



**Popular Annual Financial Report  
Provo City School District  
Provo, Utah**

**For the Year Ended June 30, 2022**



## To the Citizens of Provo City,

We are pleased to present Provo City School District’s Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2022. This report is designed to provide information on essential district functions and make the financial operations of our school district more understandable for general citizens.

This PAFR, for the fiscal year ended June 30, 2022, contains a brief summary and explanation of the District’s general operating fund revenues and expenditures as well as other relevant financial and statistical trends and information applicable to the District and its citizens. This selected information is taken from financial statements contained in the District’s Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. Information in the Annual Comprehensive Financial Report includes both government-wide and governmental fund data. Individuals who wish to review GAAP basis, full disclosure financial statements should refer to the District’s Annual Comprehensive Financial Report, which can be viewed at <https://provo.edu/business-and-finance/financial-reports/>.

The purpose of the PAFR is to help community members understand how the district utilizes tax dollars and other revenues to educate our students. Our goal is to ensure that you have the best, most easily understandable financial information available and to increase your confidence in the manner our District is operated. Questions and comments are welcome and may be directed to Provo City School District Business Services at 801-374-4800.

Respectfully,

Keith Rittel, Superintendent of Schools



Government Finance Officers Association

Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting

Presented to

Provo City School District  
Utah

For its Annual Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Merrill*  
Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Provo City School District for its Popular Annual Financial Report for the fiscal year ended June 30, 2021.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Provo City School District has received a Popular Award for ten consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements and will be submitted to the GFOA.

\*\*PAFR is optimized for onscreen viewing. For best results, choose “two page display “in your PDF reader.

Provo City School District was officially organized in 1898 and is a legally separate entity enjoying all rights and privileges afforded political subdivisions in the State of Utah. The District is fiscally independent. Policymaking and legislative authority are vested in the Board of Education (Board) consisting of seven members. The Board is responsible for, among other things, developing policy, adopting the budget, levying taxes, incurring bonded debt, and hiring both the Superintendent and Business Administrator. The Superintendent and Business Administrator are responsible for implementing policies of the Board and overseeing the day to day operations of the District. Board members serve four year staggered terms with no more than four board members elected every two years.

## Our Guiding Principles

- Pursuit of Excellence
- Lifelong Learning
- Individual Potential
- Inclusion of All
- Family Partnerships
- Civic Engagement
- Literacy

Our mission is to develop a culture of meaningful innovation to ensure that all students in Provo City School District are future-ready. As such, personnel strives to provide a quality education experience for students by following the District's seven guiding principles and five goals, which help direct and impact all strategic planning, both financial and non-financial.

The District's purpose is to provide a comprehensive array of learning opportunities for students who reside in Provo City. To accomplish this purpose, the District educated 13,623 students across two traditional high schools, an alternative high school, two middle schools, thirteen elementary schools, and an eSchool. The District strives to provide authentic and impactful learning experiences in which students can explore their interests and become college-and-career-ready. In addition to core classes such as mathematics, science, and english, the District offers a wide variety of electives in engineering, business, technology, art, animation, and animal science – to name a few. Students are encouraged to challenge them-

selves in a growing number of Advanced Placement courses and explore dual-credit opportunities within the Concurrent Enrollment program.

Throughout the year, the District has been able to maintain a strong financial position, in part because of our focus on engaged learning, collaboration, continuous improvement, strategic planning, and transparency. We are committed to renewal and strive to continually raise the bar for student achievement.

District goals guide the actions of administrators, teachers, students, and parents in making decisions to create a successful learning environment for all students, whether in person or online. These goals create a starting point for budget creation, classroom planning and student achievements. Giving teachers the support needed to provide excellent classrooms is one of the main goals, including making sure that the compensation is competitive with surrounding school districts.

Provo City School District is well-managed and fiscally sound. Key financial information, as well as other key data points will be addressed throughout this document. For further information regarding the budget process in our annual budget document or complete financial information from the Annual Comprehensive Financial Report, please visit <https://provo.edu/business-and-finance/financial-reports/>.

## Our Goals

- Continuous academic improvement and transparency
- Support for teachers and teaching aligned with research, best practices, and teacher-identified needs
- Improved certainty and stability in the direction of the district
- Financial prioritization, long-term planning, and transparency
- Teamwork, Professional Conduct, and Civility

