



2023-2024 ANNUAL BUDGET

For Fiscal Year Ending June 30, 2024

280 West 940 North Provo, UT 84604
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Provo City School District

280 West 940 North

Provo, UT 84604

Comprehensive Annual Budget Report

For the Fiscal Year Ending June 30, 2024

Keith Rittel

Superintendent of Schools (ending 6/30/2023)

Wendy Dau

Superintendent of Schools (beginning 7/1/2023)

Derek Anderson, CPA

Business Administrator

Budget Recognition

Government Finance Officers Association (GFOA)

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Provo City School District, Utah for its annual budget for the fiscal year beginning July 1, 2022, and ending June 30, 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The District also received a special recognition for its long range financial plans.



**The Government Finance Officers Association
of the United States and Canada ▶**

presents this

CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION

to

**Finance Department
Provo City School District, Utah**



The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards.

Executive Director

Christopher P. Merrill

Date:

April 11, 2023

Note Regarding this Book

This book has been designed to act as a resource for the public, students, parents, and employees. It is divided into four sections: Executive Summary, Organizational, Financial, and Informational. The budget year represented is fiscal year 2023-24, although the year might be represented as FY2024, FY24, or 2023-24, depending on the context of the information being presented and space constraints. These variations of the fiscal year or school year are used interchangeably.

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

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Provo City School District
Utah**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morrill

Executive Director



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Executive Summary

May 9, 2024

President Nielsen, Members of the Board of Education, and Citizens of Provo City School District :

We hereby submit to you the proposed comprehensive annual budget report for fiscal year 2023-24 and the final revised budget for fiscal year 2022-23.

Provo City School District (District) appreciates your continued support, input, and guidance as we continue to focus on academic excellence, student achievement, and continual improvement. We value our relationship with the community because it enables us to be an effective and collaborative learning institution, despite the challenges we face.

We believe that this budget will serve as an effective medium to communicate our financial goals for the coming year, as well as continue our mission to be transparent with a wide range of stakeholders regarding our operations as a District. We hope you, as a consumer of this document, will agree that Provo City School District continues to be progressive, innovative, and responsive to our students' and employees' needs.

Fiscal year 2023-24 will be a harbinger of change for the District. The Board of Education has hired a new superintendent, Wendy Daw, who will start July 1, 2023. Wendy brings energy and ideas that will help guide the District in this season to create a vision to continue the success and desire to achieve that have been hallmarks under the current superintendent.

This fiscal year, the budget was created using the five goals adopted by our Board. These goals are the foundation for our research-based District Improvement Plan, along with the District AIM Statement: "Every student will end each school year having met or exceeded the essential learning standards, fully prepared for the next grade/course." The Board Goals, District Improvement Plan, and District AIM statement are tightly aligned, and serve as the foundation for focusing both the work and the majority of expenditures in the District.

With a new superintendent and board members, there is renewed discussion to evaluate the current goals, improvement plan, and vision statement to make sure that everything is done with purpose and is measurable. As a single city school district without significant growth, the District faces extraordinary challenges, including employee compensation, staffing ratios, and revenue available to meet those needs.

To this end, teacher compensation and educational access has been paramount in the budgeting process. Utah's teacher compensation landscape continues to see dramatic change. We are excited for the direction we are headed as a district in regards to teacher compensation, which includes another large increase to teacher salaries, helped in part by a commitment by state lawmakers to assist in incentivizing teachers in Utah. Additionally, in response to the need to provide education outside of our brick and mortar buildings during the pandemic, the District has effectively provided one-to-one devices to students to aid in learning opportunities. Evaluation of those devices will continue as the cost continues to climb.

The District has an established record of being financially transparent and well run. Provo School District has continued to earned national awards in both budgeting as well as financial reporting from the Government Finance Officers Association (GFOA). We are proud to continue this tradition as we move into the new fiscal

year. The included budget comprises of conservative estimates in regards to expected cash flows, while maintaining an aggressive pursuit of strategic initiatives. We pride ourselves on coordinating our finances in such a way as to offer enough flexibility to take advantage of economic opportunities presented to the District, but also maintaining a focus on our critical function, providing the resources and personnel our students need to succeed in the classroom. Our primary goal is to provide the highest quality learning experience for the students of Provo City, and we continue to take the steps necessary to reach that target.

Provo School District continues its commitment to providing educational options that fit each student’s needs by offering elementary and now secondary language immersion programs as well as additional rigorous education opportunities such as STEM focused elementary programs, and Elementary School Accelerated Program (CAS). Provo eSchool continues to provide additional education opportunities to better fit the needs of non-traditional kindergarten students through eighth grade.

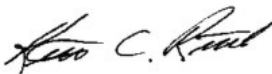
Unfortunately, District resources are not limitless and all of the items above have an associated cost. Fiscal year 2023-24 total expenditures are budgeted at \$277.2 million with revenues of \$223.5 million. The excess of expenses to revenues is largely due to planned expenditures for facility needs at Timpview High, Shoreline Middle, Wasatch Elementary, and other large school maintenance projects as identified by the Facilities Committee.

It is important to note that the District plans to use one-time revenues on one-time or non-recurring projects, and ongoing revenues on ongoing expenses, such as compensation, supplies, and routine facility and grounds maintenance. This element of fiscal discipline is one reason the District continues to be in a position to thrive in fiscal year 2023-24 and beyond.

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

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

Respectfully submitted,



Keith C. Rittel
Superintendent



Derek Anderson
Business Administrator



Board of Education



Top (left to right): Lisa Boyce, Jennifer Partridge, Megan Van Wagenen, Rebecca Nielsen

Bottom (left to right): Gina Hales, Melanie Hall, Teri McCabe

Provo City School District: Elected and Appointed Officials

2023-2024

Rebecca Nielsen—President

District 6

Email: rnielsen@provo.edu

Jennifer Partridge—Vice President

District 4

Email: jenniferpa@provo.edu

Boyce

District 1

Email: lisabo@provo.edu

Melanie Hall

District 2

Email: melanieh@provo.edu

Megan Van Wagenen

District 3

Email: meganv@provo.edu

Terim McCabe

District 5

Email: terim@provo.edu

Ginah Hales

District 7

Email: ginah@provo.edu

District Administration

Keith Rittel

Superintendent, Outgoing

Initial Appointment: 2012

Wendy Dau

Superintendent, Incoming

Initial Appointment: 2023

Derek Anderson, CPA

Business Administrator

Initial Appointment: 2021

Doug Finch

Executive Director of Student Services

Jason Cox

Executive Director of Human Resources

Alex Judd

Exec. Director of Elementary Education

Dr. Todd McKee

Exec. Director of Secondary Education

Anne-Marie Harrison

Exec. Director of Teaching & Learning

Jason Garrison

Director of Student Services

Clay Bingham

Director of Career & Technical Education

Devyn Dayley

Director of Finance

Chad Duncan

Director of Technology

Michelle Eldredge

Director of Title I/ELL

Tammy Horger

Director of Food Services

Kyle Bates

Director of Facilities

Troy Lindloff

Director of Transportation

School Administration

Amelia Earhart

Ryan McCarty

Canyon Crest

Sean Edwards

Edgemont

Harmony Kartchner

Franklin

Jason Benson

Lakeview

Jamie Leite

Provo Peaks

Mark Burge

Provost

Kami Alvarez

Rock Canyon

Seth Hansen

Spring Creek

Ruthann Snow

Sunset View

Chris Chilcoat

Timpanogos

Carrie Rawlins

Wasatch

Chris Fuhrman

Westridge

Kim Hawkins

Centennial

Brookeanne Taylor

Dixon

John Anderson

Independence

Jacob Griffin

Provo

Jarod Sites

Timpview

Momi Tu'ua

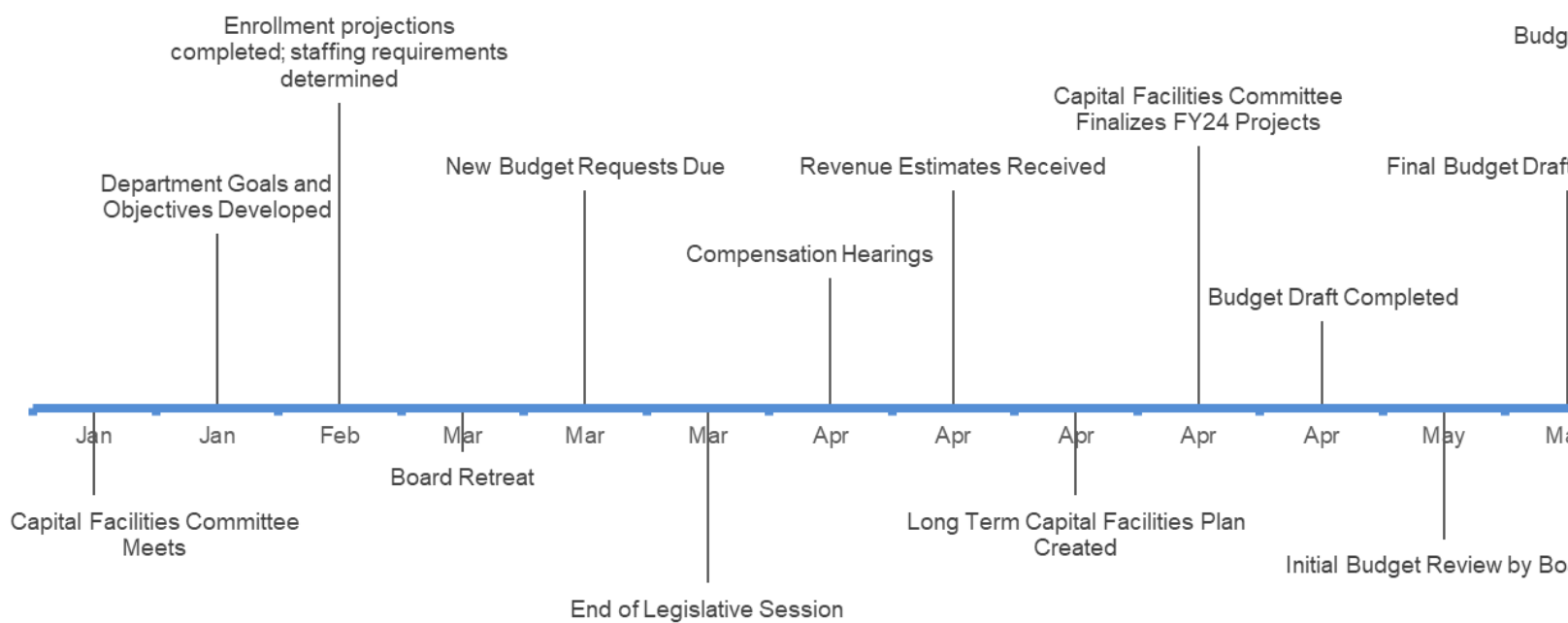
Budget Development and Review Process:

Budget Timeline

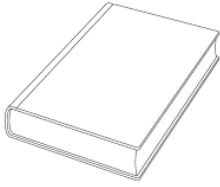
The District uses an annual budget, with fiscal years beginning July 1st and ending June 30th each year. Budget development is a year-round process, affecting the public, legislature, employees and the Board of Education.

Throughout each year, changes in available resources and education requirements are monitored so that they can be used to inform District decision making. The Business Services Department works closely with principals and department heads to identify necessary items to achieve board and departmental goals as they align with individual school improvement plans. These requests are coordinated through the District council and then considered by the Board. District salary and benefits cost adjustments result from annual negotiations with District staff and relevant bargaining groups. Revenue projections are completed in the spring after the completion of the annual state legislative session. The proposed annual budget is presented to the Board in late spring for discussion, after which a formal vote to adopt the budget is completed at a public hearing in June. If the Board opts to implement a tax increase then the final approval of the budget is delayed until a public hearing in August.

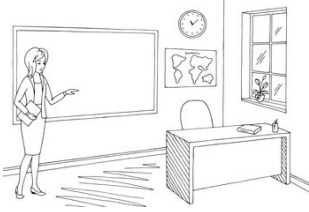
In FY23 a new work order system was implemented to better track maintenance and replacement schedules for the District equipment and facilities. In conjunction with this implementation, a new Capital Facilities Committee was convened to better plan and forecast capital needs and costs. This committee consists of District administration, community stakeholders and members of the school board.



District-wide Goals: Long-term



Goal 1: Continuous Academic Improvement



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



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



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



Goal 5: Teamwork, Professional Conduct, and Civility

The Provo City School District Board of Education and senior district leadership have jointly developed this set of goals as a means of establishing priorities, values, and non-negotiables to guide the work of the district. The priorities, values, and non-negotiables are representative of known research on quality schools and districts, input from constituents via board members, input from staff throughout the District (through surveys and committees), and defensible observations by school and District leaders. Although a new superintendent has been appointed, the five long-term goals are unlikely to change significantly. Student achievement will always be the paramount goal when making operational decisions with an eye towards responsibility to District stakeholders.

District-wide Goals:

Department Priorities and Financial Impacts

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

Teaching & Learning—Curriculum Replacement Plan / Professional Development

Continuing with the District's curriculum plan, the District has set aside \$1.1 million to continue to implement new curriculum in FY2024. This is funded through tax revenue. One of the five long-term goals of the District is to provide support to teachers. With national teacher shortages a reality, the District's Teaching & Learning Department is focusing resources on providing targeted professional development and instructional coaches by subject matter. State, federal and local funding will be used in FY2024 to provide extensive training opportunities for teachers.

Technology—Computer & Hardware Replacement

With the District priority to have one-to-one devices for students in all grades, a significant portion of the Technology budget is earmarked for student and staff computer replacement (\$1.6 million). This replacement cycle is funded by local and state revenue. An additional \$1.7 million is for security hardware replacement, A/V replacement, computer repairs and other maintenance agreements for ongoing software/hardware needs.

Personnel—Teacher/Staff Salary Increases

Ongoing efforts to increase teacher salaries is a primary goal of District administration. This year's budget preparation has continued to focus on increasing salaries for teachers to assist the District in retaining and recruiting highly effective teachers. Additional attention to address the shortage in qualified instructional assistants and other school staff is also being addressed. District administration and the school board's commitment to addressing these challenges is reflected in the FY2024 budget with a \$5.5 million increase for salary enhancements.

Facilities—School Construction

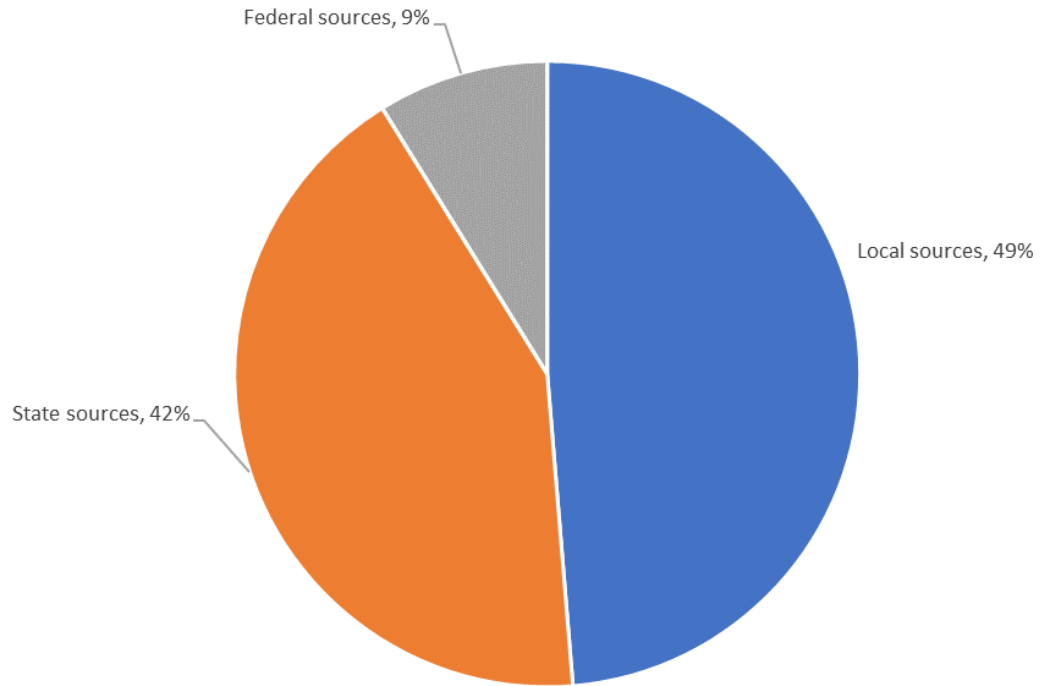
Three schools are under various stages of construction for FY2024. A partial rebuild of Timpview High School is nearing completion. Construction for Shoreline Middle School and Wasatch Elementary School has commenced. All construction projects account for \$55 million in budgeted expenditures for FY2024.



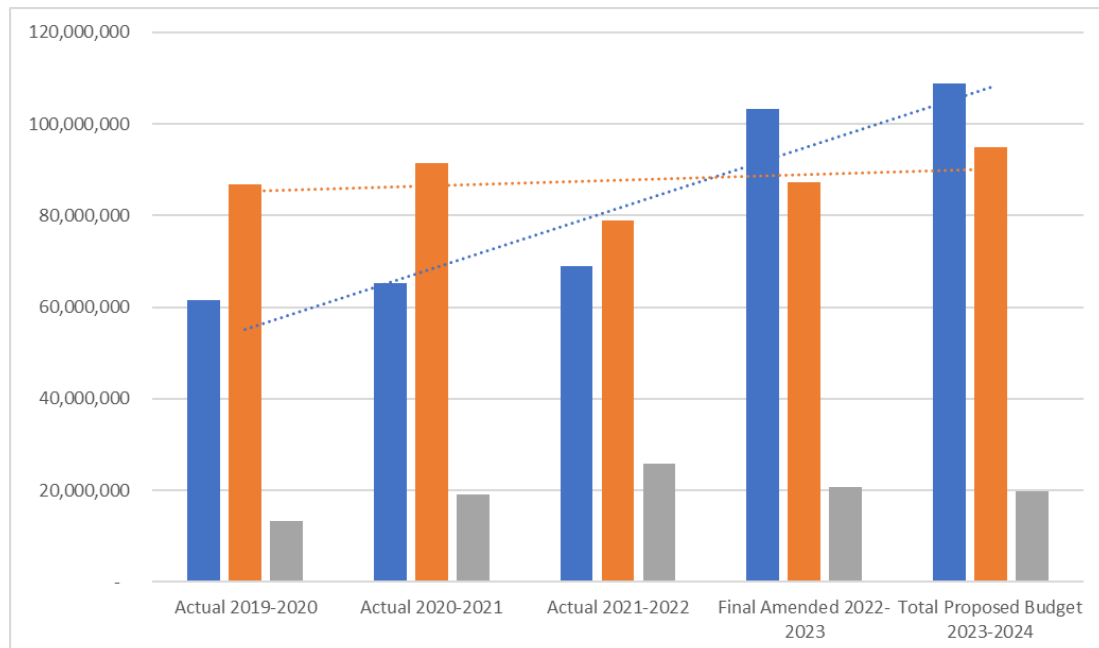
The Big Picture: Revenue

Revenue by Source: FY24

Local revenue is the largest percentage of revenue for all District funds combined. The biggest source of this revenue is property taxes at 49%. In FY2023, the District went through truth-in-taxation to provide additional funding for salary increases and continuous capital needs. No truth-in-taxation will be proposed for the FY2024 budget. Increases in interest rates also provided a dramatic rise in interest income in the final FY2023 and proposed FY2024 budgets. State revenue as a percentage of total revenues will decrease to roughly 42%, although the total amount of state revenue increased by \$7.8 million, due to an increase in the value of the Weighted Pupil Unit, the funding mechanism used to allocate funds across all districts in the state of Utah. Federal revenue (9%) will see a slight decrease due to the final spenddown of federal stimulus funds awarded to districts to address COVID-19 impacts.

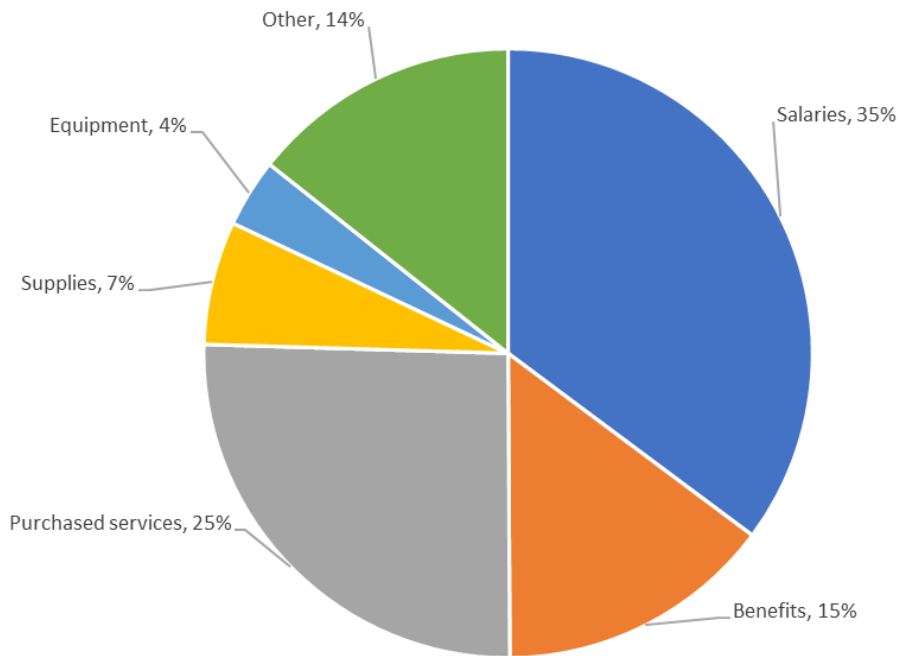


Revenue by Source: FY20 to FY24



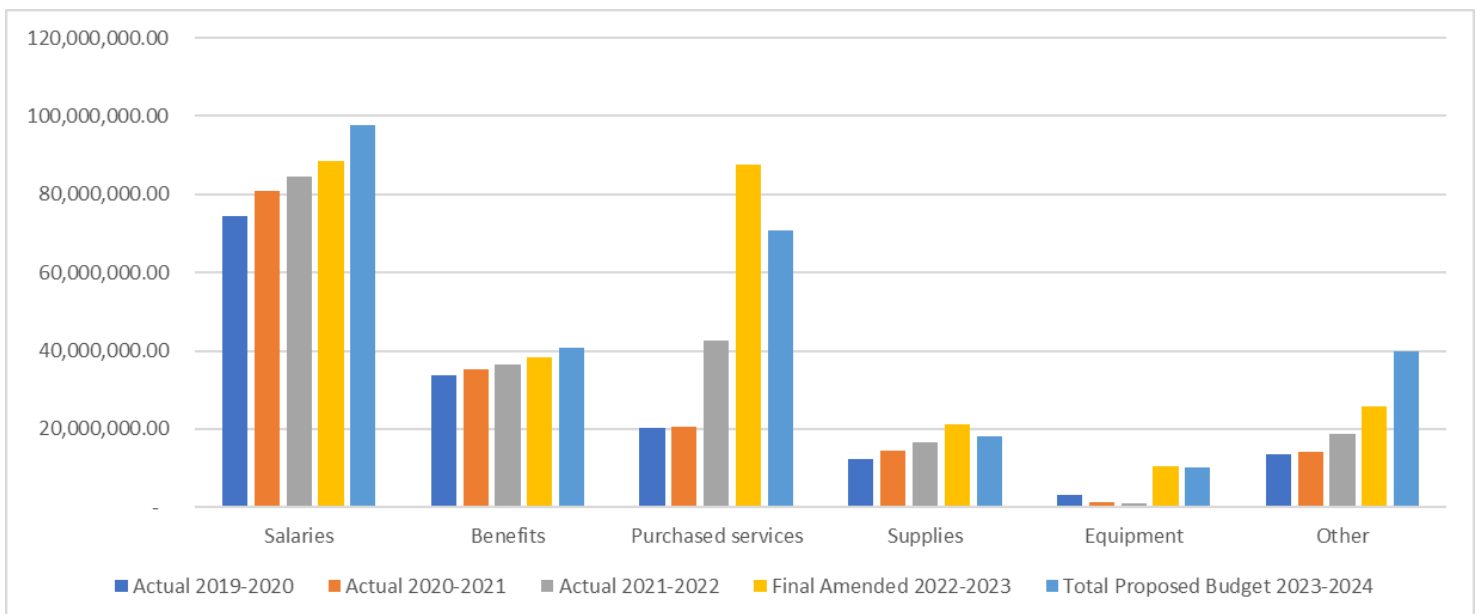
The Big Picture: Expense

Expenditures by Type: FY24



Total expenditures in all funds have increased in FY2024 by \$5.3 million over FY2023. Budgets in individual funds have seen significant differences which will be addressed in subsequent pages with individual fund documents. In FY2024, the District has elected to self-fund medical insurance, which has allowed the District to keep expenses relatively flat from previous years. These funds will be accounted for in a separate Internal Service Fund. Expenses added to this fund and a bond project nearing completion highlight the significant changes through the District funds. The biggest increases in expenditures by object groupings are salaries and other objects. Evaluating and raising salaries is a primary objective of District administration and school board members. This is reflected in the increase in salaries for FY2024. Other objects include bond payments beginning on the Municipal Building Authority bonds that were issued at the end of FY2022.

Expenditures by Object Grouping: FY20 to FY24



The Big Picture: Revenue and Expenditures—All Funds

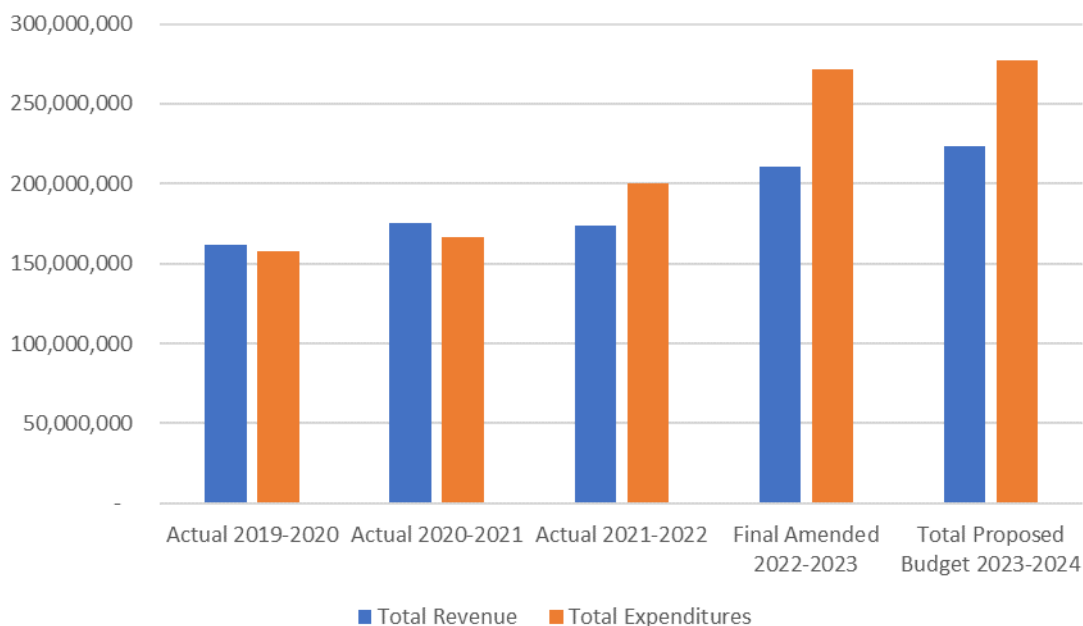
Revenue Summary

Fund	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022	Final Amended 2022-2023	Total Proposed Budget 2023-2024
General	\$ 132,803,491	\$ 147,266,909	\$ 137,873,392	\$ 150,618,520	\$ 163,040,126
Student Activities	2,855,694	2,435,459	3,104,512	3,066,494	3,022,500
Pass-Through Taxes	1,440,851	1,809,718	1,573,888	1,857,617	1,876,305
Food Services	6,191,236	5,356,575	7,244,120	6,411,364	6,220,971
Provo Education Foundation	299,506	119,506	101,640	1,000,000	1,000,000
Debt Service	9,354,849	9,913,762	11,148,419	13,845,199	13,882,560
Capital Projects	8,474,490	8,761,937	12,450,952	23,684,103	11,746,611
Building Reserve	-	-	-	-	-
Municipal Building Authority	-	-	199,197	10,555,107	9,257,683
Self Insurance	-	-	-	-	13,500,000
Total Revenue	\$ 161,420,117	\$ 175,663,866	\$ 173,696,120	\$ 211,038,404	\$ 223,546,756

Expense and Other Sources (Uses) Summary

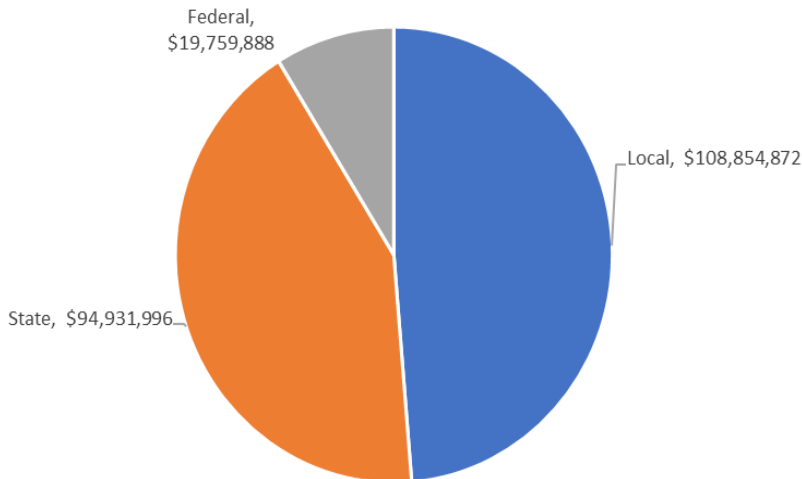
General	\$ 135,940,283	\$ 137,571,270	\$ 138,933,108	\$ 153,773,873	\$ 163,040,126
Student Activities	2,922,714	2,467,824	2,929,163	2,925,548	2,849,096
Pass-Through Taxes	1,440,851	1,809,718	1,573,888	1,857,617	1,876,305
Food Services	5,902,403	5,557,148	5,867,063	7,397,735	6,552,411
Provo Education Foundation	254,629	123,065	59,327	1,000,000	1,000,000
Debt Service	9,768,999	9,776,265	12,706,822	13,345,199	13,882,560
Capital Projects	11,215,856	(72,439,767)	35,953,801	50,312,055	17,084,529
Building Reserve	(1,500,000)	(10,000,000)	(2,000,000)	-	-
Municipal Building Authority	-	-	(108,226,124)	44,100,090	57,303,183
Self Insurance	-	-	-	(2,850,000)	13,650,000
Total Expenditures and Other Finan	\$ 165,945,735	\$ 74,865,523	\$ 87,797,048	\$ 271,862,117	\$ 277,238,210
Net change in overall fund balance	\$ (4,525,618)	\$ 100,798,343	\$ 85,899,072	\$ (60,823,713)	\$ (53,691,454)

Total Revenues & Expenditures: FY2020 to FY2024



Summary: Revenue & Expenditures

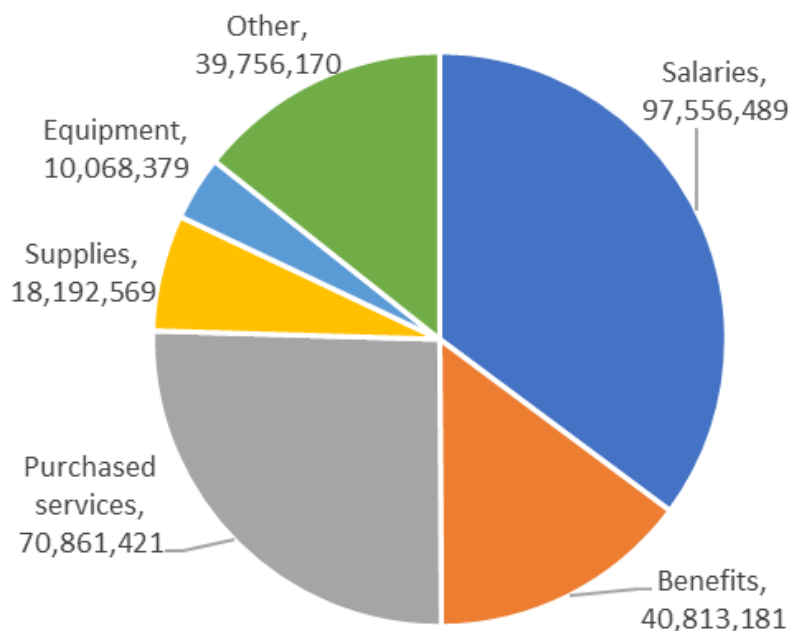
Revenue by Source: FY24



- State increased the WPU (weighted pupil unit) by 6% for the second straight year.
- No truth-in-taxation in FY2024. Property tax revenue adjustments have occurred between funds.
- Federal revenue remained relatively flat compared to FY2024. Federal revenue has remained relatively high since FY2021 with COVID-19 funding.
- Some state restricted programs see modest increase in allocations.
- Favorable interest rates have increased interest revenue over FY2023, which also saw a significant increase from the prior fiscal year.

Expenditures by Object: FY24

- Salary expenditures increased 9.4% between FY2023 and FY2024. This is primarily due to aggressive negotiations to increase teacher and other employee pay throughout the District.
- The District is moving to a self-funded health insurance model, which has allowed a more modest increase in employee benefits over the prior year.
- Purchased Services have decreased by 19.2% due to partial completion of bond projects.
- Other objects have increased due to the addition of the Municipal Building Authority bond payment for FY2024.
- Revenue and expense budgets include the Provo City School District Foundation—a separate legal entity, recorded in the District financial statements as a blended component unit.

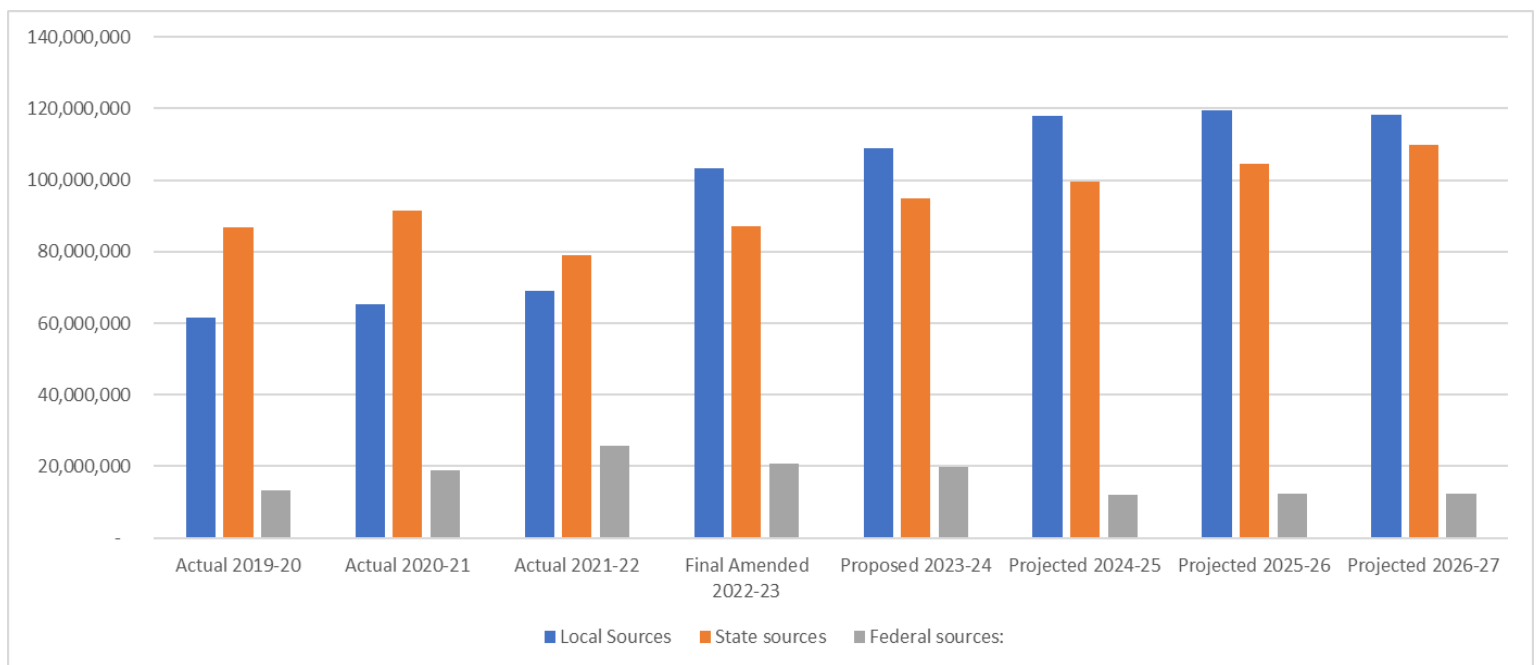


Budget Forecast: All Funds

FY2020—FY2027

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenues:								
Local Sources	\$ 61,541,932	\$ 65,245,242	\$ 68,959,834	\$ 103,231,757	\$ 108,854,872	\$ 118,013,804	\$ 119,373,351	\$ 118,320,184
State sources	86,692,546	91,376,287	78,939,363	87,165,738	94,931,996	99,667,379	104,639,083	109,858,905
Federal sources:	13,185,638	19,042,336	25,796,923	20,640,909	19,759,888	12,072,346	12,250,323	12,494,451
Total revenues	161,420,116	175,663,866	173,696,120	211,038,404	223,546,756	229,753,529	236,262,757	240,673,539
Expenditures:								
Salaries	74,560,222	80,918,146	84,549,698	88,423,835	97,556,489	102,511,673	107,720,031	113,178,196
Benefits	33,661,400	35,230,136	36,416,297	38,266,345	40,813,181	42,869,072	45,028,671	47,297,219
Purchased services	20,192,385	20,678,801	42,629,434	87,723,636	70,861,421	57,538,274	17,321,590	16,349,649
Supplies	12,280,846	14,398,683	16,506,752	21,162,075	18,192,569	16,558,801	15,828,638	16,879,197
Equipment	3,232,800	1,257,427	1,123,173	10,425,648	10,068,379	9,421,351	9,413,559	8,872,214
Other	13,522,344	14,213,573	18,811,121	25,935,578	39,756,170	40,374,094	47,412,267	38,097,064
Total expenditures	157,449,997	166,696,765	200,036,476	271,937,117	277,248,210	269,273,265	242,724,757	240,673,540
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	3,970,119	8,967,100	(26,340,356)	(60,898,713)	(53,701,454)	(39,519,736)	(6,461,999)	-
Other Financing Sources (Uses)	(8,495,737)	91,831,242	112,239,425	75,000	10,000	-	-	-
Net Change in Fund Balance	(4,525,618)	100,798,342	85,899,069	(60,823,713)	(53,691,454)	(39,519,736)	(6,461,999)	-
Fund balance - beginning	67,954,713	63,429,095	164,227,437	250,126,507	189,302,793	135,611,340	96,091,604	89,629,604
Fund balance - ending	\$ 63,429,095	\$ 164,227,437	\$ 250,126,507	\$ 189,302,793	\$ 135,611,340	\$ 96,091,604	\$ 89,629,604	\$ 89,629,604

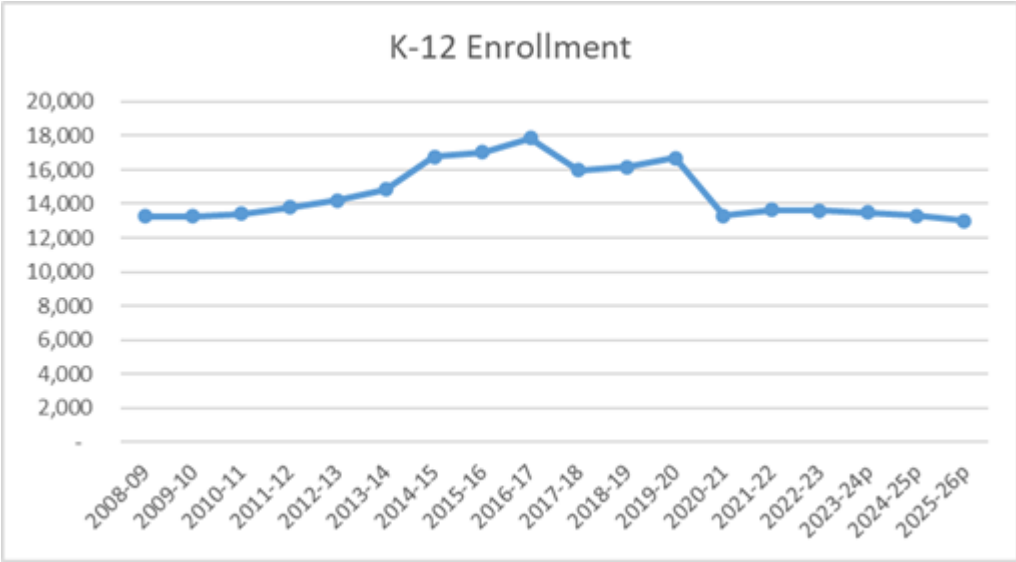
Revenue Forecast—FY2020—FY2027



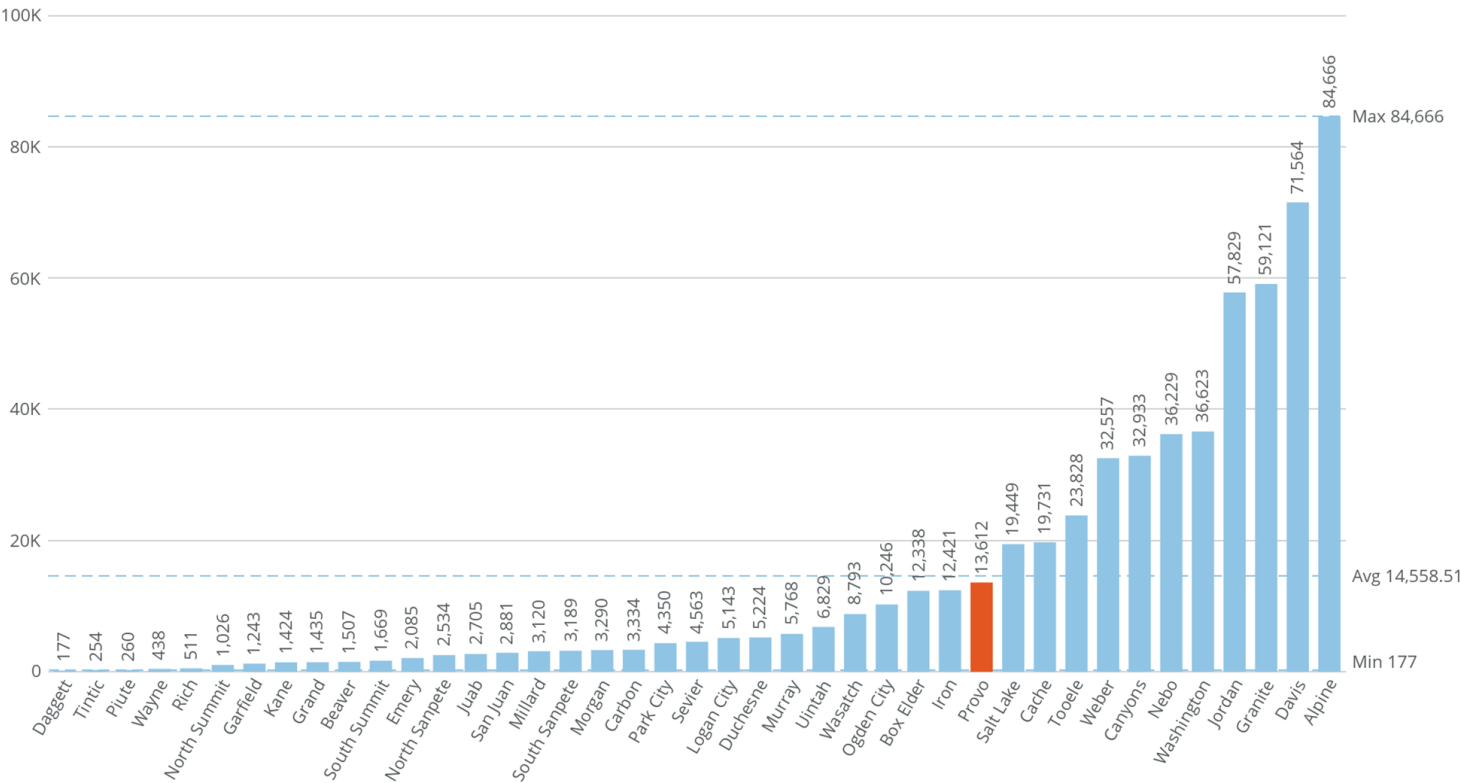
District Enrollment

2008-2026

Provo City School District’s enrollment has seen dramatic changes in enrollment in the last 15 years. In 2010, the District added an eSchool option to provide parents additional options for education for their students. Partnerships with eSchool providers resulted in a substantial increase in enrollment. Changes in legislation and reporting requirements led the District to change the format over a period of three years. This is represented by the significant drops in enrollment in 2018 and 2021. The revenue projections on the previous page show the impact of the decrease in enrollment on state revenue in FY2022.

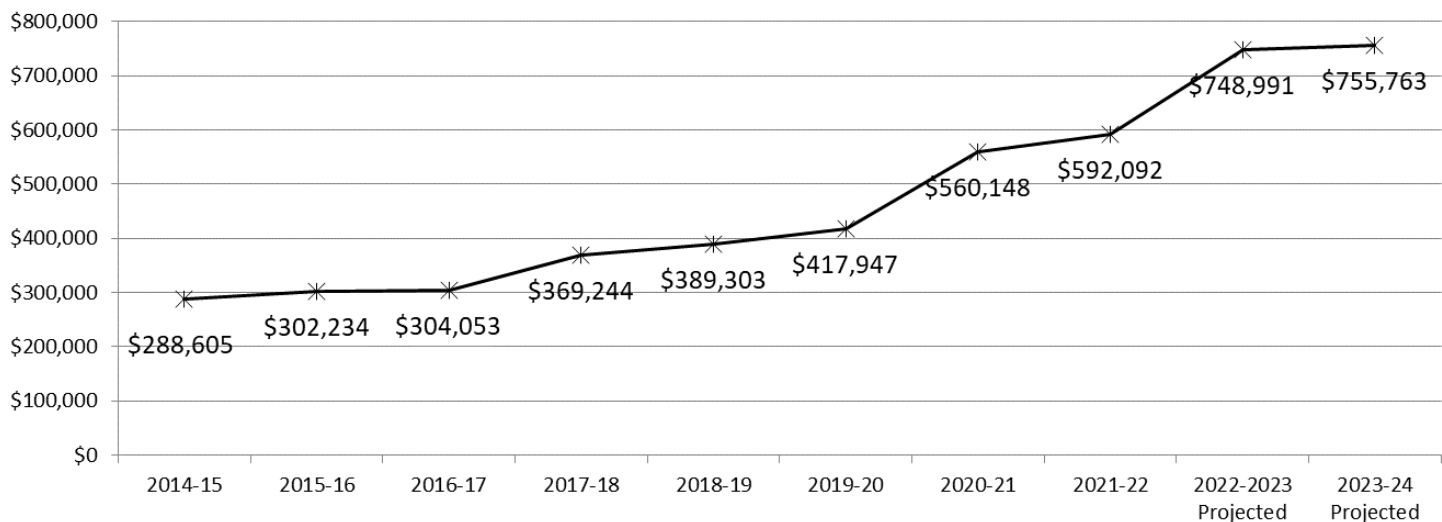


Statewide Enrollment: Fall 2022

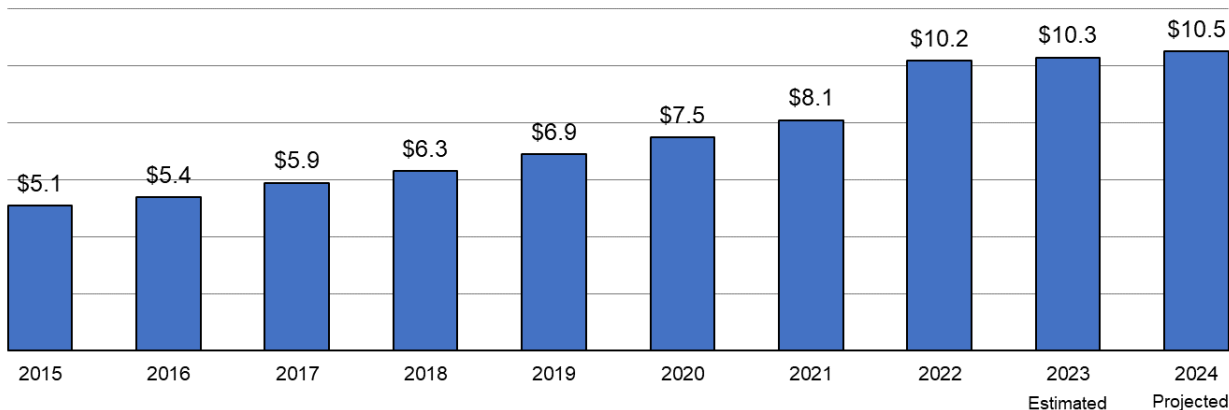


Property Taxes: Tax Base and Rate

ASSESSED VALUE PER STUDENT - 10 YEAR HISTORY

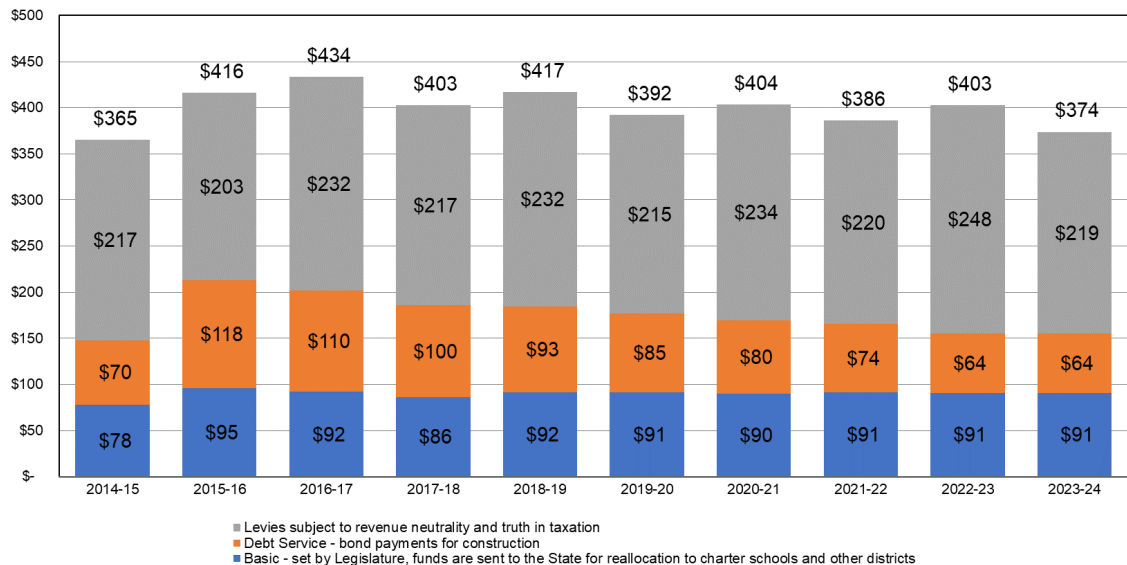


Property Valuation: FY2015 to FY2024



Home values in Provo City have increased significantly over the last 10 years. Utah County did a whole-sale valuation throughout the city in 2022, which created a much larger increase in property values than originally expected. This drives up the per student assessed valuation.

