Operation and maintenance of facilities	13,661,660	13,963,297	13,450,470	11,883,835
Transportation	2,212,681	2,003,125	2,056,407	2,131,430
Other	-	-	-	-
School food services	5,950,011	5,669,101	5,911,440	5,612,524
Community Services	1,707,621	2,018,448	1,822,447	1,836,912
Capital outlay	33,569,783	12,603,144	5,610,588	18,702,786
Debt Service:				
Principal retirement	20,005,863	6,443,387	6,197,642	5,945,941
Interest and fiscal charges	7,374,993	3,438,719	3,677,095	3,912,626
Total expenditures	<u>213,305,765</u>	<u>166,573,700</u>	<u>157,195,369</u>	<u>164,228,068</u>
Excess (deficiency) of revenues over (under) expenditures	(39,711,285)	8,970,660	3,925,243	(5,442,552)
Other financing sources (uses)				
Capital lease	-	-	-	-
Proceeds from sale of capital assets	38,461	15,375	4,263	42,957
Proceeds from debt issuance	112,005,000	73,670,000	-	-
Proceeds from debt issuance (premium)	13,524,581	8,145,867	-	-
Refunding bonds issued	-	-	-	-
Payment to refunded bonds escrow agent	-	-	-	-
Total other financing sources (uses)	<u>125,568,042</u>	<u>81,831,242</u>	<u>4,263</u>	<u>42,957</u>
Net change in fund balances	<u>\$ 85,856,757</u>	<u>\$ 90,801,902</u>	<u>\$ 3,929,506</u>	<u>\$ (5,399,595)</u>
Debt service as a percentage of noncapital expenditures	15.2%	6.4%	6.5%	6.8%

2018	2017	2016	2015	2014	2013
\$ 46,350,744	\$ 45,261,455	\$ 41,153,281	\$ 34,716,507	\$ 32,444,766	\$ 32,428,761
11,461,923	11,156,491	9,481,640	8,147,091	9,600,553	8,949,455
86,540,920	84,634,483	78,150,999	71,360,702	61,612,174	57,509,778
12,065,945	13,508,136	14,167,175	14,668,527	16,253,024	16,756,453
<u>156,419,532</u>	<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>
79,908,799	81,693,787	80,002,630	77,992,377	71,499,205	69,533,767
8,088,360	6,866,314	4,351,628	4,103,008	3,804,067	3,542,614
8,379,815	4,910,014	1,401,766	1,277,995	1,405,164	1,569,945
1,453,592	2,743,761	2,677,541	2,220,421	1,595,972	1,541,051
7,199,465	6,530,722	6,074,372	5,650,292	5,429,688	5,196,888
4,999,674	6,344,098	6,817,715	5,814,250	4,984,781	2,803,584
11,172,612	10,402,522	7,677,616	6,251,578	5,781,259	6,042,890
2,045,629	2,341,818	2,358,055	1,986,869	2,005,641	2,158,201
-	-	-	-	21,617	1,011,101
5,345,973	5,527,221	5,387,139	5,336,863	5,686,209	5,464,818
1,775,494	2,504,604	3,836,172	3,565,614	5,543,167	6,138,445
51,894,378	59,671,944	32,464,306	7,506,058	5,904,104	4,589,266
5,699,757	5,743,793	6,932,626	5,667,993	5,427,727	5,235,098
4,128,761	4,178,111	3,009,273	1,354,260	1,492,509	1,762,279
<u>192,092,309</u>	<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>
(35,672,777)	(44,898,144)	(20,037,744)	165,249	(670,593)	(945,500)
-	-	-	-	-	41,266
288,316	25,432,557	30,044	415,807	23,970	27,169
-	-	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>288,316</u>	<u>25,432,557</u>	<u>57,191,160</u>	<u>53,482,887</u>	<u>23,970</u>	<u>159,716</u>
<u>\$ (35,384,461)</u>	<u>\$ (19,465,587)</u>	<u>\$ 37,153,416</u>	<u>\$ 53,648,136</u>	<u>\$ (646,623)</u>	<u>\$ (785,784)</u>
7.0%	7.2%	7.6%	5.8%	6.0%	6.2%

Source: District data

PROVO CITY SCHOOL DISTRICT
 Property Tax Levies and Collections
 June 30,2013 through June 30, 2022

Calendar Tax Year	Fiscal Year Ended June 30th	Mill Levy or Tax Rate	Taxable Value	Redevelopment Value	Net Taxable Value	Total Tax Levied
2021	2022	0.007017	\$ 7,874,614,896	\$ 181,091,398	\$ 7,693,523,498	\$ 55,393,471
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

Calendar Tax Year	Collected within the Calendar Year of the Lewy		Fee-in-Lieu & Other Collections	Collections in Subsequent Years	Total Collections	
	Current	Percent of Current Collections		Delinquent Collections	Amount	Percent of Annual Assessment
2021	\$ 51,869,428	93.62%	\$ 3,213,424	\$3,360,005	\$ 58,190,694	98.98%
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%