# District Organization



Gina Hales  
2021-Current



Melanie Hall  
Board President  
2017-Current



Nate Bryson  
2019-Current



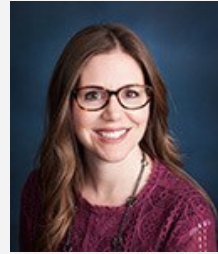
McKay Jensen  
2019-Current



Jennifer Partridge  
2019-Current



Teri McCabe  
2021-Current



Rebecca Nielsen  
Board Vice President  
2017-Current



Keith Rittel  
Superintendent



Derek Anderson  
Business Administrator



Jason Cox  
Executive Director—  
HR/Deputy Superin-  
tendent



Todd McKee  
Executive Director—  
Secondary Education



Anne-Marie Harrison  
Executive Director—  
Teaching & Learning



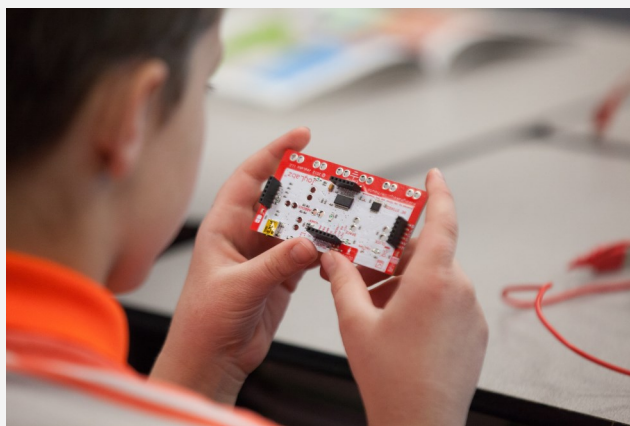
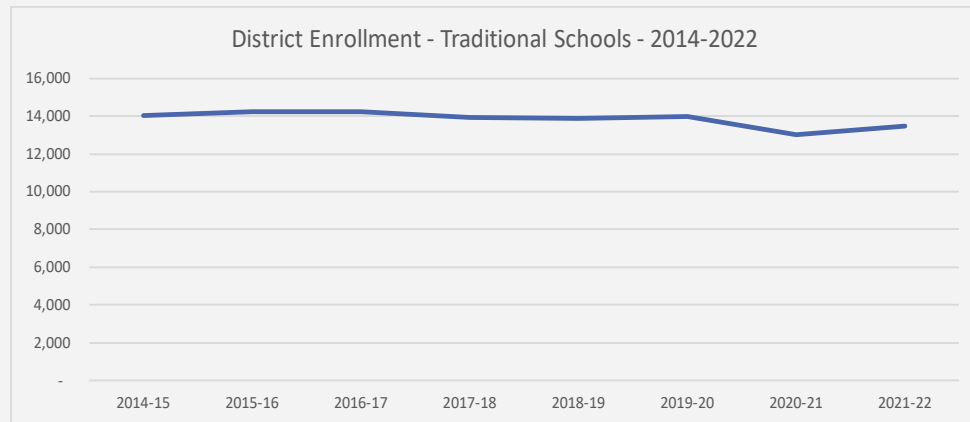
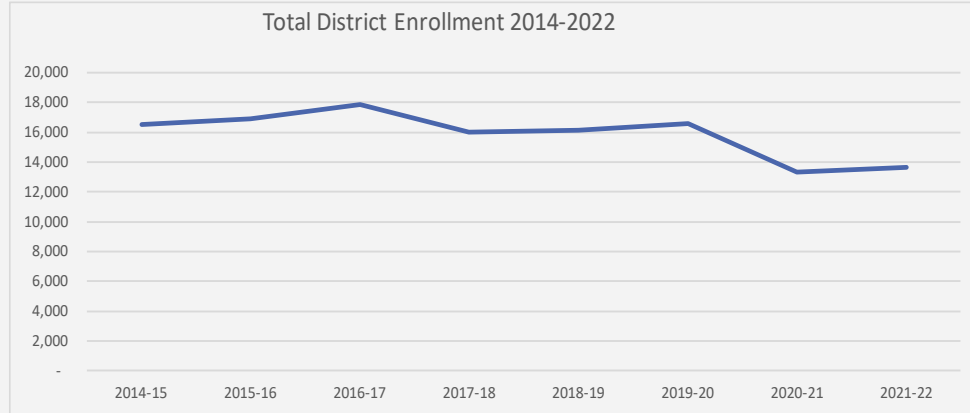
Alex Judd  
Executive Director—  
Elementary Educa-  
tion



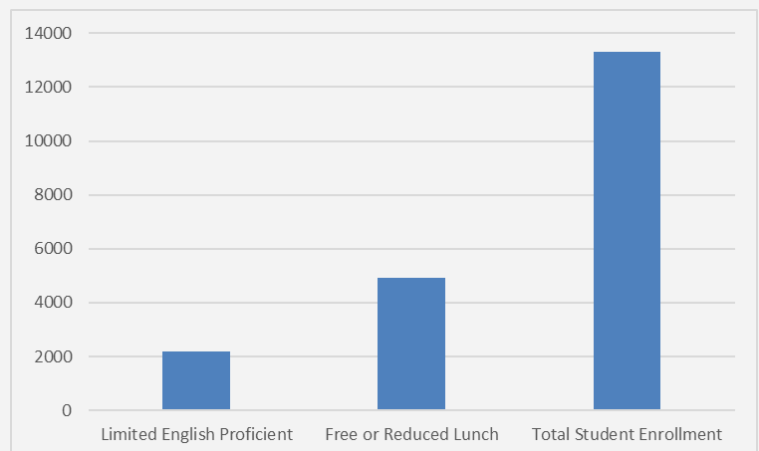
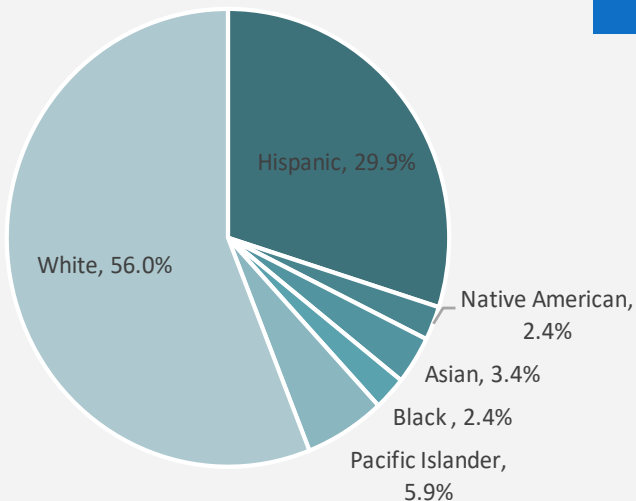
Doug Finch  
Executive Director—  
Student Services

The Provo City School District Board of Education is the elected governing body. The Board of Education appoints the District Superintendent and the Business Administrator. The term of office for Board members is four years, beginning on the first Monday in January following the November election. The term of office for the Superintendent and Business Administrator is two years.

State funding from the Utah State Board of Education is almost solely funded by student enrollment. Student enrollment has stayed relatively flat over the last 8 years with the exception of the 2020-2021 school year. Some parents chose to use alternate sources for education due to concern of the COVID-19 pandemic. Total district enrollment has fluctuated a little more due to a format change in the District's eSchool program.



Students at Provo City School District come from diverse backgrounds and cultures. The District has a Diversity and Equity Committee that regularly meets to identify needs and services for students. From limited English speakers to free and reduced lunch to Homeless or Youth in Custody, these students are provided extra services from the District to maximize their educational resources. Numbers for free or reduced lunch are lower than previous years because school lunch has been provided at no cost since the COVID-19 pandemic began and applications are not required this school year.