The typical amount of property tax assessed on a residential property is \$374 per \$100,000 in value for FY2024.



Staffing Levels by Function:

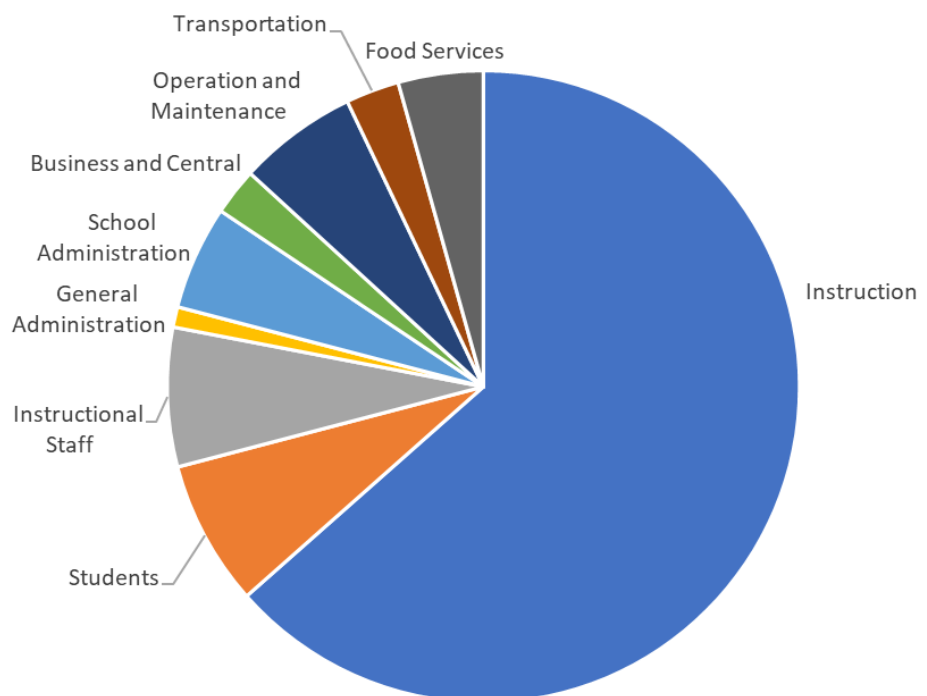
FY2016 to FY2024 (proposed)

Function	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024p
Instruction	1,002	1,022	1,020	1,022	1,001	1,036	1,088	1,097	1,050	1,063
Students	50	68	84	101	103	104	109	117	126	125
Instructional Staff	27	29	42	90	77	91	97	105	120	119
General Administration	17	24	26	17	21	16	21	17	18	17
School Administration	65	71	76	81	84	89	89	89	89	89
Business and Central	41	47	51	43	50	36	40	41	42	40
Operation and Maintenance	133	109	114	114	119	120	134	99	105	103
Transportation	66	51	39	48	40	48	52	61	47	46
Food Services	77	82	87	76	84	74	84	82	74	73
Community Services	103	62	47	4	4	3	1	-	-	-
Total FTEs	1,583	1,566	1,587	1,596	1,583	1,616	1,715	1,708	1,670	1,676

Staffing levels decreased from FY2022 to FY2023 with positions funded by federal COVID awards ending. Shifts between functions occurred to bring positions in line with federal National Center for Education Statistics requirements. Staffing numbers will continue to be adjusted as student to staff ratios are readjusted after COVID funding is completely expensed. District administration and the Board of Education also focuses on making sure compensation is continuing to be competitive with other employers in the city and other school districts in the county. These salary studies will also lead to evaluating staff ratios on all levels.

Transportation and Food Services have faced challenging times with hiring staff. With a low unemployment rate and employers increasing pay rates throughout the city, those departments have had to be a little more creative in their operations strategy to transport students to school and feed them nutritious meals during the day.

Staffing Levels by Function: FY2024 (proposed)



The instruction function comprises all classroom teachers and aides. Student support (students) includes school counselors, social workers and other health service workers. Instructional staff includes teacher coaches, media center employees, and other non-instructional staff to support teachers. All other functions include other essential employees whose purposes are to support the instruction function in various capacities.

Employees are the most important assets of the District. Employee compensation is in the forefront of District administration's attention, along with providing benefits that are rich.

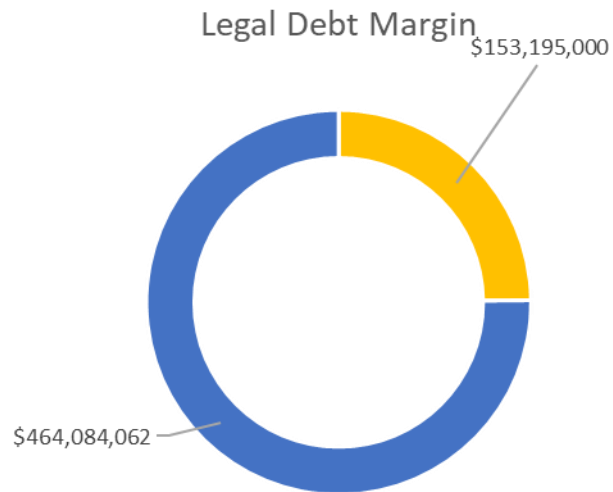
Long-term Debt: As of June 30, 2023

GENERAL OBLIGATION BONDS

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	\$ 34,800,000
2016 Series G.O. Bonds	School Building	50,650,000	2.00% to 5%	June 15, 2036	38,650,000
2021 Series G.O. Bonds	School Building	73,670,000	1.75% to 5%	June 15, 2041	71,860,000
2021B Series G.O. Bonds	Bond Refunding	22,790,000	2.13% to 5%	June 15, 2027	7,885,000
Total General Obligation Bonds Payable as of June 30, 2023					<u>\$ 153,195,000</u>

Legal debt margin is computed by taking the total assessed valuation of property in the city of Provo (\$15.4 billion) and multiplying it by 4%. The District is only using 33% of the allowed amount in GO debt.

The other portion of long-term debt at the District is the Municipal Building Authority of Provo City School District. The MBA is a separate legal entity that has the legal authority to issue bonds in order to construct schools on behalf of Provo City School District. Those bond payments are funded through the District property tax revenue levied for capital needs through a transfer to the Municipal Building Authority.



MUNICIPAL BUILDING AUTHORITY

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
2010 QSCB	School Building	6,462,000	1.23%	June 15, 2026	\$ 6,462,000
2022 MBA Lease Revenue Bond	School Building	100,355,000	3% to 5%	June 15, 2036	97,735,500
Total Municipal Building Authority Bonds as of June 30, 2023					<u>\$ 104,197,500</u>

Student Achievement & Per Pupil Spending

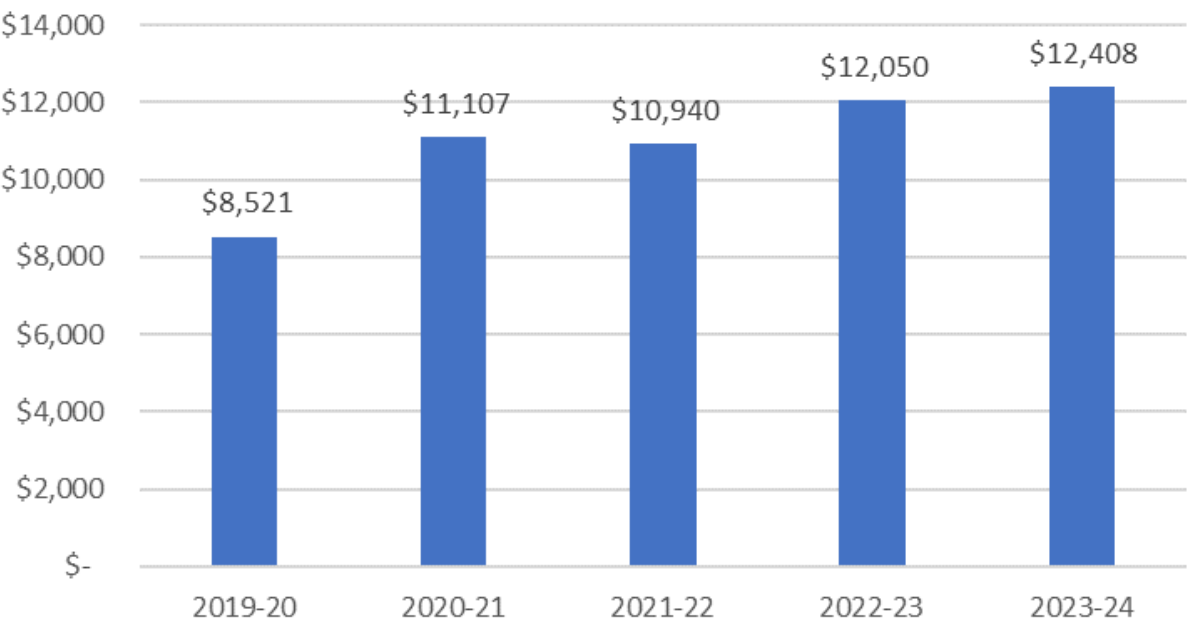
In preparing the budget each year, student achievement is paramount to the process. From nutritious meals to safe and secure buildings, every department is tasked with providing the best services and opportunities for students and families in our District. Budget initiatives are developed with the eye to meet short-term and long-term needs within our schools. These initiatives are developed with specific student data in hand to make sure that services are meeting the existing needs, and additional needs are identified and evaluated.

Some of the District’s noteworthy activities include:

- ⇒ Provo School District’s graduation rate increased to 91% - 3% higher than the state average.
- ⇒ Consistent representation for state and national awards, including National Blue Ribbon Schools Program, Utah Teacher of the Year, and other student/teacher achievement awards.
- ⇒ Increasing teacher salaries to be more competitive with our neighboring districts.
- ⇒ Utah State Board of Education added additional funding for all-day kindergarten in FY2023 and fully funded all-day kindergarten in FY2024. Parents still have the option to utilize a half-day program, but all kindergarten students will

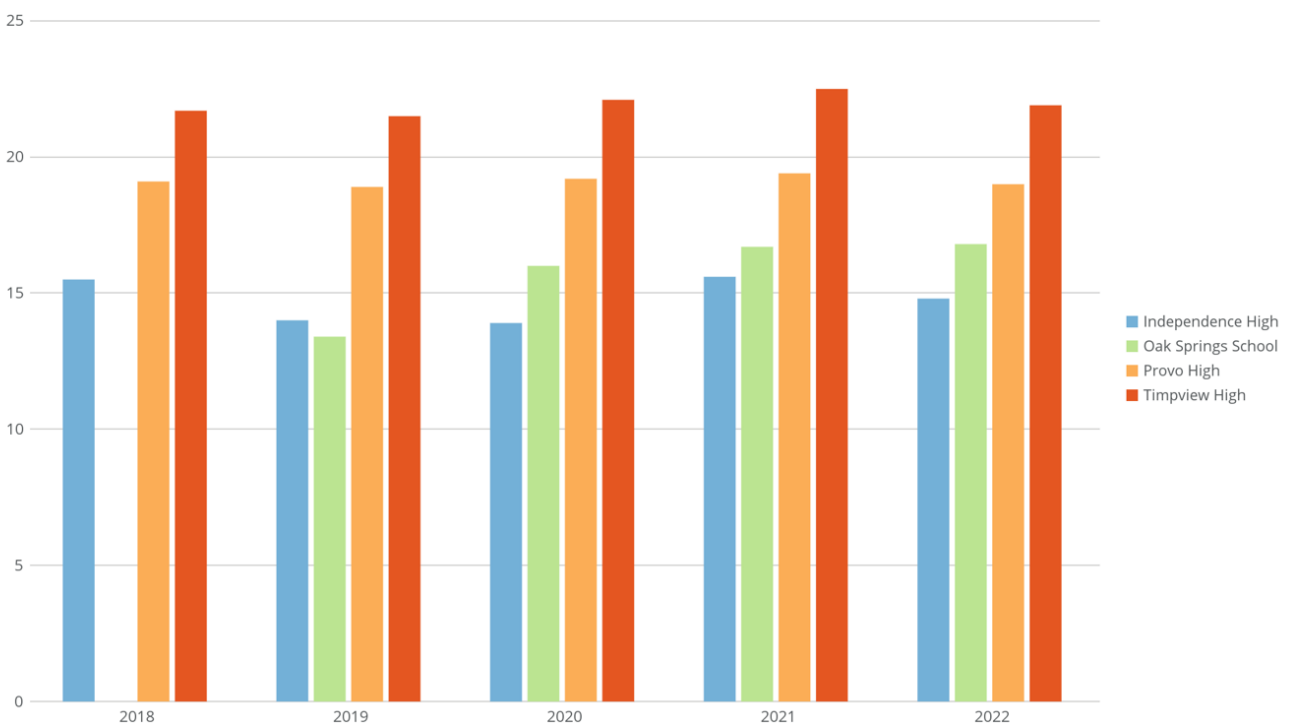
It can be misleading to compare Provo City School District’s per pupil spending to other districts in Utah and in the US. A lack of recent comparable data and varying methods of computing expenditures can distort figures and make comparisons confusing and inaccurate. This per pupil spending excludes capital expenditures, bond payments and the self-insurance fund expenditures.

Per Pupil Spending



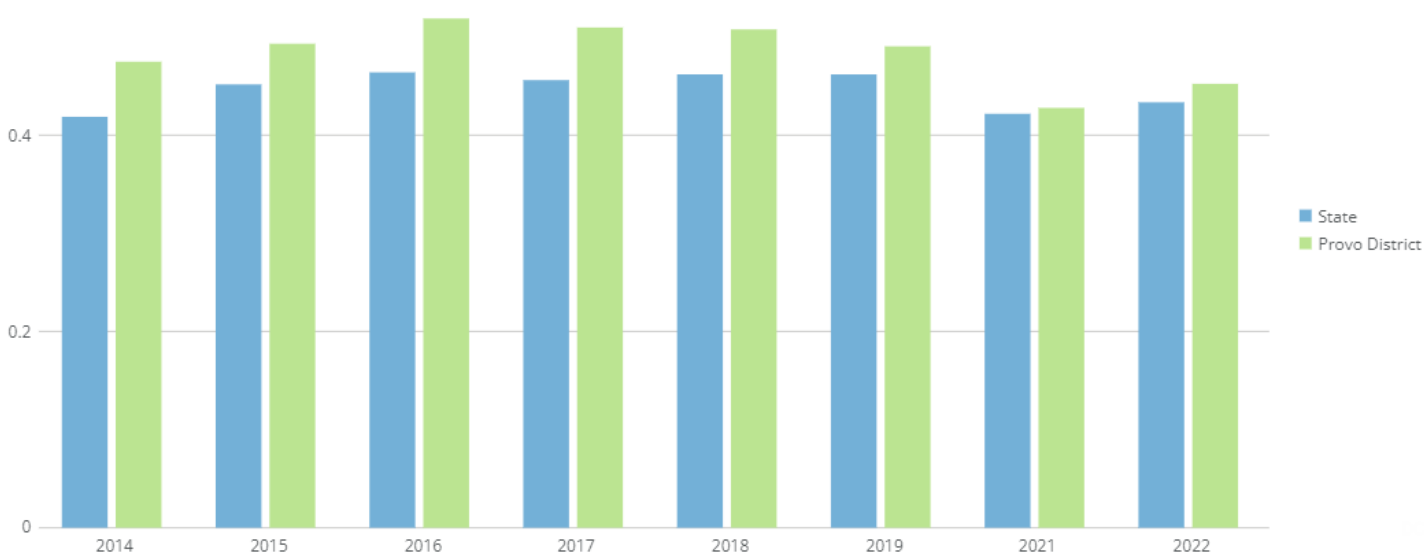
Student Achievement: Standardized Tests

Average ACT by Year by School - 2018-2022



Student achievement is a constant source of debate. Many initiatives have been created over the years to help increase performance on standardized tests throughout the District. Some of the progress that was gained over the last 15 years was stymied a bit by COVID-19, and that was representative of results throughout the state. The RISE testing (replacing SAGE in 2019) showed a decrease in proficiency in 2021 (there was no standardized testing in 2020), but is showing an increase in the subsequent year. Current full testing data is not currently available, but preliminary data shows an additional increase in 2023.

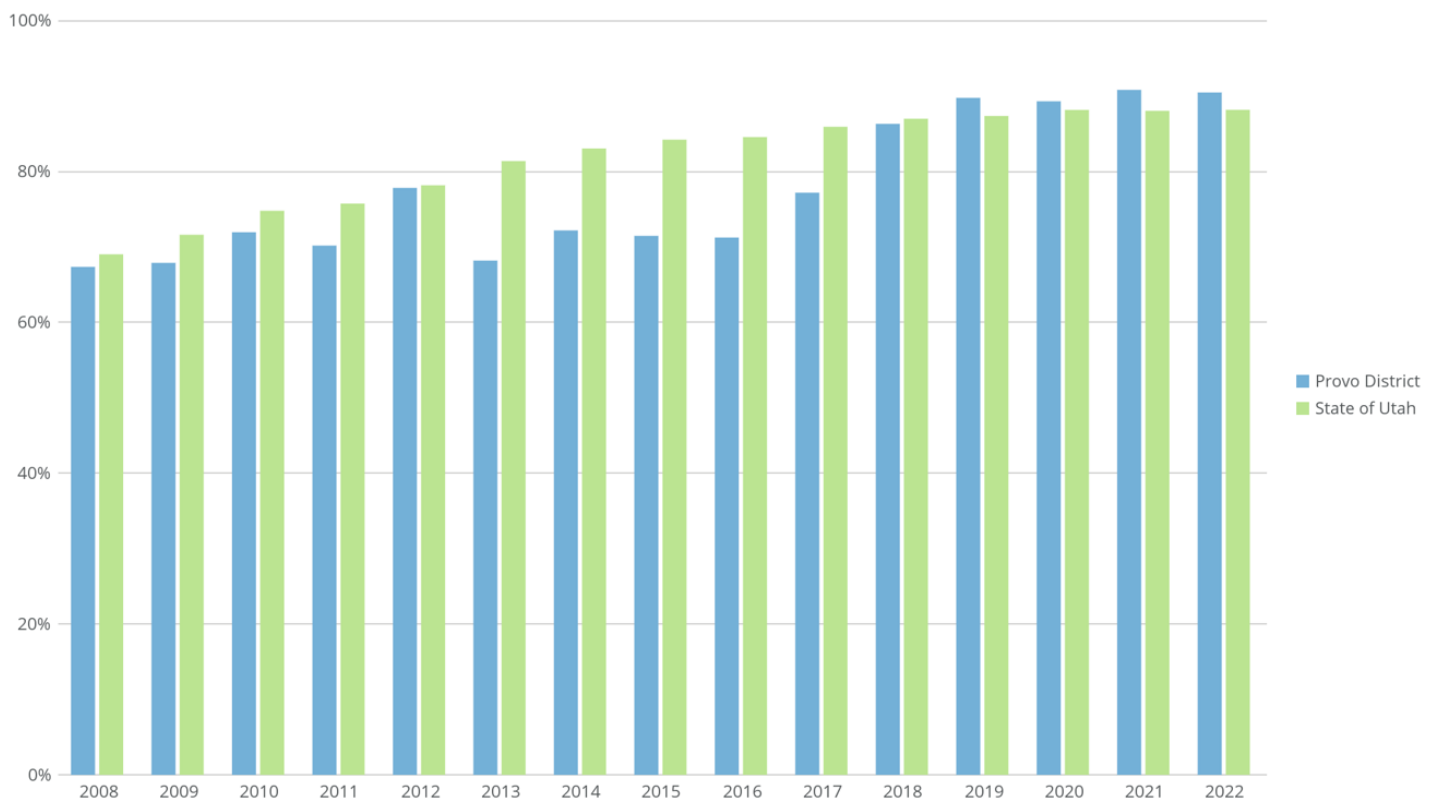
Overall SAGE/RISE Proficiency 2014-2022 by District



Student Achievement: Graduation Rates

Over the last eight years, the District's main focus has been improving the graduation rates. With the change in the format of eSchool and the renewed focus on preparing students for graduation, those rates have increased dramatically. The District operates two traditional high schools, an alternative high school, eSchool, and also offers high school classes and graduation for incarcerated students in the Slate Canyon Detention Center and Oak Springs Hospital. The two traditional high schools have an average graduation rate of 92.1%. The District board and administration are working tirelessly to continue to increase the rates of graduation at all of our schools and prepare our students for college and other post-secondary educational opportunities.

Graduation Rates by District 2008-2022



Or

Organizational Section

The District Entity

Legal and Fiscal Considerations

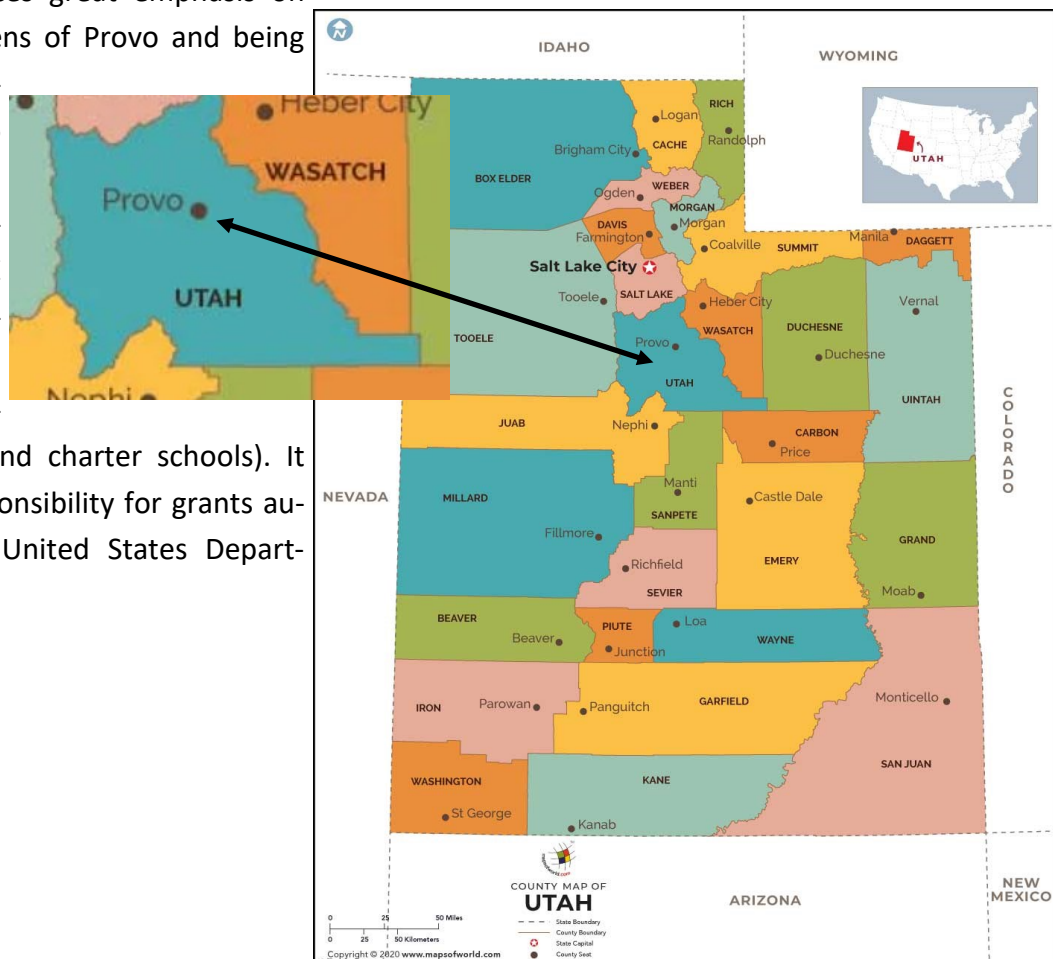
The Provo City School District (District) was formed in 1898 and resides within the boundaries of the city of Provo in Utah County. The District is a legally separate entity enjoying all rights and privileges afforded political subdivisions of the State of Utah and is fiscally independent. Policymaking authority is vested in the Board of Education (Board) consisting of seven members. Board members are elected by the citizens of Provo and serve four-year terms. 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.

While the District places great emphasis on answering to the citizens of Provo and being responsive to their input, it is also subject to oversight by the Utah State Board of Education (USBE). The USBE is responsible for allocating funding for all local education agencies (school districts and charter schools). It also has oversight responsibility for grants authorized through the United States Department of Education.

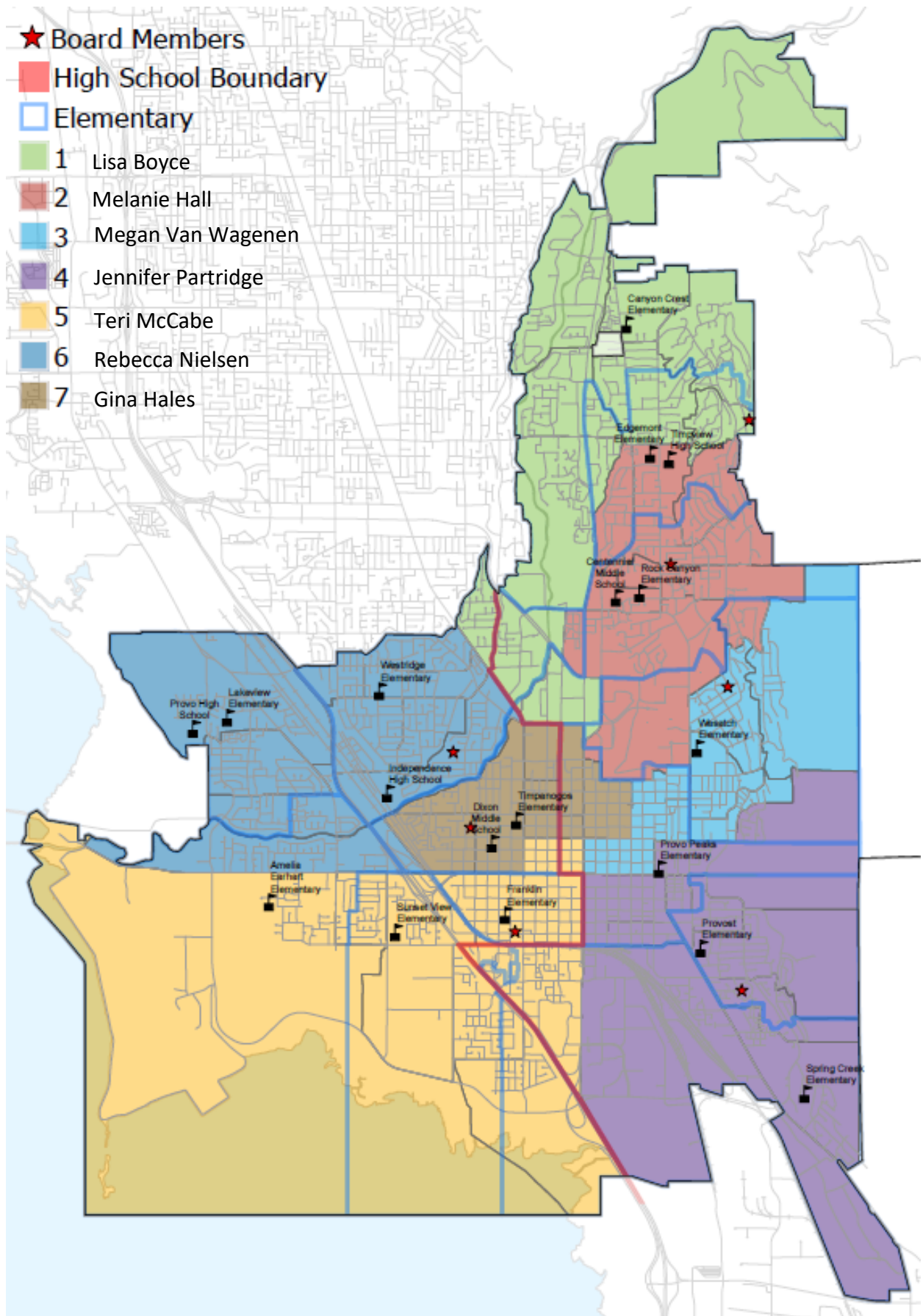
The District places great emphasis on answering to the citizens of Provo.

Service Area

The District serves students residing within the city of Provo, which has a population of approximately 116,000 people. Provo is the county seat and business center for Utah County. The District consists of 19 schools: two traditional high schools, one alternative high school, education services at a juvenile detention center and state hospital, one adult high school, two middle schools, and 13 elementary schools. As of October 1, 2022, the District had 13,611 students enrolled, making it the 12th largest of Utah's 41 fschool districts.



Voter Precincts: 2023-2024



District Elementary School Boundaries: 2023-2024



District Departments

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

Teaching & Learning

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

Student Services

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

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

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

Food Services

The Child Nutrition Department is committed to providing a delicious and nutritious meal to every student, continually improving the program, the children's meal time experience and our communication and involvement with parents.

Transportation

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

Facilities and Maintenance

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

Human Resources

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

and the law, and develop and enforce policy related to the successful personnel operation of the District.

Human Resources is also in charge of allocating full-time equivalents (FTEs) to schools, facilitating employee benefits and handling payroll duties for the District.

Career and Technology Education

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

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

Special Education

The Special Education Department provides service providers and students with greater access to classroom-based materials and resources, including adaptive devices, networks, hardware, software and other classroom materials that support the achievement of individual student goals of students with disabilities.

Title I/ESL

The Title I Department is responsible for closing the achievement gap between high and low-performing children, especially the achievement gaps between minority and non-minority students and between disadvantaged children and their more advantaged peers.

This department is also responsible for providing services to students who are learning English as a second language. Testing services are provided to all students to determine the level of English proficiency. Once those levels of proficiency are determined, additional aides, software and other support are provided to continually track the progress of the students learning English.

Technology Services

The Technology Services Department is responsible for providing the most advanced technology to students, teachers and staff throughout the District. The Technology Services Department also develops long-term replacement cycles for all technology equipment throughout the District. New software and hardware are vetted through Technology Services to determine compatibility with District resources and to make sure student and employee data is secure.

Business Services

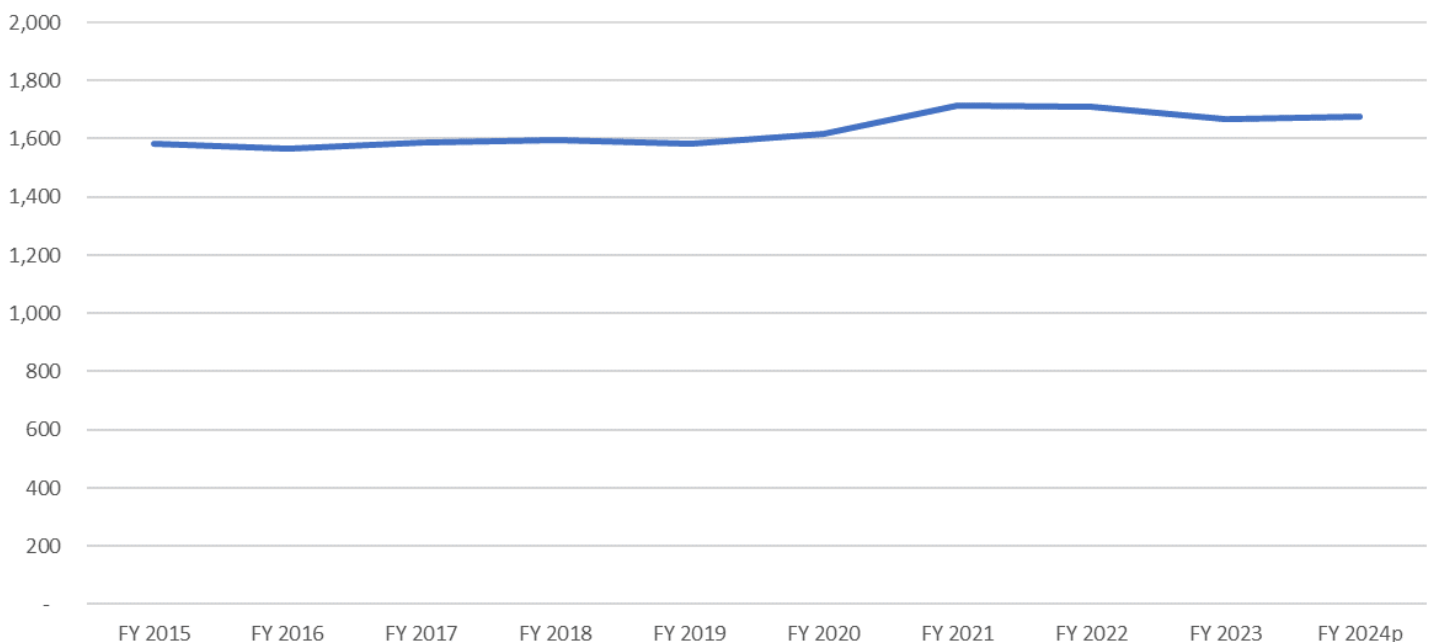
Business Services is responsible for facilitating financial information and reporting it accurately. It coordinates the annual financial audit with the District's internal and external auditors, and completes financial reports for the state legislature, state board of education and other entities. Key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

Staffing Levels by Function: FY2015 to FY2024 (proposed)

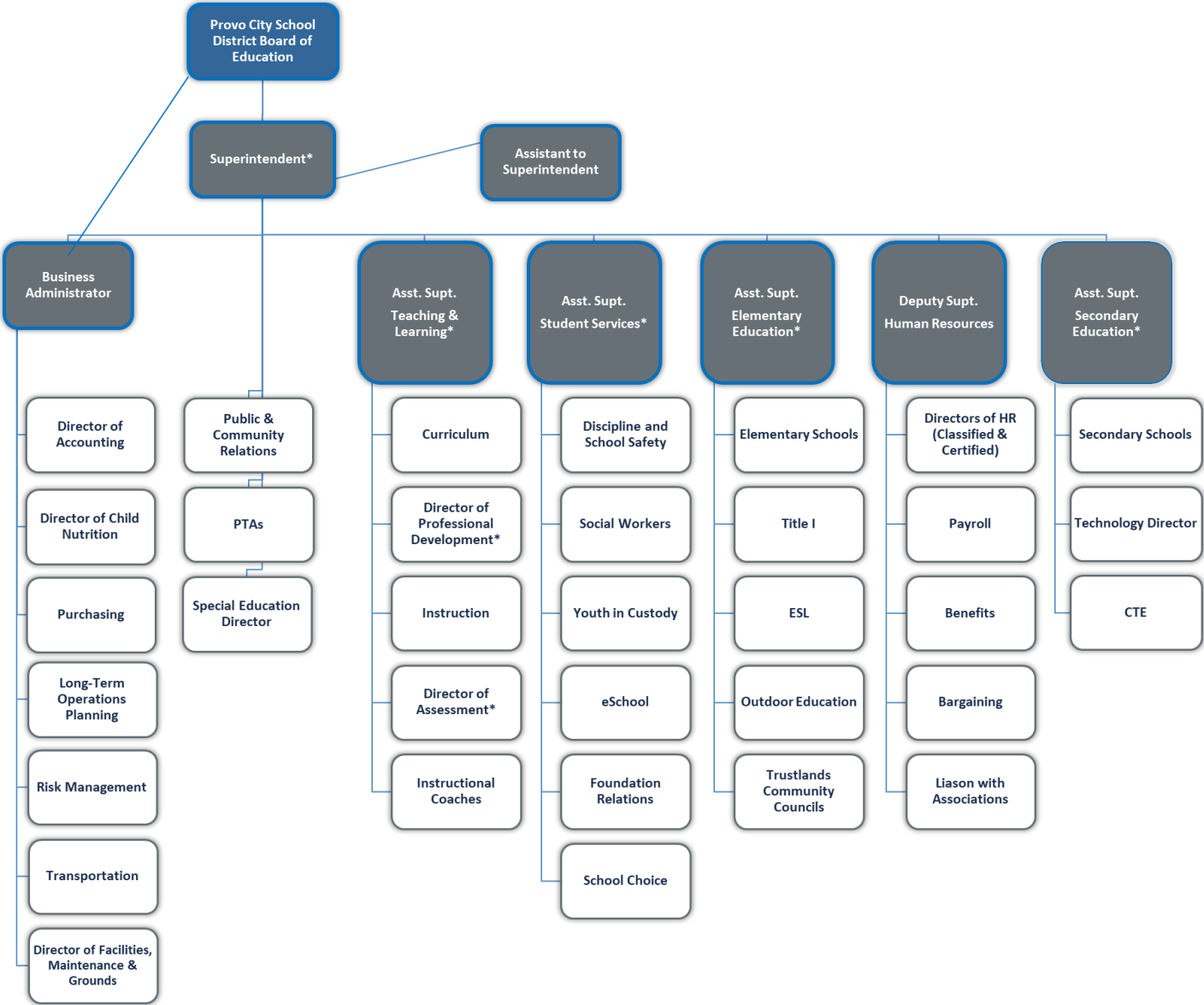
Function	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024p
Instruction	1,002	1,022	1,020	1,022	1,001	1,036	1,088	1,097	1,050	1,063
Students	50	68	84	101	103	104	109	117	126	125
Instructional Staff	27	29	42	90	77	91	97	105	120	119
General Administration	17	24	26	17	21	16	21	17	18	17
School Administration	65	71	76	81	84	89	89	89	89	89
Business and Central	41	47	51	43	50	36	40	41	42	40
Operation and Maintenance	133	109	114	114	119	120	134	99	105	103
Transportation	66	51	39	48	40	48	52	61	47	46
Food Services	77	82	87	76	84	74	84	82	74	73
Community Services	103	62	47	4	4	3	1	-	-	-
Total FTEs	1,583	1,566	1,587	1,596	1,583	1,616	1,715	1,708	1,670	1,676

Staffing levels will stay relatively flat in FY2024. Staffing in FY2020 through FY2022 increased due to funding received from the federal government to assist in mitigating learning loss during COVID-19 pandemic. Additional support positions had been added to provide small-group tutoring and other instructional assistance during the COVID funding period. Some positions that were considered instruction positions were moved to bring data in line with other districts in accordance with state-wide initiatives to bring reporting among districts more in line to make comparisons easier.

District administration and board goals include creating a more competitive pay structure for all employees within the District, especially teachers. The Utah State Legislature helped with that this year by providing an additional amount in funding to increase all teachers' pay by \$4,200. This along with other negotiated items has helped bring the District closer to its neighboring districts.



Organizational Chart



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

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

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

Provo City School District

Board of Education



Rebecca Nielsen
District 6
President



Jennifer Partridge
District 4
Vice President



Lisa Boyce
District 1



Melanie Hall
District 2



Meg Van Wagenen
District 3



Teri McCabe
District 5



Gina Hales
District 7

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

Goals, Planning, and Achievement

District Improvement Plan: The Provo Way

With guidance from the community, experts in the field, district administration, and the Board, the District continues to operate under the guiding umbrella of the District Improvement Plan (DIP). This plan builds on the continuing efforts of the District to use Learning Targets to make learning visible in our classrooms. Continuous improvement and implementation of this plan creates a unique culture within the District, referred to as *The Provo Way*.

The students and educators of the District enjoy a legacy of commitment and caring in a community rich with diversity. The community has rallied to support the construction of new schools, renovation of existing schools, providing salary increases to teachers and staff, and providing countless hours of service within our schools. This community support and interest in our schools has been a hallmark of Provo.

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



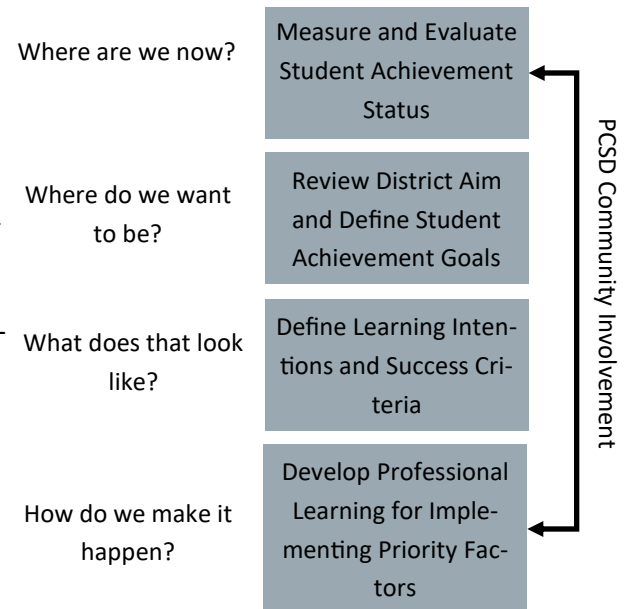
District Improvement Plan: The Provo Way

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

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

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

Continuous Renewal & Improvement



Where are we?

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

Where do we want to be?

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

Board Goals

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

District Improvement Plan: The Provo Way

20-20 Initiative—Guiding Principles

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

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

The Superintendent, Board, and other district administrators defined the aim for the District Improvement Plan—that every student will end each school year having met or exceeded the essential learning standards, fully prepared for the next grade or course. As emphasized by Connie Moss and Susan Brookhart in *Learning Targets*,” our beliefs are the best predictors of our actions in any situation,” to that end, the District Aim Statement establishes our core belief and is the foundation of the actions we plan and take.

This belief predicts our actions that—

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



Along with the Board Goals listed on the previous page, the District commits to the State’s goal of ensuring reading proficiency for students by the end of third grade.

Plan

To accomplish our goals, we collaborate to establish priorities within the District Improvement Plan. As we implement the plan, we evaluate our impact and improve our actions as needed with a focus on student achievement. The District Improvement Plan has two phases and each phase includes a goal in each of John Hattie’s *Visible Learning* categories.

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

1. Active Learner (Self Efficacy)

STUDENT FACTORS—PHASE 1

DEFINITION

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



Evidence of Implementation

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

2. Active Parental Engagement

HOME FACTORS—PHASE 1

Definition

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

Evidence of Implementation

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



District Improvement Plan: In Action

3. Instructional Leadership

SCHOOL FACTORS—PHASE 1

DEFINITION

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



Evidence of Implementation

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

4. Teacher Clarity

TEACHER FACTORS—PHASE 1

DEFINITION

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

Evidence of Implementation

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



5. Repeated Readings

CURRICULUM FACTORS—PHASE 1

DEFINITION

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

Evidence of Implementation

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



6. Feedback

TEACHING APPROACH FACTORS— PHASE 1

DEFINITION

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



Evidence of Implementation

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

District Goals: Department Priorities and Financial Impacts

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

Teaching & Learning

The Teaching & Learning Department's primary goal is to provide support for teachers in and out of the classroom. Providing professional development to teachers that is aligned with research and best practices is a primary function of the department. New teachers are provided immersive training in their subject area and all teachers are provided with a wide array of options for training, from behavior plans to suicide prevention to STEM endorsements. The Digital Teaching & Learning initiative has focused on providing professional development to train all teachers on up-to-date strategies to teach students with current technology.

Curriculum replacement is another key component of the department. The District has committed to evaluate and replace curriculum in all grades to make sure students have access to the most up-to-date curriculum based in best practices. There is \$1 million budgeted in fiscal year 2023-24 for curriculum replacement.

Technology

With the growth in the number of devices, there is a greater demand for technology support throughout the District. Between individual devices, audio/visual needs, network support, and the safety and security of our buildings and classrooms, the Technology Services Department provides a wide variety of services. The department has created a long-term replacement plan so that current and future budgets can be estimated accurately. The fiscal year 2023-24 budget has \$1.6 million budgeted for student and teacher computer replacement. There is another \$1.3 million in other technology needs, including A/V replacement, support agreements for current software and other hardware needs.

Human Resources

The District's employees are its most important asset and the Human Resources Department emphasizes attracting and retaining highly effective teachers. The Board raised taxes in fiscal year 2022-23 in order to increase teacher salaries. In fiscal year 2023-24, no increase in property tax rates is planned, but an additional \$5.2 million was added to the budget for salaries throughout the District. These increases will be funded by the increase in state funding and the remainder of the COVID-19 relief funds.

Employee benefits are another focus of Human Resources. Keeping benefit costs low is a priority of the District. The District is moving to a self-insured model in fiscal year 2023-24, which will allow the District to create

District Goals: Department Priorities and Financial Impacts

medical plans that better cater to employee needs. Besides a greater flexibility in employee plans, the change to a self-insured model is estimated to save the District a considerable amount of money. Continuing with a robust wellness program continues to motivate employees to live healthy lifestyles, which reduces medical costs.

Business Services

The Business Services Department encompasses accounting, budgeting, and data analytics. Fiscal responsibility is the focus of everything this department does. The department is cognizant of the fact that we are stewards of the public's funds and, as such, strives to ensure funds are reported accurately, timely, and transparently. The department consistently receives national awards for our Comprehensive Annual Budget Report and Annual Comprehensive Financial Report. Long-term planning to ensure resources are being utilized to create the best possible academic outcomes for students is a key initiative in the department. Minimal additional resources, beyond salary increases, have been added to the department's budget this year to provide a framework to better analyze and report data.

Transportation

The Transportation Department is responsible for transporting students to and from school. A long-term plan for the replacement of aging school buses was created with the assistance of Business Services to ensure the yellow fleet is transitioned to a more sustainable replacement model. An additional \$500,000 was added to the fiscal year 2023-24 budget in order to replace three school buses.

Food Services

The Food Services Department is responsible for providing nutritious meals to students in the District. Food costs and labor shortages are the two main challenges for this department. With a low unemployment rate, filling part time positions has been a challenge in fiscal year 2022-23. District administration made changes to the salary schedule for hourly Food Services employees to help mitigate this issue in future years. Inflation was especially challenging in fiscal year 2022-23 with the rising cost of food. We estimate that the cost of food will increase another 10.0% in fiscal year 2023-24 due to inflation. Elementary school lunch prices are increasing by \$0.25 per meal to help cover the increased cost of food.

Facilities and Maintenance

Our Facilities and Maintenance Department is primarily responsible to ensure our buildings are clean and well-maintained so students have a comfortable place to learn. Student safety and security is a focus of the department and buildings are consistently evaluated for deficiencies and risks. The department has three major construction projects in process—constructing two schools (Shoreline Middle and Wasatch Elementary) and a partial rebuild of Timpview High. General obligation bonds were issued to rebuild Timpview High. The Municipal Building Authority of the District issued lease revenue bonds to build Shoreline Middle and Wasatch Elementary. These construction projects account for \$56.2 million of the fiscal year 2023-24 budget.