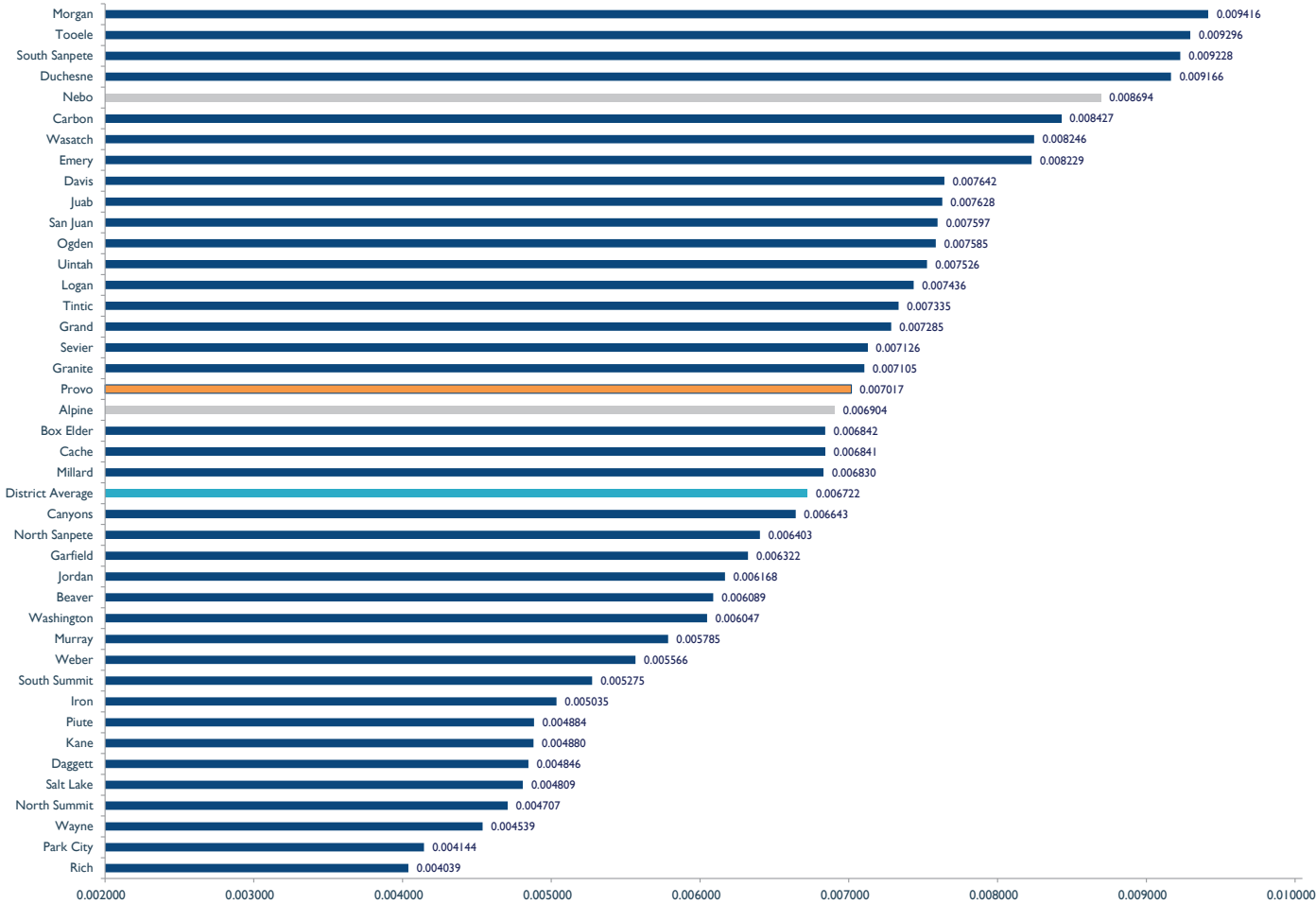
Source: taxrates.utah.gov

PROVO CITY SCHOOL DISTRICT
 Assessed Value and Estimated Actual Value of Taxable Property
 Tax Years 2012 through 2021

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
2021	\$ 181,091,398	\$ 4,937,695,465	\$ 2,371,949,181	\$ 1,821,700	\$ 382,057,152	\$ 7,874,614,896	0.007017	11,864,928,556	66.37%
2020	171,167,613	4,502,782,059	2,360,095,831	1,852,800	423,595,277	7,459,493,580	0.007337	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	6,634,648,400	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%

Source: taxrates.utah.gov

PROVO CITY SCHOOL DISTRICT
 Comparison of Utah School District Property Tax Rates
 Tax Year 2021 (Fiscal Year 2022)



Source: taxrates.utah.gov

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,									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Direct Rates:										
Basic Program	0.001661	0.001628	0.001661	0.001666	0.001568	0.001675	0.001736	0.001419	0.001535	0.001651
Voted Leeway	0.000911	0.000968	0.001016	0.001094	0.001024	0.001093	0.001151	0.001228	0.001300	0.001455
Board Leeway (Class Size Reduction)	0.001734	0.001997	0.001548	0.001682	0.001416	0.001600	0.001293	0.001445	0.001518	0.001904
Debt Service	0.001349	0.001453	0.001550	0.001692	0.001812	0.001995	0.002139	0.001268	0.001380	0.001432
Capital Outlay Foundation	0.001271	0.001198	0.001257	0.001353	0.001424	0.001520	0.001249	0.001276	0.001361	0.000877
Charter School	<u>0.000091</u>	<u>0.000093</u>	<u>0.000097</u>	<u>0.000089</u>	<u>0.000083</u>	<u>0.000000</u>	<u>0.000000</u>	<u>0.000000</u>	<u>0.000000</u>	<u>0.000000</u>
Total direct rate	0.007017	0.007337	0.007129	0.007576	0.007327	0.007883	0.007568	0.006636	0.007094	0.007319
Overlapping rates:*										
Provo City	0.002230	0.002426	0.002560	0.001888	0.002089	0.002239	0.002377	0.002775	0.002956	0.003032
Utah County	0.000853	0.001041	0.000672	0.000732	0.000779	0.000834	0.000870	0.000916	0.001006	0.001127
Central UT Water District	0.000400	0.000400	0.000400	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455