## Elementary Schools



**Amelia Earhart Elementary (K-6)**  
Principal: Ryan McCarty  
Enrollment: 422  
Year Built: 1999



**Canyon Crest Elementary K-6**  
Principal: Rene Cunningham  
Enrollment: 379  
Year Built: 1982



**Edgemont Elementary (K-6)**  
Principal: Harmony Kartchner  
Enrollment: 536  
Year rebuilt: 2017



**Rock Canyon Elementary (K-6)**  
Principal: Seth Hansen  
Enrollment: 515  
Year Rebuilt: 2016



**Spring Creek Elementary (K-6)**  
Principal: Jill Franklin  
Enrollment: 382  
Year Built: 2002



**Sunset View Elementary (K-6)**  
Principal: Chris Chilcoat  
Enrollment: 526  
Year Rebuilt: 2016

## Middle Schools



**Centennial Middle School (7-8)**  
Principal: Kyle Bates  
Enrollment: 1,200  
Year Built: 1996



**Dixon Middle School (7-8)**  
Principal: John Anderson  
Enrollment: 928  
Year Built: 1931  
Municipal Building Authority bonds approved to rebuild November 2021



**Franklin Elementary (K-6)**  
Principal: Jason Benson  
Enrollment: 332  
Year Built: 1994



**Lakeview Elementary (K-6)**  
Principal: Mike Barker  
Enrollment: 667  
Year Built: 2007



**Provo Peaks Elementary (K-6)**  
Principal: Mark Burge  
Enrollment: 473  
Year Built: 2011



**Provost Elementary (K-6)**  
Principal: Kami Alvarez  
Enrollment: 416



**Timpanogos Elementary (K-6)**  
Principal: Carrie Rawlins  
Enrollment: 565  
Year Rebuilt: 2008



**Wasatch Elementary (K-6)**  
Principal: Chris Fuhrman  
Enrollment: 623  
Year Built: 1949  
Municipal Authority Bonds Approved to rebuild November 2021



**Westridge Elementary (K-6)**  
Principal: Kim Hawkins  
Enrollment: 601  
Year Built: 1979

## High Schools



**Provo High School (9-12)**  
Principal: Jarod Sites  
Enrollment: 1,931  
Year Built: 2018



**Timpview High School (9-12)**  
Principal: Fidel Montero  
Enrollment: 2,353  
Year Built: 1974



**Independence High School (9-12)**  
Principal: Jacob Griffin  
Enrollment: 184  
Year Built: 1992

# Financial Information—All Funds

Readers of the Popular Annual Financial Report should keep in mind that the numbers are from the District’s Annual Comprehensive Financial Report. The numbers below and in subsequent pages are presented in GAAP format and represent the District’s governmental funds. The report contains all of the audited financial statements and disclosures. The PAFR is not audited and does not include a presentation of all funds in their entirety. The PAFR is not intended to present a complete financial picture according to GAAP, but is intended to present District financial information in a summary form that is easy to understand. To obtain a complete financial picture of Provo City School District, please view our Annual Comprehensive Financial Report by visiting our website at <https://provo.edu/business-and-finance/financial-reports/>.

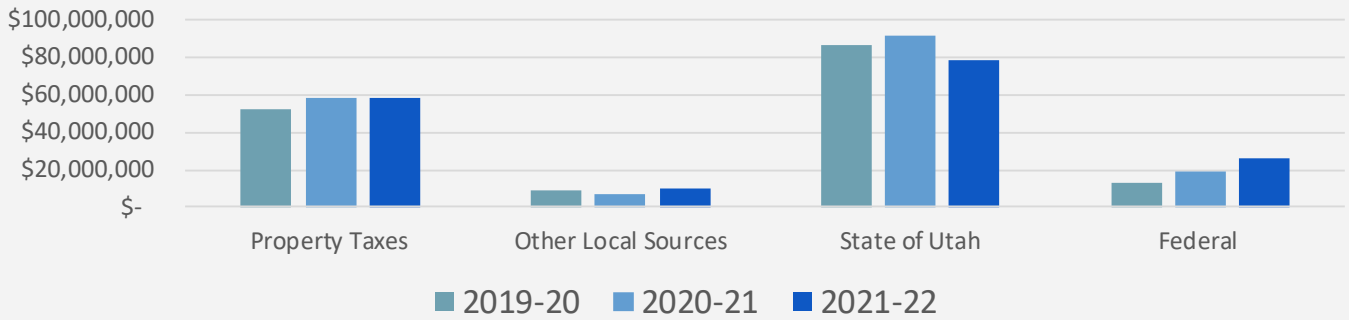
The information below reflects a three-year comparison of the District’s governmental revenues and expenditures. Subsequent pages will address individual funds, but an overall representation of all funds is important to show the District’s total revenues and expenditures by function.

Revenues	2019-20	2020-21	2021-22
Property Taxes	\$ 52,082,647	\$ 58,205,541	\$ 58,668,732
Other Local Sources	9,159,781	6,920,196	10,189,462
State of Utah	86,692,546	91,376,286	78,939,363
Federal	13,185,638	19,042,337	25,796,923
<b>Total Revenues</b>	<b>\$ 161,120,612</b>	<b>\$ 175,544,360</b>	<b>\$ 173,594,480</b>

Expenditures	2019-20	2020-21	2021-22
Instruction	\$ 83,637,213	\$ 82,536,613	\$ 88,879,025
Supporting Services:			
Students	8,473,557	9,472,770	10,358,912
Instructional Staff	10,569,236	11,923,502	12,185,547
District Administration	2,854,541	2,535,537	2,759,644
School Administration	7,753,544	8,217,857	8,621,772
Business	5,181,189	5,748,200	6,018,253
Operation and Maintenance of Buildings	13,450,470	13,963,297	13,661,660
Student Transportation	2,056,407	2,003,125	2,212,681
School Food Services	5,911,440	5,669,101	5,950,011
Community Services	1,822,447	2,018,448	1,707,621
Capital Outlay	5,610,588	12,603,144	33,569,783
Debt Service:			
Bond Principal	6,197,642	6,443,387	20,005,863
Bond Interest and Fees	3,677,095	3,438,719	7,374,993
<b>Total Expenditures</b>	<b>\$ 157,195,369</b>	<b>\$ 166,573,700</b>	<b>\$ 213,305,765</b>