District Budgeting Process: Significant Laws

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

53G-7-302. School district and charter school budgets.

1) As used in this section:

(a) “Budget officer” means:

- (i) for a school district, the school district’s superintendent; or
- (ii) for a charter school, an individual selected by the charter school governing board.

(b) “LEA governing board” means:

- (i) for a school district, the local school board; or
- (ii) for a charter school, the charter school governing board.

2) Before June 1 of each year, the budget officer shall prepare a tentative budget, with supporting documentation, to be submitted to the budget officer’s LEA governing board.

3) The tentative budget and supporting documents shall include the following items:

- (a) the revenues and expenditures of the preceding fiscal year;
- (b) the estimated revenues and expenditures of the current fiscal year;
- (c) for a school district, an estimate of the revenues for the succeeding fiscal year based upon the lowest tax levy that will raise the required revenue, using the current year’s taxable value as the basis for this calculation;
- (d) a detailed estimate of the essential expenditures for all purposes for the next succeeding fiscal year; and
- (e) the estimated financial condition of the school district or charter school by funds at the close of the current fiscal year.

4) The tentative budget shall be filed with the district business administrator or charter school executive director for public inspection at least 15 days before the date of the tentative budget’s proposed adoption by the LEA governing board.

53G-7-303. LEA governing board budget procedures.

(2) (a) For a school district, before June 30 of each year, a local school board shall adopt a budget and make appropriations for the next fiscal year.

(b) For a school district, if the tax rate in the school district’s proposed budget exceeds the certified tax rate defined in Section 59-2-924, the local school board shall comply with Section 59-2-919 in adopting the budget, except as provided by Section 53F-8-301.

3) (a) For a school district, before the adoption or amendment of a budget, a local school board shall hold a public hearing, as defined in Section 10-9a-103, on the proposed budget or budget amendment.

(b) In addition to complying with Title 52, Chapter 4, Open and Public Meetings Act, in regards to the public hearing described in Subsection (3)(a), at least 10 days prior to the public hearing, a local school board shall:

(i) publish a notice of the public hearing in a newspaper or combination of newspapers of general circulation in the school district, except as provided in Section 45-1-101;

(ii) publish a notice of the public hearing electronically in accordance with Section 45-1-101;

(iii) file a copy of the proposed budget with the local school board’s business administrator for public inspection; and

(iv) post the proposed budget on the school district’s Internet website.

(c) A notice of a public hearing on a school district’s proposed budget shall include information on how the public may access the proposed budget as provided in Subsections (3)(b)(iii) and (iv).

(4) For a charter school, before June 30 of each year, a charter school governing board shall adopt a budget for the next fiscal year.

(5) Within 30 days of adopting a budget, an LEA governing board shall file a copy of the adopted budget with the state auditor and the state board.

53G-7-304. Undistributed reserve in local school board budget.

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

District Budgeting Process: Significant Laws

- (2) The local school board may appropriate all or a part of the undistributed reserve made to any expenditure classification in the maintenance and operation budget by written resolution adopted by a majority vote of the local school board setting forth the reasons for the appropriation. The local school board shall file a copy of the resolution with the state board and the state auditor.
- (3) The local school board may not use undistributed reserves in the negotiation or settlement of contract salaries for school district employees.

53G-7-305. Limits on appropriations — estimated expendable revenue.

- (2) An LEA governing board may not make an appropriation in excess of its estimated expendable revenue, including undistributed reserves, for the following fiscal year.
- (3) An LEA governing board may reduce a budget appropriation at the LEA governing board's regular meeting if notice of the proposed action is given to all LEA governing board members and to the district superintendent or charter school executive director, as applicable, at least one week before the meeting.
- (4) For a school district, in determining the estimated expendable revenue, any existing deficits arising through excessive expenditures from former years are deducted from the estimated revenue for the ensuing year to the extent of at least 10% of the entire tax revenue of the district for the previous year.
- (5) For a school district, in the event of financial hardships, the local school board may deduct from the estimated expendable revenue for the ensuing year, by fund, at least 25% of the deficit amount.
- (6) For a school district, all estimated balances available for appropriations at the end of the fiscal year shall revert to the funds from which they were appropriated and shall be fund balances available for appropriation in the budget of the following year.
- (7) For a school district, an increase in an appropriation may not be made by the local school board unless the following steps are taken:
 - (a) the local school board receives a written request from the district superintendent that sets forth the reasons for the proposed increase;
 - (b) notice of the request is published:
 - (i) in a newspaper of general circulation within the school district at least one week before the local school board meeting at which the

request will be considered; and

- (ii) in accordance with Section 45-1-101, at least one week before the local school board meeting at which the request will be considered; and
- (c) the local school board holds a public hearing on the request before the local school board's acting on the request.

53G-7-306. School district interfund transfers.

- (1) A school district shall spend revenues only within the fund for which they were originally authorized, levied, collected, or appropriated.
- (2) Except as otherwise provided in this section, school district interfund transfers of residual equity are prohibited.
- (3) The state board may authorize school district interfund transfers of residual equity when a district states its intent to create a new fund or expand, contract, or liquidate an existing fund.
- (4) The state board may also authorize school district interfund transfers of residual equity for a financially distressed district if the state board determines the following:
 - (a) the district has a significant deficit in its maintenance and operations fund caused by circumstances not subject to the administrative decisions of the district;
 - (b) the deficit cannot be reasonably reduced under Section 53G-7-305; and
 - (c) without the transfer, the school district will not be capable of meeting statewide educational standards adopted by the state board.
- (5) The board shall develop in rule standards for defining and aiding financially distressed school districts under this section.
- (6) (a) All debt service levies not subject to certified tax rate hearings shall be recorded and reported in the debt service fund.
 - (b) Debt service levies under Subsection 59-2-924(5)(c) that are not subject to the public hearing provisions of Section 59-2-919 may not be used for any purpose other than retiring general obligation debt.
 - (c) Amounts from these levies remaining in the debt service fund at the end of a fiscal year shall be used in subsequent years for general obligation debt retirement.
 - (d) Any amounts left in the debt service fund after all general obligation debt has been retired may be transferred to the capital projects fund upon completion of the budgetary hearing process required under Section 53G-7-303.

District Budgeting Process: Significant Laws & Administrative Policies

53G-7-309. Monthly budget reports.

- (1) As used in this section:
 - (a) “Budget officer” means:
 - (i) for a school district, the school district’s superintendent; or
 - (ii) for a charter school, an individual selected by the charter school governing board.
 - (b) “LEA governing board” means:
 - (i) for a school district, the local school board; or
 - (ii) for a charter school, the charter school governing board.
- (2) The business administrator or budget officer of an LEA governing board shall provide each LEA governing board member with a report, on a monthly basis, that includes the following information:
 - (a) the amounts of all budget appropriations;
 - (b) the disbursements from the appropriations as of the date of the report; and
 - (c) the percentage of the disbursements as of the date of the report.
- (3) Within five days of providing the monthly report described in Subsection (2) to an LEA governing board, the business administrator or budget officer shall make a copy of the report available for public review.

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

1. Budget Process Guiding Principles

- A. Goals for student achievement should be a priority for the budget process.
- B. Programs and providers that have a demonstrated track record of success in achieving the Board’s desired learning outcomes for students will be prioritized for funding.
- C. The budget process seeks to allocate available resources optimally, in a way that will create the most benefit for the children we serve, including instruction as well as safety and security.
- D. The budget process will encourage review of past spending decisions, including identifying and discontinuing programs that are not achieving their objectives or are not as cost effective as available alternatives.
- E. The district budget will ensure that every student is given an equal chance to succeed through equity in funding among the general student population as well as providing extra support for struggling students.
- F. The district will maintain a long-term perspective in the bud-

geting process to ensure consistent application of proven strategies to better achieve student performance goals.

G. The district will be transparent in the budgeting process, including providing true costs of serving students, identifying constraints on spending, and being clear regarding which actions are being funded.

2. Operating Budget Policies

- A. The District will cover current expenditures with current revenues. The District will avoid budgetary procedures that cover current expenditures at the expense of meeting future years’ expenditures, such as postponing expenditures, accruing future years’ revenues, or rolling over short-term debt.
- B. The budget will provide for adequate maintenance of capital, equipment, and for orderly replacement of capital facilities and equipment.
- C. The District will maintain a budgetary control system to assist in following the budget plan.
- D. The District will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.
- E. Where possible, the District will integrate performance measurement and productivity indicators with the budget.
- F. The District will use a budgeting method where all expenses must be justified each year.

3. Capital Improvement Budget Policies

- A. The District will develop and administer a multi-year plan for capital improvements and update it annually.
- B. The District will budget for major capital projects in accordance with the priorities of the Board of education.
- C. The District will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budgets.
- D. The District will maintain all assets at a level adequate to protect the District’s capital investment and to minimize future maintenance and replacement costs.
- E. The District will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to the board for approval.
- F. The District will restrict any new or replacement construction to be consistent with state guidelines for school building utilization.

District Budgeting Process: Significant Laws & Administrative Policies

4. Debt Management Policies

- A. The District will confine long-term borrowing to capital projects and purchases of equipment, as required bylaw.
- B. Total general obligation debt will not exceed 4% of the reasonable fair market value of taxable property within the District.
- C. The District will not use long-term debt for current operations.
- D. The District will meet all debt service obligations when due.
- E. The District will maintain communication with bond rating agencies about its financial condition. The District will follow a policy of full disclosure in every financial report and official statement.
- F. The District will provide to the capital markets ongoing disclosure of annual financial information and material events that may affect the District's financial strength.

Legal References:

53G-4-302; 53G-7-302; 53G-7-303; 53G-7-304; 53G-7-305; 53G-7-306; 53G-7-309
Utah Constitution, Article XIV, section 4 (1)(b)

Fiscal and Policy Compliance

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

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

The Business Services department regularly monitors debt obligations and fund balances to ensure all obligations are met and sufficient reserves exist for any unplanned needs. The District is in a strong position regarding its legal debt limits.

A comprehensive, independent audit of the District's finances, internal controls, and compliance with applicable policies and laws is performed by a firm of licensed Certified Public Accountants. These independent auditors also perform a federal Single Audit, reviewing significant federal grants for compliance and allowability. Beginning fiscal year 2014-15, the Utah State Auditor required all school districts to institute an internal audit function. The District has complied with this requirement and audits are conducted by both internal and external auditors which are independent of Business Services. The District is committed to financial excellence as evidenced by the awards and recognition received from the Association of School Business Officials International (ASBO) and the Government Finance Officers Association (GFOA).

5. Revenue Estimation Policies

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

6. Fund Balance and Reserve Policy

- A. In order to maintain and protect the long-term financial capacity of the District, total fund balance and reserves in the General Fund will be maintained at or near 5% of total General Fund unrestricted revenues.
- B. The capital fund will maintain the minimum balance deemed adequate for emergency repair situations.

District Budgeting Process: Budget Development & Review

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

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

In January, the Board is presented a set of budget initiatives, which administration feels will accomplish the Board's priorities. The Board modifies the budget initiatives, if necessary, and presents them for public comment. In addition to placing these short-term initiatives on the District website, a dedicated email account was created to handle budget-related questions.

From January through May, Business Services works with district, department, and school leadership to develop a detailed budget for the upcoming fiscal year. During this time, employee compensation is negotiated with applicable bargaining groups. The legislature determines the state funding level and requirements are balanced against resources.

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

Capital Projects Budget Development

The development of the capital budget occurs concurrently with creation of the District's operating budget. Many of the short-term budget initiatives have an impact on the capital needs list. Once the initiatives and goals are drafted, the impact on the capital projects budget is determined. A capital advisory committee meets regularly to evaluate needs. Capital asset management software was implemented in fiscal year 2022-23 to track maintenance and life-cycles of capital assets and will allow for a more robust long-term budget development for capital needs. Once those projects have been identified, they are compiled and brought to the Board for approval.

How Policies and Processes Affect Budget Development

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

Budget Administration & Management Process

The District has mechanisms in place to ensure compliance with the adopted budget and has a strong focus on transparency and accountability with regard to budget management. Every dollar of expenditures included in the budget is assigned to a staff member as a cost center controller. This person may be a district-level administrator, school-level administrator, or department director. These cost center controllers are responsible to control their assigned budgets and

District Budgeting Process: Budget Development & Review

are subject to disciplinary action for failure to properly control or manage their budget. Expenditures will not be incurred unless they are properly classified and authorized by the cost center controller and within the limits of available appropriations.

Balanced Budget

The District considers the budget balanced when total expenditures are equal to total revenues. However, the budget is also balanced in situations where total expenditures are less than total revenues, which is called a surplus. There are also instances when the District might plan to spend fund balance from previous years on one-time or non-routine expenditures. The District considers the budget to be balanced in this case, provided funds from previous years is available, and a plan is in place to not use fund balance for ongoing

details, and remaining balances are used to ensure users have adequate visibility. Requisitions, purchase orders, etc. are reported as encumbrances against available appropriations at the time they are originated.

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

For fiscal year 2023-24, the District's budget is balanced under the third scenario. Along with significant construction projects, the District is focusing available funds on a handful of priorities. These include increasing teacher compensation, addressing student safety and security needs, and ensuring our students have

Balanced Budget Scenarios

Scenario One: Revenues = Expenditures

Scenario Two: Revenues > Expenditures

Scenario Three: Revenues + Appropriated Fund balances = Expenditures

ing expenditures. This type of balanced budget is especially prevalent when capital projects are budgeted using bond proceeds. Utah mandates that expenditures do not exceed the adopted budget at the fund level.

An online budget control system provides cost center budget status information on-demand and helps encourage budgetary compliance. Additionally, monthly reports containing key budget metrics, expenditure

the support they need for any social challenges that they may face. These projects are planned spend-downs and are funded through on-going funds, one-time grants, and other funding sources.

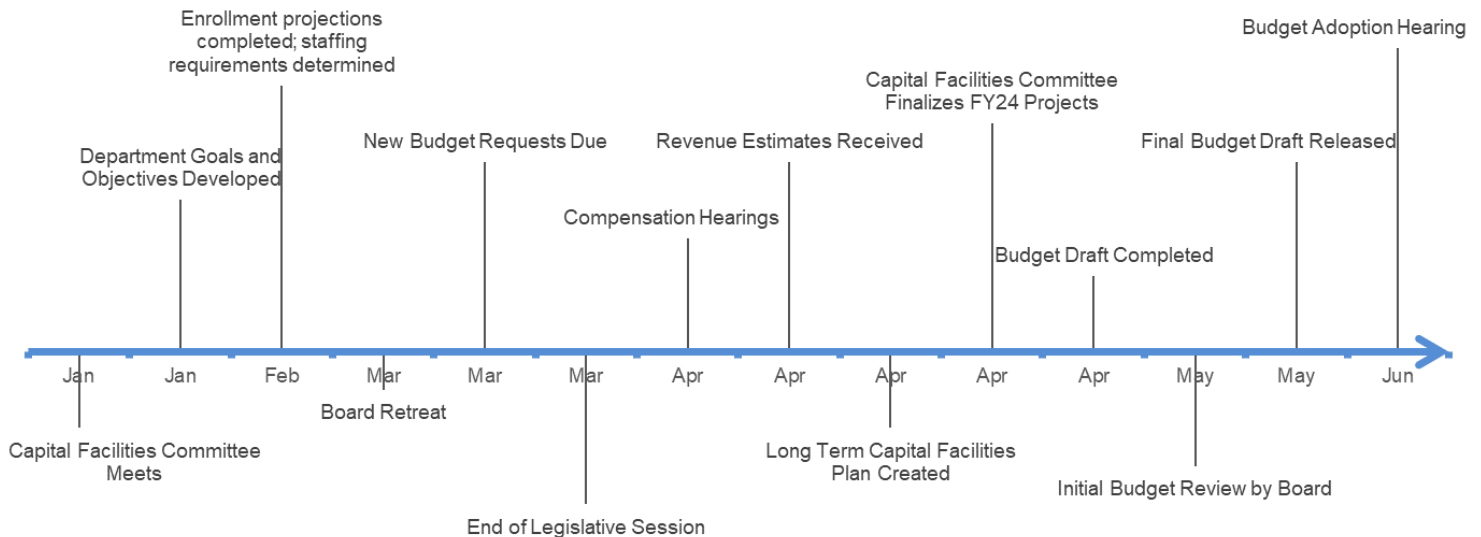
Have feedback? Please send an email to budget@provo.edu. This email account is checked regularly by District administrators.

District Budgeting Process: Approvals & Adjustments

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



District Budgeting Process: Budget Timeline



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

Key Budget Dates:

- January Department Goals and Objectives Developed
- February Enrollment Projections Completed; Staffing Requirements Determined; Capital Improvement Plan Developed
- March End of Legislative Session and Board Retreat
- April Compensation Negotiations and Revenue Estimates Finalized
- May Budget and Long-term Plan Drafted; Initial Budget Draft Released and Presented to Board for Review/Public Comment
- June Previous Fiscal Year Final Budget Approved; New Fiscal Year Budget and Long-term Plan approved by the Board
- Public input is critical for the District to be successful, therefore, the District makes every effort possible to involve the public in every step of the budget process.

District Budgeting Process: Long-term Plan

The budget process of the District has been a key function for many years. About 20 years ago, the District began to formulate a long-term plan to help guide decision-making for the years ahead. This plan included short-term solutions for outdated buildings, funding and termination of other post-employment benefits, and financial stability for the foreseeable future.

A Capital Facilities Committee was formed to analyze and make decisions on crucial needs for buildings and capital projects throughout the District. It was determined that several schools needed significant seismic upgrades and other schools needed to be rebuilt. That committee helped create campaigns and understanding for the citizens of Provo about the critical needs facing the District at that time and in the years to come. Since that time, seven elementary schools and one high school have been rebuilt. Another high school is currently undergoing a partial rebuild after foundation issues were found to be in critical need of repair. GO Bonds were issued to complete this partial rebuild. In fiscal year 2021-22, lease revenue bonds were issued by the Municipal Building Authority of Provo City School District in order to rebuild a middle school and an elementary school.

The Capital Facilities Committee is currently focused on key areas of the long-term plan that involve capital improvements funded through local property taxes. Normal maintenance and replacement of carpet, paint, parking lots, etc. is also necessary to plan for in order to plan strategically to make sure public funds are used wisely and appropriately for projects that have reached the end of their life cycle. The replacement cycle is tracked by the Facilities and Maintenance Department so that projects that are most necessary are approved by the board during the budget

preparation process.

While capital planning has been a focus for many years, District administration has been more proactive in planning long-term for regular operations within the District. Employee compensation was a primary conversation throughout fiscal year 2022-23, with the focus being on making sure employee compensation is at a level that retains and attracts high quality teachers.

Many different data points are used when creating a long and short-term budget each year. Student enrollment, staffing levels, revenue projections, class sizes and other available resources are evaluated to make sure the District is in a position to continue offering the best educational services to students in Provo.

The District's planning processes affect not only the coming year, but several years into the future. The Board and District administration have worked with various focus groups from the community, employees, and stakeholders in order to create a robust improvement plan for the District that will guide budget and administrative decisions in the future.

The process for long- and short-term budgeting is heavily dependent on the goals and objectives created by the Board of Education and all decisions are made with the District aim in mind—to make sure every student will end each school year having met or exceeded the essential learning standards, fully prepared for the next grade/course.

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

District Budgeting Process: Classifying Revenues and Expenditures

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

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

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

Basis of Accounting

The District operates within budget requirements for school districts as prescribed by state law and interpreted by the USBE. Budgets are presented on a modified-accrual basis for all governmental funds. Modified-accrual is a government accounting method where revenue is recognized when it becomes available and measurable. Expenditures are typically recognized in the period in which the liability is incurred. This is the same basis of accounting used in the District's audited financial statements.

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

ance reserve.

Revenue Projection Methodology

When projecting revenue for future years, the District relies heavily on its own internal data to estimate enrollment, which is the biggest driver of state aid. Regression analysis is used to forecast student enrollment in future years. Detailed analysis for the coming year is normally done in the fall, and the Board and management are given the results at that time. As a general rule, the District operates under the assumption that enrollment (and as a result revenue) will be relatively flat from year to year.

The District uses data from state and federal agencies such as the USBE, the Utah State Governor's Office of Budget and Management, the Utah State Tax Commission, and the United States Census Bureau to aid in forecasts and projections. Information from several other smaller agencies is also used.

The District's practice is to forecast annual revenues using an objective, analytical process. The District does not include revenue in the budget that cannot be verified with documentation of its source and amount. Information and documentation regarding revenue projection methodologies are made available to the public through a variety of means, including monthly board meetings, newsletters, and records kept on file at the District Office.

District Budgeting Process: Key Factors

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

Enrollment

In fiscal year 2020-21, enrollment decreased by over 3,000 students. That decrease was due to a change in format for eSchool. Third-party vendors were utilized in the past to provide educational services to students throughout the state and those students were counted within the District's enrollment. Due to changes in state requirements and the inability to accurately track students' progress and status, District administration decided to focus more on students residing in Provo. Since that change, enrollment has remained relatively flat and it is projected to remain flat in the foreseeable future. Birth rates in Utah County are higher than the state and national average, but are gradually decreasing. This could have an impact on enrollment in the future, but with a large university campus in Provo, the population is fairly transitory and enrollment could increase based on new families moving in.

Employee Salary Increases

The largest portion of the District's budget is for the salary and benefits of our employees. In the past, the Board and District administration committed to focus resources on increasing employee salaries to remain competitive with surrounding districts. In fiscal year 2022-23, the Board raised property taxes in order to increase teacher salaries. With the increase in the WPU and specific funding from the State for teacher salary increases, the Board and District administration again increased employee salaries. These increases will assist in attracting and retaining the best teachers

available. Unemployment rates in Utah remain lower than the national average, which focuses on the need to make sure that employee salaries are continually evaluated to remain competitive.

Long-term Capital Planning

Understanding the District's needs now and in the future is key to the budget preparation process. Long-term replacement cycles are being reviewed for all physical assets from buildings to computers to buses to ensure students are given access to up-to-date equipment and safe and secure buildings. Construction on new schools will continue through fiscal year 2023-4 with completion targeted for the beginning of fiscal year 2024-25. Focus will shift after completion to a robust tracking system for normal maintenance throughout the District.

Employee Benefits

The cost of medical insurance has consistently risen over the last several years, which has created the need to evaluate ways to save money and create better options for employees. The District is moving to a self-funded medical insurance model for fiscal year 2023-24. This model will give the District the ability to better structure plans and keep costs to employees flat for this fiscal year. These new plans will provide employees a wider network of medical professionals and a better pharmacy plan. Along with the medical plans, the District will continue to work with employees on a robust wellness program that rewards healthy living and provides regular advice on developing healthier habits.

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

Each fund is used to account for a specific type of activity. The General Fund is the largest. The following is a brief description of each fund.

General Fund (Major Fund)

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

Capital Projects Fund (Major Fund)

This fund is used to account for resources for the acquisition, construction, and maintenance of facilities, as well as the purchase of equipment.

Municipal Building Authority Fund (Major Fund)

This fund is used to account for the Provo City School District Municipal Building Authority, which is a separate legal entity associated with the District. The fund is used to account for payments related to lease revenue bonds, including costs of construction and debt service.

Debt Service Fund (Major Fund)

This fund is used to account for the accumulation of resources for, and the payment of, general obligation bonds.

Student Activities Fund

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

Food Services Fund

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

Building Reserve Fund

This special reserve fund is authorized by State law to accumulate resources to meet future capital outlay needs.

Pass-Through Taxes Fund

This special fund is authorized by State law to track the revenue and expense of tax increments provided to businesses by the city within the bounds of the District. This fund also tracks the Charter School Levy, which is set by the State. These funds do not actually run through the District's books and are not available for use by the District.

Self-Insurance Fund

This internal service fund is used to account for costs associated with fees and claims for medical services provided to employees.

Major Funds	Special Revenue Funds	Internal Service Funds
<ul style="list-style-type: none"> • General • Capital Projects • Debt Service • Municipal Building Authority 	<ul style="list-style-type: none"> • Student Activities • Food Services • Pass-Through Taxes • Building Reserve 	<ul style="list-style-type: none"> • Self-Insurance

Expenditure Functions

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

Instruction

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

Student Support Services

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

Instructional Support Services

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

General Administration Support Services

This function covers the costs associated with the overall administration of the District. It includes the

Board of Education, the Superintendent, and other District-level directorships. Costs include salaries and benefits, and supplies, services and equipment necessary to support District-wide management.

School Admin Support Services

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

Central Support Services

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

Food Services

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

Maintenance & Operations

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

Student Transportation

This function covers the costs of providing management and operation services for regular bus routes

used to transport children to and from school and on field trips, and associated salaries, benefits, supplies, and equipment.

Facilities & Construction

This function includes costs associated with the acquisition, remodel, and construction of buildings. Also included are material and contract costs associated with bond construction.

Debt Service

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

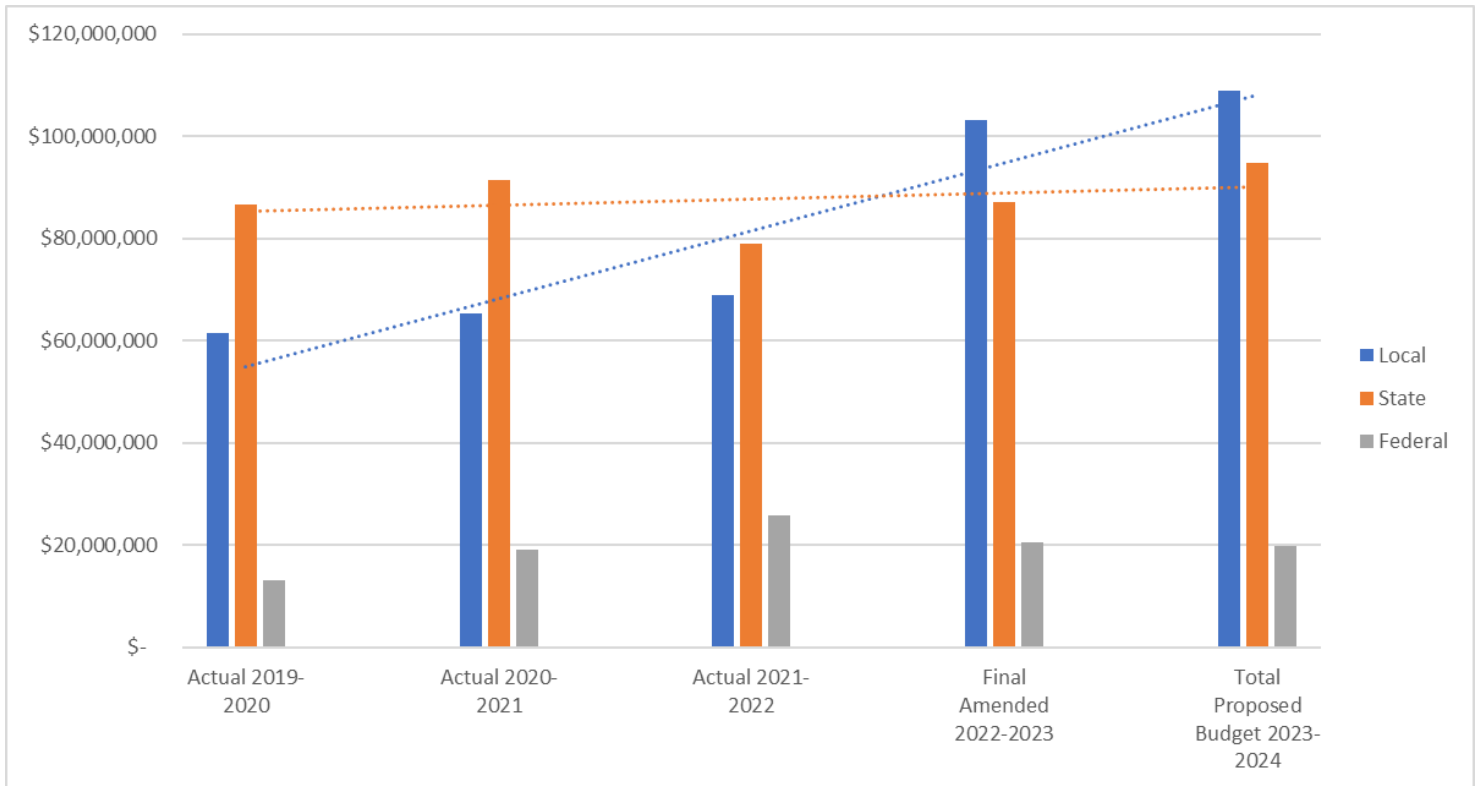


Major Revenue Sources

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

Revenue by Source: FY2020—FY2024

	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022	Final Amended 2022-2023	Total Proposed Budget 2023-2024
Local	\$ 61,541,932	\$ 65,245,242	\$ 68,959,834	\$ 103,231,757	\$ 108,854,872
State	86,692,546	91,376,287	78,939,363	87,165,738	94,931,996
Federal	13,185,638	19,042,336	25,796,923	20,640,909	19,759,888
Total Revenue	<u>\$ 161,420,116</u>	<u>\$ 175,663,866</u>	<u>\$ 173,696,120</u>	<u>\$ 211,038,404</u>	<u>\$ 223,546,756</u>



Revenue Projection Assumptions: FY2024

The District is conservative when estimating revenue. Accordingly, several assumptions were made when projecting revenue for fiscal year 2023-24. Prior to fiscal year 2020-21, federal revenue was on a downward trend. Subsequently, the District was awarded federal grants related to COVID-19. The District is still spending those funds so federal revenue is higher than a normal year. Other federal awards that are normally part of the annual budget (i.e. Title I, IDEA, Food Services) have remained relatively flat or decreased.

Local revenues are projected to increase in fiscal year 2023-24. The increase in local revenue is due to the addition of the Self-Insurance Fund and lease revenue in the Municipal Building Authority Fund. Investment income has increased over the last two years as the interest rates have continued to rise. District administration does not generally build ongoing expenses into the budget based on investment income because of the volatility of the interest rates.

State revenue is based primarily on the WPU. The legislature again increased the WPU by 6.0% this year, which accounts for the increase in state revenue for fiscal year 2023-24. Enrollment is projected to remain flat this year and for the foreseeable future.

Utah's robust economy and legislative support is key to funding school districts within the state. State programs are divided into above-the-line programs, (General, Special Ed, CTE, Enhancement for At-Risk Students, etc.) which are generally increased at the same rate as the WPU. Below-the-lines programs include programs restricted for specific purposes (i.e. Qualified Mental Health, Concurrent Enrollment, Advanced Placement, School Lands Trust, Teacher and Student Success Act, etc.). These programs are not

tied to the WPU, but other funding calculations.

The District relied on the following assumptions when projecting fiscal year 2023-24 revenues:

- Enrollment at eSchool is projected to remain relatively flat. Many parents enjoy the flexibility of allowing their students to fully or partially complete their schooling at home, taking advantage of dual enrollment in the traditional schools for specific classes.
- This is the final year of increased federal revenue from COVID-19 relief funds. This funding has allowed the District to provide additional programs to address learning loss caused by pandemic-related school closures. The District's challenge will be deciding which programs should be continued after the federal revenue to pay for them is gone.
- Property tax rates have shifted between funds, but the overall rate will decrease as compared to the prior fiscal year. Utah County completed a full revaluation of properties throughout the County in tax year 2022, which resulted in a sharp increase in property values. Projections show that this year's valuations will remain flat or slightly decrease. Property tax impacts the General, Debt Service, and Capital Projects Fund.
- Local revenue for the Food Services Fund will increase as the reimbursement for all lunches from the federal government ends. The District is unsure of the level of participation to expect as students enjoyed free meals at the school for the last three years. Elementary lunch rates for fiscal year 2023-24 will be increased slightly to help cover ongoing costs.

Major Revenue Sources: State of Utah

The State of Utah is the largest revenue source for the District with revenues of \$94.9 million budgeted for fiscal year 2023-24. State revenue is divided among many programs, though changes in state-mandated reporting has consolidated many of them. The largest component of state funding is the Minimum School Program (MSP), which acts as a series of large block grants or programs provided by the State to support local educational services.

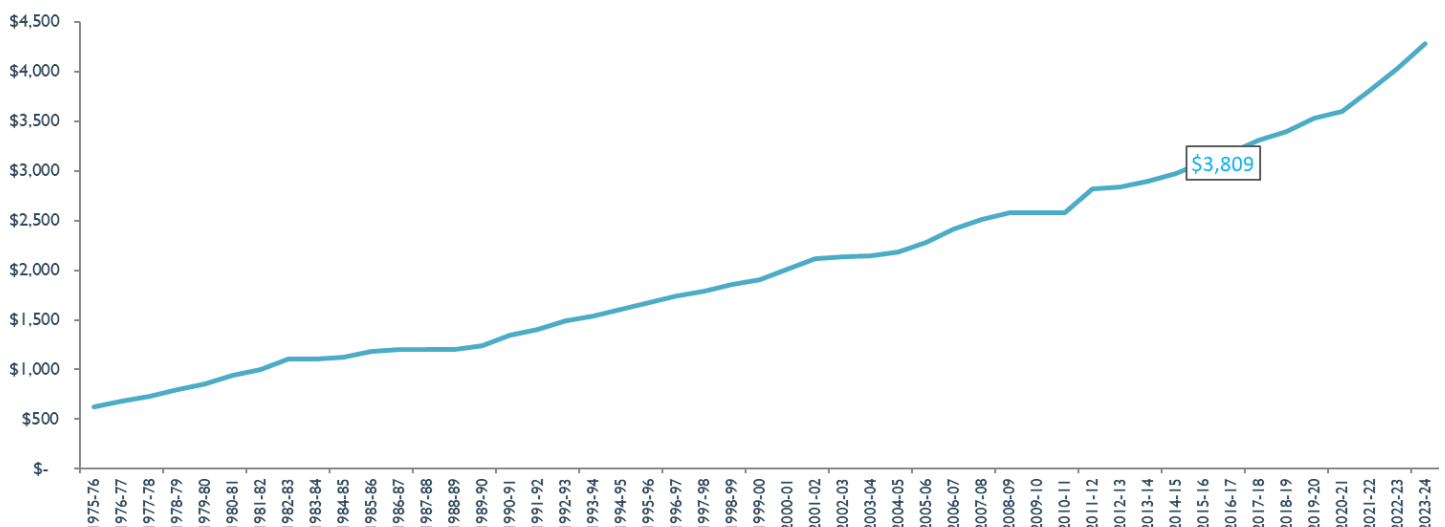
In the 1973 legislative session, the Weighted Pupil Unit (WPU) was created to help normalize state funding to school districts throughout Utah. In recent years, the State has provided additional funding each year for the WPU. The WPU is \$4,280 for fiscal year 2023-24, as compared to \$4,038 in fiscal year 2022-23 (6.0% increase). Utah's economy is consistently rated among the best in the nation and that contributes to the District's general financial position.

Thirteen programs funded by the State use the WPU to calculate allocations to school districts. Approximately 68.4% of revenue from the State, or \$64.1 million, comes directly from WPU-based programs.

The WPU was developed as a mechanism to equally distribute state revenue among school districts and charter schools. The WPU is not a plan of expenditure or budget for the school district or charter school to follow, but a mechanism to derive total program cost and distribute revenues.

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

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



History of the WPU

Year	WPU	Change	Percentage Change	Year	WPU	Change	Percentage 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	0.0%	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	0.0%
1986-87	\$ 1,204	24	2.0%	2010-11	\$ 2,577	0	0.0%
1987-88	\$ 1,204	0	0.0%	2011-12	\$ 2,816	239	9.3%
1988-89	\$ 1,204	0	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	72.475	2.5%
1991-92	\$ 1,408	62	4.6%	2015-16	\$ 3,092	120.525	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%	2022-23	\$ 4,038	229	6.0%
				2023-24	\$ 4,280	242	6.0%



Major Revenue Sources: State of Utah

State revenue totals \$94.9 million or 42.4% of total revenue for the District across all funds. General Fund state revenue totals \$93.8 million or 57.5% of total revenue in the fund. The only other non-General Fund state revenue is in the Food Services Fund, which includes the State Liquor Tax that is mandated by state law to provide funding to assist in providing nutritious meals to students.

The largest individual state funding source, referred to as the Minimum School Program, is projected to be \$61.5 million in fiscal year 2023-24. This source is based on the WPU calculation and the District's local tax levies. The District uses this funding primarily to pay for teacher compensation. The MSP also includes Special Education, Career and Technical Education (CTE), Class-size Reduction, and At-Risk. At-Risk funding is based on the WPU and actual numbers of students served.

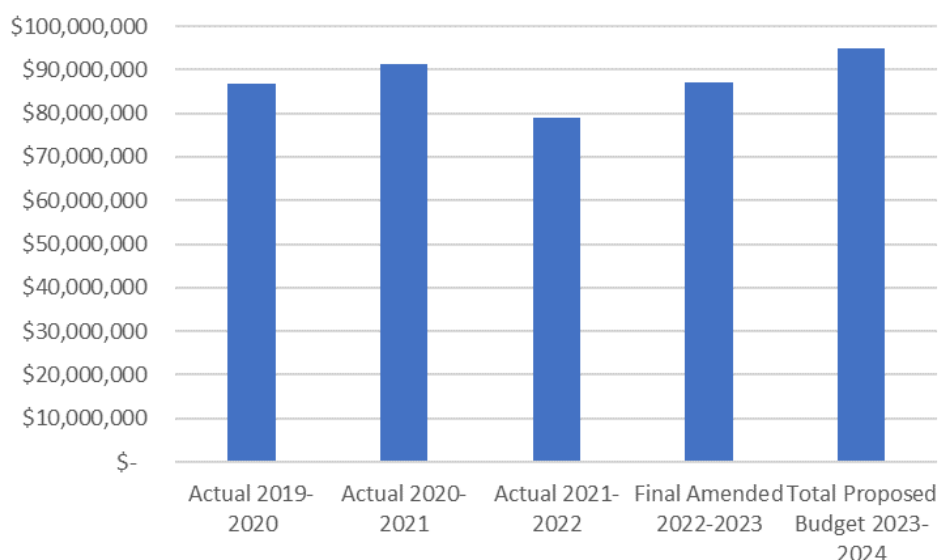
The Minimum School Program—Related to Basic is the second-largest state category at \$26.4 million. This category includes other restricted state programs such as School Land Trust, Teacher and Student Success Act, Youth in Custody, Educator Salary Adjustments, and other smaller state programs focused on special populations or state-mandated services for students.

Public Ed Economic Stabilization includes programs restricted for specific uses such as Educator Professional Time and English Language Learner Software. In fiscal year 2023-24, there is \$1.5 million budgeted from Public Ed Economic Stabilization. This funding stream was created in fiscal year 2019-20 and is funded by income tax and interest earned and is used to fund districts with one-time and ongoing (when applicable) appropriations.

The other \$5.5 million of state revenue includes Leeway Programs, which is related to the local property tax levied by districts and the guaranteed rate from the State, and other non-General Fund state revenue.

State revenue has increased over the last two years. In fiscal year 2021-22, state revenue decreased sharply from the prior year due to a change in the focus of eSchool. Many students that were included in the student population were out-of-boundary. When District administration decided to make eSchool's priority serving students residing in Provo, the out-of-boundary students enrolled in other districts.

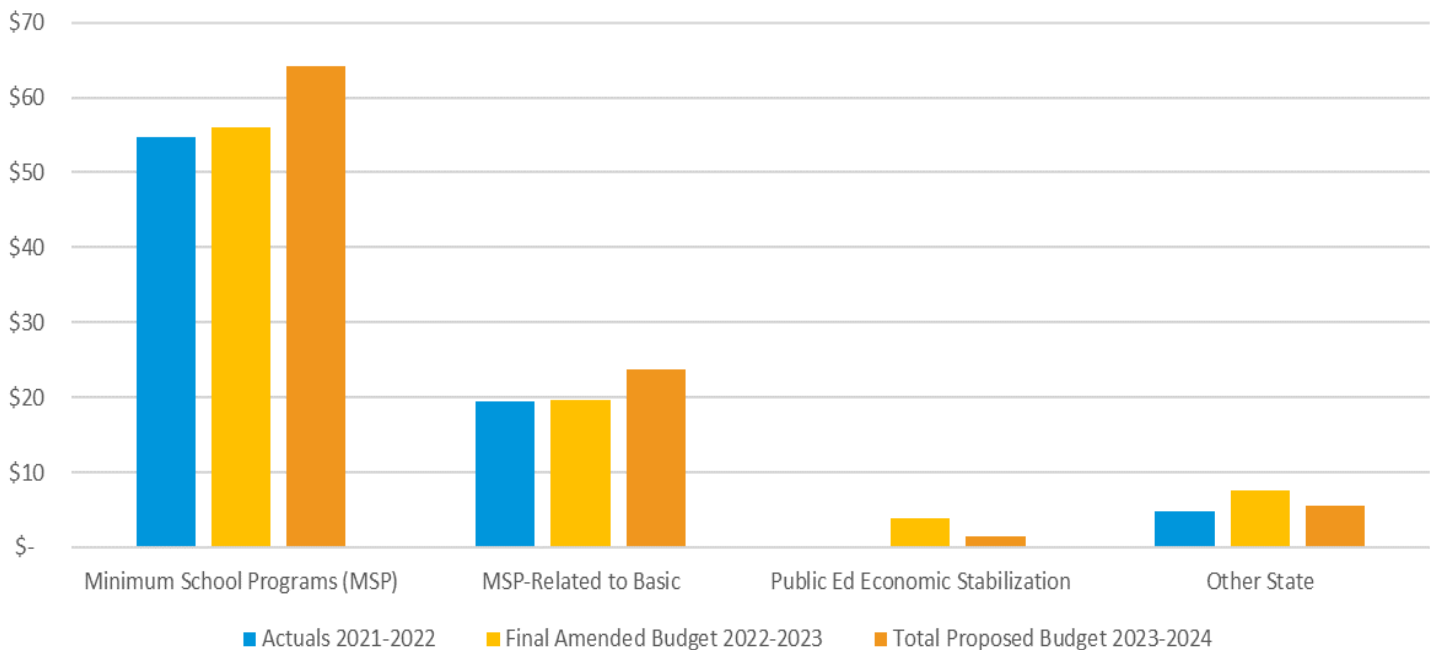
State Revenue: 5-year Comparison



Major Revenue Sources: State of Utah

Over the last few years, the Utah legislature and the USBE have made changes in the way state revenue is allocated. Funding was previously split into several different smaller programs that were restricted for various purposes (i.e. benefits for teachers, professional development, etc.) The legislature made the decision to roll-up most of these small programs into the basic K-12 funding model to allow school districts additional flexibility in the use of the educational funds. Utah's economy has been strong over the last several years and legislators and lobbyists have been active in funding restricted programs for schools. The majority of state funding is related to the Minimum School Funding. The only unrestricted portion is the K-12 allotment that is only part of the Minimum School Funding allocations—the total is \$45.2 million of the \$93.8 million in General Fund state funding.

State Revenue by Funding Source



Major Revenue Sources: Property Tax

The District levies property taxes to provide operating funds for the District. Each year, the District receives the assessed valuation from Utah County to determine the District's certified tax rate. Those rates will change annually based on the revenue requested and the valuation of property within Provo. The Basic Levy is set by the State and school district are required to levy it. There is an inverse relationship between the Basic Levy and state aid—meaning the more revenue collected from the Basic Levy, the less state aid a school district will receive. The Basic, Voted Local, and Board Local levies are the taxes collected for the General Fund, while the other levies represent revenue needed to meet general obligation bond debt service requirements and capital outlay to meet needs in the Capital Projects Fund.

Property taxes are the District's second largest funding source and the largest component of local revenues at approximately 67.8%. For fiscal year 2023-24, the overall local property tax rate is 0.007333, an increase of .000010 from the prior fiscal year. Local property taxes will help fund teacher salary increases and debt obligations for the bonds issued by the Municipal Building Authority. The District's goals and objectives for the coming year are determined before final property assessed values are known.

More information on property taxes received by the District can be found in the Informational Section of this report.

TAX RATE SCHEDULE

5 Year

Description	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Proposed Estimated 2023-24	Change from Prior Year
General Fund						
Basic Program (set by Legislature)	0.001661	0.001628	0.001661	0.001652	0.001406	(0.000246)
Voted Leeway	0.001016	0.000968	0.000911	0.000587	0.001300	0.000713
Board Local Levy	0.001548	0.001997	0.001734	0.001760	0.001831	0.000071
Tax Increment Fund						
Charter School Levy	0.000097	0.000093	0.000091	0.000096	0.000098	0.000002
Capital Projects Fund						
Capital Outlay	0.001257	0.001198	0.001271	0.001847	0.001229	(0.000618)
Debt Service Fund						
General Obligation Debt	0.001550	0.001453	0.001349	0.001381	0.001469	0.000088
TOTAL	<u>0.007129</u>	<u>0.007337</u>	<u>0.007017</u>	<u>0.007323</u>	<u>0.007333</u>	<u>0.000010</u>

Major Revenue Sources: Other Local Revenue

In the summary budgets, other local revenues are often combined with property taxes. These other local revenues include earnings from investments (interest earned), lease revenue in the Municipal

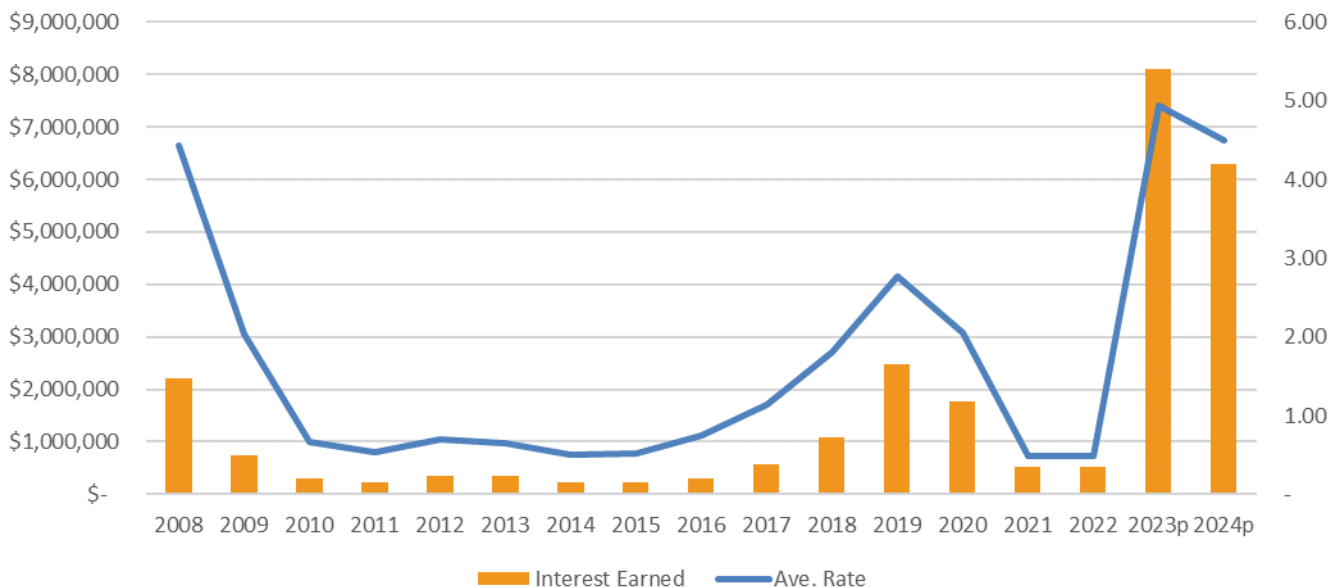
Building Authority Fund, and fees charged to students for things like school lunches and extracurricular activities. Since the pandemic negatively impacted interest rates and revenue, there has been a significant recovery in the market and rates in fiscal year 2022-23. Budgets in fiscal year 2022-23 and 2023-24 have increased significantly as a result of actions taken by the United States Federal Reserve.

District administration has placed a strong emphasis on sound cash management. Investment strategies employed by the District comply with the Utah Money Management Act. The District invests mainly in what is referred to as the Utah Public Treasurer's In-

vestment Fund (PTIF), which provides security, stability and competitive returns. The PTIF is diversified, with no more than 5% of assets invested with a single issuer.

The graph below shows the rates of return and the District's actual interest income (or budgeted and projected amounts for FY23 and FY24) for the past several years. The District also works with Zions Bank to utilize an additional short-term investment products, but the graph below includes only PTIF rates.

Interest revenue has been higher in fiscal year 2022-23 due to balances in accounts being a little higher than normal because of bond proceeds. As bond proceeds are spent on construction projects, the District expects interest revenue to decrease in subsequent years.



Major Revenue Sources: Federal Revenue

The federal government provides direct and flow-through support to certain programs. For fiscal year 2023-24, it is anticipated that the District will receive about \$19.8 million in federal aid.