* source: www.taxrates.utah.gov

Source: taxrates.utah.gov

School Year	WPU	Dollar Change	Percent Change	School Year	WPU	Dollar Change	Percent Change
1975-76	\$ 621	\$ -	-	1999-00	\$ 1,901	\$ 47	2.5%
1976-77	\$ 683	\$ 62	10.0%	2000-01	\$ 2,006	\$ 105	5.5%
1977-78	\$ 732	\$ 49	7.2%	2001-02	\$ 2,116	\$ 110	5.5%
1978-79	\$ 795	\$ 63	8.6%	2002-03	\$ 2,132	\$ 16	0.8%
1979-80	\$ 852	\$ 57	7.2%	2003-04	\$ 2,150	\$ 18	0.8%
1980-81	\$ 946	\$ 94	11.0%	2004-05	\$ 2,182	\$ 32	1.5%
1981-82	\$ 1,003	\$ 57	6.0%	2005-06	\$ 2,280	\$ 98	4.5%
1982-83	\$ 1,103	\$ 100	10.0%	2006-07	\$ 2,417	\$ 137	6.0%
1983-84	\$ 1,103	\$ -	0.0%	2007-08	\$ 2,514	\$ 97	4.0%
1984-85	\$ 1,124	\$ 21	1.9%	2008-09	\$ 2,577	\$ 63	2.5%
1985-86	\$ 1,180	\$ 56	5.0%	2009-10	\$ 2,577	\$ -	0.0%
1986-87	\$ 1,204	\$ 24	2.0%	2010-11	\$ 2,577	\$ -	0.0%
1987-88	\$ 1,204	\$ -	0.0%	2011-12	\$ 2,816	\$ 239	9.3%
1988-89	\$ 1,204	\$ -	0.0%	2012-13	\$ 2,842	\$ 26	0.9%
1989-90	\$ 1,240	\$ 36	3.0%	2013-14	\$ 2,899	\$ 57	2.0%
1990-91	\$ 1,346	\$ 106	8.5%	2014-15	\$ 2,971	\$ 72	2.5%
1991-92	\$ 1,408	\$ 62	4.6%	2015-16	\$ 3,092	\$ 121	4.1%
1992-93	\$ 1,490	\$ 82	5.8%	2016-17	\$ 3,184	\$ 92	3.0%
1993-94	\$ 1,539	\$ 49	3.3%	2017-18	\$ 3,311	\$ 127	4.0%
1994-95	\$ 1,608	\$ 69	4.5%	2018-19	\$ 3,395	\$ 84	2.5%
1995-96	\$ 1,672	\$ 64	4.0%	2019-20	\$ 3,532	\$ 137	4.0%
1996-97	\$ 1,739	\$ 67	4.0%	2020-21	\$ 3,596	\$ 64	1.8%
1997-98	\$ 1,791	\$ 52	3.0%	2021-22	\$ 3,809	\$ 213	5.9%
1998-99	\$ 1,854	\$ 63	3.5%				

Source: District data

PROVO CITY SCHOOL DISTRICT

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

June 30, 2013 through June 30, 2022

Modified Accrual-Based Accounting

	2022	2021	2020	2019
Revenues:				
Property taxes	\$ 35,541,844	\$ 37,861,708	\$ 33,046,806	\$ 31,310,666
Other local sources	4,799,528	4,306,537	5,440,387	6,345,904
State of Utah	77,841,829	90,307,945	85,411,264	82,056,244
Federal government	19,690,191	14,790,719	8,905,035	8,858,715
Total revenues	<u>137,873,392</u>	<u>147,266,909</u>	<u>132,803,492</u>	<u>128,571,529</u>
Expenditures:				
Instructional services	86,107,486	80,569,988	80,768,604	77,346,369
Supporting services:				
Students	10,309,708	9,338,445	8,473,557	8,055,457
Instructional staff	12,131,958	11,866,384	10,550,190	9,854,662
District administration	2,759,644	2,535,537	2,854,541	2,942,204
School administration	8,472,995	7,918,849	7,718,485	7,178,006
Business	6,018,253	5,748,200	5,181,189	5,194,789
Operations and maintenance	7,903,718	13,956,836	9,683,180	9,474,167
Student transportation	2,212,681	2,003,125	2,056,407	2,131,430
Other	-	-	-	-
School food services	82,949	111,953	30,997	-
Community services	133,733	208,730	381,596	531,780
Capital Outlay	699,858	3,328,598	2,745,800	3,620,785
Debt service:				
Principal retirement	-	-	-	9,020
Interest and fees	-	-	-	-
Total expenditures	<u>136,832,983</u>	<u>137,586,645</u>	<u>130,444,546</u>	<u>126,338,669</u>
Excess (deficiency) of revenues over expenditures	1,040,409	9,680,264	2,358,946	2,232,860
Other financing sources (uses):				
Sale of assets	38,461	15,375	4,263	42,957
Transfers In (Out)	(2,138,586)	-	(5,500,000)	(1,500,000)
Insurance recoveries				
Proceeds from Capital lease obligation	-	-	-	-
Total other financing sources (uses)	<u>(2,100,125)</u>	<u>15,375</u>	<u>(5,495,737)</u>	<u>(1,457,043)</u>
Net change in fund balance	<u>\$ (1,059,716)</u>	<u>\$ 9,695,639</u>	<u>\$ (3,136,791)</u>	<u>\$ 775,817</u>
Total debt service expenditures (all funds) (general obligations, capital leases, etc.)	\$ 27,380,856	\$ 9,882,106	\$ 9,874,737	\$ 9,746,785
Debt service as a percentage of total general fund expenditures	20.0%	7.2%	7.6%	7.7%

PROVO CITY SCHOOL DISTRICT
 Changes in Fund Balance & Ratio of Annual Debt Service to General Fund Expenditures - Continued
 June 30, 2013 through June 30, 2022
 Modified Accrual-Based Accounting