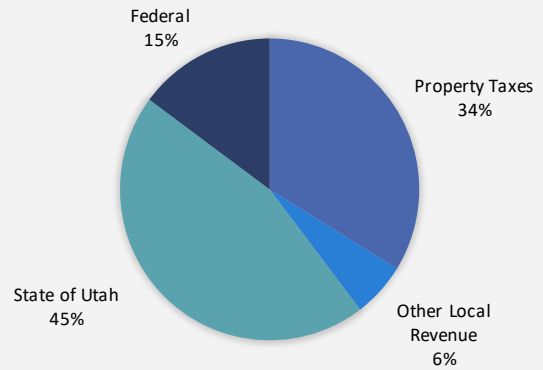
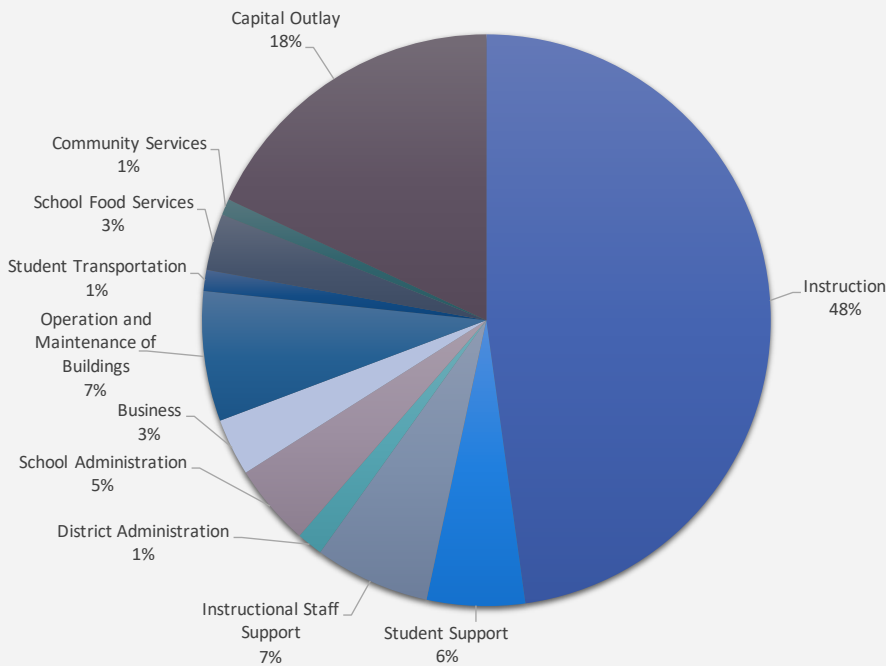


## Revenue - All Funds



The Provo City School District Board of Education went through a truth in taxation in FY 21, which increased revenue, but property tax revenue stayed relatively flat for FY 22. Regular local revenue increased slightly this year due to an increase in the approved indirect rates and an increase in interest revenue generated by money invested in the Public Treasurers Investment Fund and Zions Bank investments. State revenue decreased due to the enrollment change in FY21, related to the change in the eSchool format. The majority of state revenue is contingent on the budgeted increase in the WPU (weighted pupil unit) and the district’s increase/decrease in students. The increase in state revenue is due to an increase in the amount of the WPU, not the enrollment in the district. Federal revenue showed the largest increase, primarily due to COVID-19 relief funding.

## Expenditures by Function— All Funds (excluding Debt Service)



In fiscal year 2022, increases in expenditures across functions were primarily due to increases in normal costs for salaries and benefits. The instruction function increased due to salary increases and regular operating costs. Expenditures for capital outlay has increased significantly due to the construction of Timpview High School. Voters approved a GO bond for the replacement in November 2020. The school board also approved a Municipal Building Authority bond for the replacement of two schools in October 2021.

Other expenditures throughout the District remained relatively flat.

# Financial Information—Property Taxes—All Funds

Property taxes in the city of Provo are levied for four separate entities. Provo City School District, Provo City, Utah County and Central Utah Water Conservancy District all receive revenue from property taxes. Below shows the amount per dollar that goes to each entity. While property taxes are fairly low for the other entities, they receive tax revenue from other sources in addition to property taxes.

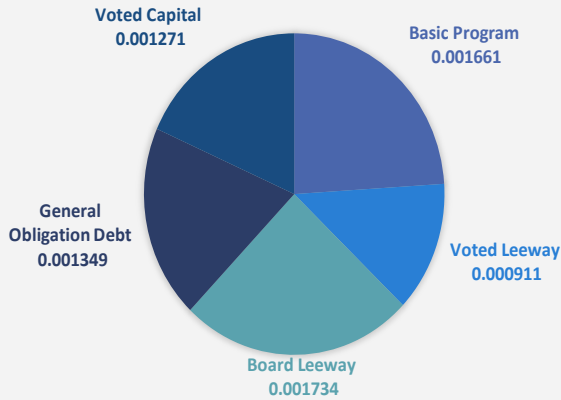


Provo City School District 67%

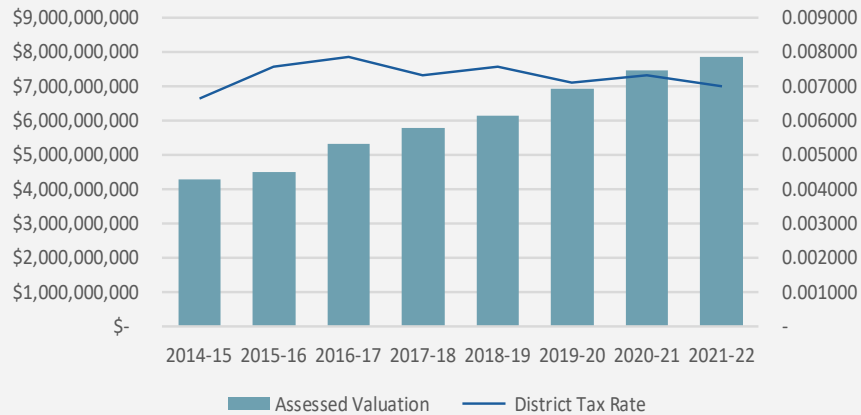
Provo City 21%

Utah County 8%

Central Utah Water 4%



Provo City Assessed Valuation vs. District Tax Rate



Property tax rates are set every June unless the board sets a Truth in Taxation hearing in August of the current budget year. Levies are set for general operating, capital and debt service expenditures. Property valuations have increased significantly over the last eight years, which has kept the property tax rate relatively flat.