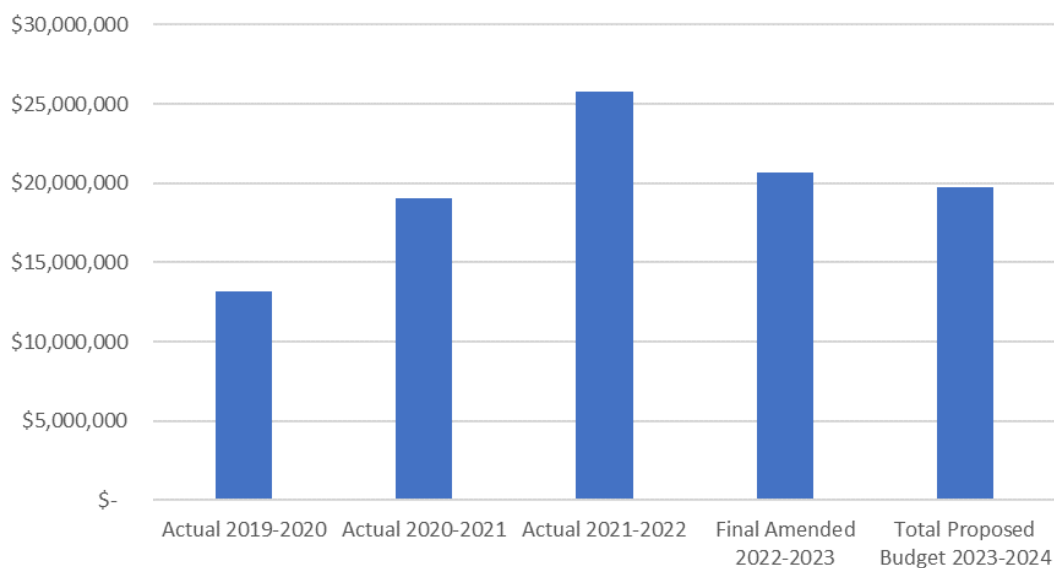
The largest ongoing programs the District operates with federal funding are IDEA, Title I, Improving Teacher Quality, 21st Century Community Learning Centers, and the school lunch program. These programs, along with a few other smaller federal programs, make up 61.4% of federal revenue received by the District.

The other 38.6% of budgeted federal revenue is from COVID-19 relief funding from the American Rescue Plan authorized by the federal government and set up as reimbursement grants through the USBE. The purpose of this funding is to provide additional resources to help mitigate the learning loss for students in all grades suffered during the school closures. The funding also provides additional resources to keep class sizes small and provide technology for students and teachers throughout the District. All COVID-19 funding expires September 30, 2024, which represents the federal fiscal year end.

The Every Student Succeeds Act (ESSA), which replaced No Child Left Behind, focuses on the success of each student. The largest portion of ongoing federal aid is funded through this Act. The goal of ESSA is the same as the District's aim—to ensure students succeed and are college-and-career ready.



Federal Revenue FY20-FY24



Major Revenue Sources: Federal Revenue

Largest Federal Funding Sources

The following five programs have traditionally made up over 90.0% of all District federal grants. The last three fiscal years, one-time COVID-19 relief funding has been a significant portion of federal revenue. Normal, ongoing federal programs have stayed relatively flat or decreased for fiscal year 2023-24, as compared to previous fiscal years.

Federal Food Programs

The District is planning to receive \$4.1 million in federal revenue in the School Foods Fund. In fiscal year 2021-22, federal reimbursement was much higher due to COVID-19 waivers that allowed for reimbursement for all meals served, rather than just students who qualify for free and reduced lunch. Due to increased revenue and difficulty in hiring, the District deferred some federal revenue from fiscal year 2021-22 to 2022-23. New reimbursement rates have not been received yet, so revenue is projected to remain flat. The federal revenue for the Food Services Fund includes the reimbursement for breakfast and lunch, along with donated commodities provided through the USDA.

Title I

This grant (a component of ESSA) is designed to help students receive fair and equal opportunities to obtain a high-quality education. Funding is contingent upon the number of low-income students in the District. Seven elementary schools in the District qualify for Title I funding. There is \$2.5 million budgeted for Title I in fiscal year 2023-24. Revenue decreased in fiscal year 2022-23 due to a temporary change in the way free and reduced percentages were figured.

IDEA/Medicaid

The Individuals with Disabilities Education Act (IDEA) is specific to students with disabilities. The funding provides educational, emotional, and physical support necessary for students to receive a successful education. There is \$3.1 million in the budget for fiscal year 2023-24.

Medicaid funding from the Department of Health and Human Services helps provide services for the physical and emotional well-being of students with disabilities. There is \$1.0 million in the budget for fiscal year 2023-24 for Medicaid.

Improving Teacher Quality (Title II)

This grant is designed to help improve the quality of education in the classroom. This grant is funded through ESSA. This grant funds professional development for teachers and instructional coaches to improve classroom instruction. Creating opportunities for teachers to be “highly qualified” in their subject matter is also a focus for the District when planning activities using this funding.

21st Century Community Learning Centers

This grant is funded through ESSA and is primarily focused on out-of-school activities for students. This grant is divided into individual grants for specific schools and is a competitive award each year. Programs that extend the school day, providing both remedial and enrichment activities, is the primary purpose. There is \$0.5 million in the budget for these programs.

Expenditures: Significant Uses

Employee Compensation

As a service organization, the District spends the majority of its available resources (not including bond proceeds) on salaries and benefits. In fiscal year 2017-18, the District embarked on a comprehensive study of teacher compensation and compared current compensation with the state average and neighboring districts. At that time, a change was made to the structure of the salary schedule with a commitment of additional increases in the future, as funding became available. District administration and the Board made the decision to increase teacher salaries for fiscal year 2023-24 to bring teachers closer to neighboring districts' average salaries.

As teacher salaries increase, employee benefits also increase. Retirement and federal taxes are based on a percentage of salary with differing factors on each. Medical insurance costs have increased substantially over the last decade. This has led the District to explore other options for medical benefits to help curb costs and provide better plans for employees. The District is moving to a self-funded insurance model in fiscal year 2023-24, which will provide greater flexibility to design plans to have the best coverage for medical and pharmacy benefits. This model will also lower costs long-term. The employee wellness program was created for all employees in the District to provide incentives for living a healthy life and provides education opportunities to educate employees. The total amount of the budget allocated for employee salary and benefits is 75.4% (not including debt or construction costs).

Building Construction

The District has two schools in the process of being completely rebuilt and a third school being partially

rebuilt. There is \$56.2 million in the budget for construction. The Capital Advisory Committee continues to meet regularly to evaluate capital needs, beyond construction, to ensure all facilities are properly maintained and safe for students and staff. District administration is now evaluating more effective ways of tracking regular maintenance throughout the buildings. The total Capital Projects Fund and Municipal Building Authority budgets are \$82.1 million.

Summary

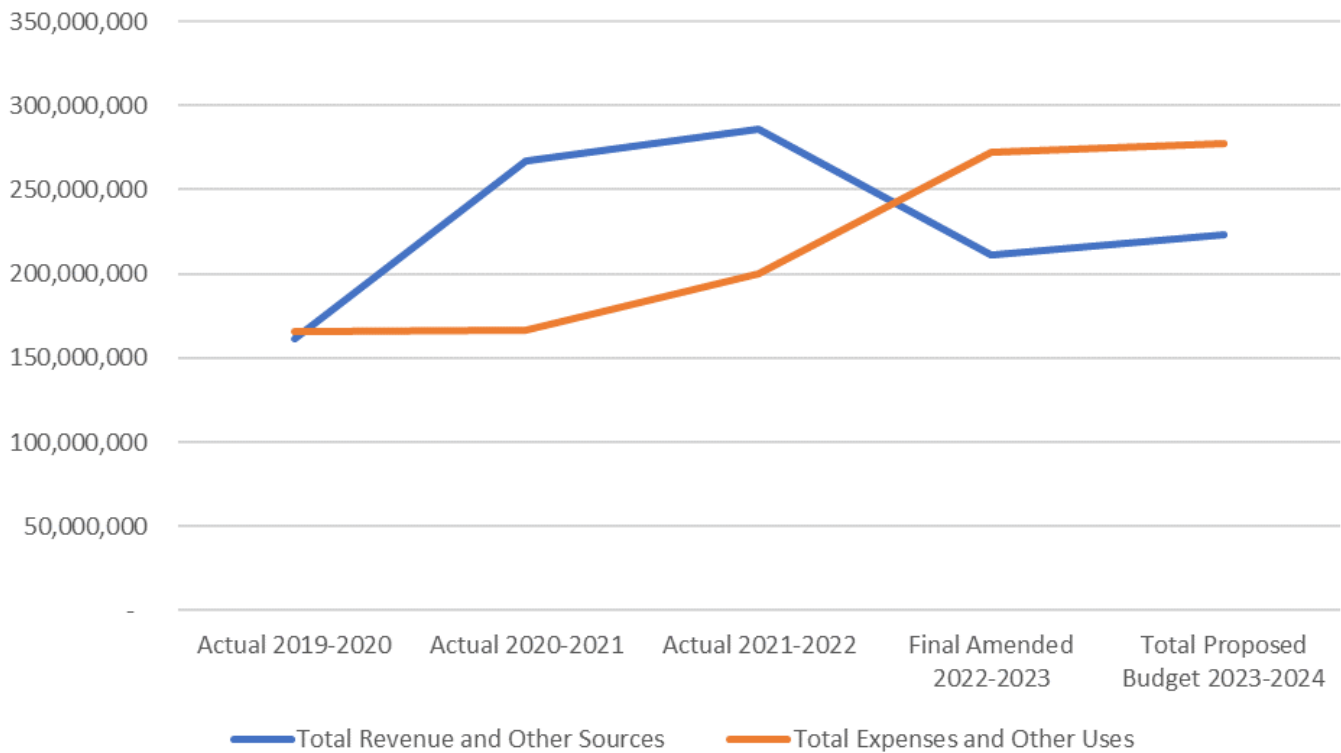
The forecasts on the following pages reflect the fact that the District is in the process of adapting to a changing economic environment.

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

In short, the District's ability to adjust to a new level of funding will define its success over the coming years. Seeking out innovative programs that are cost-effective will be an important way to mitigate inflationary pressures that cause expenditures to increase a rater faster than the funding received by the District.

Financial Information

Expenditures & Revenues—with Other Sources and Uses: All Funds FY2020—FY2024



	Revenue (and other financing sources)	Expenses (and other financing uses)	Net
Actual 2019-2020	\$ 161,420,116	\$ 165,945,734	\$ (4,525,618)
Actual 2020-2021	\$ 267,495,108	\$ 166,696,765	\$ 100,798,342
Actual 2021-2022	\$ 285,935,545	\$ 200,036,476	\$ 85,899,069
Final Amended Budget 2022-2023	\$ 211,113,404	\$ 271,937,117	\$ (60,823,713)
Proposed Budget 2023-2024	\$ 223,556,756	\$ 277,248,210	\$ (53,691,454)

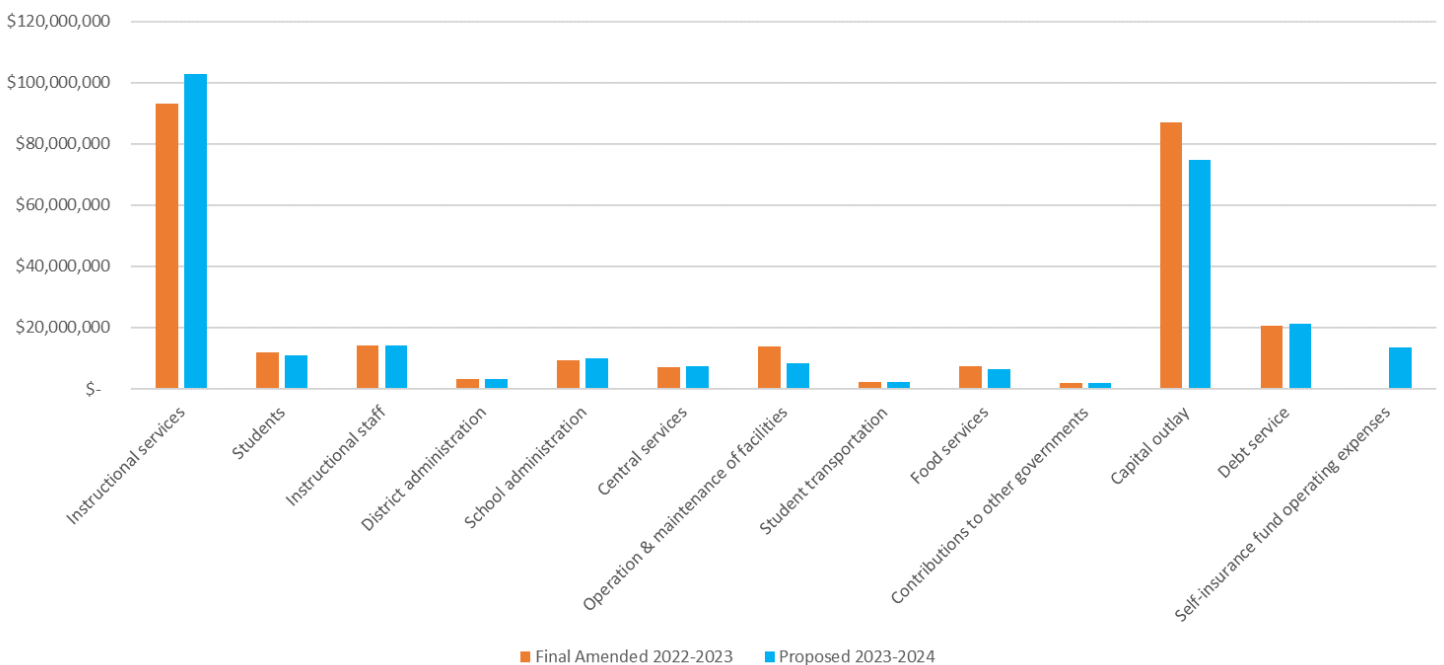
Expenditure Comparison by Function: All Funds

FY2023 to FY2024

Expenditures by Function (All Funds): FY2023 and FY2024

Function	Final Amended 2022-2023	Proposed 2023- 2024	Difference	
Instructional services	\$ 93,133,841	\$ 102,774,634	\$ 9,640,793	10%
Support services:			-	
Students	11,770,600	10,804,097	(966,503)	-8%
Instructional staff	14,133,578	14,163,860	30,282	0%
District administration	3,242,628	3,193,931	(48,697)	-2%
School administration	9,278,850	10,112,749	833,899	9%
Central services	7,199,832	7,407,789	207,957	3%
Operation & maintenance of facilities	13,770,690	8,347,207	(5,423,483)	-39%
Student transportation	2,244,402	2,371,754	127,352	6%
Food services	7,397,735	6,552,411	(845,324)	-11%
Contributions to other governments	1,857,617	1,876,305	18,688	1%
Capital outlay	87,085,328	74,781,002	(12,304,326)	-14%
Debt service	20,672,016	21,212,470	540,454	3%
Self-insurance fund operating expenses	150,000	13,650,000	13,500,000 *	
	<u>\$ 271,937,117</u>	<u>\$ 277,248,210</u>	<u>\$ 5,311,093</u>	2%

*New Fund in 2023-2024



Budget Summary, Revenue by Source, and Expenditures by Function All Funds

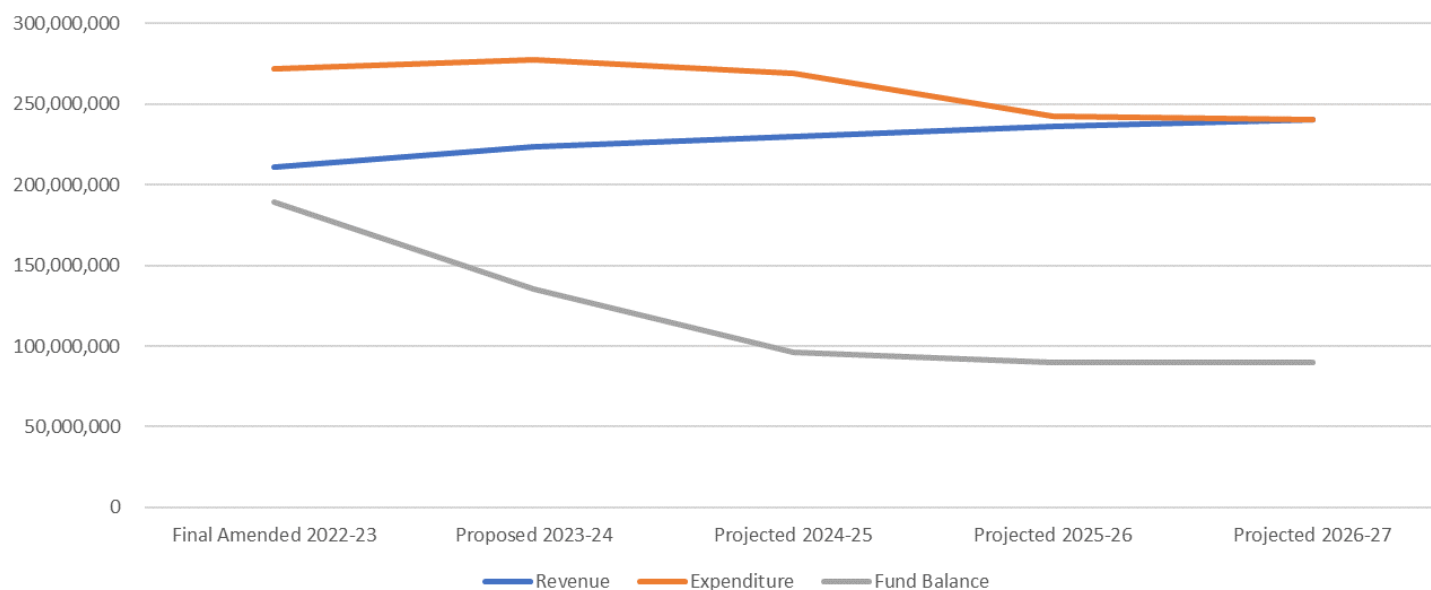
	General Fund	Student Activities Fund	Pass-Through Taxes Fund	Food Services Fund	Provo Education Foundation	Debt Service Fund	Capital Projects Fund
Revenues:							
Local sources	\$ 53,531,370	\$ 3,022,500	\$ 1,876,305	\$ 1,037,843	\$ 1,000,000	\$ 13,882,560	\$ 11,700,000
State sources	93,810,326	-	-	1,121,670	-	-	-
Federal sources	15,698,430	-	-	4,061,458	-	-	-
Total revenues	163,040,126	3,022,500	1,876,305	6,220,971	1,000,000	13,882,560	11,700,000
Expenditures:							
Current:							
Instructional services	98,725,538	3,049,096	-	-	1,000,000	-	-
Support services:							
Students	10,804,097	-	-	-	-	-	-
Instructional staff	14,163,860	-	-	-	-	-	-
District administration	3,193,931	-	-	-	-	-	-
School administration	10,112,749	-	-	-	-	-	-
Central services	7,407,789	-	-	-	-	-	-
Operation & maintenance of facilities	8,347,207	-	-	-	-	-	-
Student transportation	2,371,754	-	-	-	-	-	-
Food services	-	-	-	6,552,411	-	-	-
Community services	-	-	-	-	-	-	-
Contributions to other governments	-	-	1,876,305	-	-	-	-
Capital outlay	-	-	-	-	-	-	24,700,000
Debt service	-	-	-	-	-	13,882,560	-
Self-insurance fund operating expenses	-	-	-	-	-	-	-
Total expenditures	155,126,926	3,049,096	1,876,305	6,552,411	1,000,000	13,882,560	24,700,000
Excess (deficiency) of revenues over (under) expenditures	7,913,200	(26,596)	-	(331,440)	-	-	(13,000,000)
Other financing sources (uses):							
Proceeds from bonds issued	-	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	-
Proceeds from refunding bonds issued	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-
Proceeds from sale of capital assets	10,000	-	-	-	-	-	-
Transfer in	-	200,000	-	-	-	-	7,700,000
Transfer out	(7,923,200)	-	-	-	-	-	-
Total other financing sources (uses)	(7,913,200)	200,000	-	-	-	-	7,700,000
Net change in fund balance	0	173,404	-	(331,440)	-	-	(5,300,000)
Fund balance - beginning	39,495,803	2,360,202	-	2,295,064	962,795	716,802	41,200,000
Fund balance - ending	\$ 39,495,803	\$ 2,533,606	\$ -	\$ 1,963,624	\$ 962,795	\$ 716,802	\$ 35,900,000

Budget Summary, Revenue by Source, and Expenditures by Function: All Funds

Actuals 2020-21	Building Reserve Fund	Municipal Building Authority Fund	Self Insurance Fund	Total Proposed Budget 2023-24	Final Amended Budget 2022-23	Actual 2021-22	Actual 2020-21	Actual 2019-20
46,611	\$ -	\$ 9,257,683	\$ 13,500,000	\$ 108,854,872	\$ 103,231,757	\$ 68,959,834	\$ 65,245,242	\$ 61,541,932
-	-	-	-	94,931,996	87,165,738	78,939,363	91,376,287	86,692,546
-	-	-	-	19,759,888	20,640,909	25,796,923	19,042,336	13,185,638
46,611	-	9,257,683	13,500,000	223,546,756	211,038,404	173,696,120	175,663,866	161,420,116
-	-	-	-	102,774,634	93,133,841	89,509,223	83,515,823	84,931,531
-	-	-	-	10,804,097	11,770,600	10,309,708	9,338,445	8,473,557
-	-	-	-	14,163,860	14,133,578	12,138,582	11,965,393	11,143,869
-	-	-	-	3,193,931	3,242,628	2,759,644	2,546,097	2,854,541
-	-	-	-	10,112,749	9,278,850	8,472,995	7,959,670	7,759,675
-	-	-	-	7,407,789	7,199,832	6,156,848	6,105,081	6,427,984
-	-	-	-	8,347,207	13,770,690	8,054,236	16,217,539	9,720,720
-	-	-	-	2,371,754	2,244,402	2,475,875	2,417,533	2,310,013
-	-	-	-	6,552,411	7,397,735	5,950,012	5,669,101	5,902,403
-	-	-	-	-	-	-	-	-
-	-	-	-	1,876,305	1,857,617	1,573,888	1,809,718	1,440,851
81,002	-	50,000,000	-	74,781,002	87,085,328	38,583,227	9,270,259	6,610,118
26,727	-	7,303,183	-	21,212,470	20,672,016	14,052,239	9,882,106	9,874,737
-	-	-	13,650,000	13,650,000	150,000	-	-	-
107,729	-	57,303,183	13,650,000	277,248,210	271,937,117	200,036,476	166,696,765	157,449,997
61,118)	-	(48,045,500)	(150,000)	(53,701,454)	(60,898,713)	(26,340,356)	8,967,100	3,970,119
-	-	-	-	-	-	100,355,000	81,815,867	-
-	-	-	-	-	-	11,760,560	-	-
-	-	-	-	-	-	11,650,000	-	-
-	-	-	-	-	-	1,764,021	-	-
-	-	-	-	-	-	(13,328,617)	-	-
-	-	-	-	10,000	75,000	38,461	15,375	4,263
23,200	-	-	-	7,923,200	3,200,000	2,138,586	10,000,000	1,500,000
-	-	-	-	(7,923,200)	(3,200,000)	(2,138,586)	-	(10,000,000)
23,200	-	-	-	10,000	75,000	112,239,425	91,831,242	(8,495,737)
37,918)	-	(48,045,500)	(150,000)	(53,691,454)	(60,823,713)	85,899,069	100,798,342	(4,525,618)
22,651	20,372,240	79,027,236	2,850,000	189,302,793	250,126,506	164,227,437	63,429,095	67,954,713
84,733	\$ 20,372,240	\$ 30,981,736	\$ 2,700,000	135,611,339	\$ 189,302,793	\$ 250,126,506	\$ 164,227,437	\$ 63,429,095

Summary of All Funds: FY2020 through FY2027

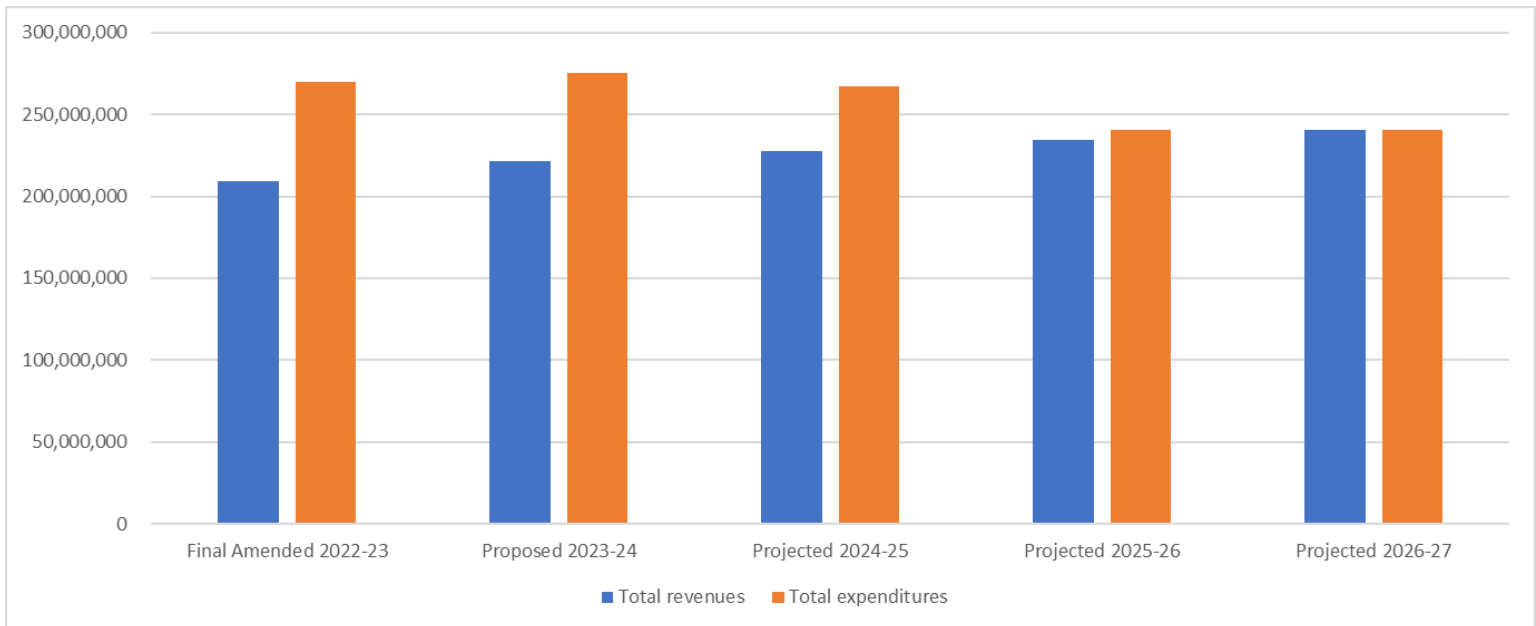
	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenues:								
Local Sources	\$ 61,541,932	\$ 65,245,242	\$ 68,959,834	\$ 103,231,757	\$ 108,854,872	\$ 118,013,804	\$ 119,373,351	\$ 118,320,184
State sources	86,692,546	91,376,287	78,939,363	87,165,738	94,931,996	99,667,379	104,639,083	109,858,905
Federal sources:	13,185,638	19,042,336	25,796,923	20,640,909	19,759,888	12,072,346	12,250,323	12,494,451
Total revenues	161,420,116	175,663,866	173,696,120	211,038,404	223,546,756	229,753,529	236,262,757	240,673,539
Expenditures:								
Salaries	74,560,222	80,918,146	84,549,698	88,423,835	97,556,489	102,511,673	107,720,031	113,178,196
Benefits	33,661,400	35,230,136	36,416,297	38,266,345	40,813,181	42,869,072	45,028,671	47,297,219
Purchased services	20,192,385	20,678,801	42,629,434	87,723,636	70,861,421	57,538,274	17,321,590	16,349,649
Supplies	12,280,846	14,398,683	16,506,752	21,162,075	18,192,569	16,558,801	15,828,638	16,879,197
Equipment	3,232,800	1,257,427	1,123,173	10,425,648	10,068,379	9,421,351	9,413,559	8,872,214
Other	13,522,344	14,213,573	18,811,121	25,935,578	39,756,170	40,374,094	47,412,267	38,097,064
Total expenditures	157,449,997	166,696,765	200,036,476	271,937,117	277,248,210	269,273,265	242,724,757	240,673,540
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	3,970,119	8,967,100	(26,340,356)	(60,898,713)	(53,701,454)	(39,519,736)	(6,461,999)	-
Other Financing Sources (Uses)	(8,495,737)	91,831,242	112,239,425	75,000	10,000	-	-	-
Net Change in Fund Balance	(4,525,618)	100,798,342	85,899,069	(60,823,713)	(53,691,454)	(39,519,736)	(6,461,999)	-
Fund balance - beginning	67,954,713	63,429,095	164,227,437	250,126,507	189,302,793	135,611,340	96,091,604	89,629,604
Fund balance - ending	\$ 63,429,095	\$ 164,227,437	\$ 250,126,507	\$ 189,302,793	\$ 135,611,340	\$ 96,091,604	\$ 89,629,604	\$ 89,629,604



Total expenditures will exceed revenue for the next few years as bond proceeds are spent and building projects are completed. The major buildings and projects are projected to be completed in FY2026. Budgets are considered balanced when revenue = expenditures or revenue + existing fund balances > expenditures. FY2027 is projected to be the first year that budget uses the revenue = expenditure model if projected totals are correct.

Summary of Operating Funds: FY2020 through FY2027

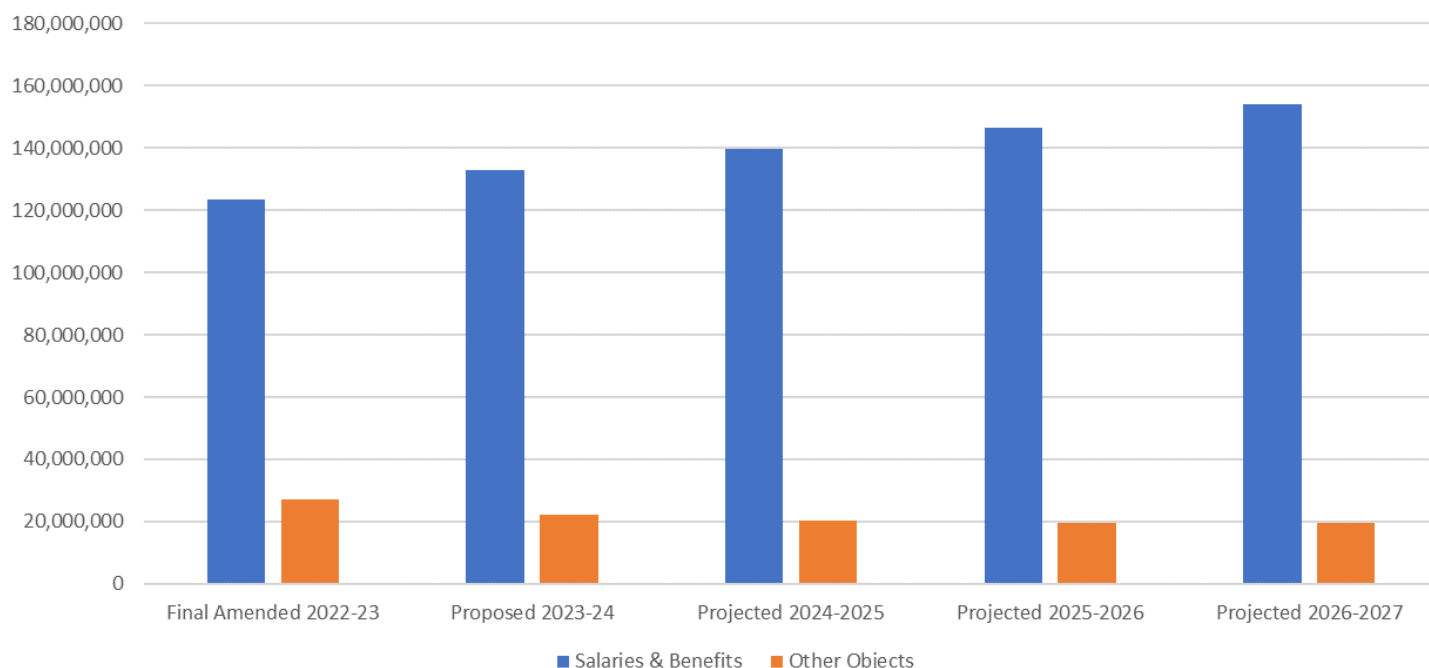
	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenues:								
Local Sources	\$ 60,101,082	\$ 63,435,524	\$ 67,385,946	\$ 101,374,140	\$ 106,978,567	\$ 115,976,137	\$ 117,315,307	\$ 118,320,184
State sources	86,692,546	91,376,287	78,939,363	87,165,738	94,931,996	99,667,379	104,639,083	109,858,905
Federal sources:	13,185,638	19,042,336	25,796,923	20,640,909	19,759,888	12,072,346	12,250,323	12,494,451
Total revenues	159,979,266	173,854,148	172,122,232	209,180,787	221,670,451	227,715,862	234,204,714	240,673,539
Expenditures:								
Salaries	74,560,222	80,918,146	84,549,698	88,423,835	97,556,489	102,511,673	107,720,031	113,178,196
Benefits	33,661,400	35,230,136	36,416,297	38,266,345	40,813,181	42,869,072	45,028,671	47,297,219
Purchased services	20,192,385	20,678,801	42,629,434	87,723,636	70,861,421	57,538,274	17,321,590	16,349,649
Supplies	12,280,846	14,398,683	16,506,752	21,162,075	18,192,569	16,558,801	15,828,638	16,879,197
Equipment	3,232,800	1,257,427	1,123,173	10,425,648	10,068,379	9,421,351	9,413,559	8,872,214
Other	12,081,494	12,403,855	17,237,233	24,077,961	37,879,865	38,336,427	45,354,223	38,097,064
Total expenditures	156,009,147	164,887,047	198,462,588	270,079,500	275,371,905	267,235,598	240,666,713	240,673,540
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	3,970,119	8,967,100	(26,340,356)	(60,898,713)	(53,701,454)	(39,519,736)	(6,461,999)	-
Other Financing Sources (Uses)	(9,995,737)	81,831,242	110,239,425	75,000	10,000	-	-	-
Net Change in Fund Balance	(6,025,618)	90,798,342	83,899,069	(60,823,713)	(53,691,454)	(39,519,736)	(6,461,999)	-
Fund balance - beginning	<u>61,082,473</u>	<u>55,056,855</u>	<u>145,855,197</u>	<u>229,754,267</u>	<u>168,930,553</u>	<u>115,239,100</u>	<u>75,719,364</u>	<u>69,257,364</u>
Fund balance - ending	<u>\$ 55,056,855</u>	<u>\$ 145,855,197</u>	<u>\$ 229,754,267</u>	<u>\$ 168,930,553</u>	<u>\$ 115,239,100</u>	<u>\$ 75,719,364</u>	<u>\$ 69,257,364</u>	<u>\$ 69,257,364</u>



Summary of General Fund: FY2020 through FY2027

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenues:								
Local Sources	\$ 38,487,192	\$ 42,168,244	\$ 40,341,372	\$ 50,026,191	\$ 53,531,370	\$ 54,066,684	\$ 55,148,017	\$ 57,353,938
State Sources	85,411,264	90,307,946	77,841,829	84,238,270	93,810,326	98,500,842	103,425,885	108,597,179
Federal Sources	8,905,035	14,790,718	19,690,191	16,354,059	15,698,430	7,698,430	7,775,415	7,853,169
Total revenues	132,803,491	147,266,909	137,873,392	150,618,520	163,040,126	160,265,956	166,349,317	173,804,286
Expenditures:								
Current:								
Salaries	72,260,520	78,778,599	81,375,083	85,994,958	93,688,513	98,372,939	103,291,586	108,456,165
Benefits	32,868,802	34,470,617	35,166,818	37,552,471	39,290,001	41,254,501	43,317,226	45,483,088
Purchased Services	12,917,605	10,705,217	6,018,449	8,458,182	6,320,645	6,004,613	5,704,382	5,419,163
Supplies	8,009,326	10,382,947	11,216,782	15,150,014	13,472,917	11,965,362	11,247,799	11,531,411
Equipment	2,677,078	1,246,679	436,664	1,044,437	27,000	24,300	21,870	19,683
Other	1,711,214	2,002,586	2,619,186	2,448,811	2,327,849	2,444,242	2,566,454	2,694,777
Total expenditures	130,444,546	137,586,645	136,832,983	150,648,873	155,126,926	160,065,956	166,149,317	173,604,286
Excess (deficiency) of revenues over (under) expenditures	2,358,946	9,680,264	1,040,409	(30,353)	7,913,200	200,000	200,000	200,000
Other financing sources:								
Transfer in	-	-	-	(3,200,000)	(7,923,200)	(200,000)	(200,000)	(200,000)
Transfer out	(5,500,000)	-	(2,138,586)	-	-	-	-	-
Proceeds from sale of capital assets	4,263	15,375	38,461	75,000	10,000	-	-	-
Total other financing sources (uses)	(5,495,737)	15,375	(2,100,125)	(3,125,000)	(7,913,200)	(200,000)	(200,000)	(200,000)
Net change in fund balances	(3,136,791)	9,695,639	(1,059,716)	(3,155,353)	-	-	-	-
Fund balance - beginning	37,152,024	34,015,233	43,710,872	42,651,156	39,495,803	39,495,803	39,495,803	39,495,803
Fund balance - ending	\$ 34,015,233	\$ 43,710,872	\$ 42,651,156	\$ 39,495,803	\$ 39,495,803	\$ 39,495,803	\$ 39,495,803	\$ 39,495,803

The General Fund's primary expense is the salary and benefits of the majority of the District's employees. District administration has made a commitment to continue to review and increase teacher and staff salaries to make Provo City School District the best place to work in Utah County. The District will continue to evaluate student to staff ratios to make sure the number of employees is appropriate to the number of students so the impact to property owners can be minimized.



Summary of Capital Projects Funds: FY2020 through FY2027

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenues:								
Local sources:								
Property taxes	\$ 8,240,141	\$ 8,620,353	\$ 10,411,199	\$ 20,578,305	\$ 11,246,325	\$ 20,784,088	\$ 20,991,929	\$ 21,201,848
Earnings on investments	74,502	89,263	338,257	1,300,000	500,286	-	-	-
Other local	-	52,321	1,701,496	-	-	-	-	-
Total local revenue	8,314,643	8,761,937	12,450,952	21,878,305	11,746,611	20,784,088	20,991,929	21,201,848
State Sources	111,674	-	-	1,805,798	-	-	-	-
Federal Sources	48,173	-	-	-	-	-	-	-
Total revenue	8,474,490	8,761,937	12,450,952	23,684,103	11,746,611	20,784,088	20,991,929	21,201,848
Expenditures:								
Capital outlay:								
Salaries	-	-	1,126,862	-	1,432,925	1,533,230	1,640,556	1,738,989
Benefits	-	-	522,366	-	719,709	762,892	808,665	857,185
Purchased professional and technical services	-	399,237	-	191,092	-	-	-	-
Purchased property services	6,053,947	8,871,023	32,869,201	39,893,184	12,529,268	24,084,194	9,177,165	9,038,146
Other purchased services	-	-	-	4,020	-	-	-	-
Supplies	22,409	-	738,509	1,091,179	90,000	22,409	-	738,509
Property and equipment	533,762	-	641,869	9,105,853	10,009,100	9,368,000	9,365,543	8,829,000
Other	-	-	19	-	-	-	-	19
Debt service:	-	-	-	-	-	-	-	-
Notes payable principal	22,642	23,387	45,863	24,951	25,772	13,096	-	-
Notes payable interest	83,096	82,454	9,112	1,776	955	268	-	-
Total expenditures	6,715,856	9,376,100	35,953,801	50,312,055	24,807,729	35,784,088	20,991,928	21,201,848
Excess (deficiency) of revenues over (under) expenditures	1,758,634	(614,163)	(23,502,849)	(26,627,952)	(13,061,118)	(15,000,000)	-	-
Other financing sources (uses):								
Proceeds from bonds issued	-	81,815,867	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	7,723,200	-	-	-
Transfer out	(4,500,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	(4,500,000)	81,815,867	-	-	7,723,200	-	-	-
Net change in fund balances	(2,741,366)	81,201,704	(23,502,849)	(26,627,952)	(5,337,918)	(15,000,000)	-	-
Fund balance - beginning	17,040,015	14,298,649	95,500,353	67,850,603	41,222,651	35,884,733	20,884,733	20,884,733
Fund balance - ending	\$ 14,298,649	\$ 95,500,353	\$ 71,997,504	\$ 41,222,651	\$ 35,884,733	\$ 20,884,733	\$ 20,884,733	\$ 20,884,733

Summary of Municipal Building Authority Fund: FY2020 through FY2027

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenue:								
Local sources:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local	-	-	199,197	7,755,107	7,757,683	7,763,183	7,759,933	7,223,700
Earnings on investments	-	-	-	2,800,000	1,500,000	500,000	50,000	-
Total local revenue	-	-	199,197	10,555,107	9,257,683	8,263,183	7,809,933	7,223,700
State sources	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Total revenue	-	-	199,197	10,555,107	9,257,683	8,263,183	7,809,933	7,223,700
Expenditures:								
Capital outlay:								
Purchased services	-	-	2,684,401	36,800,000	50,000,000	25,479,736	510,000	-
Debt service:								
Bond principal	-	-	-	3,000,000	3,300,000	3,465,000	10,097,000	3,820,000
Bond interest	-	-	79,413	4,294,590	3,997,683	3,832,683	3,659,433	3,398,200
Bond issuance cost	-	-	1,125,625	5,500	5,500	5,500	5,500	5,500
Paying agent fees	-	-	-	-	-	-	-	-
Total expenditures	-	-	3,889,439	44,100,090	57,303,183	32,782,919	14,271,933	7,223,700
Excess (deficiency) of revenues over (under) expenditures	-	-	(3,690,242)	(33,544,983)	(48,045,500)	(24,519,736)	(6,462,000)	-
Other financing sources (uses):								
Transfer in	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-
Proceeds from lease revenue bonds issued	-	-	100,355,000	-	-	-	-	-
Premium on lease revenue bonds issued	-	-	11,760,560	-	-	-	-	-
Total Other Financing Sources	-	-	112,115,560	-	-	-	-	-
Net change in fund balances	-	-	108,425,318	(33,544,983)	(48,045,500)	(24,519,736)	(6,462,000)	-
Fund balance - beginning	-	-	4,146,901	112,572,219	79,027,236	30,981,736	6,462,000	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,572,219</u>	<u>\$ 79,027,236</u>	<u>\$ 30,981,736</u>	<u>\$ 6,462,000</u>	<u>\$ -</u>	<u>\$ -</u>

Summary of Debt Service Fund: FY2020 through FY2027

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenues:								
Local sources:								
Property taxes	\$ 9,354,849	\$ 9,913,762	\$ 11,141,801	\$ 13,845,199	\$ 13,875,560	\$ 14,429,810	\$ 14,872,535	\$ 14,021,635
Earnings on investments	-	-	6,618	-	7,000	7,000	7,000	7,000
Total revenues	<u>9,354,849</u>	<u>9,913,762</u>	<u>11,148,419</u>	<u>13,845,199</u>	<u>13,882,560</u>	<u>14,436,810</u>	<u>14,879,535</u>	<u>14,028,635</u>
Expenditures:								
Debt service:								
Bond principal	6,175,000	6,420,000	6,655,000	7,970,000	8,840,000	9,775,000	10,650,000	10,280,000
Bond interest	3,588,499	3,350,765	6,044,822	5,368,199	5,035,560	4,654,810	4,222,535	3,741,635
Bond issuance cost	<u>5,500</u>	<u>5,500</u>	<u>92,404</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>
Total expenditures	<u>9,768,999</u>	<u>9,776,265</u>	<u>12,792,226</u>	<u>13,345,199</u>	<u>13,882,560</u>	<u>14,436,810</u>	<u>14,879,535</u>	<u>14,028,635</u>
Excess (deficiency) of revenue over (under) expenditures	(414,150)	137,497	(1,643,807)	500,000	-	-	-	-
Other financing sources (uses):								
Proceeds from refunding bonds issued	-	-	11,650,000	-	-	-	-	-
Premium on refunding bonds	-	-	1,764,021	-	-	-	-	-
Payment to refunded bond escrow agent	<u>-</u>	<u>-</u>	<u>(13,328,617)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>85,404</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(414,150)	137,497	(1,558,403)	500,000	-	-	-	-
Fund balance - beginning	<u>2,051,858</u>	<u>1,637,708</u>	<u>1,775,205</u>	<u>216,802</u>	<u>716,802</u>	<u>716,802</u>	<u>716,802</u>	<u>716,802</u>
Fund balance - ending	<u>\$ 1,637,708</u>	<u>\$ 1,775,205</u>	<u>\$ 216,802</u>	<u>\$ 716,802</u>	<u>\$ 716,802</u>	<u>\$ 716,802</u>	<u>\$ 716,802</u>	<u>\$ 716,802</u>

Summary of Student Activity Fund: FY2020 through FY2027

	<u>Actual 2019-20</u>	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Final Amended 2022-23</u>	<u>Proposed 2023-24</u>	<u>Projected 2024-25</u>	<u>Projected 2025-26</u>	<u>Projected 2026-27</u>
Revenues:								
Local sources:								
Student fees and fundraising	\$ 1,517,741	\$ 1,483,936	\$ 2,172,261	\$ 2,136,450	\$ 2,101,500	\$ 1,922,515	\$ 1,961,252	\$ 1,965,178
Earnings on investments	18,308	4,558	4,179	25,306	15,500	16,275	17,089	17,943
Other local	<u>1,319,645</u>	<u>946,965</u>	<u>928,072</u>	<u>904,738</u>	<u>905,500</u>	<u>928,072</u>	<u>928,072</u>	<u>928,072</u>
Total revenues	<u>2,855,694</u>	<u>2,435,459</u>	<u>3,104,512</u>	<u>3,066,494</u>	<u>3,022,500</u>	<u>2,866,862</u>	<u>2,906,413</u>	<u>2,911,193</u>
Expenditures:								
Current:								
Salaries	38,167	1,394	-	-	-	-	-	-
Benefits	15,262	118	-	-	-	-	-	-
Purchased professional and technical services	312,196	300,889	160,525	120,702	150,308	142,793	135,653	128,870
Purchased property services	26,426	8,729	23,259	35,426	30,155	28,647	27,215	25,854
Other purchased services	489,339	143,378	679,456	645,060	655,075	622,321	591,205	561,645
Supplies	1,964,897	1,949,442	2,046,513	2,211,500	2,115,378	2,174,854	2,253,538	2,295,003
Property and equipment	-	10,748	44,640	25,358	32,279	29,051	26,146	23,531
Other	<u>76,427</u>	<u>53,126</u>	<u>113,356</u>	<u>87,502</u>	<u>65,901</u>	<u>69,196</u>	<u>72,656</u>	<u>76,289</u>
Total expenditures	<u>2,922,714</u>	<u>2,467,824</u>	<u>3,067,749</u>	<u>3,125,548</u>	<u>3,049,096</u>	<u>3,066,862</u>	<u>3,106,413</u>	<u>3,111,193</u>
Excess (deficiency) of revenues over (under) expenditures	(67,020)	(32,365)	36,763	(59,054)	(26,596)	(200,000)	(200,000)	(200,000)
Other financing sources:								
Transfer in	<u>-</u>	<u>-</u>	<u>138,586</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Net change in fund balances	(67,020)	(32,365)	175,349	140,946	173,404	-	-	-
Fund balance - beginning	<u>2,143,292</u>	<u>2,076,272</u>	<u>2,043,907</u>	<u>2,219,256</u>	<u>2,360,202</u>	<u>2,533,606</u>	<u>2,533,606</u>	<u>2,533,606</u>
Fund balance - ending	<u>\$ 2,076,272</u>	<u>\$ 2,043,907</u>	<u>\$ 2,219,256</u>	<u>\$ 2,360,202</u>	<u>\$ 2,533,606</u>	<u>\$ 2,533,606</u>	<u>\$ 2,533,606</u>	<u>\$ 2,533,606</u>

Summary of Building Reserve Fund: FY2020 through FY2027

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Proposed 2025-26	Proposed 2026-27
Revenues:								
Local sources:								
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-	-
Expenditures:								
Capital outlay:								
Purchased services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Property and equipment	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-
Other financing sources (uses):								
Transfer in	1,500,000	10,000,000	2,000,000	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	1,500,000	10,000,000	2,000,000	-	-	-	-	-
Net change in fund balances	1,500,000	10,000,000	2,000,000	-	-	-	-	-
Fund balance - beginning	6,872,240	8,372,240	18,372,240	20,372,240	20,372,240	20,372,240	20,372,240	20,372,240
Fund balance - ending	<u>\$ 8,372,240</u>	<u>\$ 18,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>