2018	2017	2016	2015	2014	2013
\$ 26,762,574	\$ 26,310,700	\$ 22,720,856	\$ 20,808,558	\$ 20,657,597	\$ 19,574,339
4,813,702	3,751,585	3,666,797	2,990,279	4,241,205	3,673,465
84,782,657	82,795,715	76,361,890	70,389,904	59,502,309	55,110,921
8,482,019	9,924,840	10,429,429	10,593,904	11,992,367	12,616,532
<u>124,840,952</u>	<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>
76,287,006	78,028,370	76,138,778	74,229,205	67,739,515	65,776,955
8,088,360	6,866,314	4,351,628	4,103,008	3,804,067	3,542,614
8,379,815	4,910,014	1,401,766	1,277,995	1,405,164	1,569,945
1,453,592	2,743,761	2,677,541	2,220,421	1,595,972	1,541,051
7,199,465	6,530,722	6,074,372	5,650,292	5,429,688	5,196,888
4,999,674	5,715,810	5,572,004	4,704,250	4,984,781	2,803,584
9,560,307	8,583,757	6,855,656	5,407,883	5,137,464	5,065,572
2,045,629	2,341,818	2,111,779	1,986,869	2,005,641	2,158,201
-	-	-	-	21,617	1,011,101
52,748	-	-	-	-	-
540,859	2,504,604	3,836,172	3,291,762	2,372,925	2,992,710
3,177,257	28,732	-	-	-	-
8,533	-	-	-	-	-
-	-	-	-	-	-
<u>121,793,245</u>	<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>
3,047,707	4,528,938	4,159,276	1,910,960	1,896,644	(683,364)
288,316	26,217	20,731	15,824	23,950	23,518
(2,000,000)	-	(1,500,000)	(505,997)	-	-
-	-	-	-	-	41,266
<u>(1,711,684)</u>	<u>26,217</u>	<u>(1,479,269)</u>	<u>(490,173)</u>	<u>23,950</u>	<u>64,784</u>
<u>\$ 1,336,023</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>
\$ 9,828,518	\$ 9,921,904	\$ 9,834,812	\$ 6,455,797	\$ 6,920,236	\$ 6,997,377
8.1%	8.4%	9.0%	6.3%	7.3%	7.6%

Source: District data

PROVO CITY SCHOOL DISTRICT
Schedule of Long Term Debt Service

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
General obligation bonds:											
Debt Service Fund											
Series 2021B Refunding	Principal	\$ 1,895,000	\$ 2,000,000	\$ 2,080,000	\$ 2,185,000	\$ 1,620,000	\$ -	\$ -	\$ -	\$ -	\$ -
\$11,650,000	Interest	489,000	394,250	294,250	190,250	81,000	-	-	-	-	-
Series 2015	Principal	2,395,000	2,450,000	2,510,000	2,580,000	2,655,000	2,735,000	2,830,000	2,930,000	3,035,000	3,125,000
\$50,615,000	Interest	1,121,838	1,067,950	1,006,700	937,675	860,275	780,625	684,900	585,850	483,300	392,250
Series 2016	Principal	2,250,000	2,350,000	2,475,000	2,600,000	2,725,000	2,775,000	2,825,000	2,950,000	3,075,000	3,150,000
\$50,650,000	Interest	1,490,813	1,378,313	1,260,813	1,137,063	1,007,063	952,563	897,063	784,063	666,063	566,125
Series 2021	Principal	1,430,000	2,040,000	2,710,000	3,285,000	3,280,000	3,445,000	3,615,000	3,800,000	3,990,000	4,185,000
\$73,670,000	Interest	2,266,548	2,195,048	2,093,048	1,957,548	1,793,298	1,629,298	1,457,048	1,276,298	1,086,298	886,798
	Total Principal - General Obligation Bonds	7,970,000	8,840,000	9,775,000	10,650,000	10,280,000	8,955,000	9,270,000	9,680,000	10,100,000	10,460,000
	Total Interest - General Obligation Bonds	5,368,198	5,035,560	4,654,810	4,222,535	3,741,635	3,362,485	3,039,010	2,646,210	2,235,660	1,845,173
	Total - General Obligation Bonds	13,338,198	13,875,560	14,429,810	14,872,535	14,021,635	12,317,485	12,309,010	12,326,210	12,335,660	12,305,173
Lease revenue bonds:											
Municipal Building Authority Fund											
2010 Lease Revenue Bonds	Principal	-	-	-	6,462,000	-	-	-	-	-	-
\$ 6,462,000	Interest	79,483	79,483	79,483	79,483	-	-	-	-	-	-
2022 Lease Revenue Bonds	Principal	3,000,000	3,300,000	3,465,000	3,635,000	3,820,000	4,010,000	4,210,000	4,420,000	4,640,000	4,875,000
\$100,355,000	Interest	4,068,200	3,918,200	3,753,200	3,579,950	3,398,200	3,207,200	3,006,700	2,796,200	2,575,200	2,343,200
	Total Principal - Lease Revenue Bonds	3,000,000	3,300,000	3,465,000	10,097,000	3,820,000	4,010,000	4,210,000	4,420,000	4,640,000	4,875,000
	Total Interest - Lease Revenue Bonds	4,147,683	3,997,683	3,832,683	3,659,433	3,398,200	3,207,200	3,006,700	2,796,200	2,575,200	2,343,200
	Total - Lease Revenue Bonds	7,147,683	7,297,683	7,297,683	13,756,433	7,218,200	7,217,200	7,216,700	7,216,200	7,215,200	7,218,200
	Total - Bonds payable	20,485,881	21,173,243	21,727,493	28,628,968	21,239,835	19,534,685	19,525,710	19,542,410	19,550,860	19,523,373
Note payable:											
Capital Projects Fund											
2011 Energy Efficiency Chiller	Principal	24,951	25,772	13,202	-	-	-	-	-	-	-
\$264,697	Interest	1,776	955	161	-	-	-	-	-	-	-
	Total note payable	26,727	26,727	13,363	-	-	-	-	-	-	-
Total long-term debt obligations:											
	Total Principal - All Funds - All Long-Term Debt	10,994,951	12,165,772	13,253,202	20,747,000	14,100,000	12,965,000	13,480,000	14,100,000	14,740,000	15,335,000
	Total Interest - All Funds - All Long-Term Debt	9,517,657	9,034,198	8,487,654	7,881,968	7,139,835	6,569,685	6,045,710	5,442,410	4,810,860	4,188,373
	Total - All Funds - All Long-Term Debt	\$ 20,512,608	\$ 21,199,970	\$ 21,740,856	\$ 28,628,968	\$ 21,239,835	\$ 19,534,685	\$ 19,525,710	\$ 19,542,410	\$ 19,550,860	\$ 19,523,373