Revenues	2019-20	2020-21	2021-22
Property Taxes	\$ 33,046,806	\$ 37,861,708	\$ 35,541,844
Other Local Sources	5,440,387	4,306,537	4,799,528
State of Utah	85,411,264	90,307,945	77,841,829
Federal	8,905,035	14,790,719	19,690,191
<b>Total Revenues</b>	<b>\$ 132,803,492</b>	<b>\$ 147,266,909</b>	<b>\$ 137,873,392</b>

Expenditures	2019-20	2020-21	2021-22
Instruction	\$ 80,768,604	\$ 80,569,988	\$ 86,107,486
Supporting Services:			
Students	8,473,557	9,338,445	10,309,708
Instructional Staff	10,550,190	11,866,384	12,131,958
District Administration	2,854,541	2,535,537	2,759,644
School Administration	7,718,485	7,918,849	8,472,995
Business	5,181,189	5,748,200	6,018,253
Operation and Maintenance of Buildings	9,683,180	13,956,836	7,903,718
Student Transportation	2,056,407	2,003,125	2,212,681
Food Services	30,997	111,953	82,949
Capital Outlay	2,745,800	3,328,598	699,858
Community Services	381,596	208,730	133,733
Debt Service	-	-	-
<b>Total Expenditures</b>	<b>\$ 130,444,546</b>	<b>\$ 137,586,645</b>	<b>\$ 136,832,983</b>

Functions within all funds are used to delineate expenditures and assign them to certain job functions. The state requires the use of functions to appropriately account for different types of expenditures to accurately reflect the goal of the expenditures. For example, the **Instruction function** is used to account for all classroom expenditures that are between teachers and students. Salaries, benefits, supplies, field trips, etc. are accounted for in the Instruction function. Expenditures in the instruction function increased this year due to increases in salary and medical premiums and other normal operating expenditures.

**Student Support Services**—this function covers social workers, health service providers, school counselors, and related supplies, contract services, and travel.

**Instructional Staff Support**—this function covers professional development costs for teachers/staff, instructional coaches, technology support, media center specialists, and related supplies, contract services and travel.

**District Administration**—this function covers the cost of district administration, i.e. superintendent, district directors that are specific to district-wide admin, and related supplies, contract services and travel.

**School Administration**—this function covers the cost of principals, assistant principals, and school administrative secretarial staff, and related supplies, contract services and travel.

**Business**—this function covers the cost of purchasing, personnel, business services, warehouse, public relations, administrative technology, and related supplies, contract services and travel.

**Operation and Maintenance of Buildings**—this function covers the cost of maintenance and cleaning of the district buildings.

**Student Transportation**—this function covers all costs related to student transportation.

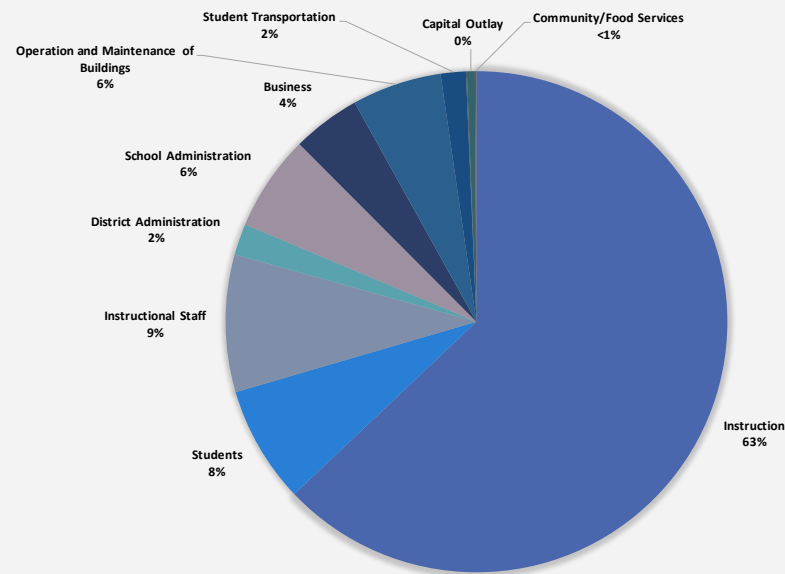
**Food Services**—this function covers all costs related to feeding students at the District.

**Capital Outlay**—this function covers all costs of major district projects

**Community Services**—this function covers costs of activities benefiting the community as a whole.

**Debt Service**—this function covers costs related to principal and interest payments for general obligation bonds.

EXPENDITURES BY FUNCTION - GENERAL FUND

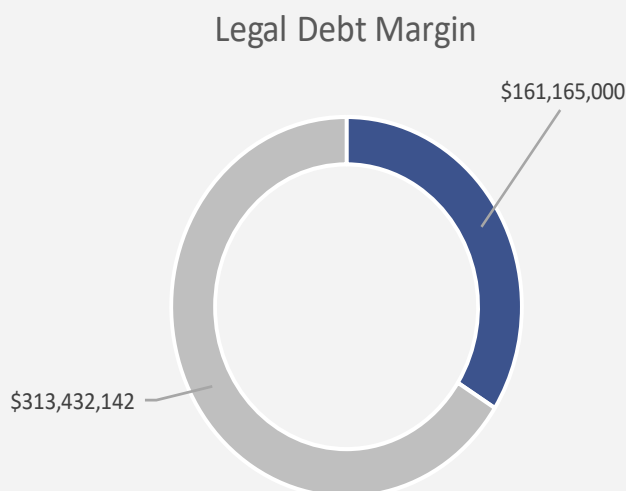


School districts are not able to raise funds sufficient to build new or replace existing buildings. General obligation bonds, guaranteed by property taxes, are districts’ only source of new “revenue” which can be used to provide those buildings. Lease revenue bonds can also be issued through the District’s Municipal Building Authority, but those payments are made with existing District revenue. Municipal Building Authority bonds were approved by the Municipal Building Authority board in November 2021 for the building of two additional schools. Below is information about bonds outstanding, as well as the District’s debt limit and debt margin.