Summary of Food Services Fund: FY2020 through FY2027

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenues:								
Local sources:								
Food sales	\$ 779,368	\$ 27,161	\$ 39,854	\$ 994,327	\$ 1,027,951	\$ 1,048,510	\$ 1,069,480	\$ 1,090,870
Other local	9,830	9,455	-	8,517	9,892	10,000	10,000	10,000
Total local sources	789,198	36,616	39,854	1,002,844	1,037,843	1,058,510	1,079,480	1,100,870
State sources	1,169,608	1,068,341	1,097,534	1,121,670	1,121,670	1,166,537	1,213,198	1,261,726
Federal sources:								
Lunch reimbursement	451,401	388,049	428,313	455,258	491,679	511,346	511,346	521,573
Free and reduced lunch reimbursement	2,485,031	2,925,824	4,125,805	2,874,727	2,283,463	2,524,802	2,625,794	2,755,184
Summer foods and other reimbursement	229,609	257,388	465,024	216,360	216,360	225,014	225,014	229,515
Breakfast reimbursement	987,087	583,826	836,858	636,686	853,595	887,739	887,739	905,494
USDA commodities	79,303	96,531	250,732	103,819	216,361	225,015	225,015	229,516
Total federal sources	4,232,430	4,251,618	6,106,732	4,286,850	4,061,458	4,373,916	4,474,908	4,641,282
Total revenues	6,191,236	5,356,575	7,244,120	6,411,364	6,220,971	6,598,963	6,767,587	7,003,878
Expenditures:								
Salaries	2,261,534	2,138,153	2,047,752	2,428,877	2,435,051	2,605,505	2,787,890	2,983,042
Benefits	777,336	759,401	727,114	713,874	803,471	851,679	902,780	956,947
Purchased services	138,246	127,653	134,816	575,970	175,970	175,970	175,970	175,970
Supplies	211,514	255,573	378,207	487,752	290,481	374,547	290,481	290,481
Food	2,072,696	1,810,331	2,126,740	2,221,630	2,223,793	2,021,630	2,036,821	2,023,793
Equipment	21,960	-	-	250,000	-	-	-	-
Other	419,116	466,037	452,433	719,632	623,645	569,632	573,645	573,645
Total expenditures	5,902,403	5,557,148	5,867,063	7,397,735	6,552,411	6,598,963	6,767,587	7,003,878
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	288,833	(200,573)	1,377,057	(986,371)	(331,440)	-	-	-
Fund balance - beginning	1,816,119	2,104,952	1,904,378	3,281,435	2,295,064	1,963,624	1,963,624	1,963,624
Fund balance - ending	<u>\$ 2,104,952</u>	<u>\$ 1,904,378</u>	<u>\$ 3,281,435</u>	<u>\$ 2,295,064</u>	<u>\$ 1,963,624</u>	<u>\$ 1,963,624</u>	<u>\$ 1,963,624</u>	<u>\$ 1,963,624</u>
FUND BALANCE								
Nonspendable								
Inventories	\$ 118,333	\$ 133,525	\$ 268,107	\$ 268,107	\$ 133,525	\$ 133,525	\$ 133,525	\$ 133,525
Restricted for Nutrition Services	1,986,619	1,770,854	3,013,330	2,026,957	1,830,099	1,830,099	1,830,099	1,830,099
Total Fund Balance	<u>\$ 2,104,952</u>	<u>\$ 1,904,379</u>	<u>\$ 3,281,437</u>	<u>\$ 2,295,064</u>	<u>\$ 1,963,624</u>	<u>\$ 1,963,624</u>	<u>\$ 1,963,624</u>	<u>\$ 1,963,624</u>

Summary of Pass-Through Taxes Fund: FY2020 through FY2027

	<u>Actual 2019-20</u>	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Final Amended 2022-23</u>	<u>Proposed 2023-24</u>	<u>Projected 2024-25</u>	<u>Projected 2025-26</u>	<u>Projected 2026-27</u>
Revenues:								
Local sources:								
Incremental property tax	\$ 740,620	\$ 1,175,685	\$ 913,968	\$ 872,617	\$ 871,305	\$ 1,022,617	\$ 1,032,843	\$ 1,071,305
Statewide charter school program	700,231	634,033	659,920	985,000	1,005,000	1,015,050	1,025,201	1,035,453
Total revenues	<u>1,440,851</u>	<u>1,809,718</u>	<u>1,573,888</u>	<u>1,857,617</u>	<u>1,876,305</u>	<u>2,037,667</u>	<u>2,058,044</u>	<u>2,106,758</u>
Expenditures:								
Contributions to other governments:								
Redevelopment agencies	740,620	1,175,685	913,968	872,617	871,305	1,022,617	1,032,843	1,071,305
Statewide charter school program	700,231	634,033	659,920	985,000	1,005,000	1,015,050	1,025,201	1,035,453
Total contributions to other governments	<u>1,440,851</u>	<u>1,809,718</u>	<u>1,573,888</u>	<u>1,857,617</u>	<u>1,876,305</u>	<u>2,037,667</u>	<u>2,058,044</u>	<u>2,106,758</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	-	-	-	-	-	-	-	-
Fund balance - beginning	-	-	-	-	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Summary of Provo City School District Foundation: FY2020 through FY2027

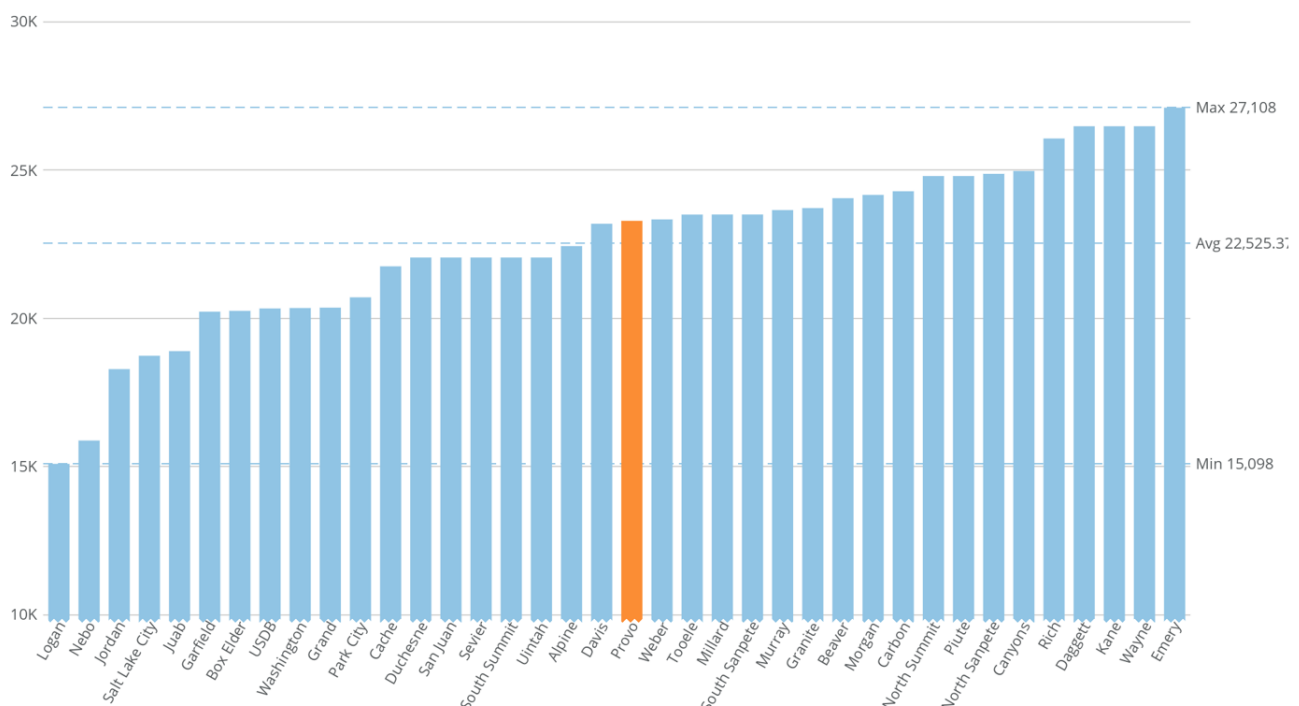
	<u>Actual 2019-20</u>	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Final Amended 2022-23</u>	<u>Proposed 2023-24</u>	<u>Projected 2024-25</u>	<u>Projected 2025-26</u>	<u>Projected 2026-27</u>
Revenues:								
Local sources:								
Donations and fundraisers	\$ 283,051	\$ 103,591	\$ 97,830	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Earnings on investments	16,455	15,915	3,810	-	-	-	-	-
Total revenues	<u>299,506</u>	<u>119,506</u>	<u>101,640</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Expenditures:								
Salaries and Purchased Services	254,626	122,675	59,327	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Supplies	4	390	-	-	-	-	-	-
Total expenditures	<u>254,629</u>	<u>123,065</u>	<u>59,327</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Excess (deficiency) of revenues over (under) expenditures	44,876	(3,559)	42,313	-	-	-	-	-
Other financing sources:								
Transfer In	-	-	-	-	-	-	-	-
Net change in fund balances	44,876	(3,559)	42,313	-	-	-	-	-
Fund balance - beginning	<u>879,165</u>	<u>924,041</u>	<u>920,482</u>	<u>962,795</u>	<u>962,795</u>	<u>962,795</u>	<u>962,795</u>	<u>962,795</u>
Fund balance - ending	<u>\$ 924,041</u>	<u>\$ 920,482</u>	<u>\$ 962,795</u>	<u>\$ 962,795</u>	<u>\$ 962,795</u>	<u>\$ 962,795</u>	<u>\$ 962,795</u>	<u>\$ 962,795</u>

Summary of Self-Insurance Fund: FY2020 through FY2027

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24	Projected 2024-25	Proposed 2025-26	Proposed 2026-27
Operating revenues:								
Insurance premiums charged to other funds	\$ -	\$ -	\$ -	\$ -	\$ 13,500,000	\$ 13,500,000	\$ 13,500,000	\$ 13,500,000
Operating expenses:								
Medical claims	-	-	-	-	13,500,000	13,350,000	13,350,000	13,350,000
Prescription claims	-	-	-	-	-	-	-	-
Reinsurance premiums	-	-	-	-	-	-	-	-
Administration and other	-	-	-	150,000	150,000	150,000	150,000	150,000
Total operating expenses	-	-	-	150,000	13,650,000	13,500,000	13,500,000	13,500,000
Operating income (loss)	-	-	-	(150,000)	(150,000)	-	-	-
Nonoperating revenue (expense):								
Transfer in	-	-	-	3,000,000	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-
Total nonoperating income (loss)	-	-	-	3,000,000	-	-	-	-
Change in net position	-	-	-	2,850,000	(150,000)	-	-	-
Net position - beginning	-	-	-	-	2,850,000	2,700,000	2,700,000	2,700,000
Net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,850,000</u>	<u>\$ 2,700,000</u>	<u>\$ 2,700,000</u>	<u>\$ 2,700,000</u>	<u>\$ 2,700,000</u>

The Self-Insurance Fund is a new for the fiscal year 2022-23, with actual transactions for medical insurance starting in fiscal year 2023-24. With the increasing costs of medical insurance, the District Insurance Committee began analyzing different options for insurance in fiscal year 2021-22 and decided to move to a self-funded model to expand provider options for employees and save money. The District's cost for a family premium is above average for the districts in the state, but costs have continued to rise which provided the impetus to evaluate insurance costs.

Total Annual Health Insurance Premium - Family



GASB 54 Fund Balance Classification: FY2020 through FY2023 projected

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023 projected</u>
General Fund				
Nonspendable	\$ 11,157	\$ 57,439	\$ 170,723	\$ 210,023
Restricted	1,520,930	3,116,148	4,039,026	3,554,343
Committed	18,542,646	18,542,646	17,792,646	17,042,646
Assigned	1,566,218	7,489,045	4,418,354	1,767,342
Unassigned	12,374,282	14,505,594	16,230,407	16,921,449
	<u>34,015,233</u>	<u>43,710,872</u>	<u>42,651,156</u>	<u>39,495,803</u>
Debt Service Fund				
Restricted	1,637,708	1,775,205	216,802	716,802
	<u>1,637,708</u>	<u>1,775,205</u>	<u>216,802</u>	<u>716,802</u>
Capital Projects Fund				
Nonspendable	346,018	-	-	-
Restricted	13,952,631	95,500,353	67,850,603	41,222,651
	<u>14,298,649</u>	<u>95,500,353</u>	<u>67,850,603</u>	<u>41,222,651</u>
Student Activities Fund				
Assigned	2,076,272	2,043,907	2,219,256	2,360,202
	<u>2,076,272</u>	<u>2,043,907</u>	<u>2,219,256</u>	<u>2,360,202</u>
Food Services Fund				
Nonspendable	118,333	133,525	268,107	308,107
Restricted	1,986,619	1,770,854	3,013,330	1,986,957
	<u>2,104,952</u>	<u>1,904,378</u>	<u>3,281,437</u>	<u>2,295,064</u>
Building Reserve Fund				
Restricted	8,372,240	18,372,240	20,372,240	20,372,240
	<u>8,372,240</u>	<u>18,372,240</u>	<u>20,372,240</u>	<u>20,372,240</u>
Municipal Building Authority				
Restricted	-	-	112,572,219	79,027,236
	<u>-</u>	<u>-</u>	<u>112,572,219</u>	<u>79,027,236</u>
Self Insurance Fund				
Restricted	-	-	-	2,850,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,850,000</u>
Provo School District Foundation				
Restricted	924,041	920,482	962,793	962,795
	<u>924,041</u>	<u>920,482</u>	<u>962,793</u>	<u>962,795</u>
Total All Governmental Funds				
Nonspendable	475,508	190,964	438,830	518,130
Committed	18,542,646	18,542,646	17,792,646	17,042,646
Restricted	28,394,169	121,455,282	209,027,013	150,693,024
Assigned	3,642,490	9,532,952	6,637,610	4,127,544
Unassigned	12,374,282	14,505,594	16,230,407	16,921,449
	<u>\$ 63,429,095</u>	<u>\$ 164,227,437</u>	<u>\$ 250,126,506</u>	<u>\$ 189,302,793</u>

Fund Balance: Changes to Fund Balance

FY2023 to FY2024

	FY2023			FY 2024		
	Beginning Balance	Net Change in Fund Balance	Ending Balance	Beginning Balance	Net Change in Fund Balance	Ending Balance
Major Funds						
General	\$ 42,651,156	\$ (3,155,353)	\$ 39,495,803	\$ 39,495,803	\$ -	\$ 39,495,803
Capital Projects	67,850,603	(26,627,952)	41,222,651	41,222,651	(5,337,918)	35,884,733
Municipal Building Authority	112,572,219	(33,544,983)	79,027,236	79,027,236	(48,045,500)	30,981,736
Debt Service	216,802	500,000	716,802	716,802	-	716,802
Total Major Funds	<u>\$ 223,290,780</u>	<u>\$(62,828,288)</u>	<u>\$ 160,462,492</u>	<u>\$ 160,462,492</u>	<u>\$ (53,383,418)</u>	<u>\$ 107,079,074</u>
Non-major Funds						
Student Activities	\$ 2,219,256	\$ 140,946	\$ 2,360,202	\$ 2,360,202	\$ 173,404	\$ 22,905,846
Building Reserve	20,372,240	-	20,372,240	20,372,240	-	20,372,240
Food Services	3,281,435	(986,371)	2,295,064	2,295,064	(331,440)	1,963,624
Tax Increment	-	-	-	-	-	-
Self-Insurance	-	2,850,000	2,850,000	2,850,000	(150,000)	2,700,000
Foundation	962,795	-	962,795	962,795	-	962,795
Total Non-major Funds	<u>\$ 26,835,726</u>	<u>\$ 2,004,575</u>	<u>\$ 28,840,301</u>	<u>\$ 28,840,301</u>	<u>\$ (308,036)</u>	<u>\$ 48,904,505</u>
Total All Funds	<u>\$ 250,126,506</u>	<u>\$(60,823,713)</u>	<u>\$ 189,302,793</u>	<u>\$ 189,302,793</u>	<u>\$ (53,691,454)</u>	<u>\$ 155,983,579</u>

Fund balance (or equity) is defined as the difference between the assets and liabilities of a fund, or in simpler terms, the resources remaining from prior years that are available to be budgeted in the current year. Fund balance is terminology that is applicable to “fund Level” reporting of individual governmental funds and is based on the modified accrual basis of accounting, which is the basis of accounting used by the District. It is used as a measure of the amount available to budget or spend in the future.

General Fund

The District is projected to decrease its General Fund balance by \$3.2 million. This decrease is due to a transfer to the Self-Insurance Fund and other purchase order encumbrances that were not received before the end of the fiscal year. This was a planned spend-down of revenue saved from the previous year and was part of the Assigned Fund Balance.

Municipal Building Authority

The two projects being funded by the Municipal Building Authority bonds are in full swing. The spend-down in FY2023 and FY2024 represents the projects in process. The majority of the building will be completed in the summer of 2024.

Capital Projects Fund

Between FY2023 and FY2024 the Capital Projects Fund balance will decrease by \$32 million. This represents the remainder of the partial rebuild of Timpview High School which was funded through GO bonds.

Self-Insurance Fund

The District has decided to become self-funded in providing medical insurance to employees. This fund was created to account for medical premiums paid by employees and medical expenses. The beginning fund balance was funded by a transfer from the General Fund.

Revenue and Expenditures by Fund

Major Funds

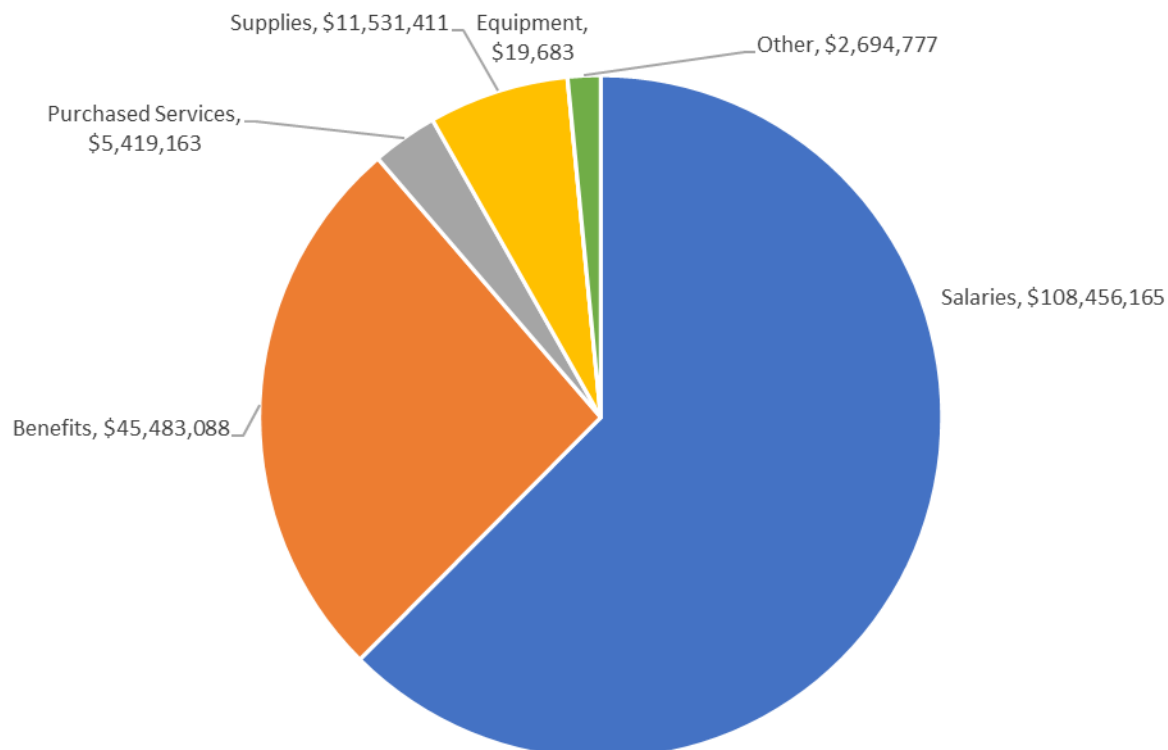
Revenue and Expenditure Budgets by Source and Type: General Fund

General Fund Revenue: FY2024



The District's largest General fund revenue source is the State of Utah, followed by local sources (mainly property taxes), followed by federal revenue.

General Fund Expenditures: FY2024



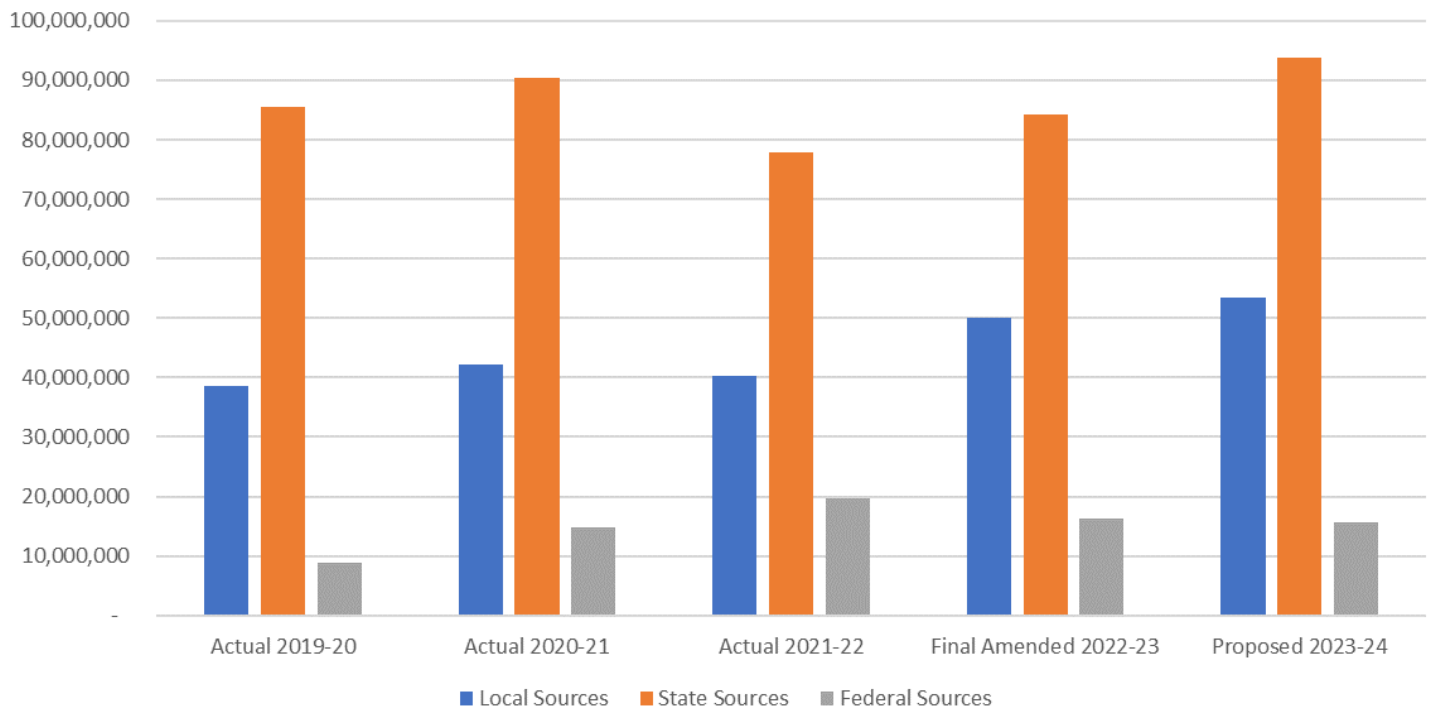
Revenue Sources—General Fund: FY2021 through FY2023

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
REVENUES					
State Sources					
Regular Basic School Programs:					
Regular School Program K-12	42,924,260	43,432,936	35,282,958	34,712,811	40,657,599
Professional Staff Costs	4,421,770	4,459,595	3,896,911	4,180,851	4,517,502
Restricted Basic School Programs:					
Special Ed - Regular Program	6,267,149	6,495,531	7,049,119	7,656,656	8,256,770
Self-Contained Special Ed Adj.	1,207,100	1,133,519	1,072,318	1,022,960	1,047,601
Vocational and Technical Ed.	1,891,374	2,273,937	2,273,093	2,263,718	2,384,657
Beverly Taylor Sorenson	346,724	326,827	418,231	468,693	443,325
Digital Teaching & Learning	480,499	487,270	356,761	403,192	366,645
Gifted and Talented (Accelerated Learner)	74,203	79,264	90,436	86,925	86,925
Advanced Placement (Accelerated Learner)	95,081	72,387	81,689	96,729	96,729
Concurrent Enrollment (Accelerated Learner)	89,515	92,586	122,198	139,934	139,046
At Risk Students	977,926	1,077,059	1,320,961	2,043,551	2,654,456
Flexible Allocation	185,511	-	-	-	35,901
Reading Achievement	321,257	305,635	203,946	218,512	214,330
Pupil Transportation To and From	1,422,477	1,595,049	1,617,517	1,790,553	1,544,282
School Based Mental Health	246,243	574,906	514,797	433,207	433,453
Special Education - Preschool	841,110	763,521	737,091	901,391	1,025,531
Teachers' Supplies	120,771	119,330	119,533	116,407	116,487
Teacher & Student Success Act	2,318,444	2,586,764	2,604,712	3,092,765	3,636,692
Trust Land	2,000,740	1,840,111	1,867,948	1,944,853	2,060,236
Extended Day Kindergarten	203,197	454,670	647,572	858,336	-
USTAR Centers	137,764	42,536	-	-	-
Educator Salary Adjustment	4,137,396	4,340,113	4,237,825	4,218,147	8,541,801
Class Size Reduction	3,820,602	3,865,687	3,100,531	3,321,969	3,599,563
COVID Stipend	-	2,275,055	-	-	-
Voted Leeway Subsidy	4,099,452	4,173,844	2,729,373	5,927,276	2,878,702
Board Leeway Subsidy	1,599,459	2,035,040	1,009,300	586,448	1,550,070
Other State Revenue	5,181,240	5,404,774	6,487,008	7,752,387	7,522,023
Total State Revenues	85,411,264	90,307,946	77,841,829	84,238,270	93,810,326

State revenue is the largest source of revenue for the District. Within state revenue, the Regular Basic School Programs provides almost half of that revenue. Most revenue in the Regular Basic or Restricted Basic are funded based on the WPU and is as volatile as the enrollment at the District. Other revenue is driven by different formulas, (i.e. at-risk populations, number of teachers, bus miles driven, etc.). Enrollment has remained relatively flat for the last few years, and is projected to stay that way, so any increase in state revenue will generally come from new grants or an increase in the value of the WPU.

Revenue Sources—General Fund: FY2021 through FY2023

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
REVENUES					
Local Sources					
Property taxes	\$ 33,046,806	\$ 37,861,708	\$ 35,541,844	\$ 42,526,000	\$ 46,822,975
Earnings on investments	1,652,653	494,043	281,708	4,000,000	3,000,000
Tuition	31,569	(2,891)	387,331	55,000	55,000
Other	3,756,164	3,815,385	4,130,489	3,445,191	3,653,395
Total Local Revenues	38,487,192	42,168,244	40,341,372	50,026,191	53,531,370
Federal Sources					
Title I Grants to Local Educational Agencies	2,964,968	3,186,386	2,445,759	3,000,000	2,535,486
Special Education	2,831,282	2,597,786	2,755,741	2,700,000	3,145,730
Medical Assistance Program	622,594	993,408	1,717,792	1,000,000	1,000,000
Vocational Education	190,204	207,961	192,386	240,000	241,120
Federal CARES	365,470	6,009,859	10,385,548	7,514,469	7,618,377
Other Restricted	1,930,517	1,795,319	2,192,965	1,899,590	1,157,716
Total Federal Revenues	8,905,035	14,790,718	19,690,191	16,354,059	15,698,430
Total Revenues	\$ 132,803,491	\$ 147,266,909	\$ 137,873,392	\$ 150,618,520	\$ 163,040,126



Expenditures by Function—General Fund: FY2020 through FY2024

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
EXPENDITURES					
Instruction - Function 1000					
Salaries - Teachers	\$ 39,309,915	\$ 44,376,728	\$ 46,363,821	\$ 46,265,395	\$ 53,280,727
Salaries - Teacher Aides	6,434,243	6,487,048	6,971,862	7,150,519	8,323,005
Salaries - All Other	78,575	52,656	19,994	10,649	10,421
Total Salaries	45,822,738	50,916,433	53,355,677	53,426,563	61,614,154
State Retirement	8,846,435	9,775,027	10,408,292	10,414,523	11,938,062
Social Security	3,299,979	3,671,596	4,000,294	4,027,389	4,704,571
Group Insurance	7,972,497	7,843,779	7,840,881	7,981,187	8,413,130
Industrial Insurance	337,056	506,092	378,617	396,631	468,687
Other Employee Benefits	1,486,331	1,389,122	1,172,525	1,519,372	918,000
Total Benefits	21,942,296	23,185,617	23,800,608	24,339,102	26,442,449
Purchased Services	8,317,340	1,494,165	1,573,436	1,651,412	1,587,951
Supplies	1,852,452	2,472,114	3,026,917	3,579,971	3,508,024
Textbooks	969,194	169,964	240,575	1,068,822	1,077,000
Technology	496,636	1,066,632	1,998,149	2,271,921	2,270,478
All Other Supplies & Material	6,129	9,831	(29,764)	6,898	-
Total Supplies & Materials	3,324,411	3,718,541	5,235,878	6,927,612	6,855,503
Equipment	1,019,857	146,216	140,928	350,000	-
Other Objects	1,327,546	1,463,665	2,244,894	2,313,604	2,225,481
Total Expenditures - Instruction	\$ 81,754,188	\$ 80,924,638	\$ 86,351,421	\$ 89,008,293	\$ 98,725,538
Support Services/Students - Function 2100					
Salaries - Guidance	\$ 1,290,793	\$ 1,363,157	\$ 1,454,908	\$ 1,591,172	\$ 1,599,411
Salaries - Health Services	1,503,960	1,774,913	1,709,158	1,964,901	1,984,253
Salaries - Psychologists	432,122	669,327	737,437	848,539	730,611
Salaries - Secretarial & Clerical	431,882	427,485	452,685	424,738	456,807
Salaries - Other	1,680,246	1,781,905	2,054,680	2,238,847	2,146,741
Total Salaries	5,339,003	6,016,786	6,408,868	7,068,197	6,917,824
Employee Benefits	2,337,220	2,482,231	2,693,592	3,169,862	3,022,500
Purchased Services	657,711	698,069	1,044,210	1,355,555	777,250
Supplies & Materials	76,072	87,113	105,372	98,143	75,693
Other Objects	63,550	54,246	57,666	78,843	10,830
Total Expenditures - Support Services/Students	\$ 8,473,557	\$ 9,338,445	\$ 10,309,708	\$ 11,770,600	\$ 10,804,097

Expenditures by Function—General Fund: FY2020 through FY2024

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Support Services/Instructional Staff - Function 2200					
Salaries - Supervisors & Consultants	\$ 491,902	\$ 691,393	\$ 822,138	\$ 926,774	\$ 1,072,475
Salaries - Teachers	3,548,359	3,610,643	3,946,731	5,402,135	5,006,864
Salaries - Librarians	215,808	183,022	146,971	181,608	165,832
Salaries - Secretarial & Clerical	364,739	429,690	356,154	369,953	399,349
Salaries - Media Workers	487,943	521,036	561,313	607,132	655,126
Salaries - All Other	1,150,797	1,116,525	1,132,457	1,106,652	1,204,698
Total Salaries	6,259,548	6,552,308	6,965,763	8,594,254	8,504,344
Employee Benefits	\$ 2,479,513	\$ 2,551,121	\$ 2,685,397	\$ 3,198,249	\$ 3,137,749
Purchased Services	1,056,189	783,645	770,039	982,679	1,108,559
Supplies & Materials (except as below)	674,466	1,861,567	1,634,796	854,855	1,303,274
Library Books	63,281	109,829	66,476	61,813	10,000
Audio Visual Materials	-	-	-	405,457	91,100
Equipment	593,679	99,009	6,623	25,188	-
Other Objects	17,193	7,914	9,486	11,083	8,835
Total Expenditures - Support Services/Instructional Staff	\$ 11,143,869	\$ 11,965,393	\$ 12,138,582	\$ 14,133,578	\$ 14,163,860
Support Services/General District Administration - Function 2300					
Salaries - Superintendent and School Board	\$ 244,019	\$ 246,720	\$ 261,492	\$ 270,073	\$ 239,640
Salaries - Supervisors & Directors	1,060,563	796,847	953,068	903,223	1,007,935
Salaries - Secretarial & Clerical	341,303	397,318	394,002	462,501	480,607
Salaries - All Other	15,211	15,760	20,345	205,856	19,328
Total Salaries	1,661,096	1,456,644	1,628,906	1,841,653	1,747,510
Employee Benefits	733,207	664,586	765,960	852,316	904,310
Purchased Services	254,689	244,499	211,881	364,060	317,054
Supplies & Materials	170,199	135,005	120,086	151,789	161,979
Other Objects	35,349	45,364	32,810	32,810	63,079
Total Expenditures - Support Services/General District Administration	\$ 2,854,541	\$ 2,546,097	\$ 2,759,644	\$ 3,242,628	\$ 3,193,931

Expenditures by Function—General Fund: FY2020 through FY2024

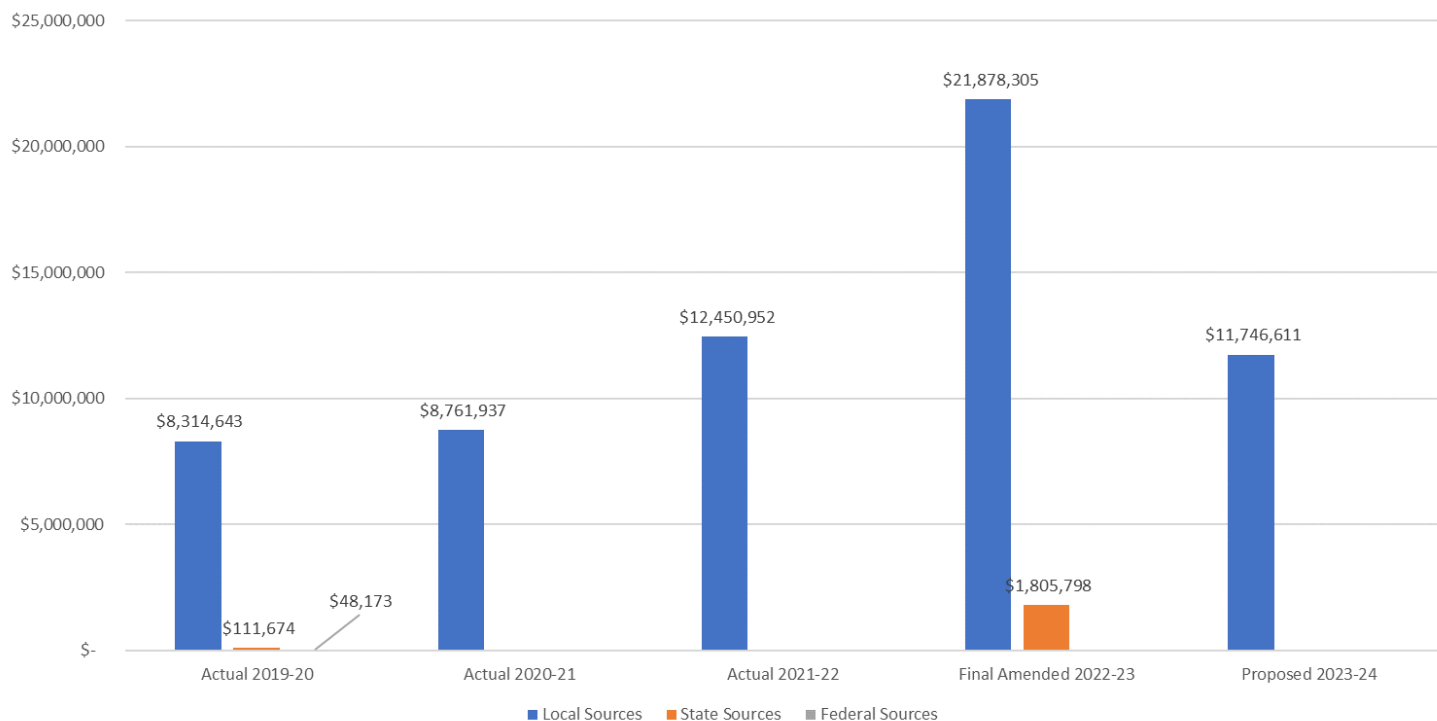
	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Support Services/School Administration - Function 2400					
Salaries - Principals & Assistants	\$ 3,324,609	\$ 3,323,624	\$ 3,509,425	\$ 4,052,677	\$ 4,470,903
Salaries - Secretarial & Clerical	1,967,369	2,035,463	2,147,322	2,190,513	2,384,307
Salaries - All Other	-	-	-	-	-
Total Salaries	5,291,979	5,359,087	5,656,747	6,243,190	6,855,210
Employee Benefits	2,295,421	2,362,231	2,442,738	2,625,367	2,935,890
Purchased Services and Other	172,276	238,351	373,511	410,293	321,650
Total Expenditures - Support Services/School Administration	<u>\$ 7,759,675</u>	<u>\$ 7,959,670</u>	<u>\$ 8,472,995</u>	<u>\$ 9,278,850</u>	<u>\$ 10,112,749</u>
Support Services/Central Services - Function 2500					
Salaries - Classified Supervisors	\$ 421,391	\$ 411,069	\$ 549,798	\$ 550,813	\$ 587,392
Salaries - Secretarial & Clerical	768,587	747,417	658,763	1,117,583	904,438
Salaries - Other	1,663,444	1,514,524	1,532,096	1,319,628	1,833,780
Total Salaries	2,853,422	2,673,010	2,740,656	2,988,024	3,325,610
Employee Benefits	1,302,433	1,208,656	1,244,060	1,310,535	1,391,996
Purchased Services and Insurance	885,940	1,000,093	1,297,620	1,299,029	1,417,328
Supplies & Materials	543,146	857,906	731,250	1,426,629	1,233,605
Equipment	834,200	355,255	138,596	169,249	27,000
Other Objects	8,843	10,162	4,666	6,366	12,250
Total Expenditures - Support Services/Business	<u>\$ 6,427,984</u>	<u>\$ 6,105,081</u>	<u>\$ 6,156,848</u>	<u>\$ 7,199,832</u>	<u>\$ 7,407,789</u>
Support Services/Operation & Maintenance of Plant - Function 2600					
Salaries - Supervisors and Directors	\$ 266,886	\$ 545,664	\$ 375,834	\$ 276,977	\$ 293,882
Salaries - Secretarial	672	1,593	1,704	-	-
Salaries - Operation & Maint Supervisor	68,761	67,119	-	-	-
Salaries - Custodial & Maintenance	3,378,268	3,814,676	2,852,138	4,204,550	2,995,246
Total Salaries	3,714,587	4,429,052	3,229,677	4,481,527	3,289,128
Employee Benefits	1,333,927	1,551,691	1,065,325	1,613,739	1,027,527
Purchased Services	1,544,060	6,229,028	722,013	2,382,376	765,420
Utilities and Supplies	2,898,771	3,361,569	2,886,703	4,793,048	3,265,132
Equipment	229,343	646,199	150,518	500,000	-
Other Objects	32	-	-	-	-
Total Expenditures - Support Services/Operation & Maintenance of Plant	<u>\$ 9,720,720</u>	<u>\$ 16,217,539</u>	<u>\$ 8,054,236</u>	<u>\$ 13,770,690</u>	<u>\$ 8,347,207</u>

Expenditures by Function—General Fund: FY2020 through FY2024

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Support Services/Student Transportation Services - Function 2700					
Salaries - Secretarial & Clerical	\$ 68,720	\$ 72,130	\$ 73,234	\$ 24,738	\$ -
Salaries - Supervisors	831	1,728	2,149	76,980	107,270
Salaries - Bus Drivers	998,745	950,442	1,003,835	1,051,232	1,124,358
Salaries - Mechanics	246,356	252,097	240,373	198,600	203,107
Salaries - Other	3,496	6,101	300	-	-
Total Salaries	1,318,148	1,282,497	1,319,891	1,351,550	1,434,734
Employee Benefits	444,784	445,313	455,086	443,301	427,580
Purchased Services	29,401	17,366	25,739	12,778	25,433
Fuel, Supplies, and Materials	258,979	251,122	405,494	430,668	476,632
Other Objects	258,700	421,234	269,665	6,105	7,374
Total Expenditures - Support Services/Student Transportation Services	<u>\$ 2,310,013</u>	<u>\$ 2,417,533</u>	<u>\$ 2,475,875</u>	<u>\$ 2,244,402</u>	<u>\$ 2,371,754</u>
Food Services - Function 3100					
Salaries	\$ -	\$ 92,781	\$ 68,897	\$ -	\$ -
Employee Benefits	-	19,172	14,052	-	-
Total Expenditures - Food Services	<u>\$ -</u>	<u>\$ 111,953</u>	<u>\$ 82,949</u>	<u>\$ -</u>	<u>\$ -</u>

Revenue by Source and Type: Capital Projects Fund

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Revenues:					
Local sources:					
Property taxes	\$ 8,240,141	\$ 8,620,353	\$ 10,411,199	\$ 20,578,305	\$ 11,246,325
Earnings on investments	74,502	89,263	338,257	1,300,000	500,286
Other local	-	52,321	1,701,496	-	-
Total local revenue	8,314,643	8,761,937	12,450,952	21,878,305	11,746,611
State Sources	111,674	-	-	1,805,798	-
Federal Sources	48,173	-	-	-	-
Total revenue	8,474,490	8,761,937	12,450,952	23,684,103	11,746,611

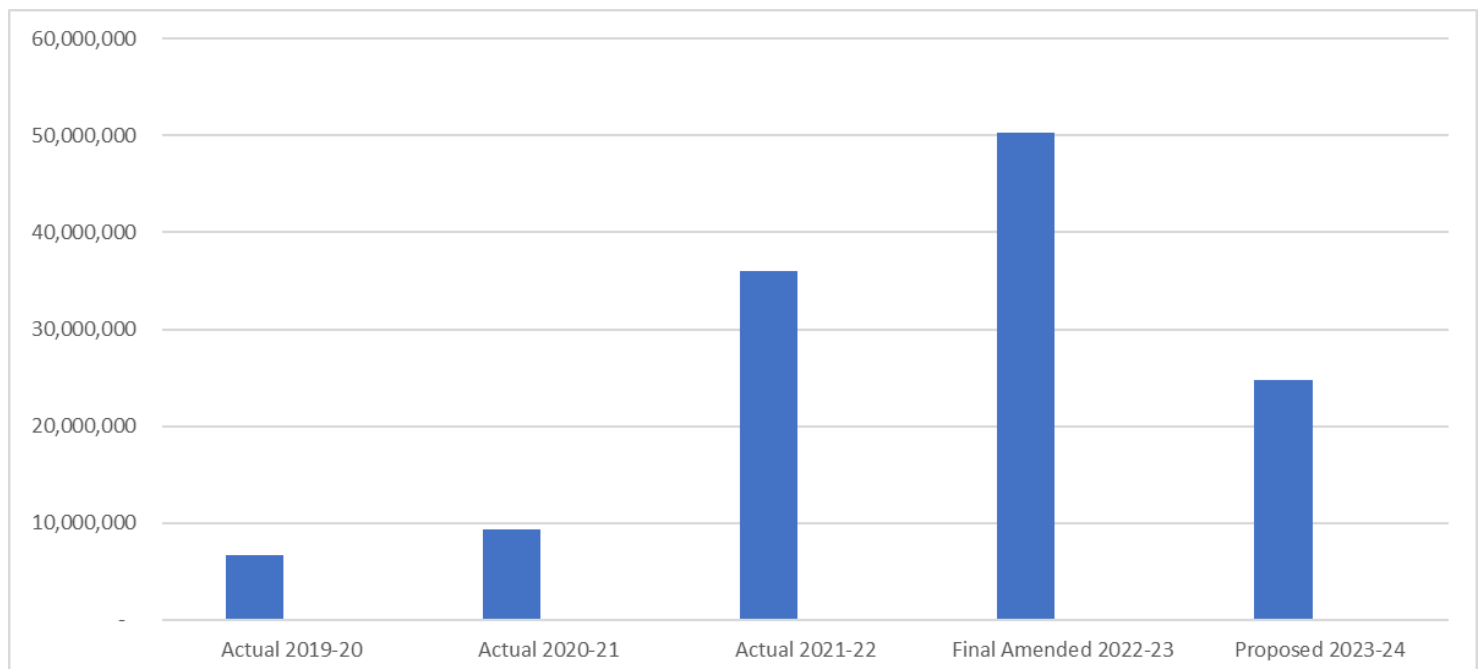


The Capital Projects Fund main source of revenue is property taxes. As needs and funding changes, the District will adjust the rates between the Capital and General fund levies (which shows in the FY2023 funding amount), but overall rates for the District won't change unless the Board elects to go through a truth-in-taxation hearing. The other piece of local revenue is interest earned on balances of bond proceeds and other cash balances.

State and federal revenue is less likely in the Capital Projects fund. In FY2023, the state awarded districts one-time capital revenue to help with any capital needs that the District identified. This money was used in Provo to help replace HVAC controls that had become outdated.

Expenditures by Function—Capital Projects Fund: FY2020 through FY2024

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Expenditures:					
Capital outlay:					
Salaries	-	-	1,126,862	-	1,432,925
Benefits	-	-	522,366	-	719,709
Purchased professional and technical services	-	399,237	-	191,092	-
Purchased property services	6,053,947	8,871,023	32,869,201	39,893,184	12,529,268
Other purchased services	-	-	-	4,020	-
Supplies	22,409	-	738,509	1,091,179	90,000
Property and equipment	533,762	-	641,869	9,105,853	10,009,100
Other	-	-	19	-	-
Debt service:	-	-	-	-	-
Notes payable principal	22,642	23,387	45,863	24,951	25,772
Notes payable interest	83,096	82,454	9,112	1,776	955
Total expenditures	6,715,856	9,376,100	35,953,801	50,312,055	24,807,729
Excess (deficiency) of revenues over (under) expenditures	1,758,634	(614,163)	(23,502,849)	(26,627,952)	(13,061,118)
Other financing sources (uses):					
Proceeds from bonds issued	-	81,815,867	-	-	-
Premium on bonds issued	-	-	-	-	-
Transfer in	-	-	-	-	7,723,200
Transfer out	(4,500,000)	-	-	-	-
Total other financing sources (uses)	(4,500,000)	81,815,867	-	-	7,723,200
Net change in fund balances	(2,741,366)	81,201,704	(23,502,849)	(26,627,952)	(5,337,918)
Fund balance - beginning	17,040,015	14,298,649	95,500,353	63,703,702	37,075,750
Fund balance - ending	\$ 14,298,649	\$ 95,500,353	\$ 67,850,603	\$ 37,075,750	\$ 31,737,832



Capital Expenditures: Information

Timpview High has been experiencing structural shifting. In consultation with engineers, it was determined that substantial work on the foundation was necessary to ensure the long-term safety of students and staff. To that end, the Board of Education placed an \$80 million general obligation bond on the 2020 ballot and the citizens of Provo voted to approve it. Those general obligation bonds were issued in FY2021 and construction began soon afterward to address the structural shifting and add an academic wing to the school. It is forecasted that construction will be completed in FY2024. The drawdown of fund balance in the Capital Projects fund is related to the spenddown of these bond proceeds.

During FY2023, the Maintenance Department purchased software from Brightly called Asset Essentials. Asset Essentials is a cloud-based software that will

enable the District to assign and track the progress of all maintenance activities, manage equipment uptime and reliability, increase productivity, and streamline operations. It will also help the Business Services Department forecast the budget for the Capital Projects fund. The Maintenance Department is currently in the process of implementing Asset Essentials by taking a detailed inventory of the District's capital assets such as buildings, HVAC systems, roofs, carpet, gym floors and other assets that must be regularly serviced or replaced at certain time intervals to ensure maximum useful life is achieved.

In addition to the Timpview High project, there are several other capital projects planned for FY2024 as outlined in the table on the following page.