PROVO CITY SCHOOL DISTRICT
Schedule of Long Term Debt Service

2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,780,000
-	-	-	-	-	-	-	-	-	-	1,448,750
3,220,000	3,315,000	3,415,000	-	-	-	-	-	-	-	37,195,000
298,500	201,900	102,450	-	-	-	-	-	-	-	8,524,213
3,275,000	3,375,000	3,475,000	3,600,000	-	-	-	-	-	-	40,900,000
463,750	357,313	247,625	126,000	-	-	-	-	-	-	11,334,630
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	-	73,290,000
803,098	717,698	630,598	552,810	473,710	381,710	292,600	197,000	99,500	-	20,789,943
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	-	161,165,000
1,565,347	1,276,910	980,673	678,810	473,710	381,710	292,600	197,000	99,500	-	42,097,536
12,330,347	12,321,910	12,315,673	8,798,810	5,073,710	5,071,710	5,072,600	5,072,000	5,074,500	-	203,262,536
-	-	-	-	-	-	-	-	-	-	6,462,000
-	-	-	-	-	-	-	-	-	-	317,932
5,115,000	5,375,000	5,590,000	5,810,000	6,045,000	6,225,000	6,410,000	6,605,000	6,800,000	7,005,000	100,355,000
2,099,450	1,843,700	1,628,700	1,405,100	1,172,700	991,350	804,600	612,300	414,150	210,150	43,828,450
5,115,000	5,375,000	5,590,000	5,810,000	6,045,000	6,225,000	6,410,000	6,605,000	6,800,000	7,005,000	106,817,000
2,099,450	1,843,700	1,628,700	1,405,100	1,172,700	991,350	804,600	612,300	414,150	210,150	44,146,381
7,214,450	7,218,700	7,218,700	7,215,100	7,217,700	7,216,350	7,214,600	7,217,300	7,214,150	7,215,150	150,963,381
19,544,797	19,540,610	19,534,373	16,013,910	12,291,410	12,288,060	12,287,200	12,289,300	12,288,650	7,215,150	354,225,917
-	-	-	-	-	-	-	-	-	-	63,925
-	-	-	-	-	-	-	-	-	-	2,892
-	-	-	-	-	-	-	-	-	-	66,817
15,880,000	16,420,000	16,925,000	13,930,000	10,645,000	10,915,000	11,190,000	11,480,000	11,775,000	7,005,000	268,045,925
3,664,797	3,120,610	2,609,373	2,083,910	1,646,410	1,373,060	1,097,200	809,300	513,650	210,150	86,246,808
\$ 19,544,797	\$ 19,540,610	\$ 19,534,373	\$ 16,013,910	\$ 12,291,410	\$ 12,288,060	\$ 12,287,200	\$ 12,289,300	\$ 12,288,650	\$ 7,215,150	\$ 354,292,733

Source: District data

PROVO CITY SCHOOL DISTRICT
 Ratios of Outstanding Debt
 June 30,2013 through June 30, 2022

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
2022	\$ 161,165,000	\$ 27,075,235	2.39%	\$ 1,617	\$ 14,463	\$ 106,880,925	\$ 295,121,160	3.75%	\$ 2,537	\$ 22,702
2021	169,475,000	14,696,608	2.34%	1,582	14,150	6,550,081	190,721,689	2.42%	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

Source: District data

PROVO CITY SCHOOL DISTRICT
Overlapping and Underlying General Obligation Debt
Fiscal Year Ending June 30, 2022

Taxing Entity	2021 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	\$ 7,874,614,896	2.12%	\$ 2,512,925,000	\$ 53,186,954
CUWCD (1)	54,956,245,000	\$ 7,874,614,896	12.67%	608,161,000	77,081,420
Utah County	54,956,245,000	\$ 7,874,614,896	12.67%	-	-
Total Overlapping					<u>130,268,374</u>
Underlying:					
Provo City (2)	\$ 6,965,434,179	\$ 6,965,434,179	100.00%	81,840,000	<u>81,840,000</u>
Total Underlying					<u>81,840,000</u>
Total Overlapping and Underlying General Obligation Debt					<u>\$ 212,108,374</u>
Total overlapping general obligation debt (excluding the State) (3)					77,081,420
Total direct general obligation bonded indebtedness					<u>188,240,235</u>
Total direct and overlapping general obligation debt (excluding the State) (3)					<u>\$ 265,321,655</u>
Total underlying general obligation debt					81,840,000
Total direct general obligation bonded indebtedness					<u>188,240,235</u>
Total direct and underlying general obligation debt					<u>\$ 270,080,235</u>
Total overlapping and underlying general obligation debt (excluding the State) (3)					158,921,420
Total direct general obligation bonded indebtedness					<u>188,240,235</u>
Total direct, overlapping, and underlying general obligation debt (excluding the State) (3)					<u>\$ 347,161,655</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