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
Series 2015 GO Bonds	School Building	\$ 50,615,000.00	2.25% to 5.00%	June 15, 2035	\$ 37,195,000
Series 2016 GO Bonds	School Building	\$ 50,650,000.00	2.00% to 5.00%	June 15, 2036	40,900,000
Series 2021A GO Bonds	School Building	\$ 73,670,000.00	1.75% to 5.00%	June 15, 2041	73,290,000
Series 2021B GO Bonds	Refunding	\$ 11,650,000.00	5.00%	June 15, 2027	9,780,000
					\$ 161,165,000

New general obligation bonds were approved by voters in November 2020. Bonds were issued in May 2021 for the rebuild of the academic wing of Timpview High School. This project is well under way at the time of the publication of this report. Two more schools are slated to be rebuilt in their entirety starting at the end of fiscal year 2022.

	2022	2021	2020
Estimated Fair Market Value	\$ 11,864,928,556	\$ 11,103,352,058	\$ 10,376,702,550
"Fair Market Value" X 4% (Debt Limit)	474,597,142	444,134,082	415,068,102
Outstanding balance General Obligation Debt	\$ 161,165,000	169,475,000	102,225,000
Debt Margin	\$ 313,432,142	\$ 274,659,082	\$ 312,843,102

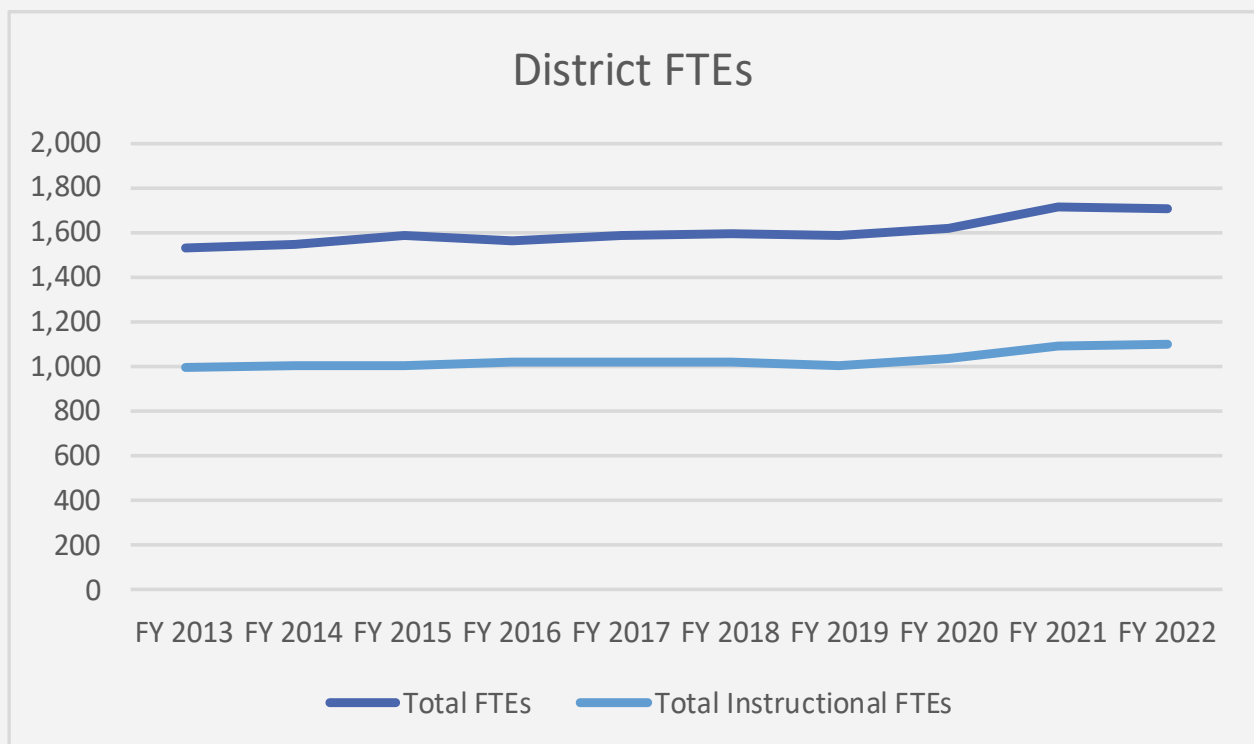
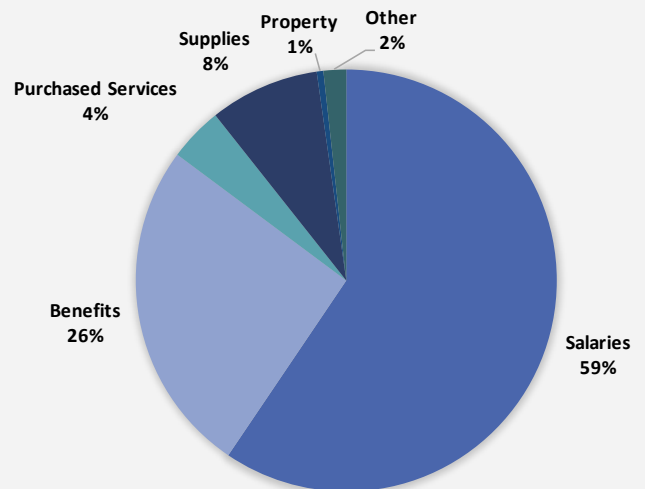


Expenditures by Object (General Fund)	2019-20	2020-21	2021-22
Salaries	\$ 72,260,522	\$ 78,778,602	\$ 81,375,084
Benefits	32,868,802	34,470,630	35,166,818
Purchased Services	12,792,485	10,495,093	5,674,762
Supplies	8,079,652	10,538,004	11,536,579
Property	2,971,870	1,712,470	699,858
Other	1,471,215	1,591,846	2,379,882
<b>Total Expenditures</b>	<b>\$ 130,444,546</b>	<b>\$ 137,586,645</b>	<b>\$ 136,832,983</b>

Salaries and benefits account for 85% of total General Fund expenditures. The increase in salaries and benefits is primarily due to the results of negotiations and the planned increase in medical insurance costs.