FY2024 Capital Projects Approved by Capital Advisory Committee	Location	Estimated Cost
Capital outlay allocation for schools (\$100 per student)	All Schools	\$ 1,361,000
Utility road redesign and cell tower relocation	Timpview High	1,100,000
Flooring repair and replacement	Multiple Schools	600,000
Security film for exterior glass	All Schools	600,000
Site assessment by structural engineer and repairs	Spring Creek Elementary	500,000
Playgrounds - maintenance and repairs	Multiple Schools	500,000
Small repairs budget	All Schools	500,000
Ashpalt parking lot repair and maintenance	Multiple Schools	500,000
Purchase three school buses	Transportation	500,000
Roof repair	Centennial Middle	400,000
Replace roof membrane	Franklin Elementary	250,000
Painting projects	Multiple Schools	200,000
Install additional security cameras	Multiple Schools	200,000
Replace partition between lunchroom and gym	Westridge Elementary	160,000
HVAC - replace the makeup air unit for the kitchen area	Independence High	160,000
HVAC - replace the makeup air unit for the kitchen area	Amelia Earhart Elementary	160,000
Replace partition between lunchroom and gym	Canyon Crest Elementary	120,000
Install security lighting in the southeast parking lot	Franklin Elementary	120,000
HVAC - unit repairs and replacement	Technology Department	80,000
New playground	Amelia Earhart Elementary	80,000
Emergency notification system - annual license	All Schools	75,000
Custodial - replace four auto scrubbers	Multiple Schools	75,000
HVAC - replace failing Alerton controls	Westridge Elementary	70,000
HVAC - replace Square D variable frequency drives	Lakeview Elementary	70,000
Annual lease payments	East Bay Post High	54,075
Engineering costs to replace soft partitions with hard partitions	Multiple Schools	50,000
Visitor management software for secure entrances - annual license	All Schools	50,000
Portables - annual lease payment	Multiple Schools	48,458
HVAC - replace failing Alerton controls for roof top units	Canyon Crest Elementary	40,000
Storage sheds	District Office	20,400
Total Estimated Cost:		\$ 8,643,933

The Capital Advisory Committee (Committee) is responsible for forecasting, planning, and monitoring capital outlay needs throughout the District as well as evaluating capital request from schools. The Committee is made up of members of the Board of Education, Maintenance personnel, Business Services personnel, members of Counsel, and principals.

The Committee meets continually throughout the year to ensure all buildings and capital assets throughout the District are properly maintained and safe for students and staff. The Committee ensures that the District's capital plan is up-to-date and scarce resources for capital projects are used to address the highest and best needs.

Expenditures by Function—Municipal Building Authority Fund:

FY2020 through FY2024

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Revenue:					
Local sources:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other local	-	-	199,197	7,755,107	7,757,683
Earnings on investments	-	-	-	2,800,000	1,500,000
Total local revenue	-	-	199,197	10,555,107	9,257,683
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Total revenue	-	-	199,197	10,555,107	9,257,683
Expenditures:					
Capital outlay:					
Purchased services	-	-	2,684,401	36,800,000	50,000,000
Debt service:					
Bond principal	-	-	-	3,000,000	3,300,000
Bond interest	-	-	79,413	4,294,590	3,997,683
Bond issuance cost	-	-	1,125,625	5,500	5,500
Paying agent fees	-	-	-	-	-
Total expenditures	-	-	3,889,439	44,100,090	57,303,183
Excess (deficiency) of revenues over (under) expenditures	-	-	(3,690,242)	(33,544,983)	(48,045,500)
Other financing sources (uses):					
Transfer in	-	-	-	-	-
Transfer out	-	-	-	-	-
Proceeds from lease revenue bonds issued	-	-	100,355,000	-	-
Premium on lease revenue bonds issued	-	-	11,760,560	-	-
Total Other Financing Sources	-	-	112,115,560	-	-
Net change in fund balances	-	-	108,425,318	(33,544,983)	(48,045,500)
Fund balance - beginning	-	-	4,146,901	112,572,219	79,027,236
Fund balance - ending	\$ -	\$ -	\$ 112,572,219	\$ 79,027,236	\$ 30,981,736
FUND BALANCE					
Restricted for Building Reserve	\$ -	\$ -	\$ 112,572,219	\$ 79,027,236	\$ 30,981,736
Total Fund Balance	\$ -	\$ -	\$ 112,572,219	\$ 79,027,236	\$ 30,981,736

Municipal Building Authority Bond Information

After the GO bonds were issued, the Board of Education was still faced with the issue of aging buildings. Dixon Middle School was originally built in 1931 and Wasatch Elementary School was built in 1949. Both buildings were in need of significant repairs and upgrades, all of which are more expensive for aging buildings. The determination was made to issue lease revenue bonds by the Provo City School District Municipal Building Authority, a separate legal entity of the district with legal authority to issue bonds on its behalf. Bonds were issued in FY2022 and planning began immediately. Construction on the sites began in late FY2022.

The MBA bonds will be paid back using property tax

revenue from the Capital Projects Fund. The District's excellent record for financial reporting has created a stable foundation to be able to issue bonds at competitive rates.

The District is committed to use bond dollars wisely and build schools with conservative yet efficient designs. New buildings are built with the future in mind and include much better technology resources, fitting in well with the District's goal of utilizing technology to provide excellent educational services.



Revenue and Expenditure Budgets by Source/Bond Obligations: Debt Service Fund

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Revenues:					
Local sources:					
Property taxes	\$ 9,354,849	\$ 9,913,762	\$ 11,141,801	\$ 13,845,199	\$ 13,875,560
Earnings on investments	-	-	6,618	-	7,000
Total revenues	<u>9,354,849</u>	<u>9,913,762</u>	<u>11,148,419</u>	<u>13,845,199</u>	<u>13,882,560</u>
Expenditures:					
Debt service:					
Bond principal	6,175,000	6,420,000	6,655,000	7,970,000	8,840,000
Bond interest	3,588,499	3,350,765	6,044,822	5,368,199	5,035,560
Bond issuance cost	<u>5,500</u>	<u>5,500</u>	<u>92,404</u>	<u>7,000</u>	<u>7,000</u>
Total expenditures	<u>9,768,999</u>	<u>9,776,265</u>	<u>12,792,226</u>	<u>13,345,199</u>	<u>13,882,560</u>
Excess (deficiency) of revenue over (under) expenditures	(414,150)	137,497	(1,643,807)	500,000	-
Other financing sources (uses):					
Proceeds from refunding bonds issued	-	-	11,650,000	-	-
Premium on refunding bonds	-	-	1,764,021	-	-
Payment to refunded bond escrow agent	<u>-</u>	<u>-</u>	<u>(13,328,617)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>85,404</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(414,150)	137,497	(1,558,403)	500,000	-
Fund balance - beginning	<u>2,051,858</u>	<u>1,637,708</u>	<u>1,775,205</u>	<u>216,802</u>	<u>716,802</u>
Fund balance - ending	<u>\$ 1,637,708</u>	<u>\$ 1,775,205</u>	<u>\$ 216,802</u>	<u>\$ 716,802</u>	<u>\$ 716,802</u>

Total Long-term Borrowings

COMBINED GENERAL OBLIGATION BONDS

Combined G.O Bonds

Year Ending June 30	Principal	Interest	Debt Service Fund
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	8,955,000	3,362,485	12,317,485
2029-2033	50,275,000	11,331,400	61,606,400
2034-2038	39,790,000	3,791,813	43,581,813
2039-2041	14,630,000	589,100	15,219,100
	<u>\$ 153,195,000</u>	<u>\$ 36,729,338</u>	<u>\$ 189,924,338</u>

Department of Energy Loan

Year Ending June 30	Principal	Interest	Capital Fund
2024	\$ 25,564	\$ 1,162	\$ 26,727
2025	13,096	268	13,363
	<u>\$ 38,660</u>	<u>\$ 1,430</u>	<u>\$ 40,090</u>

Qualified School Construction (QSCB)

Year Ending June 30	Principal	Interest	Capital Fund
2024		\$ 79,483	\$ 79,483
2025		79,483	79,483
2026	6,462,000	79,483	6,541,483
	<u>\$ 6,462,000</u>	<u>\$ 238,448</u>	<u>\$ 6,700,448</u>

MBA

Year Ending June 30	Principal	Interest	Municipal Building Authority
2024	\$ 3,300,000	\$ 3,918,200	\$ 7,218,200
2025	3,465,000	3,753,200	7,218,200
2026	3,635,000	3,579,950	7,214,950
2027	3,820,000	3,398,200	7,218,200
2028	4,010,000	3,207,200	7,217,200
2029-2033	23,260,000	12,820,750	36,080,750
2034-2038	29,045,000	7,041,550	36,086,550
2039-2042	26,820,000	2,041,200	28,861,200
	<u>\$ 97,355,000</u>	<u>\$ 39,760,250</u>	<u>\$ 137,115,250</u>

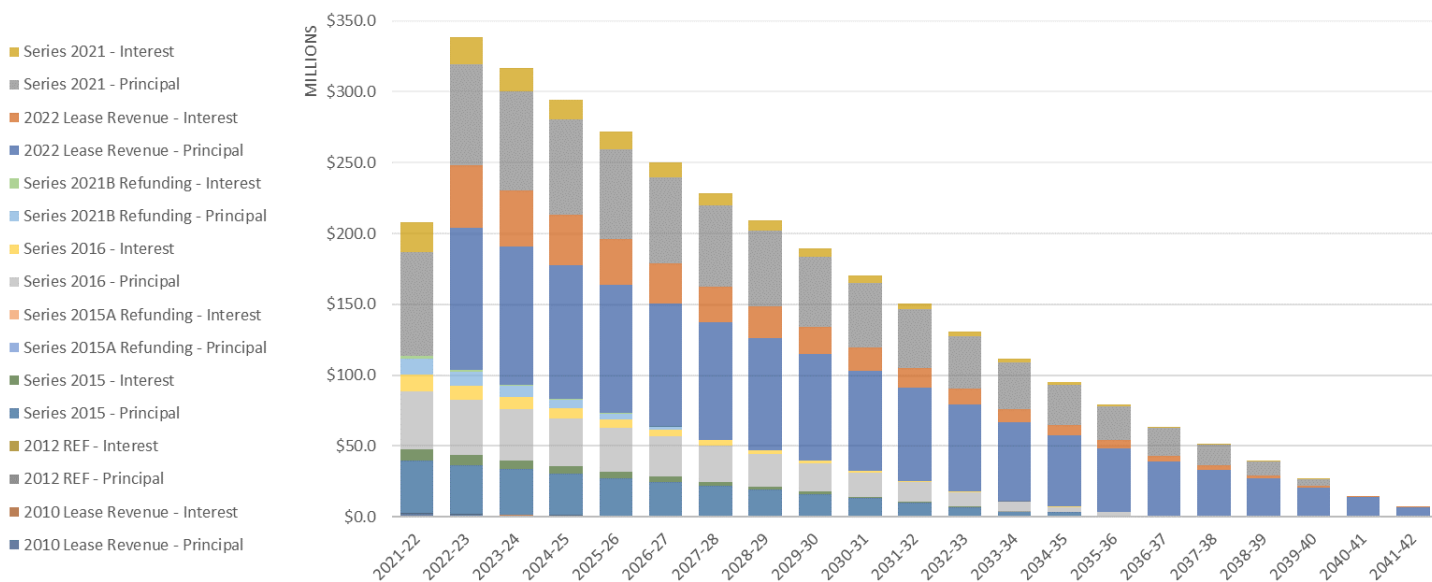
Total Long Term Debt

Year Ending June 30	Principal	Interest	Total Long Term Debt
2024	\$ 12,165,564	\$ 9,034,405	\$ 21,199,969
2025	13,253,096	8,487,760	21,740,856
2026	20,747,000	7,881,968	28,628,968
2027	14,100,000	7,139,835	21,239,835
2028	12,965,000	6,569,685	19,534,685
2029-2033	73,535,000	24,152,150	97,687,150
2034-2038	68,835,000	10,833,363	79,668,363
2039-2042	41,450,000	2,630,300	44,080,300
	<u>\$ 257,050,660</u>	<u>\$ 76,729,465</u>	<u>\$ 333,780,125</u>

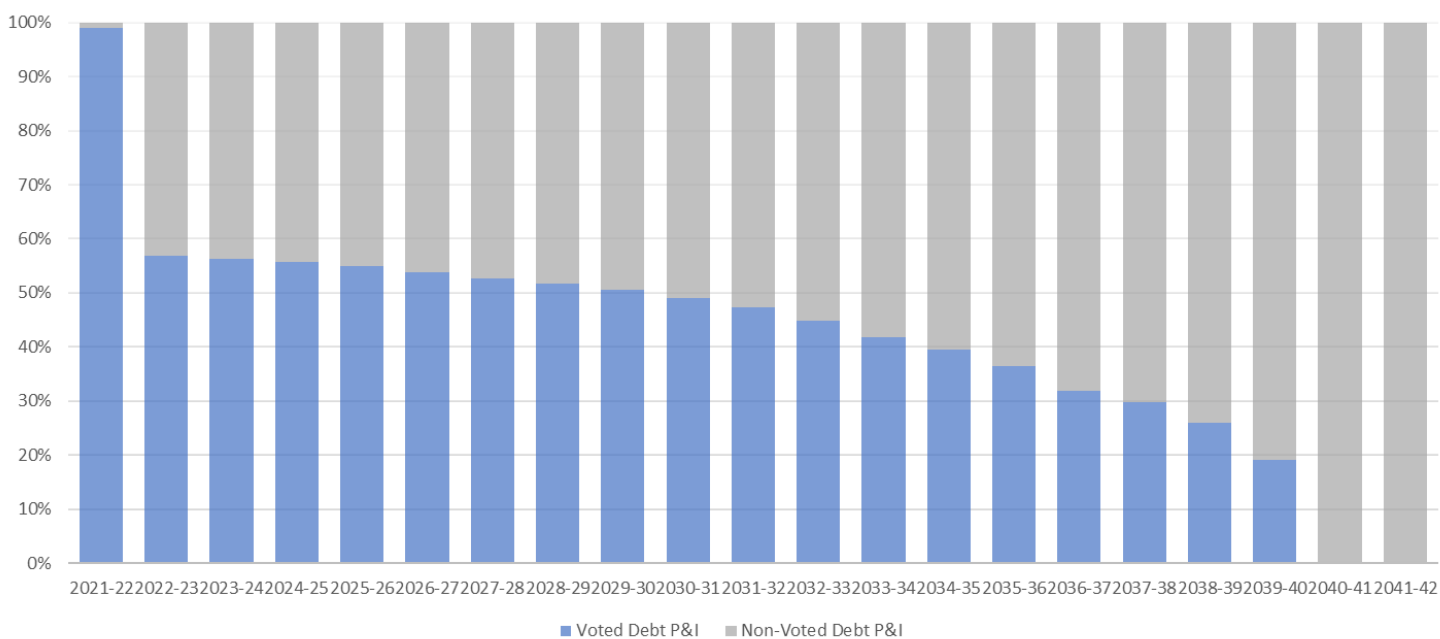
Debt Obligations: Summary by Fund

As of June 30, 2022

OUTSTANDING DEBT - GENERAL OBLIGATION BONDS



VOTED VS NON-VOTED DEBT %



The approximate fair market value of taxable properties in Provo is \$15.4 billion, meaning the District's general obligation debt limit is approximately \$617.3 million. The District's general obligation debt less than 1% of the assessed fair market value of Provo—far less than what is allowed by law.

At the beginning of FY2022, the District refunded bonds that were issued in FY2015 to take advantage of a competitive market with better interest rates. This was the second time these bonds were refunded—the last time was in FY2015. The original bonds were issued in FY 2007 about the same time as the Qualified School Construction Bonds (QSCB)—lease revenue bonds—and, in conjunction, rebuilt Timpanogos and Provo Peaks Elementary. A new elementary school, Lakeview Elementary, was also built with these proceeds, along with several seismic upgrades throughout the District. The QSCB bonds will be retired in FY2026.

The 2015 and 2016 GO bonds were authorized in November 2014 and were issued in two separate bonds to rebuild Provo High School on a new site, and rebuild four elementary schools—Edgemont Elementary, Sunset View Elementary, Rock Canyon Elementary and Provost Elementary—on existing sites.

Although the District is conservative in its debt practices and avoids excessive, unnecessary debt, balance must be achieved when considering the safety and security of the District's buildings. Long-term debt is essentially the main option for governmental entities to complete necessary large projects. The District's intention is to continue to pay off existing bonds before any additional bonds are considered.

The GO bonds are paid from the Debt Service Fund and has a separate property tax levy budgeted for

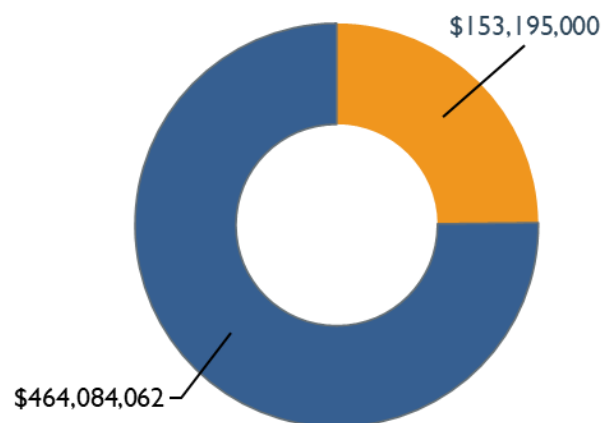
each year based on the required payment for the principal and interest. The lease revenue bonds are paid from the Municipal Building Authority Fund with a transfer from the Capital Projects Fund, using the capital property tax levy.

The loan being serviced from the Capital Projects fund was a loan program by the United States Department of Energy, allowing districts to upgrade critical HVAC systems at low interest rates. That loan will be paid off in FY2025.

The District has been working hard to create a more sustainable long-term capital plan, strategically designed to have minimal impact on taxpayer dollars. The District has been proactive in saving for emergency needs and/or the building of a new school with the Building Reserve Fund. The Fund currently has \$20.4 million restricted for future capital use.

G.O. Debt vs. Debt Limit

As of June 30, 2023



Provo's bond rating according to Moody's Investor Service is Aa3.

Other Post-Employment Benefits

As of June 30, 2022

Several years ago, District administration began evaluating the efficacy of the District's other post-employment benefits (OPEB) offerings. Employees were provided lifetime medical benefits through the District insurance as part of the retirement package, not unlike what was happening in a majority of governments and companies. Throughout the country, companies came under scrutiny for the inability to be able to financially provide long-term benefits and salary to retired employees. The District also conducted evaluations on options available, while keeping current and future resources focused on the purposes of the District—to educate students.

Salary (or pension) payments come through the Utah Retirement System (URS), with participating government entities providing a statutorily required payment for each qualifying employee. These minimum required payments for employees have also undergone changes based on URS actuarial valuations and fluctuations in the economy over the years.

In 2007, the District completed the new OPEB agreement which offered benefits to employees based on years of service prior to the agreement date. Employees hired after that date were not provided any District-provided OPEB benefits, but were still part of the URS system for pension benefits. The District still has 62 employees who qualify for some level of OPEB, and 320 former employees who are still receiving benefits. With the onset of GASB 75, the District has an actuarial valuation done every other year to determine the future payments necessary to meet the obligations. The FY2023 valuation will not be complete until after the budget is adopted.

The District has a balance of \$13.4 million in a committed fund balance to help fund that liability as long as necessary. In addition, the FY2024 budget also contains \$2.1 million for current year expenditures. The table below shows the actuarially determined projected liability of the District for the total OPEB liability for retirees.

	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%

Revenue and Expenditures by Fund

Non-Major Funds

Revenue & Expenditures Budgets

Student Activity Fund

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Revenues:					
Local sources:					
Student fees and fundraising	\$ 1,517,741	\$ 1,483,936	\$ 2,172,261	\$ 2,136,450	\$ 2,101,500
Earnings on investments	18,308	4,558	4,179	25,306	15,500
Other local	1,319,645	946,965	928,072	904,738	905,500
Total revenues	<u>2,855,694</u>	<u>2,435,459</u>	<u>3,104,512</u>	<u>3,066,494</u>	<u>3,022,500</u>
Expenditures:					
Current:					
Salaries	38,167	1,394	-	-	-
Benefits	15,262	118	-	-	-
Purchased professional and technical services	312,196	300,889	160,525	120,702	150,308
Purchased property services	26,426	8,729	23,259	35,426	30,155
Other purchased services	489,339	143,378	679,456	645,060	655,075
Supplies	1,964,897	1,949,442	2,046,513	2,211,500	2,115,378
Property and equipment	-	10,748	44,640	25,358	32,279
Other	76,427	53,126	113,356	87,502	65,901
Total expenditures	<u>2,922,714</u>	<u>2,467,824</u>	<u>3,067,749</u>	<u>3,125,548</u>	<u>3,049,096</u>
Excess (deficiency) of revenues over (under) expenditures	(67,020)	(32,365)	36,763	(59,054)	(26,596)
Other financing sources:					
Transfer in	-	-	138,586	200,000	200,000
Net change in fund balances	(67,020)	(32,365)	175,349	140,946	173,404
Fund balance - beginning	<u>2,143,292</u>	<u>2,076,272</u>	<u>2,043,907</u>	<u>2,219,256</u>	<u>2,360,202</u>
Fund balance - ending	<u>\$ 2,076,272</u>	<u>\$ 2,043,907</u>	<u>\$ 2,219,256</u>	<u>\$ 2,360,202</u>	<u>\$ 2,533,606</u>

Most of the expenditures in the Student Activity Fund are related to the Instruction function and are directly associated with activities and courses that students are enrolled in. Schools prepare a fee schedule for the next school year which is approved by the school board before April 1st each year. Fees must be on the approved schedule before they are charged to students. Fees are broken down into the categories of Curricular, Extra-Curricular and Co-Curricular. Curricular and Co-Curricular fees can only be charged to students in secondary school grades.

Revenue & Expenditures Budgets

Self-Insurance Fund

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Operating revenues:					
Insurance premiums charged to other funds	\$ -	\$ -	\$ -	\$ -	\$ 13,500,000
Operating expenses:					
Medical claims	-	-	-	-	13,500,000
Prescription claims	-	-	-	-	-
Reinsurance premiums	-	-	-	-	-
Administration and other	-	-	-	150,000	150,000
Total operating expenses	-	-	-	150,000	13,650,000
Operating income (loss)	-	-	-	(150,000)	(150,000)
Nonoperating revenue (expense):					
Transfer in	-	-	-	3,000,000	-
Transfer out	-	-	-	-	-
Total nonoperating income (loss)	-	-	-	3,000,000	-
Change in net position	-	-	-	2,850,000	(150,000)
Fund balance - beginning	-	-	-	-	2,850,000
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,850,000</u>	<u>\$ 2,700,000</u>

The Self Insurance Fund will account for employee and employer premiums paid each payday. Those premiums are the source of revenue. District administration made the decision to go to a self-pay model at the beginning of FY2023 to better manage medical insurance increases and provide a richer plan to employees. Going to this model has allowed the District to keep premiums in FY2024 flat with no increase to employees. All employees will still be eligible for a traditional insurance option and a high-deductible option with a elective Health Savings Account (HSA). The District's wellness manager will still be providing an exciting program to help incentivize healthy habits and lifestyles. The District's hope is that this new way of offering insurance will provide savings to employees for many years.

Revenue & Expenditure Budgets

Building Reserve Fund

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Revenues:					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-
Federal Sources	-	-	-	-	-
Total revenues	-	-	-	-	-
Expenditures:					
Capital outlay:					
Purchased services	-	-	-	-	-
Supplies	-	-	-	-	-
Property and equipment	-	-	-	-	-
Total expenditures	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Other financing sources (uses):					
Transfer in	1,500,000	10,000,000	2,000,000	-	-
Transfer out	-	-	-	-	-
Total other financing sources (uses)	1,500,000	10,000,000	2,000,000	-	-
Net change in fund balances	1,500,000	10,000,000	2,000,000	-	-
Fund balance - beginning	6,872,240	8,372,240	18,372,240	20,372,240	20,372,240
Fund balance - ending	<u>\$ 8,372,240</u>	<u>\$ 18,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>

Revenue & Expenditure Budgets

Food Services Fund

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Revenues:					
Local sources:					
Food sales	\$ 779,368	\$ 27,161	\$ 39,854	\$ 994,327	\$ 1,027,951
Other local	9,830	9,455	-	8,517	9,892
Total local sources	789,198	36,616	39,854	1,002,844	1,037,843
State sources	1,169,608	1,068,341	1,097,534	1,121,670	1,121,670
Federal sources:					
Lunch reimbursement	451,401	388,049	428,313	455,258	491,679
Free and reduced lunch reimbursement	2,485,031	2,925,824	4,125,805	2,874,727	2,283,463
Summer foods and other reimbursement	229,609	257,388	465,024	216,360	216,360
Breakfast reimbursement	987,087	583,826	836,858	636,686	853,595
USDA commodities	79,303	96,531	250,732	103,819	216,361
Total federal sources	4,232,430	4,251,618	6,106,732	4,286,850	4,061,458
Total revenues	6,191,236	5,356,575	7,244,120	6,411,364	6,220,971
Expenditures:					
Salaries	2,261,534	2,138,153	2,047,752	2,428,877	2,435,051
Benefits	777,336	759,401	727,114	713,874	803,471
Purchased services	138,246	127,653	134,816	575,970	175,970
Supplies	211,514	255,573	378,207	487,752	290,481
Food	2,072,696	1,810,331	2,126,740	2,221,630	2,223,793
Equipment	21,960	-	-	250,000	-
Other	419,116	466,037	452,433	719,632	623,645
Total expenditures	5,902,403	5,557,148	5,867,063	7,397,735	6,552,411
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	288,833	(200,573)	1,377,057	(986,371)	(331,440)
Fund balance - beginning	1,816,119	2,104,952	1,904,378	3,281,435	2,295,064
Fund balance - ending	\$ 2,104,952	\$ 1,904,378	\$ 3,281,435	\$ 2,295,064	\$ 1,963,624

Revenue & Expenditures Budgets

Pass-Through Taxes Fund

	Actual 2019-20	Actual 2020-21	Actual 2021-22	Final Amended 2022-23	Proposed 2023-24
Revenues:					
Local sources:					
Incremental property tax	\$ 740,620	\$ 1,175,685	\$ 913,968	\$ 872,617	\$ 871,305
Statewide charter school program	700,231	634,033	659,920	985,000	1,005,000
Total revenues	<u>1,440,851</u>	<u>1,809,718</u>	<u>1,573,888</u>	<u>1,857,617</u>	<u>1,876,305</u>
Expenditures:					
Contributions to other governments:					
Redevelopment agencies	740,620	1,175,685	913,968	872,617	871,305
Statewide charter school program	<u>700,231</u>	<u>634,033</u>	<u>659,920</u>	<u>985,000</u>	<u>1,005,000</u>
Total contributions to other governments	<u>1,440,851</u>	<u>1,809,718</u>	<u>1,573,888</u>	<u>1,857,617</u>	<u>1,876,305</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	-	-	-	-	-
Fund balance - beginning	-	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE					
Restricted for pass-through taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Total Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Informational Section

Provo: Past and Present

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

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

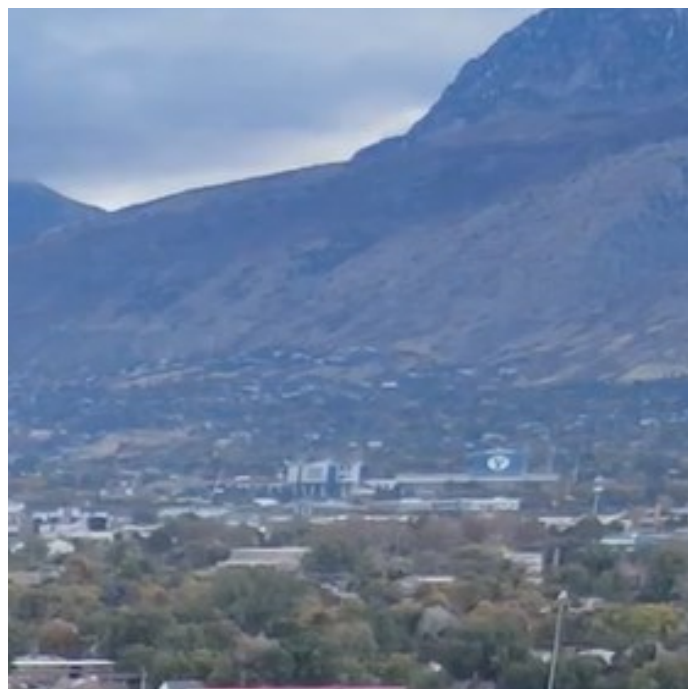
Highly admired by his contemporaries and considered to be a knowledgeable, skillful, and successful mountain man, Provo City, Provo River, and Provo Canyon are named after him.

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

learning in the nation today.

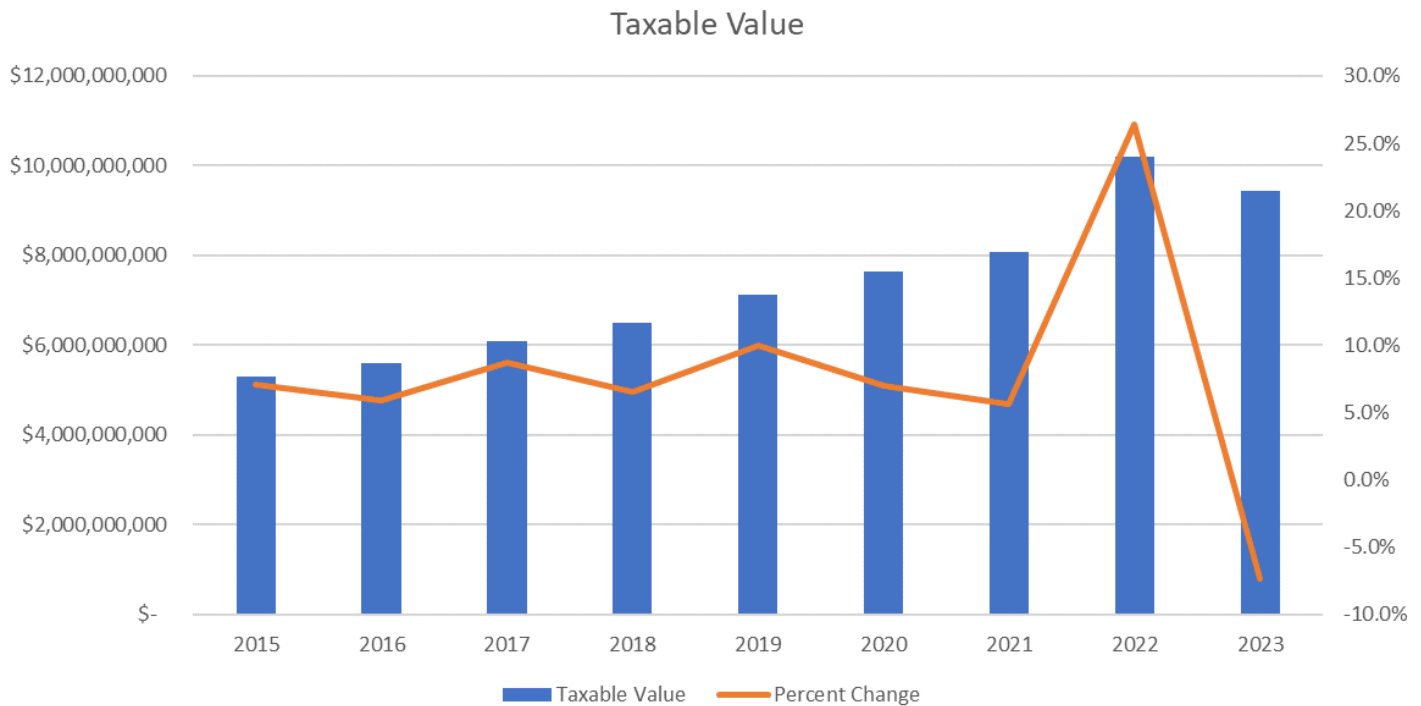
Provo City is the county seat for Utah County. Throughout the city's history, Provo has served as Utah County's center of industry, commerce, and government. Provo is the home to county offices and courts. With a population of approximately 116,000 and a land area of 43 square miles, Provo, which uses a mayor-council form of government, has one of the highest population densities in the state of Utah.

While much of the growth in Utah County has been focused on areas to the north and south, Provo City is still a destination in the county and boasts of a thriving downtown restaurant and music scene. Provo City Redevelopment has focused many projects on the revitalization of the downtown area and has worked to make Provo a thriving metropolis. Its close proximity to the mountains and Utah Lake gives its residents superior recreational opportunities throughout both the winter and summer months.



Taxable Value of Property in Provo City

2013-14 to 2023-24



The detailed property tax schedules on the following pages are to provide comparative information over a number of years in reference to property tax in Provo City. The schedules are divided into separate schedules to better clarify information regarding different aspects of the property tax rates and property tax receipts. Revenue received from various fees and redemptions are reported on some schedules but are not subject to a tax rate so will not be calculated on schedules using rates for calculation.

Property taxes are determined by multiplying home value by the tax rate. However, primary residential properties receive a 45% exemption, meaning homeowners only pay taxes on 55% of the taxable value of the property.

In 2022, Utah County reevaluated the value of all property in Provo. This reevaluation of property values resulted in a significant increase in taxable value. The District expects this to be a one-time significant increase to values in Provo which is reflective in the retraction of property value in Tax Year 2023.

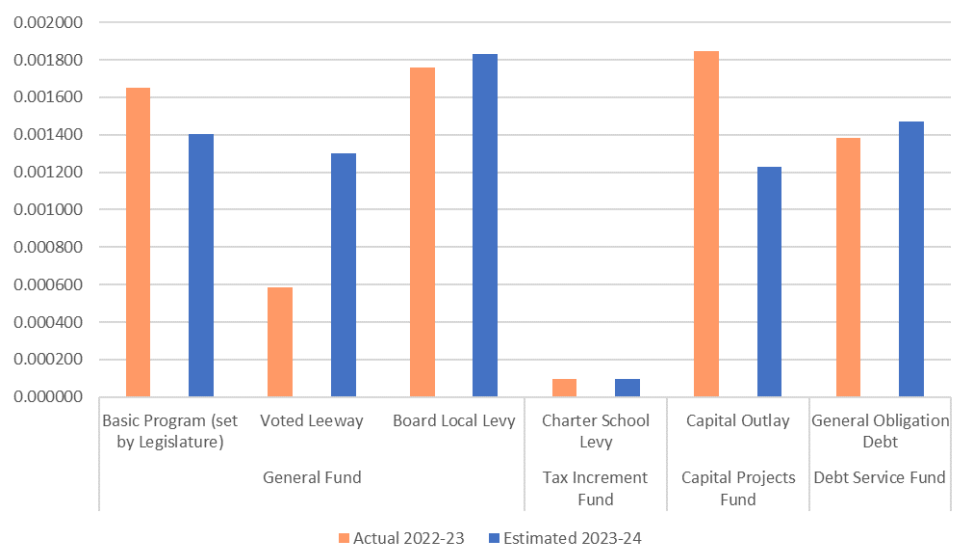
Tax Year	Taxable Value	Percent Change
2015	\$ 5,291,027,497	7.1%
2016	5,601,583,344	5.9%
2017	6,090,282,895	8.7%
2018	6,487,056,436	6.5%
2019	7,134,634,460	10.0%
2020	7,634,229,789	7.0%
2021	8,066,663,066	5.7%
2022	10,195,262,123	26.4%
2023	9,443,020,408	-7.4%

Property Tax Rates and Calculated Revenue: FY2016 to FY2024

Levy	<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>	
	Tax Rate	Calculated Revenue	Tax Rate	Calculated Revenue	Tax Rate	Calculated Revenue
Basic Program (53A-17a-135)	0.001736	\$ 8,909,062	0.001675	\$ 8,836,116	0.001568	\$ 9,258,391
Voted Leeway (53A-17a-133)	0.001151	5,906,872	0.001093	5,765,895	0.001024	6,046,296
Board Local Levy (53A-17a-164)	0.001293	6,635,609	0.001600	8,440,469	0.001416	8,360,894
Charter School Levy (53A-1a-513.1)	0.000000	-	0.000000	-	0.000083	490,081
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.002139	10,977,237	0.001995	10,524,210	0.001812	10,699,110
Capital Local Levy (53A-16-110)	0.001249	6,409,803	0.001520	8,018,445	0.001424	8,408,130
TOTALS - ALL FUNDS	<u>.007568</u>	<u>\$ 38,838,584</u>	<u>.007883</u>	<u>\$ 41,585,135</u>	<u>.007327</u>	<u>\$ 43,262,902</u>

Levy	<u>FY 2019</u>		<u>FY 2020</u>		<u>FY 2021</u>	
	Tax Rate	Calculated Revenue	Tax Rate	Calculated Revenue	Tax Rate	Calculated Revenue
Basic Program (53A-17a-135)	0.001666	\$ 10,484,268	0.001661	\$ 11,525,971	0.001628	\$ 12,144,056
Voted Leeway (53A-17a-133)	0.001094	6,884,627	0.001016	7,050,202	0.000968	7,220,790
Board Local Levy (53A-17a-164)	0.001682	10,584,957	0.001548	10,741,844	0.001997	14,896,609
Charter School Levy (53A-1a-513.1)	0.000089	560,084	0.000097	673,100	0.000093	693,733
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.001692	10,647,888	0.001550	10,755,722	0.001453	10,838,644
Capital Local Levy (53A-16-110)	0.001353	8,514,535	0.001257	8,722,544	0.001198	8,936,473
TOTALS - ALL FUNDS	<u>.007576</u>	<u>\$ 47,676,360</u>	<u>.007129</u>	<u>\$ 49,469,383</u>	<u>.007337</u>	<u>\$ 54,730,304</u>

Levy	<u>FY 2022</u>		<u>FY 2023</u>		<u>FY 2024</u>	
	Tax Rate	Calculated Revenue	Tax Rate	Calculated Revenue	Tax Rate	Calculated Revenue
Basic Program (53A-17a-135)	0.001661	\$ 13,079,735	0.001652	\$ 15,726,208	0.001406	\$ 15,599,870
Voted Leeway (53A-17a-133)	0.000911	7,173,774	0.000587	5,587,944	0.001300	12,275,926
Board Local Levy (53A-17a-164)	0.001734	13,654,582	0.001760	16,754,313	0.001831	17,290,170
Charter School Levy (53A-1a-513.1)	0.000091	716,590	0.000096	985,000	0.000098	925,416
Gen Oblig Debt (11-14-19/53A-17a-145/ 53A-21-103)	0.001349	10,622,855	0.001381	14,087,250	0.001469	13,875,560
Capital Local Levy (53A-16-110)	0.001271	10,008,636	0.001847	18,840,804	0.001229	11,605,472
TOTALS - ALL FUNDS	<u>.007017</u>	<u>\$ 55,256,173</u>	<u>.007323</u>	<u>\$ 71,981,520</u>	<u>.007333</u>	<u>\$ 71,572,414</u>

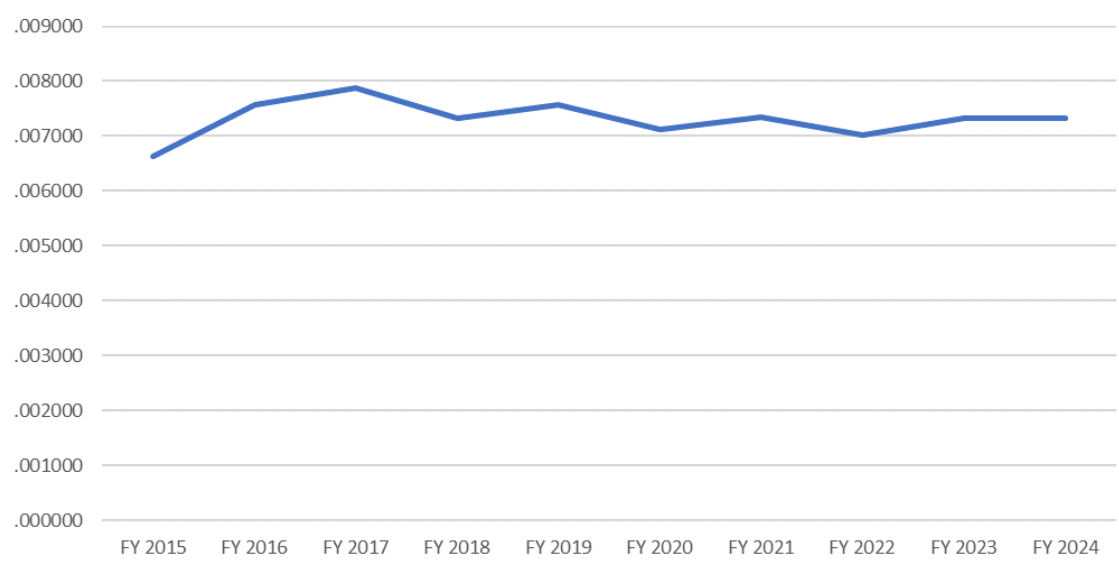


Overall property tax rates have stayed relatively flat for the last ten fiscal years. The average total rate for that time is .007383. The increase in property tax revenue is primarily due to the increase in property valuations, especially with the increase seen in 2022 after the re-evaluation of property values in Provo.

In FY2018, the Charter School Levy was created to help provide local revenue to charter schools not associated with districts throughout the state. This levy is added to each district’s total levy, and the revenue is recorded in the Pass-Through Taxes Fund, along

with the tax revenue generated by the redevelopment projects in the city of Provo. This revenue is not remitted to the District by Utah County, but is recorded as a revenue and expense to show total property tax associated with the District.

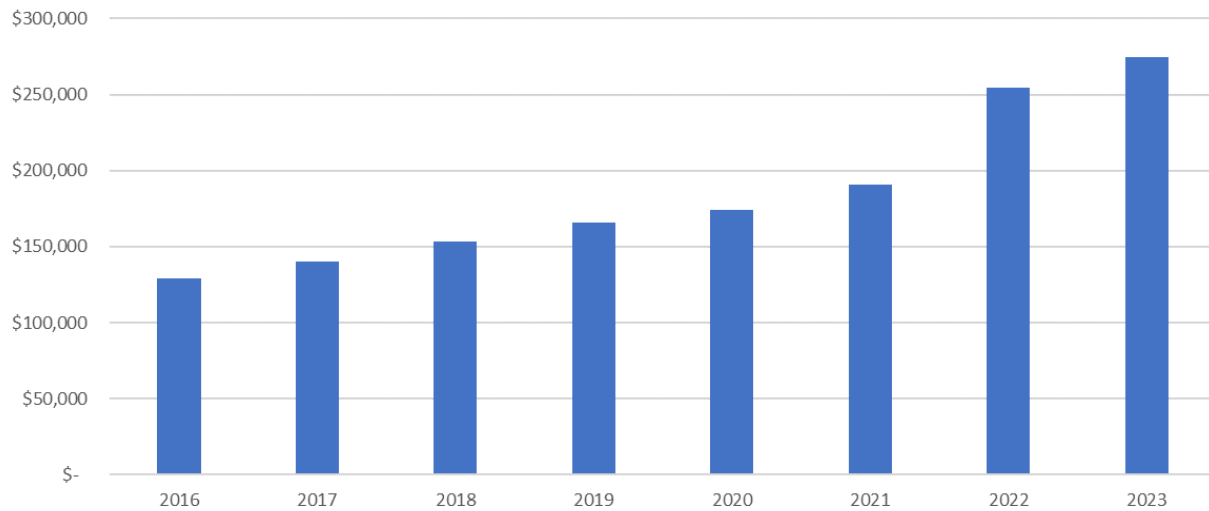
The biggest shift in rates is between the Voted Local Levy and Capital Local Levy. Occasionally, districts will shift rates between levies to generate property tax in the areas necessary for a specific fiscal year.



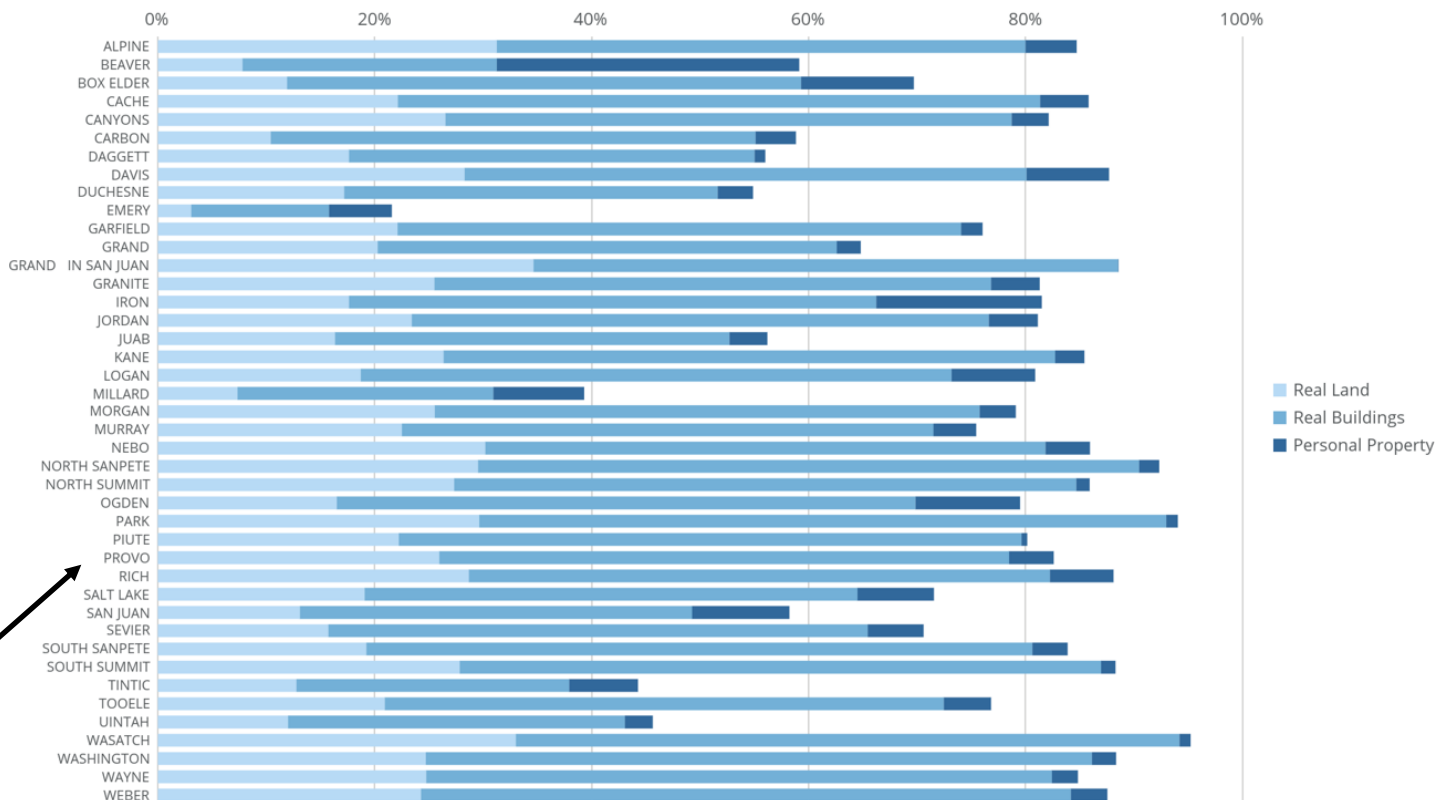
Property Tax Information: Homeowner Information

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Average Market Value			234,200	255,500	278,300	302,000	316,600	347,400	463,400	462,359
Appraised % of Market Value	55%	55%	55%	55%	55%	55%	55%	55%	55%	55%
Taxable Value	0	0	128,810	140,525	153,065	166,100	174,130	191,070	254,870	254,297
Total Property Tax Rate	0.006636	0.007568	0.007883	0.007327	0.007576	0.007129	0.007337	0.007017	0.007323	0.007333
Property Tax Due	-	-	1,015	1,030	1,160	1,184	1,278	1,341	1,866	1,865
Increase/(Decrease) from Prior Year	(43)	22	34	110	163	5	102	63	526	(2)

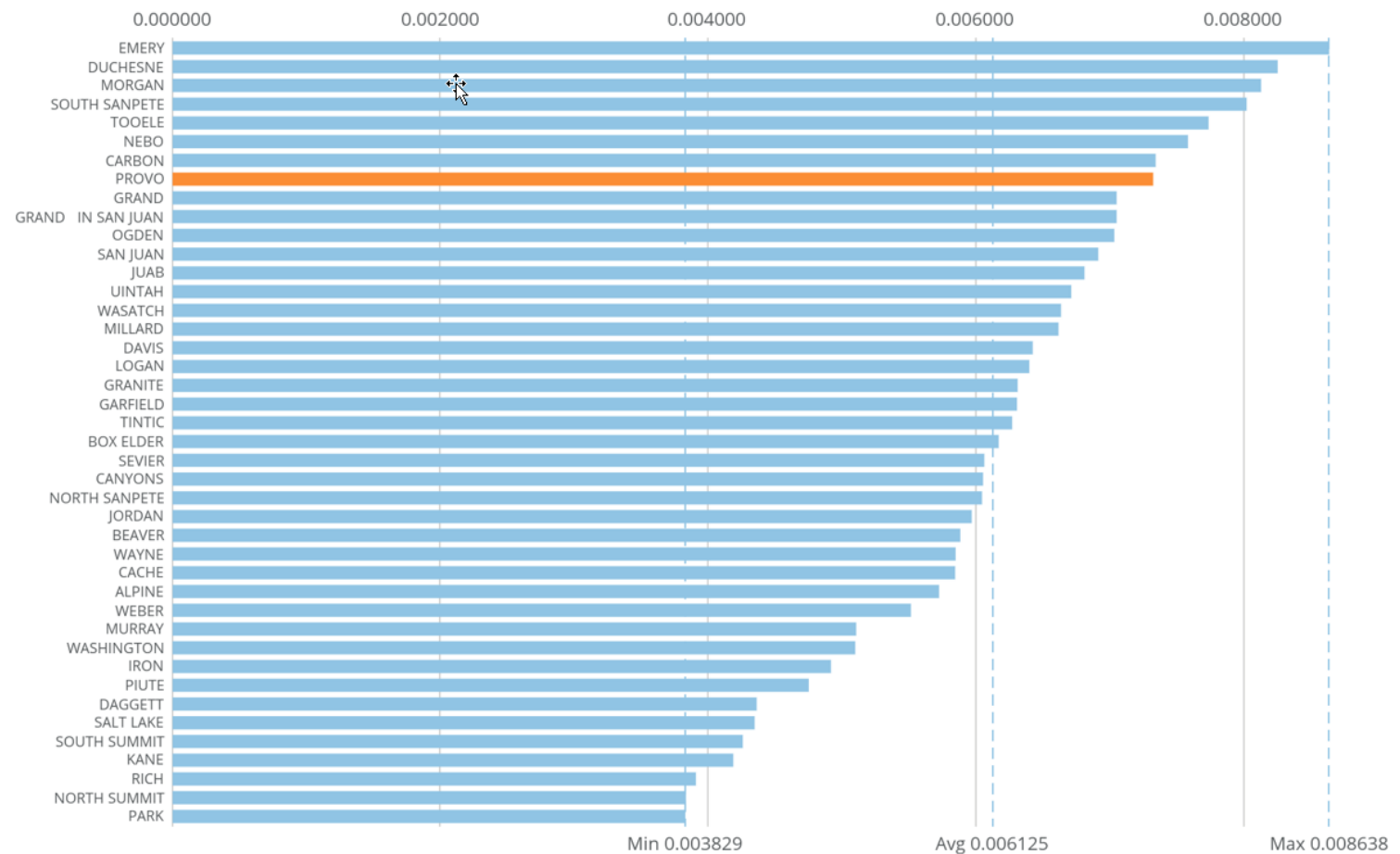
Residential Taxable Value



Homeowner Percentage of Property Taxes



Property Tax Rates: Property Tax Rates by District FY2023



Property taxes are the largest portion of local revenue for the District. Property taxes include portions charged to homeowners, business owners and other centrally assessed properties. Eighty-three percent of the District's property taxes are made up of real land, real buildings and personal property—impacting home owners directly. Provo City has a significant amount of tax-exempt property and a very small portion of centrally assessed property. Commercial property makes up the other 15% of taxable value in the city of Provo. Home values are significantly higher the last two years, in comparison to the six previous years that recognized relatively small increases. Utah County reassessed much of the property through the county, which resulted in the higher values. Even with the increase in property tax rates in FY2023, rates are projected to be 0.007333 in FY2024 in comparison with 0.007323. District administration is cognizant of the burden that homeowners bear in Provo and are committed to consistently evaluate expenditures before increasing property tax rates.