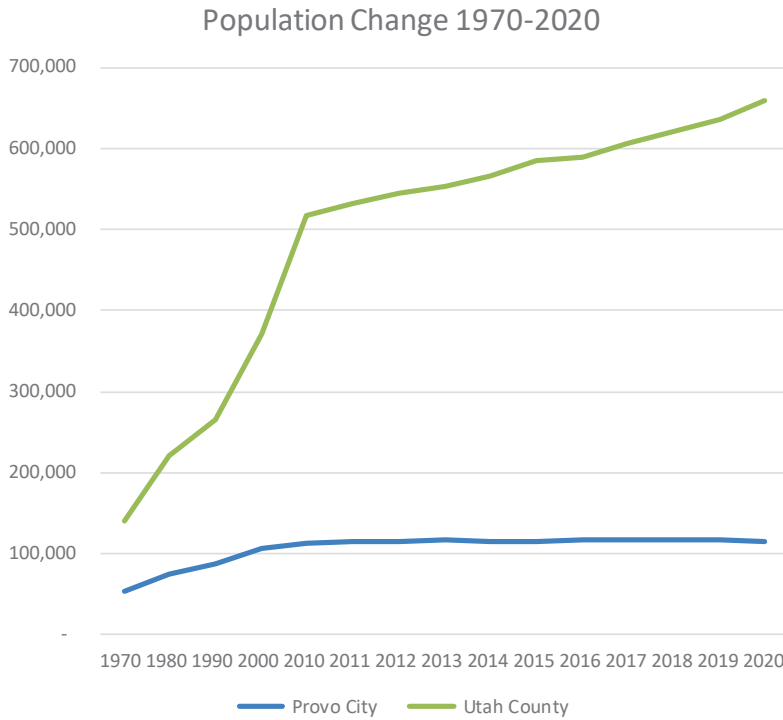
PROVO CITY SCHOOL DISTRICT
 Computation of Legal Debt Margin
 June 30,2013 through June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Estimated Fair Market Value	\$ 11,864,928,556	\$ 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
"Fair Market Value" X 4% (Debt Limit)	474,597,142	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
Less: General Obligation Debt	161,165,000	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
Legal Debt Margin*	<u>\$ 313,432,142</u>	<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>
Ratio Legal Debt Margin to Legal Debt Limit	66.04%	61.84%	75.37%	71.24%	67.47%	62.05%	57.89%	71.56%	86.13%	84.17%

*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



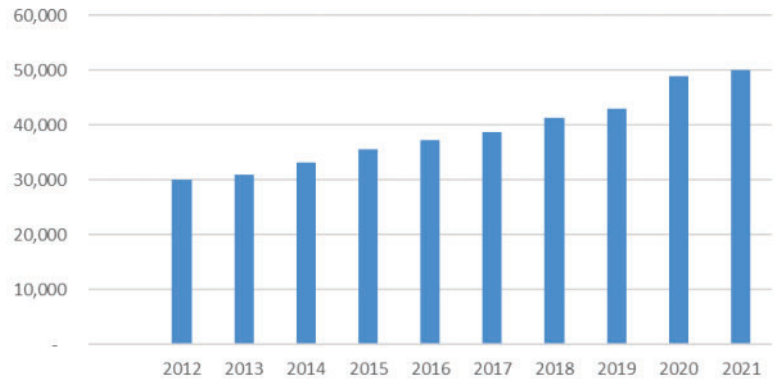
	Provo City	Utah County
1970	53,131	139,300
1980	74,111	220,000
1990	86,835	265,766
2000	105,439	371,894
2010	112,488	516,564
2011	114,684	532,753
2012	115,461	544,892
2013	116,386	554,401
2014	114,868	567,208
2015	115,264	585,694
2016	116,822	590,475
2017	117,335	606,425
2018	116,713	622,213
2019	116,618	636,235
2020	115,162	659,399

Source: www.census.gov
 2020 - latest available data

Median Household Income - Provo

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
2021	\$	50,072

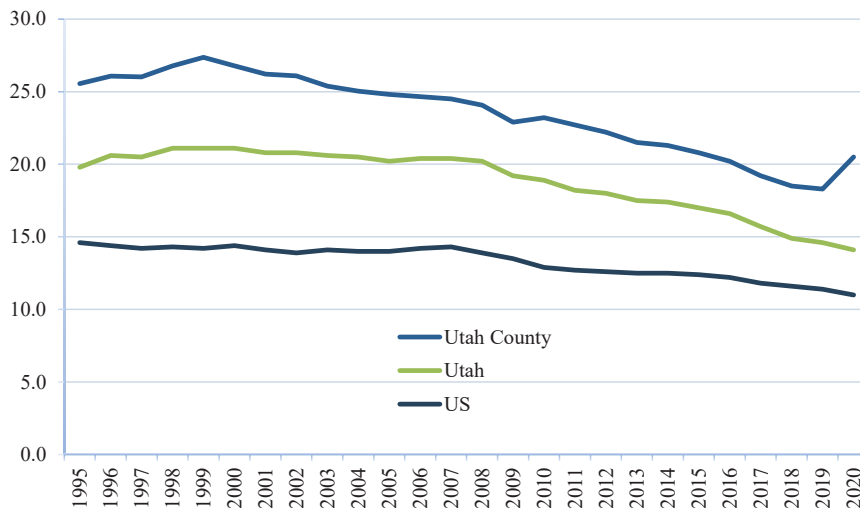
Median Household Income - Provo 2012-2021