FTEs in the District continue to increase even with the decrease in enrollment. Federal COVID-19 relief funds have allowed the District to retain teachers in order to keep class sizes small and provide additional social workers and instructional aides to help recover learning loss due to the COVID-19 pandemic. The instruction function had the biggest increase between FY20 and FY21—52 FTEs. The total increase was 99 FTEs spread across all functions.

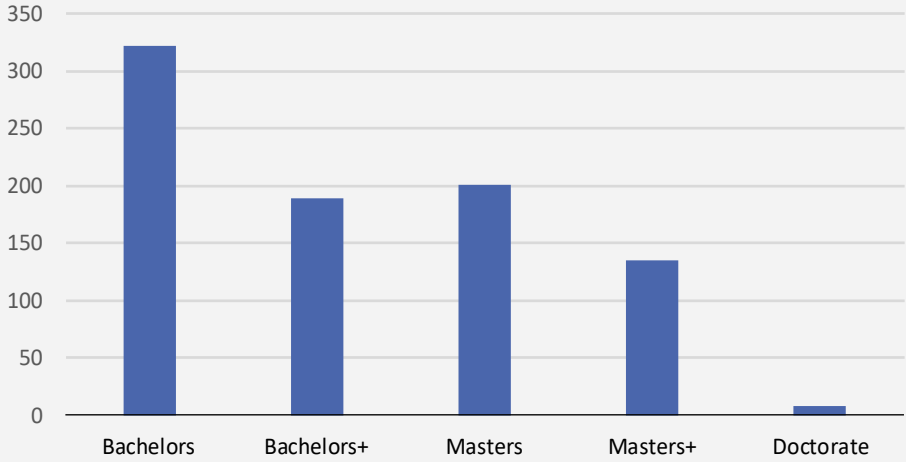
**EXPENDITURES BY OBJECT - GENERAL FUND**



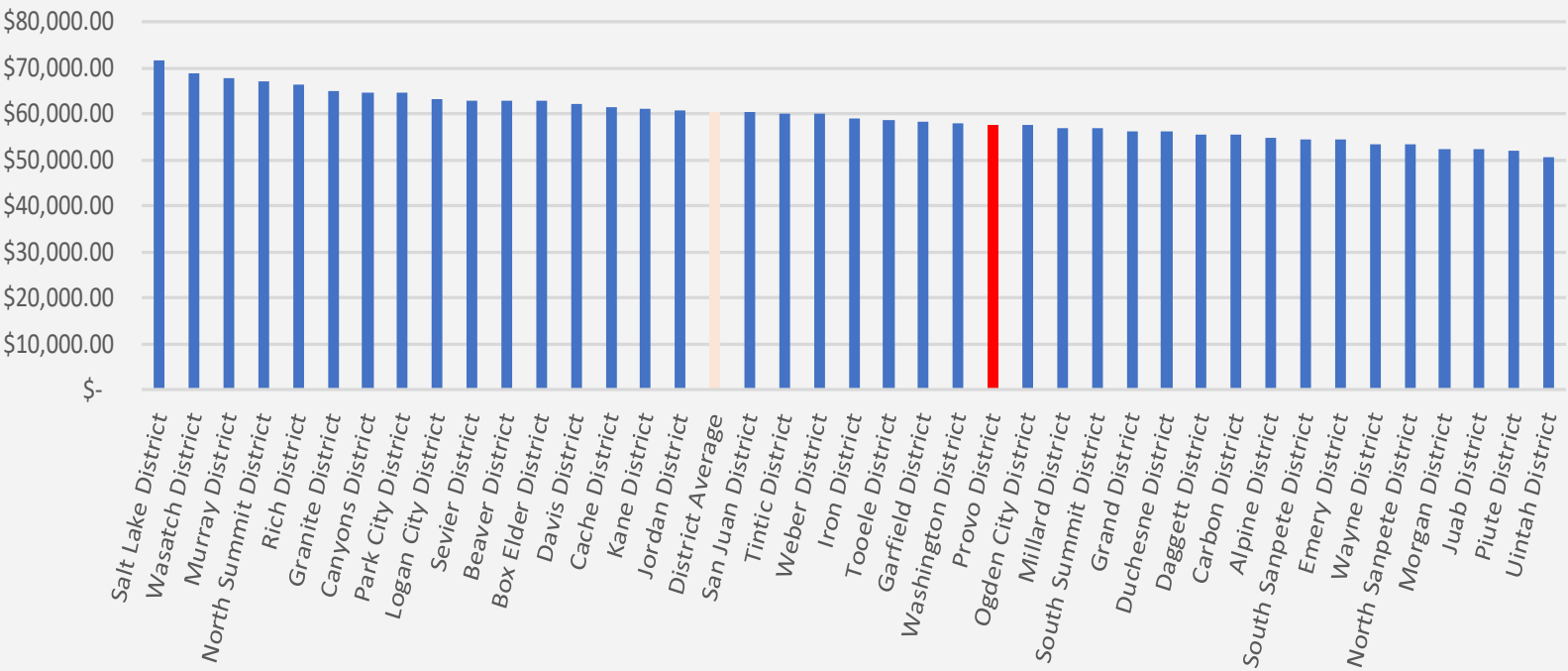
School districts throughout the United States are all dealing with the struggles of retaining effective teachers. Provo City School District's teachers are well educated and we are seeing more teachers staying longer. More than half of our teachers have been teaching for longer than five years and more than a third of our teachers have at least a Masters Degree.

The challenge the District faces now is to create a more competitive wage for our educators. As seen in the comparison of teacher salaries below, our district has some work to do to remain competitive with surrounding districts.