Enrollment: Projections and Methodology

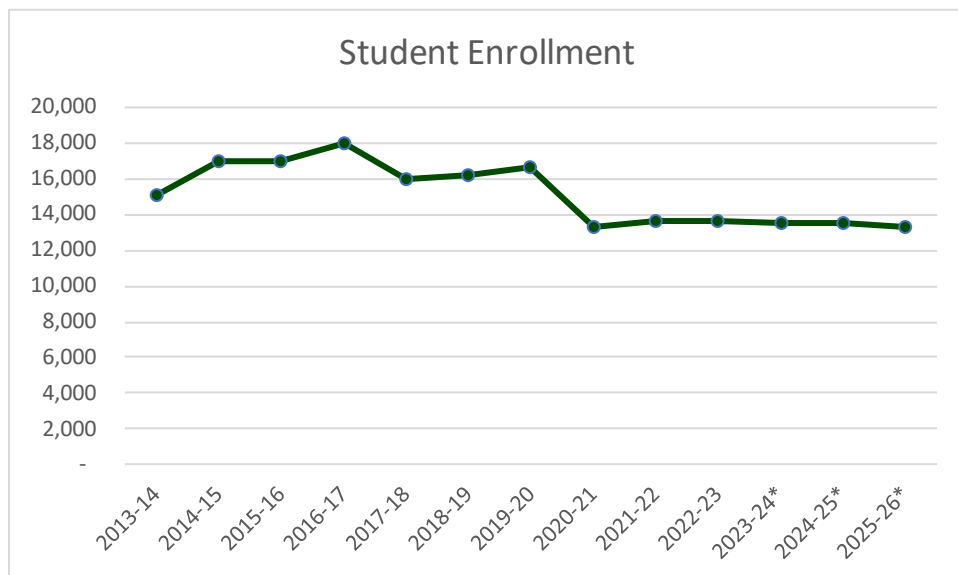
Student enrollment is the primary factor in projecting state, federal and some local revenue for the District. Many revenue projections are based on enrollment data as of October 1 each year. Much of the state revenue is determined on the enrollment from the previous school year, with a factor for growth. Other revenue is based on an average of the ADM (aggregate or average daily membership) over a number of years, number of professional staff, or percentages of special populations in the district.

Enrollment projections for future years are made using simple regression analysis to forecast general expected student enrollment for future years. A more detailed approach, using migration patterns, birth rates, and what is referred to as survival rates, is also used to get a more detailed analysis for the next year. Detailed analysis for the coming year is normally done in the fall, and the Board of Education and administration are given the results after that time.

While many cities in Utah are still seeing a significant amount of growth, Provo City has only a minimal amount of land available for development, so there is very little, if any, growth. Brigham Young University resides in Provo, and a significant portion of the population and housing are student-related. Birth rates in Utah County remain higher than the national average, but are declining, which will result in fairly flat enrollment patterns in future years.

Enrollment from 2013-14 through 2019-20 was higher than normal due to the implementation of Provo's eSchool. Many students enrolled in eSchool were from outside the District's boundaries, so long-term tracking and reporting became a challenge, which necessitated a change in the format to become more Provo centric.

Information and documentation regarding enrollment projection methods are available to the public through the Business Services department.



Year	Enrollment
2013-14	15,133
2014-15	17,023
2015-16	16,995
2016-17	18,018
2017-18	15,991
2018-19	16,165
2019-20	16,604
2020-21	13,317
2021-22	13,624
2022-23	13,611
2023-24*	13,571
2024-25*	13,513
2025-26*	13,331

Fall Enrollment Count by School FY2016 to FY2026 (projected)

The fall enrollment count is a census taken on the first school day in October of each school year. This student count is required by Utah State law. As shown in the table below, enrollment has stayed relatively flat, with the exception of the years Provo's eSchool was in operation. Student enrollment decreased slightly in the 2020-21 school year due to

the coronavirus pandemic because many families decided to home school their children or seek out other educational opportunities. In 2021-22, many schools' enrollment counts went back to their pre-pandemic levels. We expect enrollment to remain relatively flat in the coming years.

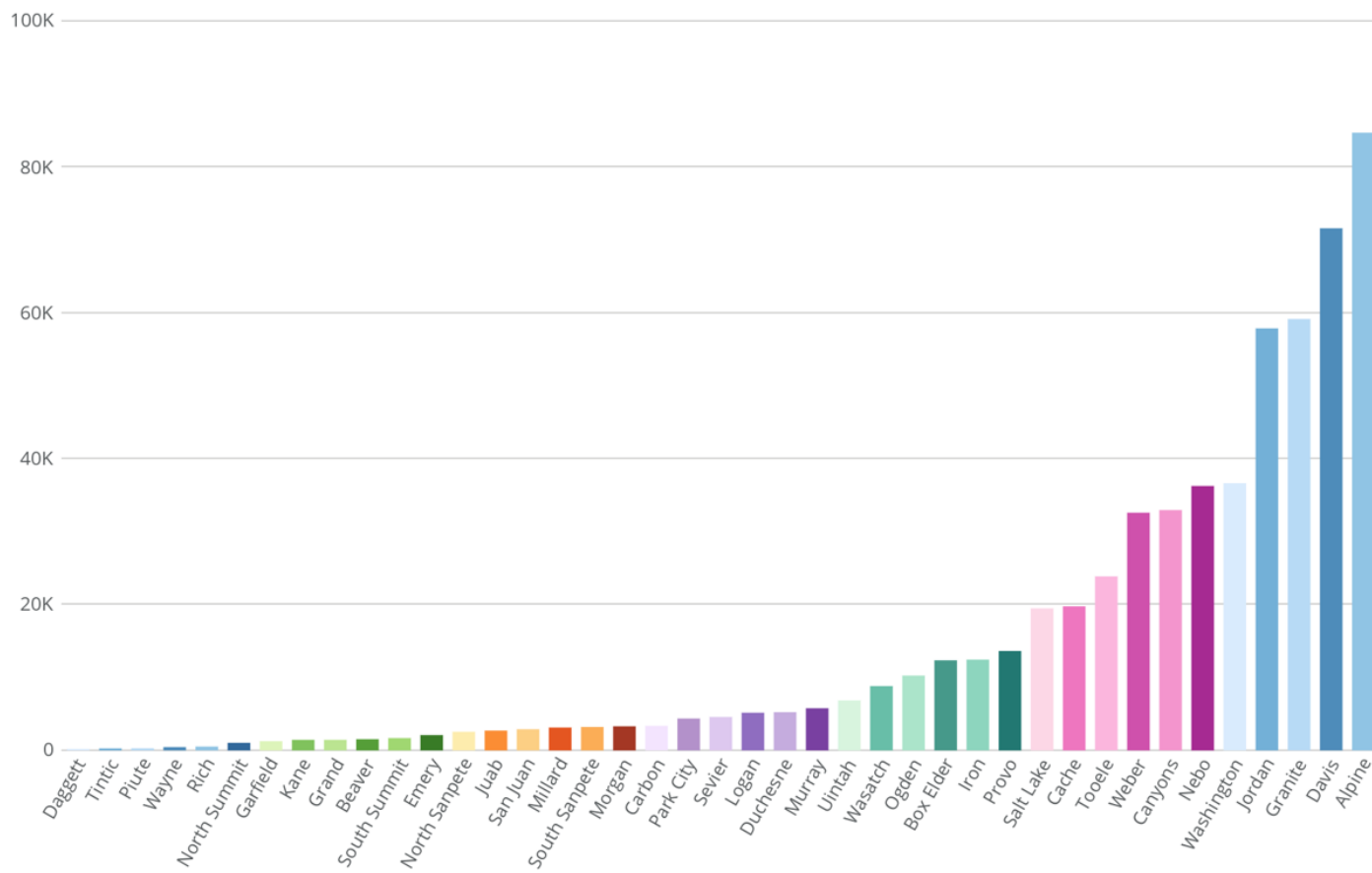
School	Actual					Projected		
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Amelia Earhart Elementary	496	467	402	381	400	400	403	401
Canyon Crest Elementary	501	476	379	447	473	475	479	489
Edgemont Elementary	659	629	534	641	630	622	634	617
Provo Peaks Elementary	425	425	397	422	442	432	429	417
Franklin Elementary	381	347	328	313	334	324	321	336
Lakeview Elementary	815	784	663	709	687	696	700	713
Provost Elementary	461	462	415	471	468	466	469	468
Rock Canyon Elementary	573	577	506	536	529	521	539	534
Spring Creek Elementary	402	397	380	410	421	422	423	408
Sunset View Elementary	536	568	516	545	544	545	537	533
Timpanogos Elementary	626	625	559	583	618	627	630	630
Wasatch Elementary	795	740	621	643	609	604	608	598
Westridge Elementary	727	716	599	608	617	606	607	610
Centennial Middle	1,169	1,210	1,175	1,109	1,071	1,062	1,011	1,018
Dixon Middle	867	973	906	907	920	862	800	757
Provo High	1,858	1,891	1,914	1,949	1,951	2,032	2,075	2,005
Timpview High	2,129	2,247	2,325	2,358	2,313	2,280	2,254	2,199
Independence High	162	153	153	221	229	233	236	239
Special Schools	2,282	2,647	284	129	112	112	112	112
Self-Contained Students	301	270	261	242	243	250	246	247
Total Enrollment	16,165	16,604	13,317	13,624	13,611	13,571	13,513	13,331

Enrollment: District Comparison

Utah is made up of 41 school districts and 117 charter schools. The total enrollment of K-12 students for Fall 2022, not including charter schools, was approximately 596,899. Charter school enrollment for October 2022 was 78,761. Requirements for charter schools in Utah are different for school districts, and charter schools have continued to grow in popularity over the last few years. Provo's enrollment was 13,612 on October 1, 2022.

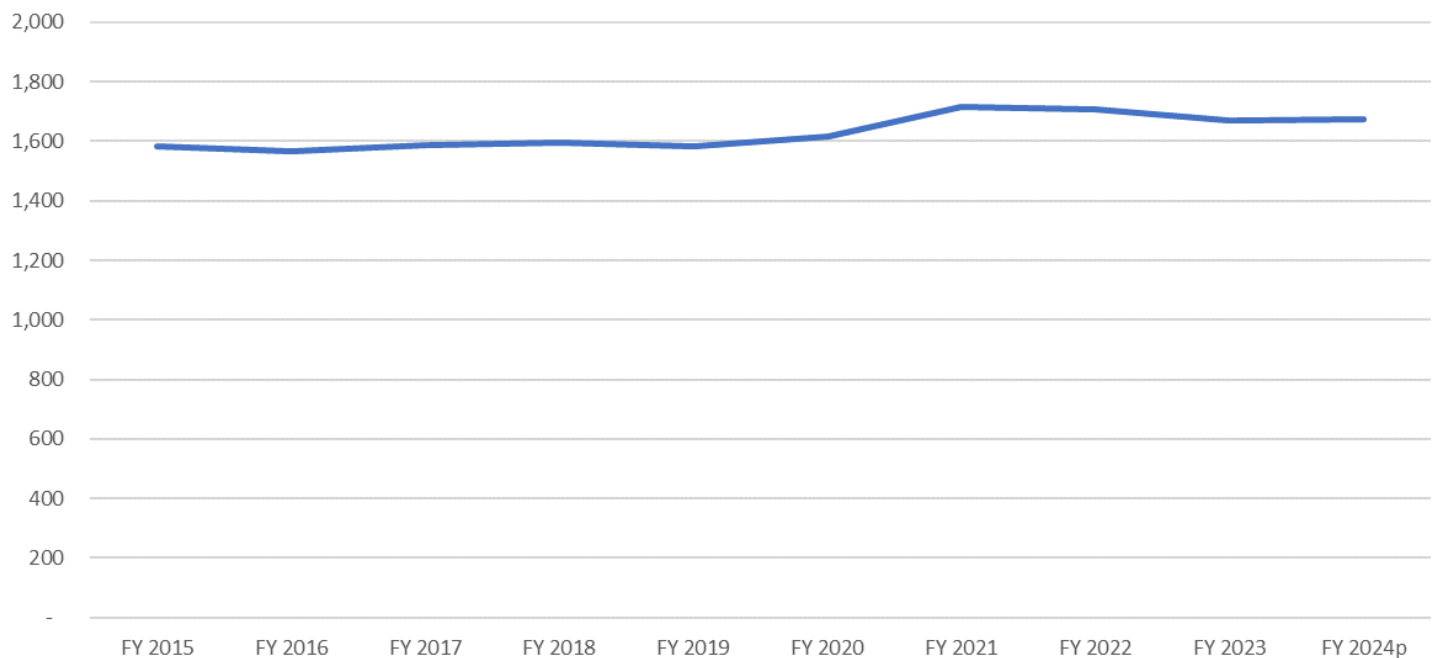
Alpine School District (enrollment - 84,666) and Nebo School District (enrollment - 36,229), Provo School District's neighboring districts in Utah County, both have a significantly higher school-age population than Provo, but both districts have multiple cities that have seen significant growth over the last few years. Although their student populations are high, Provo City School District has a higher percentage of families with low income and low English proficiency, which adds a level of complexity when budgeting for the ancillary services required for special populations.

Enrollment by District



Staffing Levels by Function: FY2015 to FY2023 (proposed)

Function	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024p
Instruction	1,002	1,022	1,020	1,022	1,001	1,036	1,088	1,097	1,050	1,063
Students	50	68	84	101	103	104	109	117	126	125
Instructional Staff	27	29	42	90	77	91	97	105	120	119
General Administration	17	24	26	17	21	16	21	17	18	17
School Administration	65	71	76	81	84	89	89	89	89	89
Business and Central	41	47	51	43	50	36	40	41	42	40
Operation and Maintenance	133	109	114	114	119	120	134	99	105	103
Transportation	66	51	39	48	40	48	52	61	47	46
Food Services	77	82	87	76	84	74	84	82	74	73
Community Services	103	62	47	4	4	3	1	-	-	-
Total FTEs	1,583	1,566	1,587	1,596	1,583	1,616	1,715	1,708	1,670	1,676



As a service organization, employee compensation is the biggest single expense incurred by the District. As a result, when cuts need to be made, it's difficult to spare all positions. Adding to the complexity are the positions that were added during COVID and are funded using expiring federal funds to pay for those positions.

For 2023-24 the Board of Education and management have made the decision to try and keep the class sizes around 27.5 students, with some classes slightly lower depending on needs. Instructional positions will stay relatively flat as enrollment stays flat, while other positions will be adjusted as necessary. Overall positions in FY2024 will remain relatively flat, with a renewed commitment by the District to fund instruction in schools.

Debt Service Schedule

		2024	2025	2026	2027	2028	2029	2030	2031	
General obligation bonds:										
Debt Service Fund										
Series 2021B Refunding	Principal	\$ 2,000,000	\$ 2,080,000	\$ 2,185,000	\$ 1,620,000	\$ -	\$ -	\$ -	\$ -	\$
\$11,650,000	Interest	394,250	294,250	190,250	81,000	-	-	-	-	
Series 2015	Principal	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
\$50,615,000	Interest	1,067,950	1,006,700	937,675	860,275	780,625	684,900	585,850	483,300	
Series 2016	Principal	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
\$50,650,000	Interest	1,378,313	1,260,813	1,137,063	1,007,063	952,563	897,063	784,063	666,063	
Series 2021	Principal	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
\$73,670,000	Interest	2,195,048	2,093,048	1,957,548	1,793,298	1,629,298	1,457,048	1,276,298	1,086,298	
Total Principal - General Obligation Bonds		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
Total Interest - General Obligation Bonds		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
Total - General Obligation Bonds		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
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	-	-	-	-	-	
2022 Lease Revenue Bonds	Principal	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
\$100,355,000	Interest	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
Total Principal - Lease Revenue Bonds		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
Total Interest - Lease Revenue Bonds		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
Total - Lease Revenue Bonds		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
Total - Bonds payable		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
Note payable:										
Capital Projects Fund										
2011 Energy Efficiency Chiller	Principal	25,772	13,202	-	-	-	-	-	-	
\$264,697	Interest	955	161	-	-	-	-	-	-	
Total note payable		26,727	13,363	-	-	-	-	-	-	
Total long-term debt obligations:										
Total Principal - All Funds - All Long-Term Debt		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
Total Interest - All Funds - All Long-Term Debt		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
Total - All Funds - All Long-Term Debt		\$ 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

Debt Service Schedule

2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	Totals
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,885,000
-	-	-	-	-	-	-	-	-	-	-	959,750
3,125,000	3,220,000	3,315,000	3,415,000	-	-	-	-	-	-	-	34,800,000
392,250	298,500	201,900	102,450	-	-	-	-	-	-	-	7,402,375
3,150,000	3,275,000	3,375,000	3,475,000	3,600,000	-	-	-	-	-	-	38,650,000
566,125	463,750	357,313	247,625	126,000	-	-	-	-	-	-	9,843,817
4,185,000	4,270,000	4,355,000	4,445,000	4,520,000	4,600,000	4,690,000	4,780,000	4,875,000	4,975,000	-	71,860,000
886,798	803,098	717,698	630,598	552,810	473,710	381,710	292,600	197,000	99,500	-	18,523,395
4,460,000	10,765,000	11,045,000	11,335,000	8,120,000	4,600,000	4,690,000	4,780,000	4,875,000	4,975,000	-	153,195,000
3,845,173	1,565,347	1,276,910	980,673	678,810	473,710	381,710	292,600	197,000	99,500	-	36,729,337
3,305,173	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	-	189,924,338
-	-	-	-	-	-	-	-	-	-	-	6,462,000
-	-	-	-	-	-	-	-	-	-	-	238,449
4,875,000	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	97,355,000
2,343,200	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	39,760,250
4,875,000	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	103,817,000
2,343,200	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	39,998,698
7,218,200	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	143,815,698
9,523,373	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	333,740,036
-	-	-	-	-	-	-	-	-	-	-	38,974
-	-	-	-	-	-	-	-	-	-	-	1,116
-	-	-	-	-	-	-	-	-	-	-	40,090
5,335,000	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	257,050,974
1,188,373	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	76,729,151
9,523,373	\$ 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	\$ 333,780,125

Economic Indicators

The economic outlook of the District is heavily dependent on state aid, which for fiscal year 2024 will provide 42.4% of all District revenue and 57.5% of General Fund revenue. These percentages will increase as the amount of federal revenue reaches normal levels (without extra COVID-19 relief funding). The Utah State Uniform School Fund was established constitutionally in 1938 and is used to ensure equitable funding for public education statewide. From 1947 through 1996, all taxes based on income were required constitutionally to be used for public education. In 1996, voters in Utah approved a constitutional change providing that these revenues could also be used to support needs in higher education. Additionally, a statewide property tax rate is levied to finance the Uniform School Fund and is applied against the taxable value of real and personal property.

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

Population: Utah's population according to the 2020 United States census was 3,337,975. From the 2010

US Census, Utah grew by 17.2%, which was the largest population growth in the United States. Some of this is due to natural increase, but Utah has become a popular destination for families and professionals as remote work has become the new normal and people are leaving crowded cities. Utah County's population as of 2021 was 683,625.

2023-24 Outlook: Legislators and other political groups have committed to increasing support for K-12 education in the state of Utah. Per pupil spending is still lower in Utah than most other states, but the WPU increases over the last few years demonstrates the state's commitment to education. For fiscal year 2023-24, the WPU value is \$4,280 per student, an increase of \$242 or 6.0% over the fiscal year 2022-23 WPU value of \$4,038.

While economic indicators in the United States point to a possible recession, Utah has always had a strong economic presence and unemployment is lower than the United States average.



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



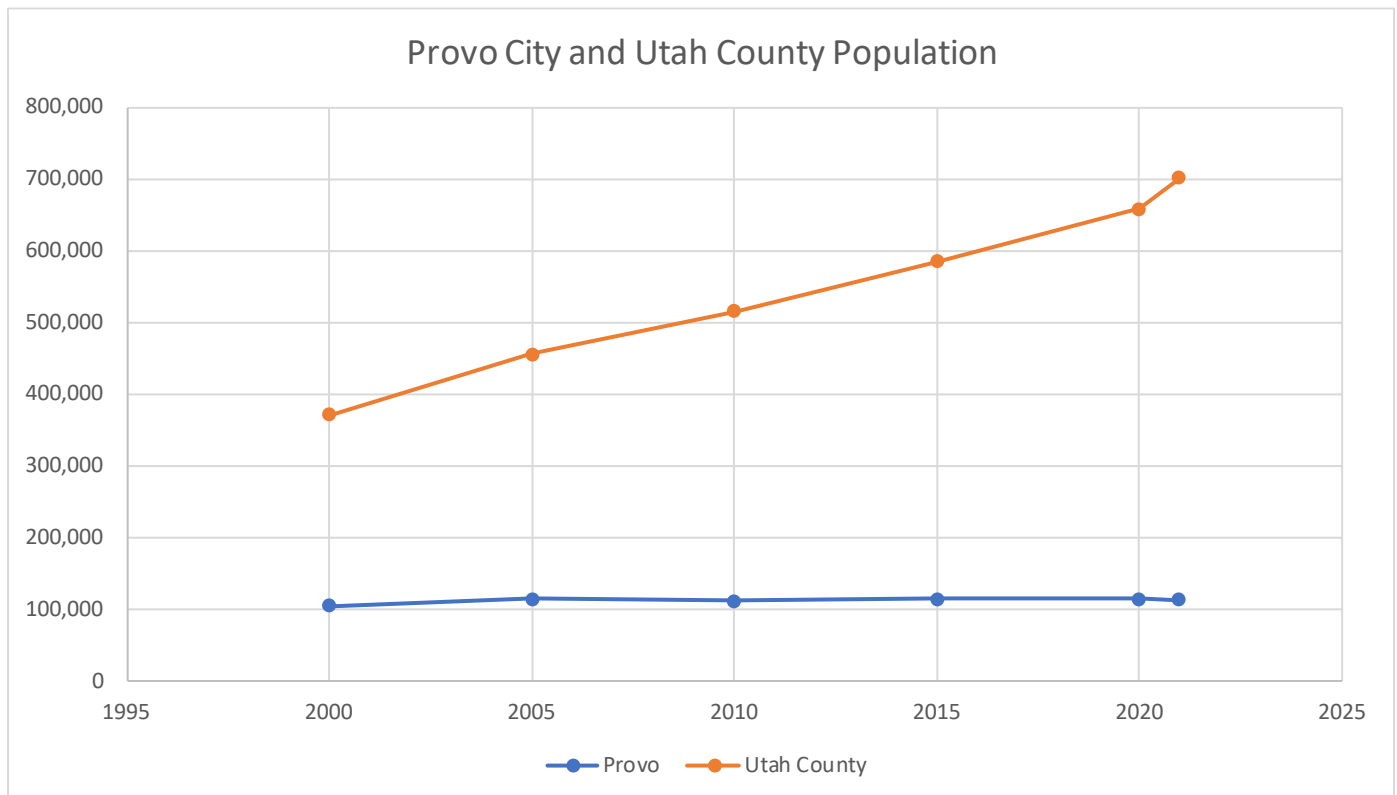
Source: Utah Department of Workforce Services (jobs.utah.gov)

Economic Indicators: Population, Utah County and Provo City

Year	Provo	Utah County
2000	105,439	371,894
2005	115,135	456,073
2010	112,488	516,554
2015	115,264	585,694
2020	115,162	659,399
2021	113,523	702,434

Source: US Census Bureau

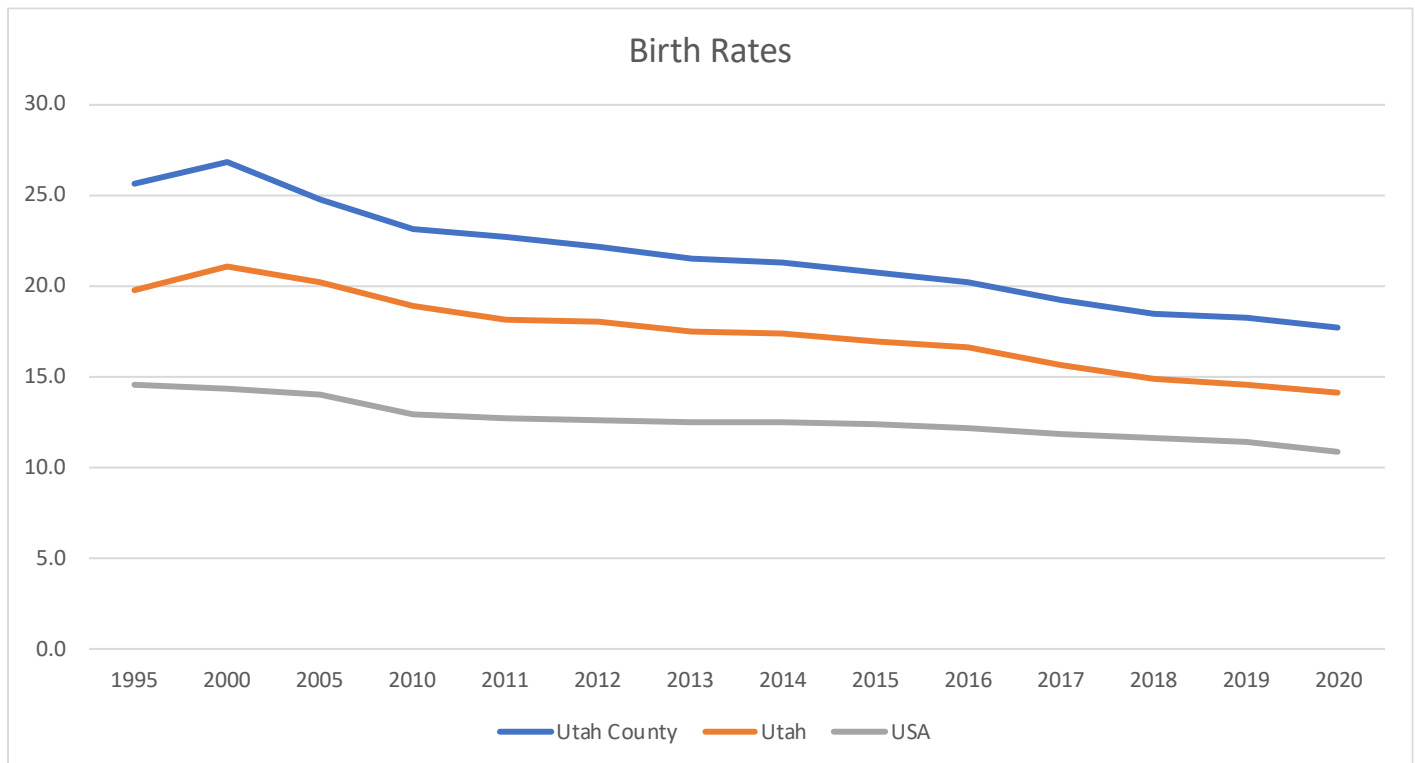
According to the US Census Bureau, Utah County has added over 300,000 residents since 2000. Conversely, Provo City has only added 8,645 residents. Over the past 10 years, Provo City's population has held relatively steady, further accenting the enrollment trend for Provo City School District. Where much of the state revenue is calculated by school enrollment, District administration reviews population projections each year when building the budget.



Year	Utah County	Utah	USA
1995	25.6	19.8	14.6
2000	26.8	21.1	14.4
2005	24.8	20.2	14.0
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	17.7	14.1	10.9

As addressed earlier, Utah County birth rates are higher than both the state of Utah and the United states in the average per 1,000 residents, but the rate for Utah County is still on a downward trend, which will impact school enrollment in a few years when babies born are ready to go to kindergarten.

Source: Utah's Public Health Data Resource (IBIS)



Provo: Information and Attractions



Provo is home to Brigham Young University, with an enrollment of over 30,000. The volume of students, along with families that are traditionally larger than the national average, creates a population that is much younger than other cities.

Provo is a great place to raise a family. With the diverse population and endless amount of recreational activities, there is something for everyone—whether you want to hike, bike, eat out, listen to music, play pickleball, go ice skating, golf, or hang out at a park. With the revitalization



projects, downtown has become a thriving entertainment option, with music venues, restaurants and other entertainment options.



Provo City is consistently highlighted by magazines as a top city to live. In *Outside* magazine, Provo is ranked #2 greatest place to live because of its access to trails, rivers, mountains, lakes, bike lanes, healthy eating and green space. Provo is also recognized as a great place to work with the low unemployment rates and opportunities with start-up companies headquartered in Provo.

Largest Employers: State of Utah/Provo City

Rank	Company	Industry	Annual Average Employment
1	Intermountain Healthcare	Health Care	20,000 +
2	University of Utah (including Hospital)	Higher Education	20,000 +
3	Wal-Mart Associates	Warehouse Clubs/Supercenters	20,000 +
4	State of Utah	State Government	20,000 +
5	Brigham Young University	Higher Education	15,000-19,999
6	Hill Air Force Base (civilian employment)	Federal Government	10,000-14,999
7	Davis County School District	Public Education	7,000-9,999
8	Smith's Food and Drug Centers	Grocery Stores	7,000-9,999
9	Utah State University	Higher Education	7,000-9,999
10	Aine School District	Public Education	7,000-9,999
11	Granite School District	Public Education	7,000-9,999
12	Northrop Grumman	Aerospace	7,000-9,999
13	U.S. Department of Treasury	Federal Government	7,000-9,999
14	Jordan School District	Public Education	5,000-6,999
15	Amazon.com Services	Courier/Express Delivery Service	5,000-6,999
16	Utah Valley University	Higher Education	5,000-6,999
17	Salt Lake County	Local Government	5,000-6,999
18	U.S. Postal Service	Federal Government	5,000-6,999
19	The Home Depot	Home Centers	5,000-6,999
20	United Parcel Service	Courier/Express Delivery Service	4,000-4,999
21	The Canyons School District	Public Education	4,000-4,999
22	Weber County School District	Public Education	4,000-4,999
23	Delta Airlines	Air Transportation	4,000-4,999
24	ARUP Laboratories	Medical Laboratory	4,000-4,999
25	Costco	Warehouse Clubs/Supercenters	3,000-3,999
26	Zions Bancorporation	Banking	3,000-3,999
27	VA Hospital	Health Care	3,000-3,999
28	Nebo School District	Public Education	3,000-3,999
29	Washington County School District	Public Education	3,000-3,999
30	Harmons	Grocery Stores	3,000-3,999

Largest Employers in Provo City Current Year and 2013

Source: Utah Department
of Workforce Services
(jobs.utah.gov)

Company Name	2022 Employees	2013 Employees
Brigham Young University	5,000 - 6,999	1,000 - 4,999
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Qualtrics	1,000 - 1,999	
Chrysalis Utah, Inc.	1,000 - 1,999	
Nu Skin International	500 - 999	1,000 - 4,999

Statistics and Performance Measures

Location/Site	Year Built/Renovated Substantially	Square Footage
Elementary Schools:		
Amelia Earhart	1999	69,733
Canyon Crest	1982	68,240
Edgemont	2017	70,000
Provo Peaks	2011	80,000
Franklin	1994	75,801
Lakeview	2007	77,480
Provost	2018	63,560
Rock Canyon	2016	71,367
Spring Creek	2002	70,720
Sunset View	2016	71,367
Timpanogos	2008	69,247
Wasatch	1949	45,326
Westridge	1979	73,928
Secondary Schools:		
Centennial Middle School	1996	144,795
Dixon Middle School	1931	124,276
Provo High School	2018	325,842
Timpview High School	1974	409,803
Independence High School	1992	48,121
Other:		
Oakridge	1979	43,992
District Office	1965	28,875
Grandview Learning Center	1949	69,546
Technology Auxiliary Services	2016	10,477
Transportation	2018	12,964

School Information

Elementary Schools



Amelia Earhart Elementary (K-6)
Principal: Ryan McCarty
Enrollment: 400
Year Built: 1999



Canyon Crest Elementary (K-6)
Principal: Sean Edwards
Enrollment: 473
Year Built: 1982



Edgemont Elementary (K-6)
Principal: Harmony Kartchner
Enrollment: 630
Year rebuilt: 2017



Franklin Elementary (K-6)
Principal: Jason Benson
Enrollment: 334
Year Built: 1994



Rock Canyon Elementary (K-6)
Principal: Seth Hansen
Enrollment: 529
Year Rebuilt: 2016



Spring Creek Elementary (K-6)
Principal: Ruthann Snow
Enrollment: 421
Year Built: 2002



Sunset View Elementary (K-6)
Principal: Chris Chilcoat
Enrollment: 544
Year Rebuilt: 2016

Middle Schools



Centennial Middle School (7-8)
Principal: Brooke Taylor
Enrollment: 1,071
Year Built: 1996



Dixon Middle School (7-8)
Principal: John Anderson
Enrollment: 920
Year Built: 1931
MBA bonds approved to rebuild
Nov. 2021

School Information



Lakeview Elementary (K-6)
Principal: Jamie Davis-Leite
Enrollment: 687
Year Built: 2007



Provo Peaks Elementary (K-6)
Principal: Mark Burge
Enrollment: 442
Year Built: 2011



Provost Elementary (K-6)
Principal: Kami Alvarez
Enrollment: 468
Year Rebuilt: 2018



Timpanogos Elementary (K-6)
Principal: Carrie Rawlins
Enrollment: 618
Year Rebuilt: 2008



Wasatch Elementary (K-6)
Principal: Chris Fuhrman
Enrollment: 609
Year Built: 1949
MBA bonds approved to rebuild
Nov. 2021



Westridge Elementary (K-6)
Principal: Kim Hawkins
Enrollment: 617
Year Built: 1979

High Schools



Provo High School (9-12)
Principal: Jarod Sites
Enrollment: 1,951
Year Built: 2018



Timpview High School (9-12)
Principal: Momilani Tu'ua
Enrollment: 2,313
Year Built: 1974
Partial rebuild to be completed in
2024



Independence High School (9-12)
Principal: Jacob Griffin
Enrollment: 229
Year Built: 1992

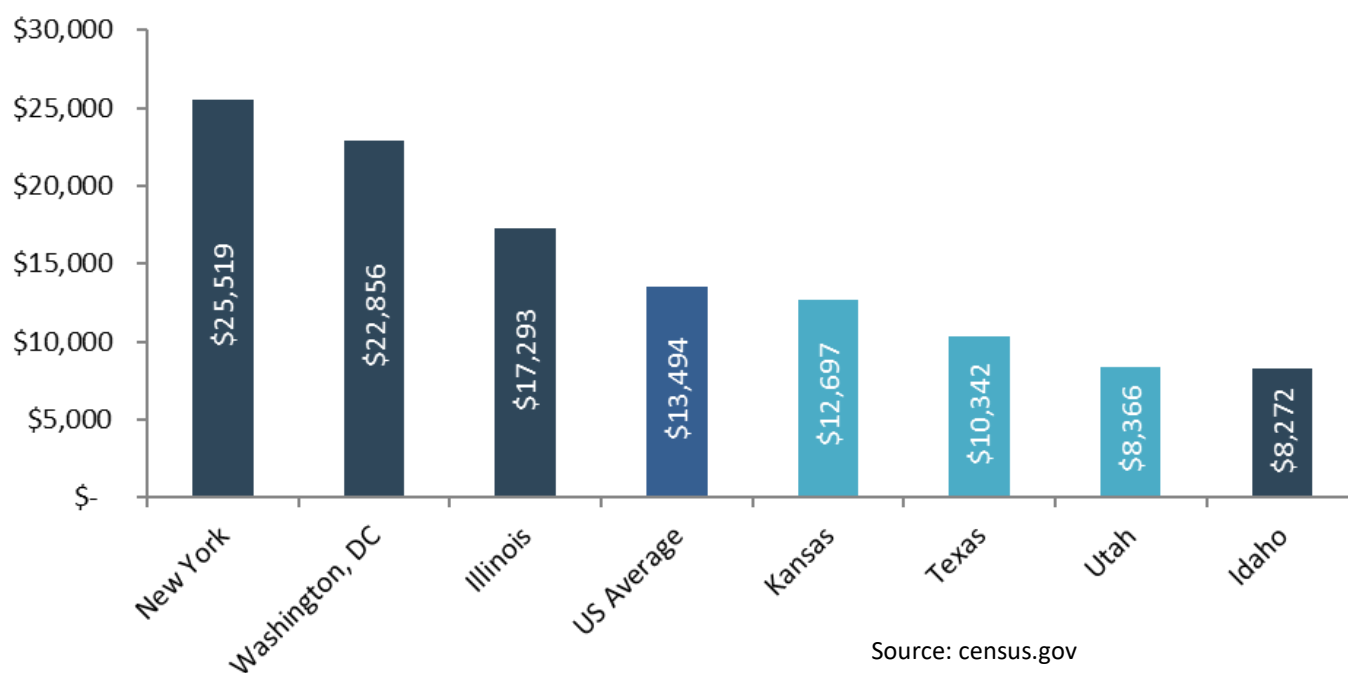
Expenditures per Pupil: FY2020 through FY2024

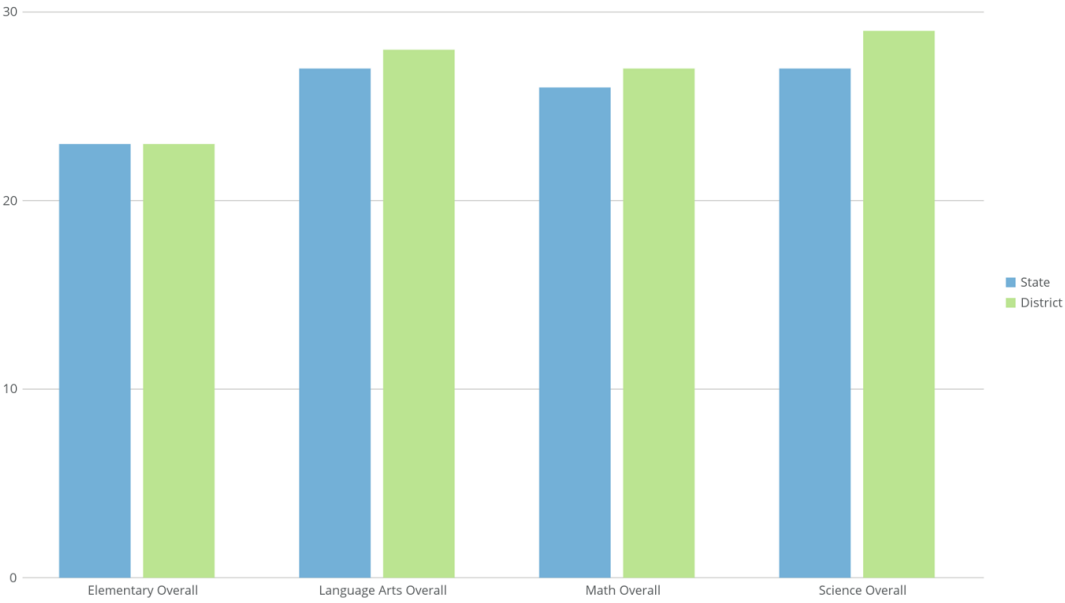
(excludes debt service and long-term capital projects)



Per pupil spending in Utah has historically been at or near the lowest in the United States. Currently, Idaho is the only state whose average per pupil spending is lower than Utah. Per pupil spending is budgeted at \$12,408 for FY2024, slightly higher than the budgeted amount for FY2023. Both years are still higher than previous years, and the reason for that is the amount of one-time federal funding that has been allocated to the state. Per pupil spending will likely go back to average after that funding has been spent. An additional \$7,017 per pupil is budgeted for construction projects and debt service payments.

Per Pupil Spending: Regions through the United States



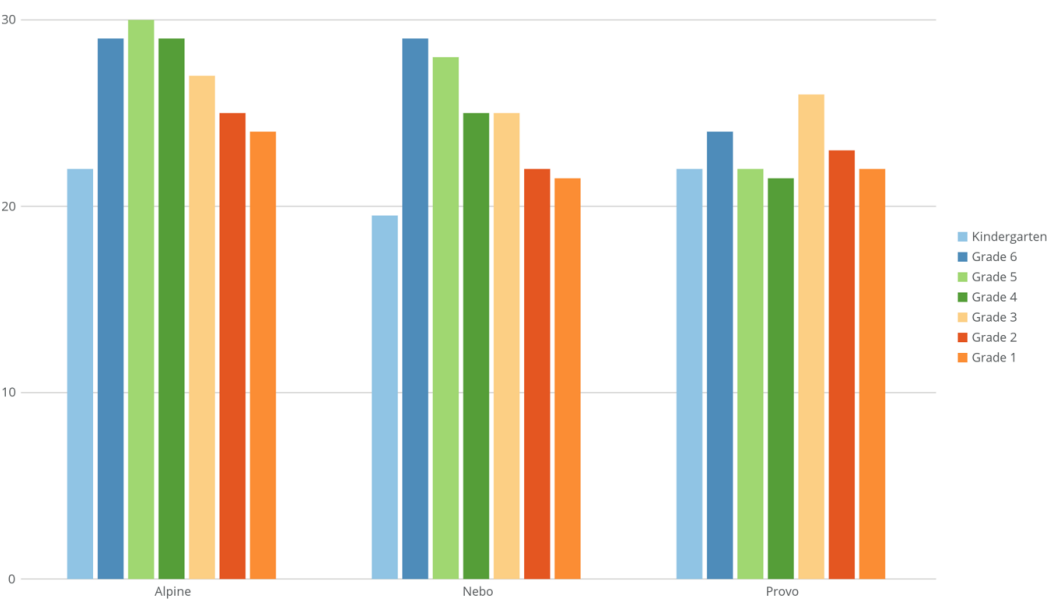


The state and all-district average for elementary class sizes is currently 23. Secondary core classes at the districts have a slightly higher class size than the state average, but still less than 30 students per class. These numbers are represented by the graph on the top of the page.

District administration has kept class sizes for Provo lower than the state average in order to provide additional services to students who experienced learning loss due to COVID-19 school closures. Extra federal revenue has assisted the District in those temporary changes, but the expiration of federal COVID-19 relief funds in FY2024 will require District administration to re-evaluate the desired student to teacher ratios.

The other graph represents elementary class sizes by grade comparing Provo City School District with the two neighboring school districts in Utah County.

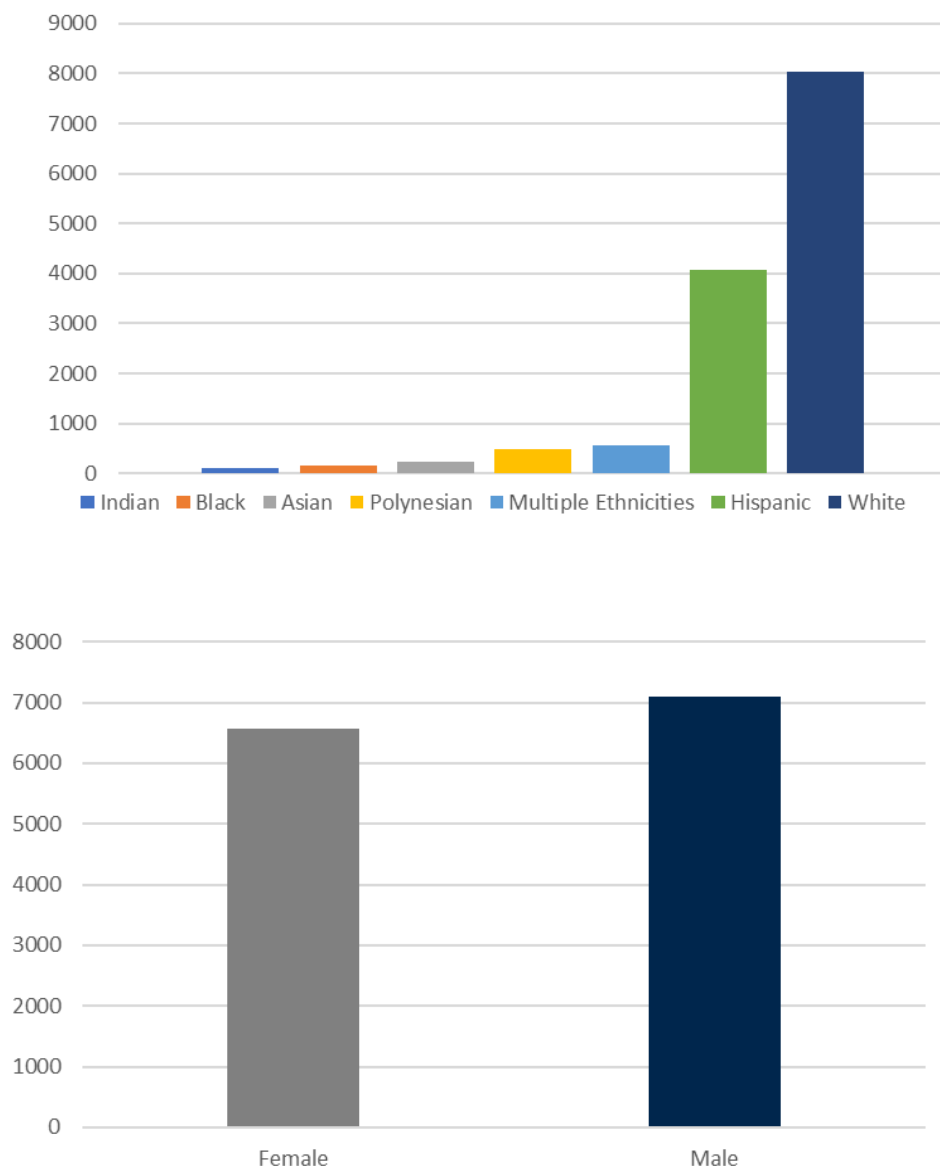
Elementary Class Size By District



Student Demographics

The District is becoming much more diverse. This can help provide a healthy and dynamic learning environment for students. However, challenges also occur, especially when At-Risk populations continue to increase in size, bringing with them chronic absenteeism, low income, and language acquisition challenges. The District has been proactive in developing programs to help broaden future opportunities for all students, and those programs are showing efficacy in the results of the standardized tests.

While the majority of students in Provo are white, nearly 50% of students account for a different race or ethnicity. This diversity serves to strengthen District goals to provide excellent educational services to all students, regardless of race or gender.