www.census.gov

Birth Rates per 1,000
1995-2020

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
2020	20.5	14.1	11.0



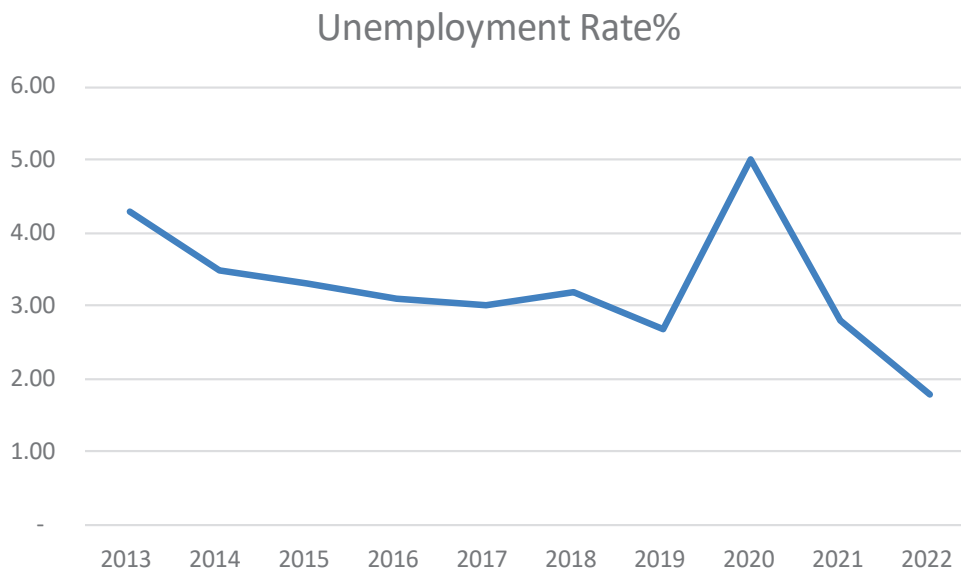
2020 is the latest available as of 9/15/2022

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

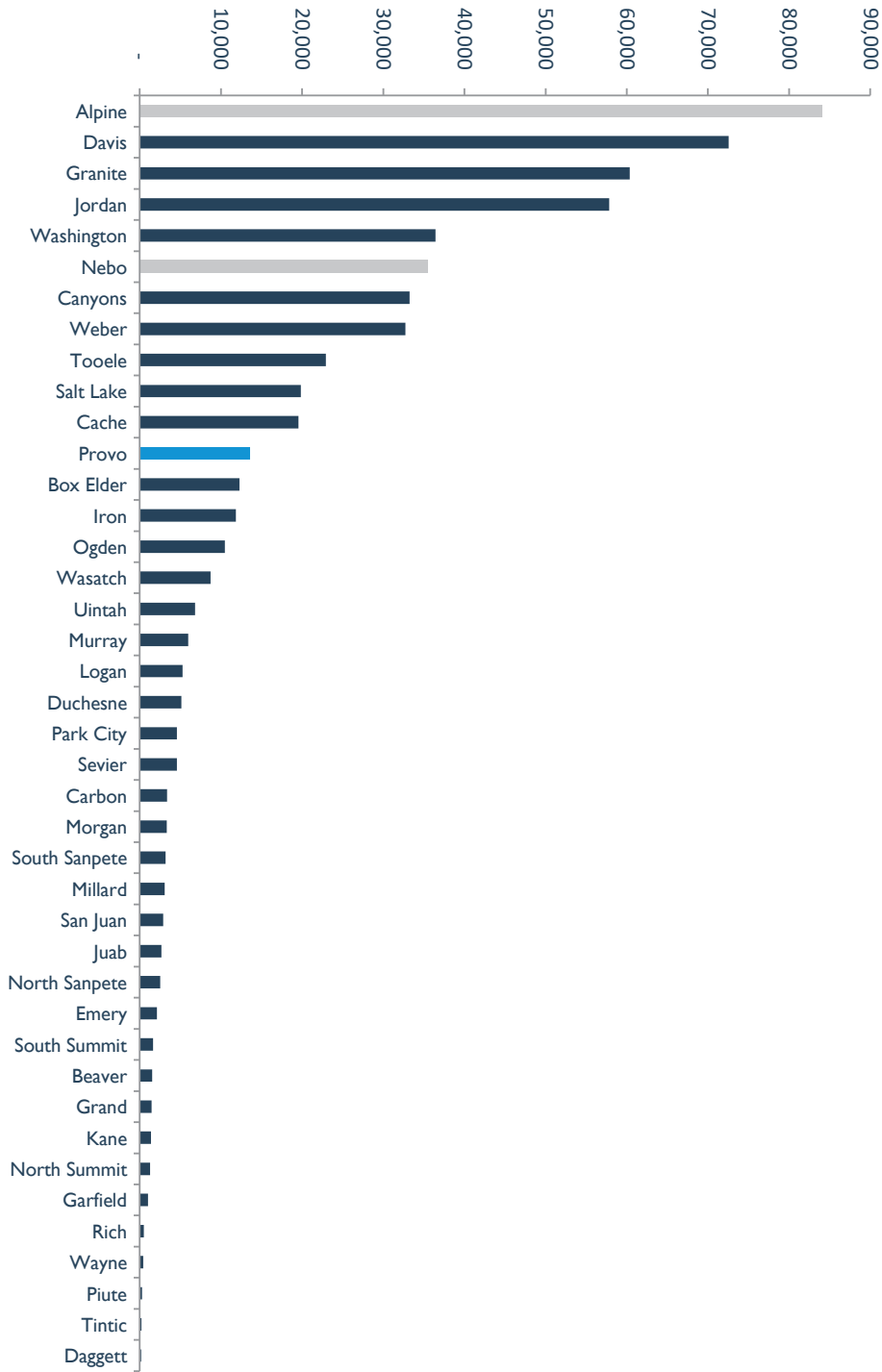
Largest Employers in Provo City
 Current Year and 2013