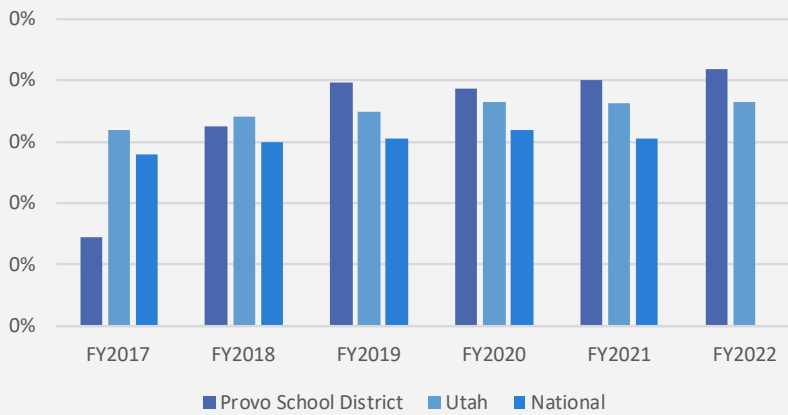
### Teacher Education Levels



### Comparison of Utah School District Teacher Salaries FY21 - Latest Data Available

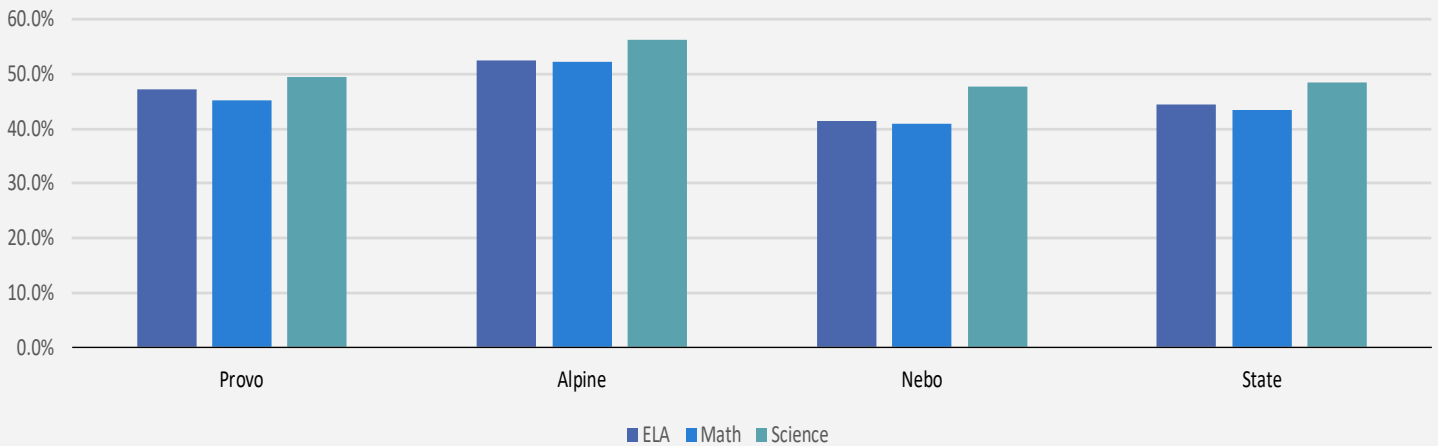


## Graduation Rate Comparison

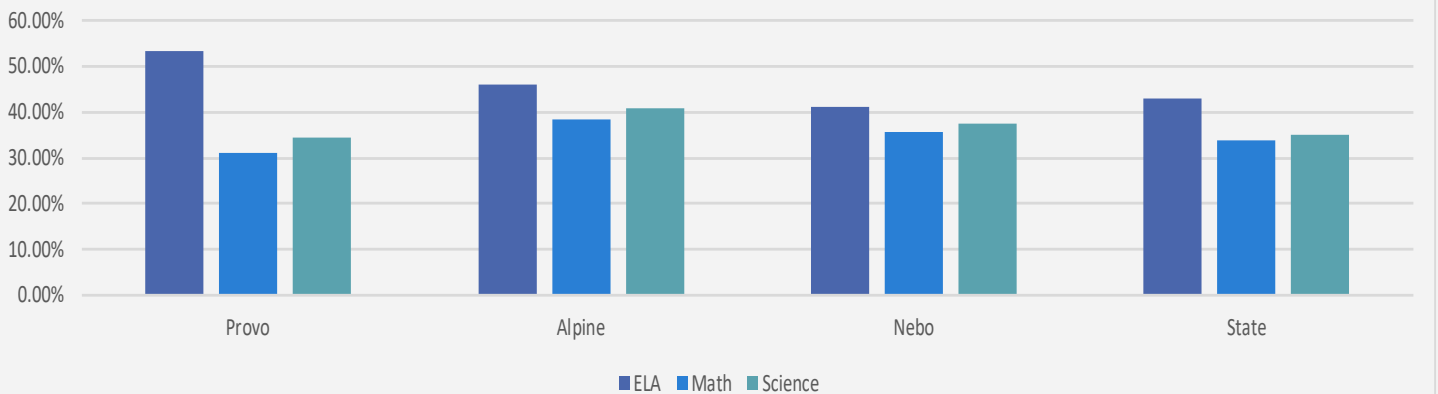


Everything that the District does is with one goal in mind—educating and caring for our students. Many students have shown a resiliency beyond our expectations through the COVID-19 pandemic. Although the education process was a bit different than it had been in previous years, many students still excelled in their classes, their sports and their lives. Through the pandemic, our graduation rates continued to rise. There is still a lot of work to do to address learning loss for our younger students, but with our incredible staff, we know we will continue to excel in Provo City School District.

## RISE Proficiency Compared to State and Neighboring Districts Elementary and Middle Schools 2021-2022 School Year



## RISE Proficiency Compared to State and Neighboring Districts High Schools (9th and 10th Grades) 2021-2022 School Year



Provo City School District's mission to provide opportunities for success for every student is a mission that envelops all departments, from Human Resources to Business Services to schools to each individual employee. All departments and staff create expectations to provide assistance in completing that mission. The Popular Annual Financial Report of Provo City School District is meant to provide a high-level view of what the District is trying to accomplish in all different areas. Other information about the District is provided on its website, [www.provo.edu](http://www.provo.edu). Further financial information is available in the District's Annual Comprehensive Financial Report, along with the District's Annual Budget report. Reports are available for this year and prior years at <https://provo.edu/business-and-finance/financial-reports/>. If you have any questions, please contact Provo City School District at 801-374-4800 or send a request to the Office of the Business Administrator, Provo City School District, 280 West 940 North, Provo, UT, 84604.