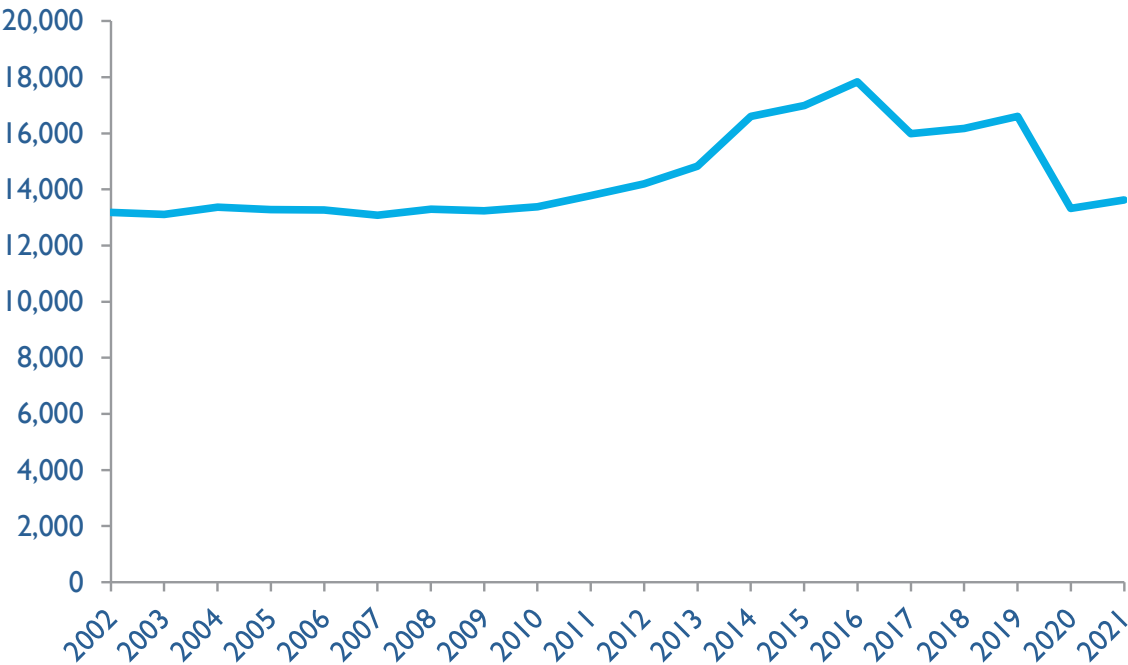
Company Name	2022 Employees	2013 Employees
Brigham Young University	5,000 - 6,999	1,000 - 4,999
Utah Valley Regional Medical Center	3,000 - 3,999	1,000 - 4,999
Vivint	3,000 - 3,999	
Provo School District	2,000 - 2,999	1,000 - 1,999
Utah County	1,000 - 1,999	1,000 - 1,999
Provo City	1,000 - 1,999	500 - 999
Central Utah Medical 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

Year	Labor Force	Employment	Unemployment	Unemployment Rate%
2013	248,840	238,133	10,707	4.30
2014	254,221	245,403	8,818	3.50
2015	265,617	256,842	8,775	3.30
2016	278,654	269,991	8,663	3.10
2017	290,144	281,557	8,587	3.00
2018	299,445	292,035	7,650	3.20
2019	305,903	301,456	6,783	2.70
2020	311,331	398,988	15,996	5.00
2021	327,174	325,558	7,355	2.80
2022	348,665	342,050	6,121	1.80



PROVO CITY SCHOOL DISTRICT
 School District Enrollment—Utah State
 School Year 2021-2022





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 2012-2022

School	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Amelia Earhart Elementary	558	551	515	532	523	504	518	485	422	395
Canyon Crest Elementary	532	541	541	538	547	524	503	476	379	448
Edgemont Elementary	569	570	632	623	626	645	665	631	536	642
Provo Peaks Elementary ²	506	484	613	592	571	546	504	496	473	498
Franklin Elementary	516	494	453	472	450	407	383	349	332	314
Lakeview Elementary ¹	673	724	765	787	754	813	823	791	667	711
Provost Elementary	440	436	447	464	472	445	465	464	416	472
Rock Canyon Elementary	623	642	634	612	623	591	583	589	515	540
Spring Creek Elementary	567	558	501	486	476	418	411	401	382	412
Sunset View Elementary	527	541	510	473	561	568	546	583	526	551
Timpanogos Elementary	672	663	703	758	668	649	629	629	565	586
Wasatch Elementary	861	906	965	944	892	883	799	744	623	644
Westridge Elementary	893	890	826	785	806	769	730	718	601	614
Centennial Middle	1,033	1023	988	1056	1103	1,119	1,191	1,238	1,200	1,133
Dixon Middle	833	836	822	847	869	835	882	988	928	922
Provo High	1,777	1825	1895	1924	1901	1,853	1,889	1,915	1,931	1,969
Timpview High	1,953	1967	1976	2058	2114	2,173	2,162	2,270	2,353	2,390
Independence High	322	326	251	259	285	190	200	190	184	253
Oak Springs/Slate Canyon	74	63	45	48	42	39	55	60	33	26
Central Utah Enterprises	51	47	83	65	0	0	0	-	-	-
eSchool ³	270	737	2435	2660	3557	2020	2227	2,586	251	103
Total:	14,250	14,824	16,600	16,983	17,840	15,991	16,165	16,603	13,317	13,623

Source: District data