Transportation: Costs and Statistics

Year	Miles traveled (to and from school, field trips, and activities)	Number of students transported daily	Driving hours per day	Route miles driven per day	Field and activity trip miles per day	Cost per student per year to bus	Number of buses
2012-13	429,001	5,885	165	2,168	215	\$331	40
2013-14	384,987	6,472	179	1,896	243	\$304	41
2014-15	374,013	5,464	174	1,863	283	\$364	43
2015-16	339,395	5,451	175	1,602	283	\$387	43
2016-17	370,834	6,772	167	1,756	315	\$346	43
2017-18	364,928	6,948	163	1,686	356	\$323	43
2018-19	405,789	7,027	173	1,880	395	\$353	46
2019-20	380,639	6,751	165	1,857	267	\$339	47
2020-21	323,640	5,203	138	1,603	209	\$366	46
2021-22	314,690	8,425	160	1,495	253	\$287	47

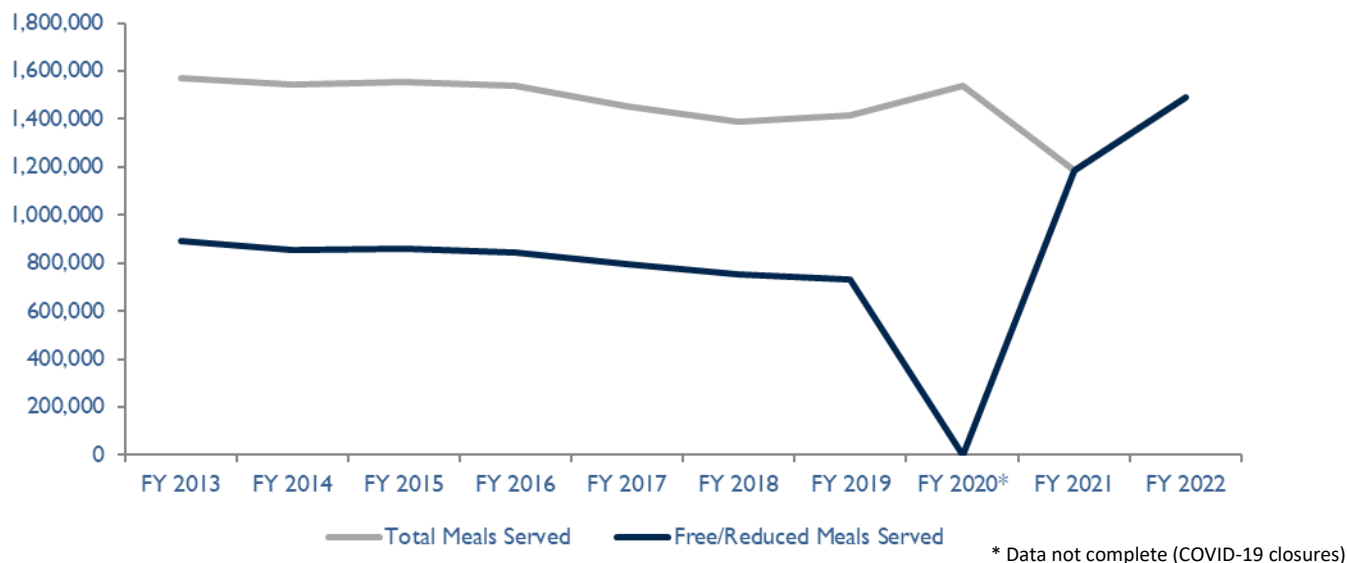


The Transportation Department has had some unique challenges over the last two years. With the unemployment rate so low, and wages increasing in non-professional jobs, hourly bus driver positions were difficult to fill. More than half of the positions in Transportation are hourly, and many of those positions are regular route drivers.

While regular routes were covered during the year, field trips and extra assignments were not able to be filled fully because of the shortage of drivers.

Food Services: Data and Statistics

Total School Lunch Participation vs Free/Reduced Meals Served



One of the challenges in Provo City School District is the high population of students who qualify for free and reduced lunch. Independence High School qualifies for free lunches over its entire population under the Community Eligibility Provision because of its high percentage of students who qualify. Seven of the thirteen elementary schools are considered Title I schools, with at least a 56.0% rate of free and reduced qualified students. The District has an overall average of 42.0% free and reduced percentage.

When the coronavirus pandemic forced school closures throughout the United States, child nutrition departments were faced with the challenge of making sure students had healthy lunches, especially those students in our most at-risk populations. The USDA began granting waivers to all districts in fiscal year 2019-20, where no student was charged for breakfast or lunch, in order to make sure that students were fed meals each day. Data for fiscal year

2019-20 for the number of free or reduced meals is incomplete because of those waivers.

In fiscal year 2020-21 and 2021-22, those waivers were still in place and all school lunches and breakfasts were provided at full reimbursement from the federal government, which increased the amount of federal revenue in the school Food Services Fund. In fiscal year 2020-21, when schools were at varying levels of being open and providing services, there was a dip in the amount of lunches that were served, but in fiscal year 2021-22 that amount went back to 1.2 million breakfasts and lunches served.

In fiscal year 2022-23, the waivers from the USDA were removed and schools were required to gather and verify income information and students who do not qualify are required to pay.

Food Services: Data and Statistics

While student meal prices have remained relatively flat except for a small change in fiscal year 2022-23 to secondary school meals and a small change in fiscal year 2023-24 to elementary school meals, food costs continue to rise sharply with current inflation. The current percentage change used to calculate food costs is 10.0% from the previous year. This per-

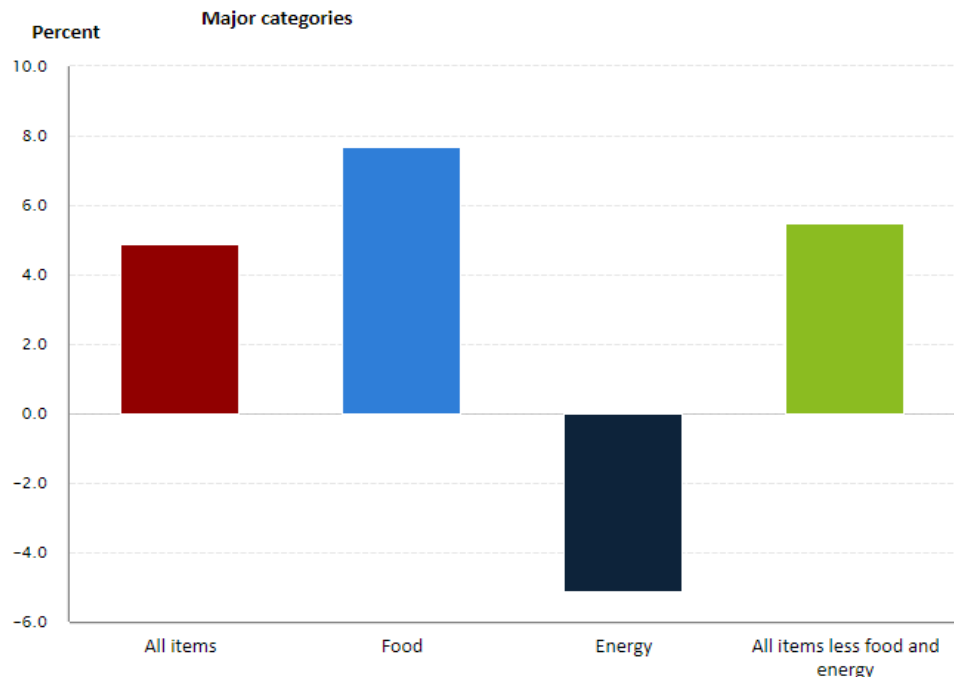
centage is larger than any other percentage over the last 10 years. District administration will continue to monitor inflation and food costs in order to make sure the fund is self-sufficient and can provide the revenue necessary to provide healthy meals to our students.

12-month percentage change, Consumer Price Index, selected categories, April 2023, not seasonally adjusted

Category	12-month percent change, Apr 2023
All items	4.9%
Food	7.7%
Food at home	7.1%
Cereals and bakery products	12.4%
Meats, poultry, fish, and eggs	2.8%
Dairy and related products	8.0%
Fruits and vegetables	2.0%
Nonalcoholic beverages and beverage materials	9.5%
Other food at home	10.4%
Food away from home	8.6%
Full service meals and snacks	7.2%
Limited service meals and snacks	8.2%

12-month percentage change, Consumer Price Index, selected categories, April 2023, not seasonally adjusted

Click on columns to drill down

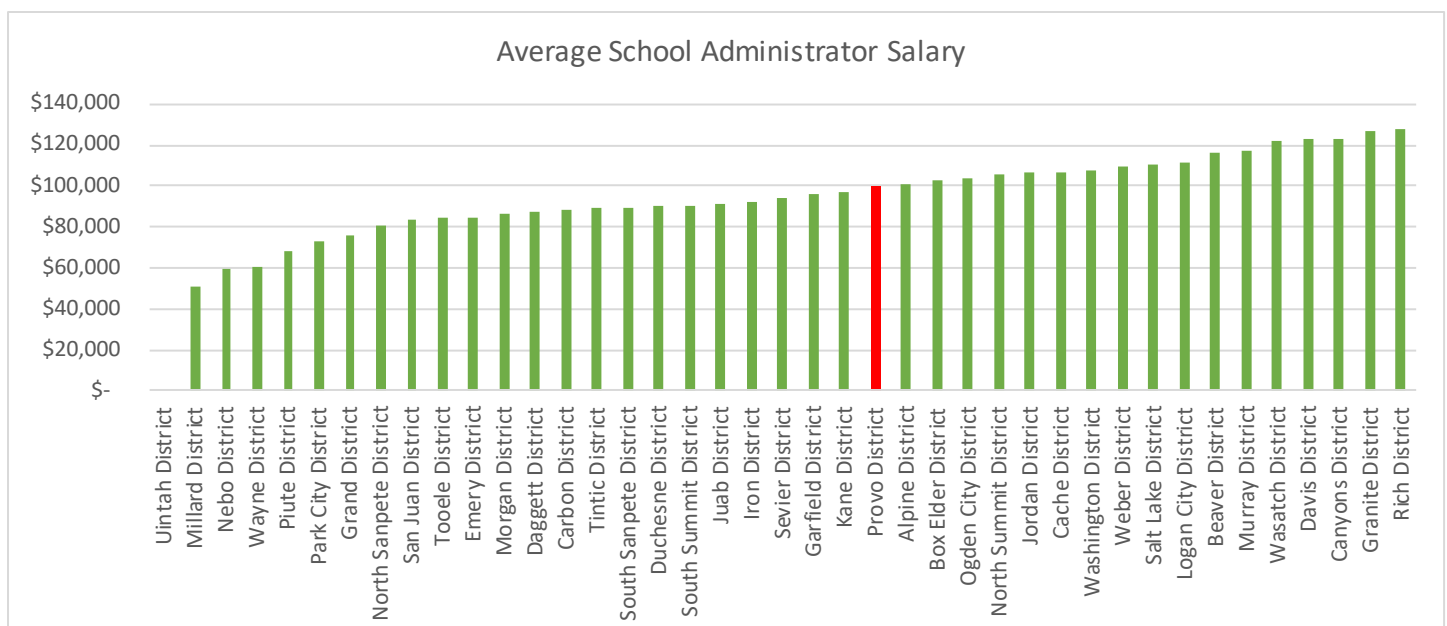
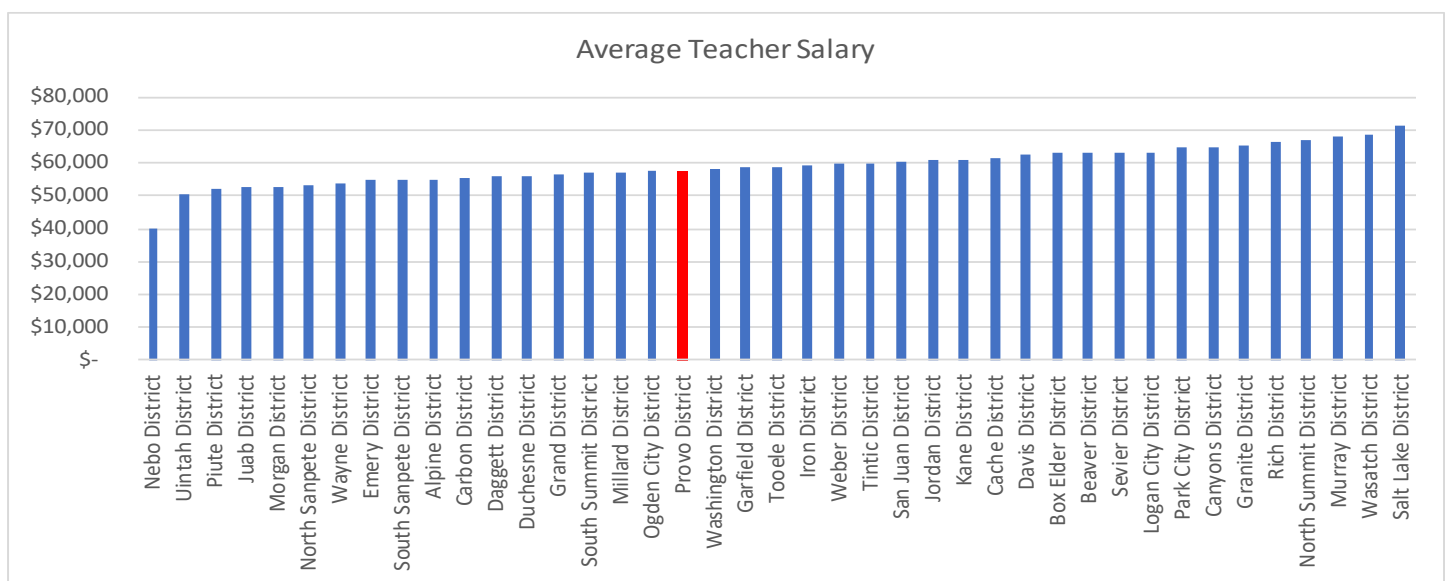


Source: bls.gov/cpi

Salary Comparison: All Districts

The District continues to prioritize keeping pace with education professional salary expectations in the state of Utah. It's critical for the District to pay employees a competitive wage to attract talent and retain valuable employees. Teacher salary analyses

have been conducted over the last few years and the Board of Education elected to go forward with a truth-in-taxation in fiscal year 2022-23 in order to increase teacher salaries. In fiscal year 2023-24, the District will continue to prioritize raising teacher salaries.



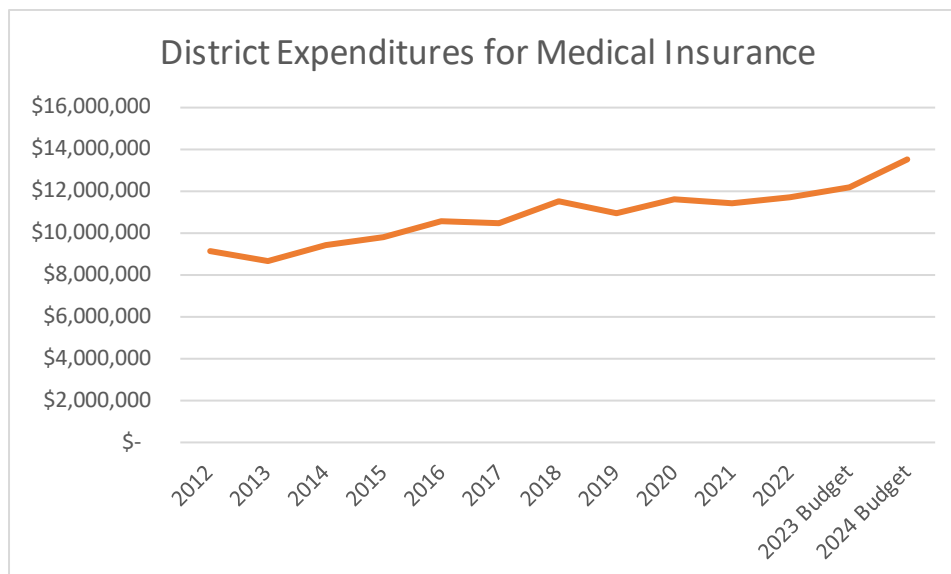
Health Insurance: Cost and Statistics

The rising cost of healthcare is a concern nationwide. In 2005, a premium participation plan was put in place with employees paying a percentage of their medical insurance premiums. This was designed not only to save money, but more importantly, encourage employees to take ownership of their healthcare. Additionally, the District began offering a health savings account (HSA), along with a high-deductible option for medical insurance. This added to the existing option of a traditional plan with a flexible savings account (FSA). The health savings account allows for an employer contribution, along with the employee contribution. Using either an HSA or FSA account allows employees to save for medical expenses each year pre-tax.

The District has also implemented a wellness program, which provides employees with activities and ideas to promote a healthier lifestyle and make healthier choices. This program has helped slow the increase in medical premiums and saves the District and employees money.

In fiscal year 2023-24, the District will be instituting a self-funded medical insurance plan to provide better medical insurance options to employees, while saving the District money.

Fiscal Year	District Expenditures for Medical Insurance
2012	\$ 9,187,889
2013	8,677,956
2014	9,458,189
2015	9,804,904
2016	10,577,067
2017	10,506,603
2018	11,530,788
2019	10,977,229
2020	11,616,590
2021	11,410,279
2022	11,684,272
2023 Budget	12,148,442
2024 Budget	13,500,000



Student Perform

rmance and Assessments

Student Performance and Assessment Methods

Beginning in fiscal year 2013-14, various testing and accountability systems were replaced by Utah's Comprehensive Accountability System (UCAS) and the Student Assessment for Growth and Excellence (SAGE) computer assessment system. UCAS was later discontinued and SAGE tests were replaced by the new RISE tests, which is the new assessment program used by the state as of the fiscal year ended June 30, 2021. Due to the COVID-19 pandemic, no standardized testing was completed in the 2019-20 school year.

RISE (Readiness. Improvement. Success. Empowerment) assessment is a computer adaptive criterion-referenced assessment system that includes summative tests for English Language Arts (ELAs), Mathematics, Science, and Writing. These summative tests are given in grades 3-8.

Acadience Reading is the new name for the DIBELS (Dynamic Indicators of Basic Early Literacy Skills) assessment. This assessment gives reliable, valid and efficient indicators of whether students are on track in acquisition and growth of essential early literacy and reading skills—the skills that are necessary for reading success. These assessments are meant to be given multiple times a year and give valuable feedback to necessary interventions to help a student be successful.

These assessments are comprised of seven measures to function as indicators of phonemic awareness, alphabetic principle, accuracy and fluency with connected text, reading comprehension, and vocabulary. They are designed to be short (one minute) fluency measures used to regularly monitor the development of early literacy and early reading skills.

Utah Aspire Plus is a hybrid assessment of 9th and 10th grade students created through collaboration with Utah educators, the USBE and Pearson. This assessment calculates growth and proficiency for English Language Arts, Math and Science.

State ACT (American College Testing) tests are given to all juniors and assesses college readiness and aptitude in English, math and science. The state provides the tests in the Spring for the juniors. These tests provide scores that predict the likelihood that student will attain a grade of "C" or better in a college entry-level course. The ACT is not a knowledge test, but rather, is a test of critical-thinking, problem-solving, reading comprehension and higher-level thinking skills that are important indicators of college and career readiness.

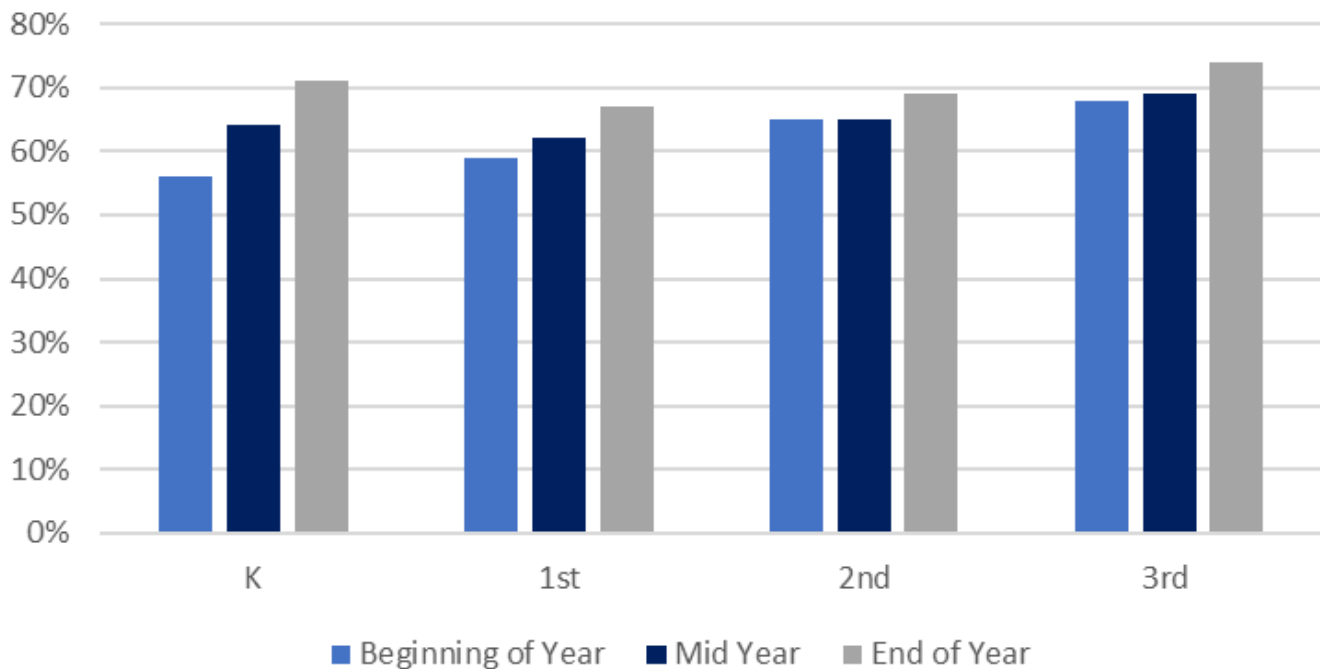


Student Performance: Acadience Testing

Acadience Reading: % Meeting Benchmark												
	2018-19			2019-20			2020-21			2021-22		
	BOY	MOY	EOY	BOY	MOY	EOY	BOY	MOY	EOY	BOY	MOY	EOY
	District	District	District	District	District	District	District	District	District	District	District	District
K	63%	74%	80%	56%	71%		57%	60%	75%	56%	64%	71%
1st	62%	66%	69%	60%	68%		40%	52%	60%	59%	62%	67%
2nd	73%	74%	74%	70%	72%		67%	64%	66%	65%	65%	69%
3rd	71%	73%	79%	72%	72%		64%	66%	71%	68%	69%	74%

Acadience Reading: Number Tested												
	2018-19			2019-20			2020-21			2021-22		
	BOY	MOY	EOY	BOY	MOY	EOY	BOY	MOY	EOY	BOY	MOY	EOY
	District	District	District	District	District	District	District	District	District	District	District	District
K	1035	1035	1014	1034	1038		863	872	877	945	951	944
1st	1091	1072	1041	1110	1113		933	942	942	987	983	977
2nd	1175	1166	1148	1082	1092		954	960	957	1004	1009	985
3rd	1124	1107	1060	1153	1154		890	904	917	983	986	984

Acadience Testing 2021-2022 (District -wide)

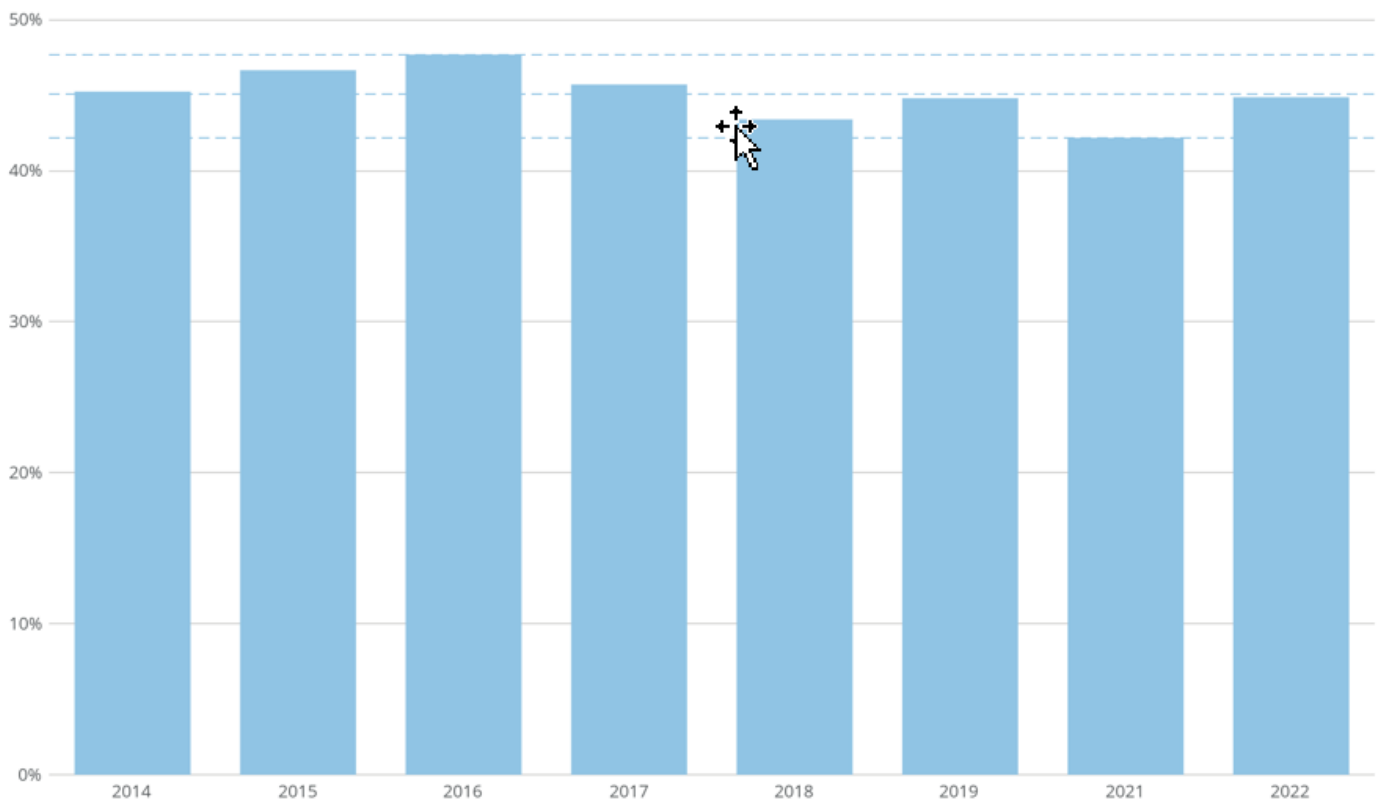


RISE Assessment: District Data

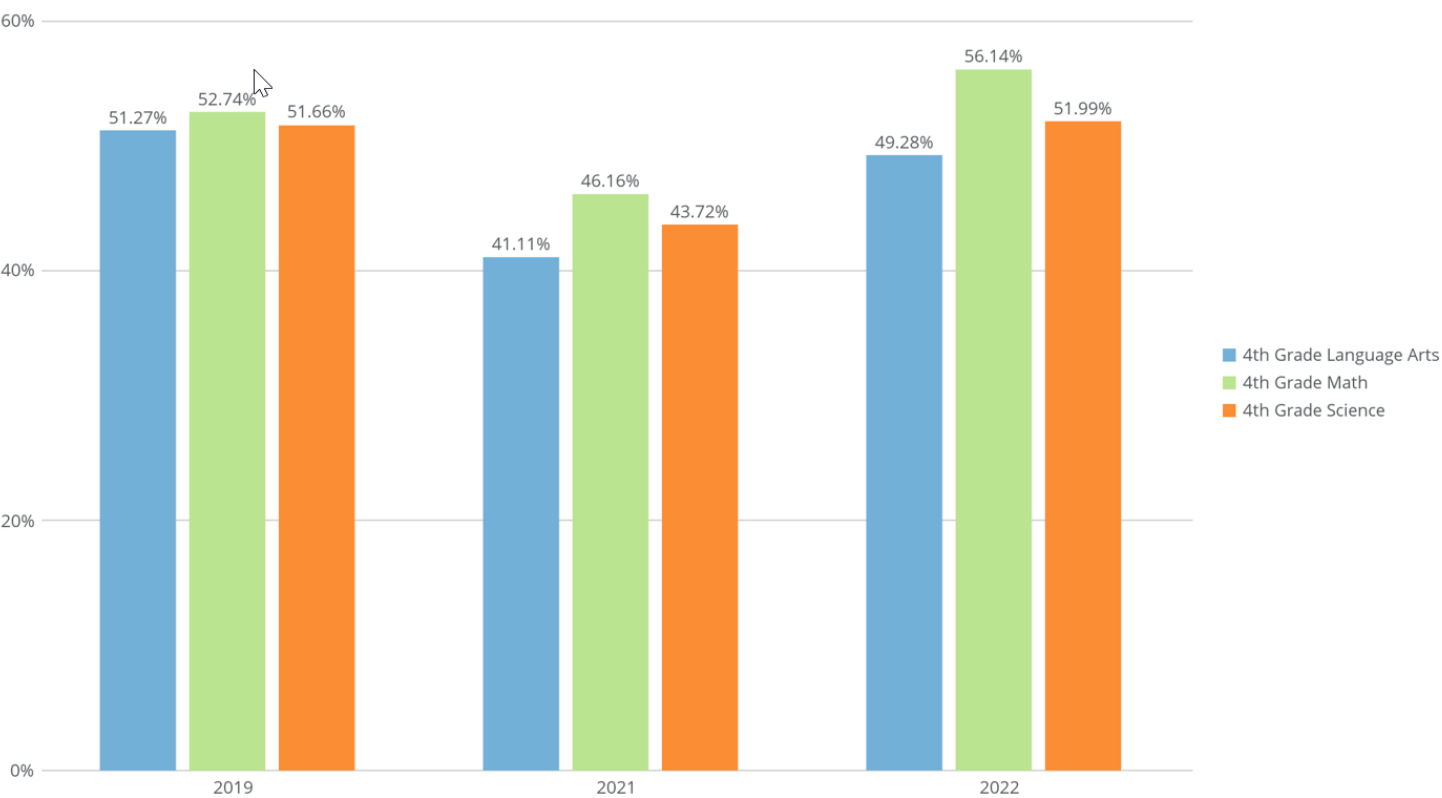
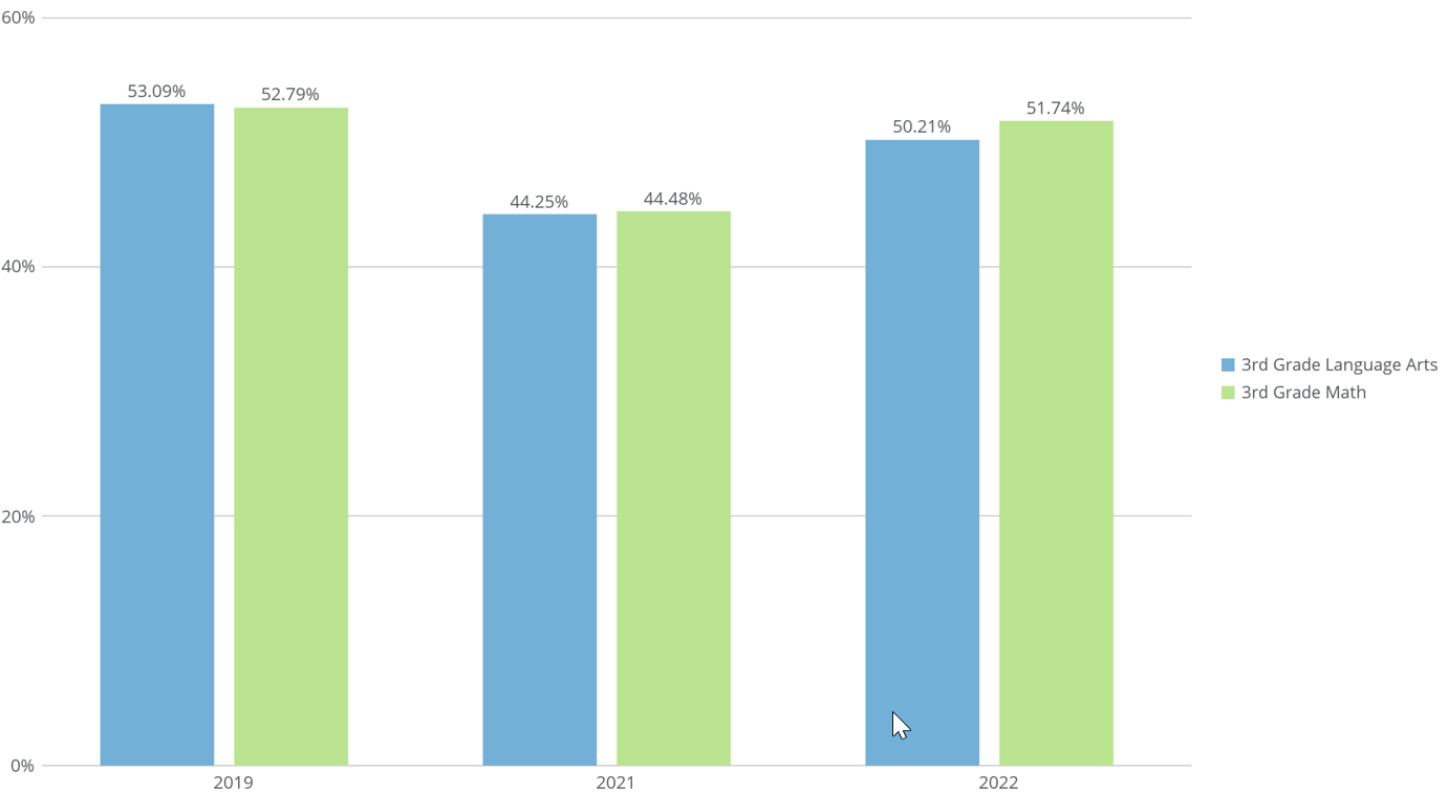
RISE assessments are given to students in grades 3-8. Science assessments do not begin until grade 4. The graph below shows overall SAGE/RISE proficiency from 2014-2022 for all grades, regardless of subject matter.

Graphs on subsequent pages show just RISE data (started in 2019) for each grade level and subject. Data is more accessible and extractable with the new RISE testing. No testing was done during the COVID school year of 2020.

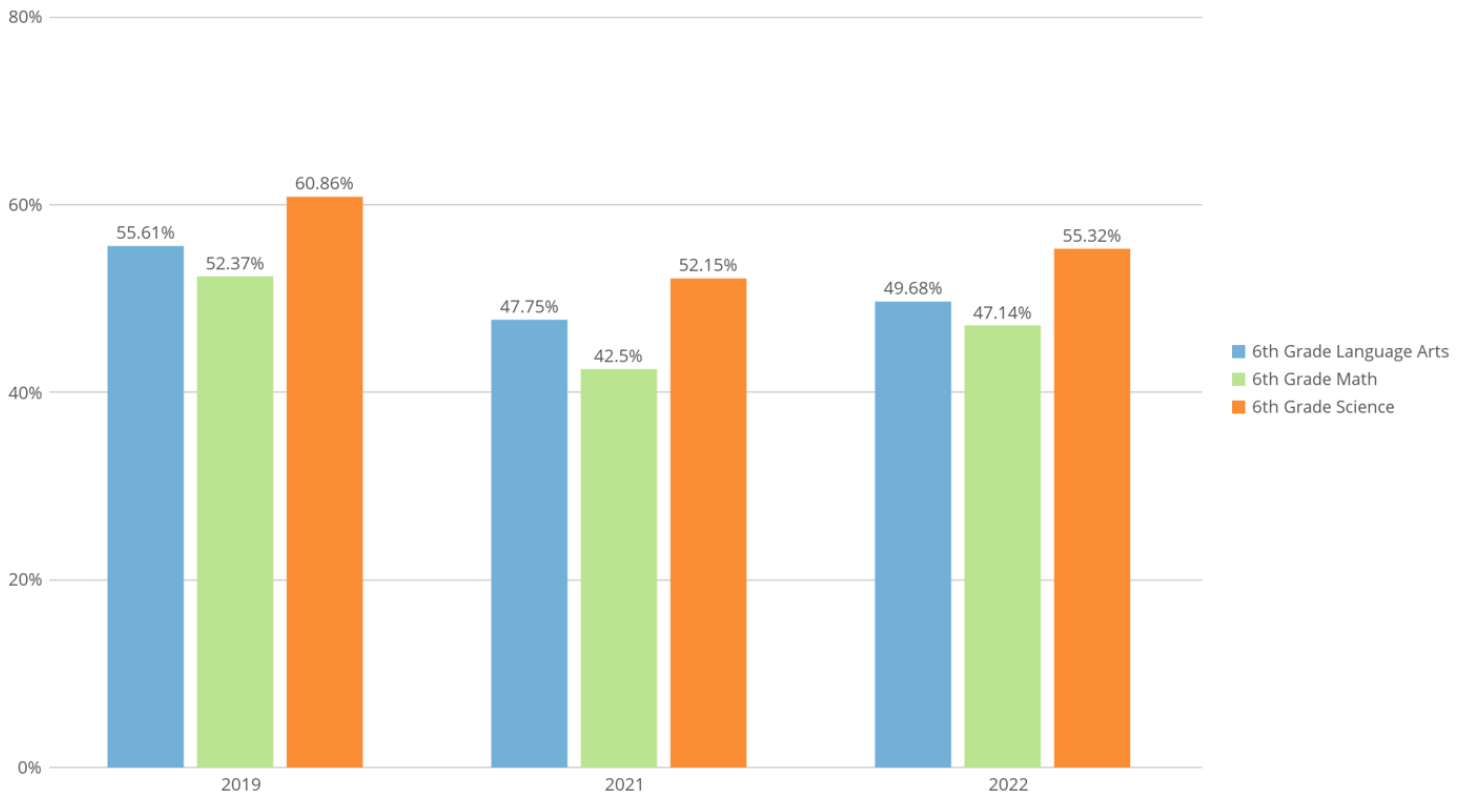
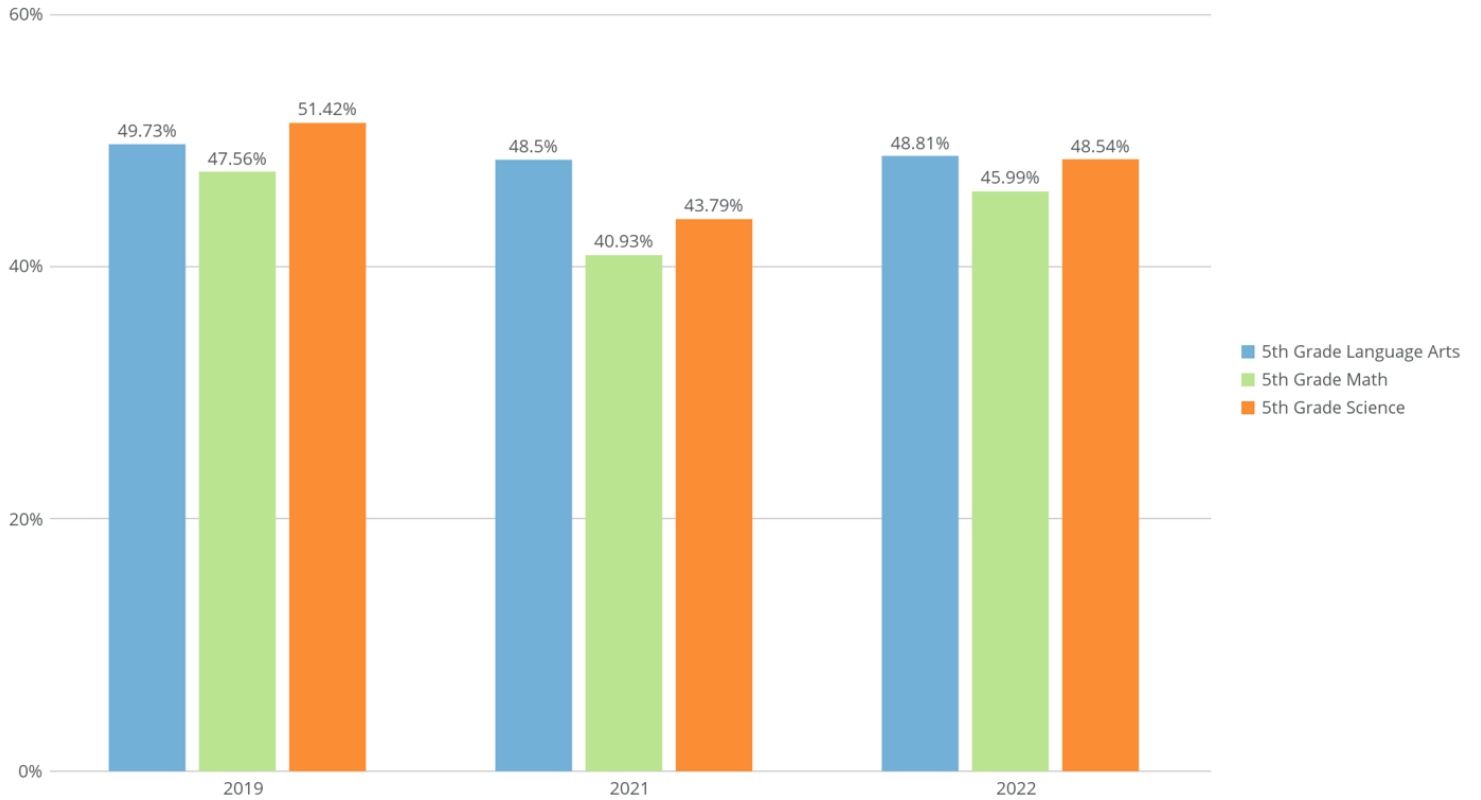
Overall SAGE/RISE Proficiency 2014-2022 – all grades



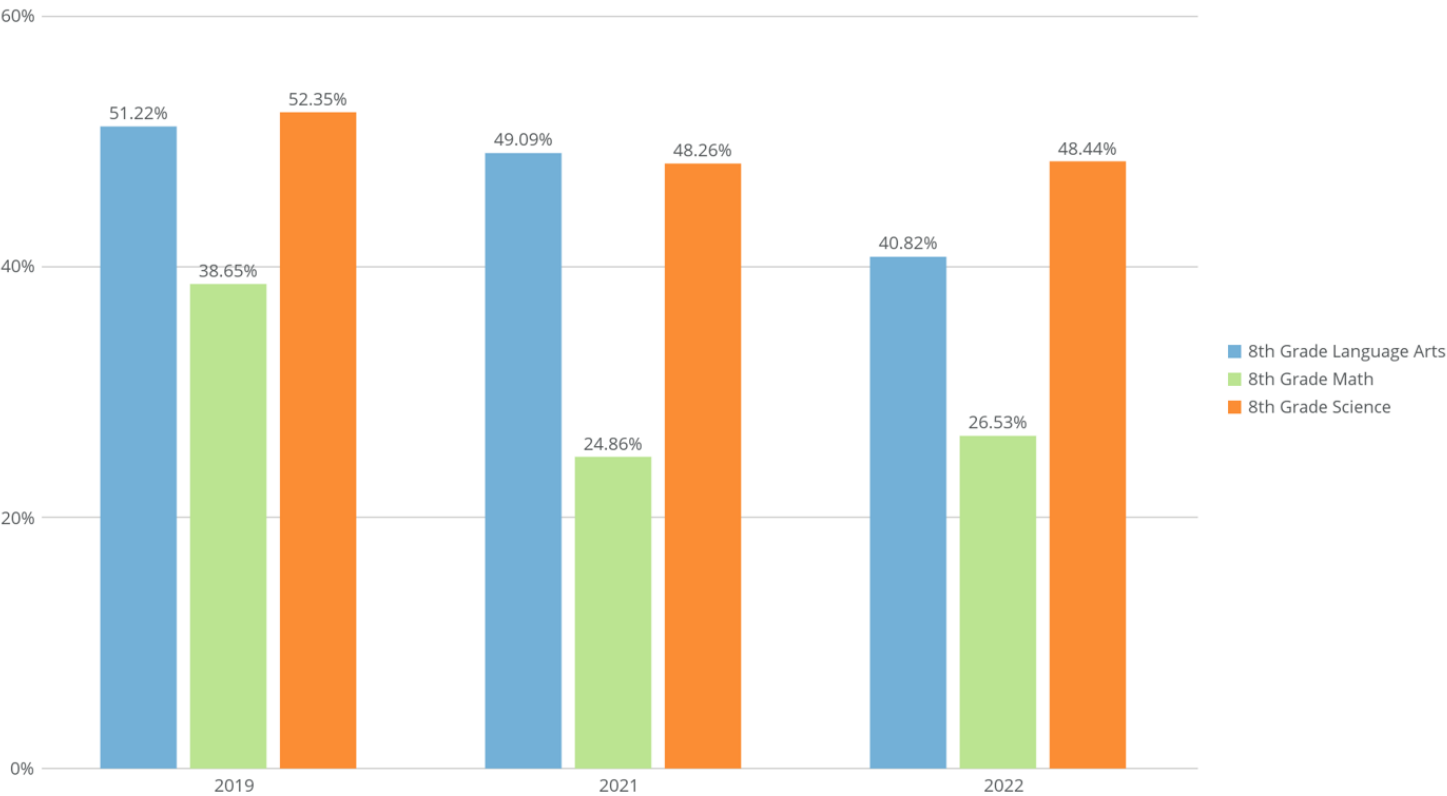
RISE Assessment: District Data



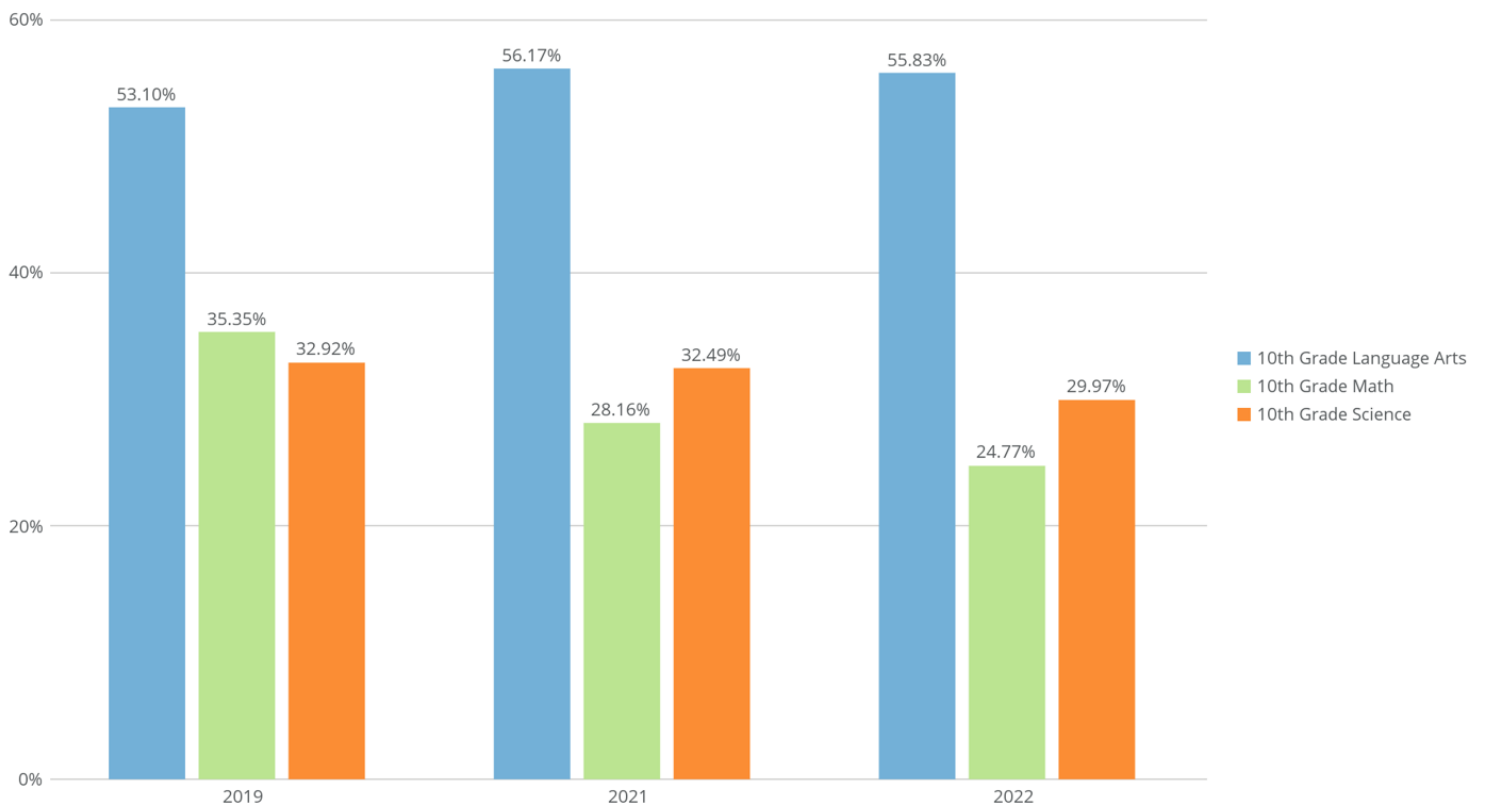
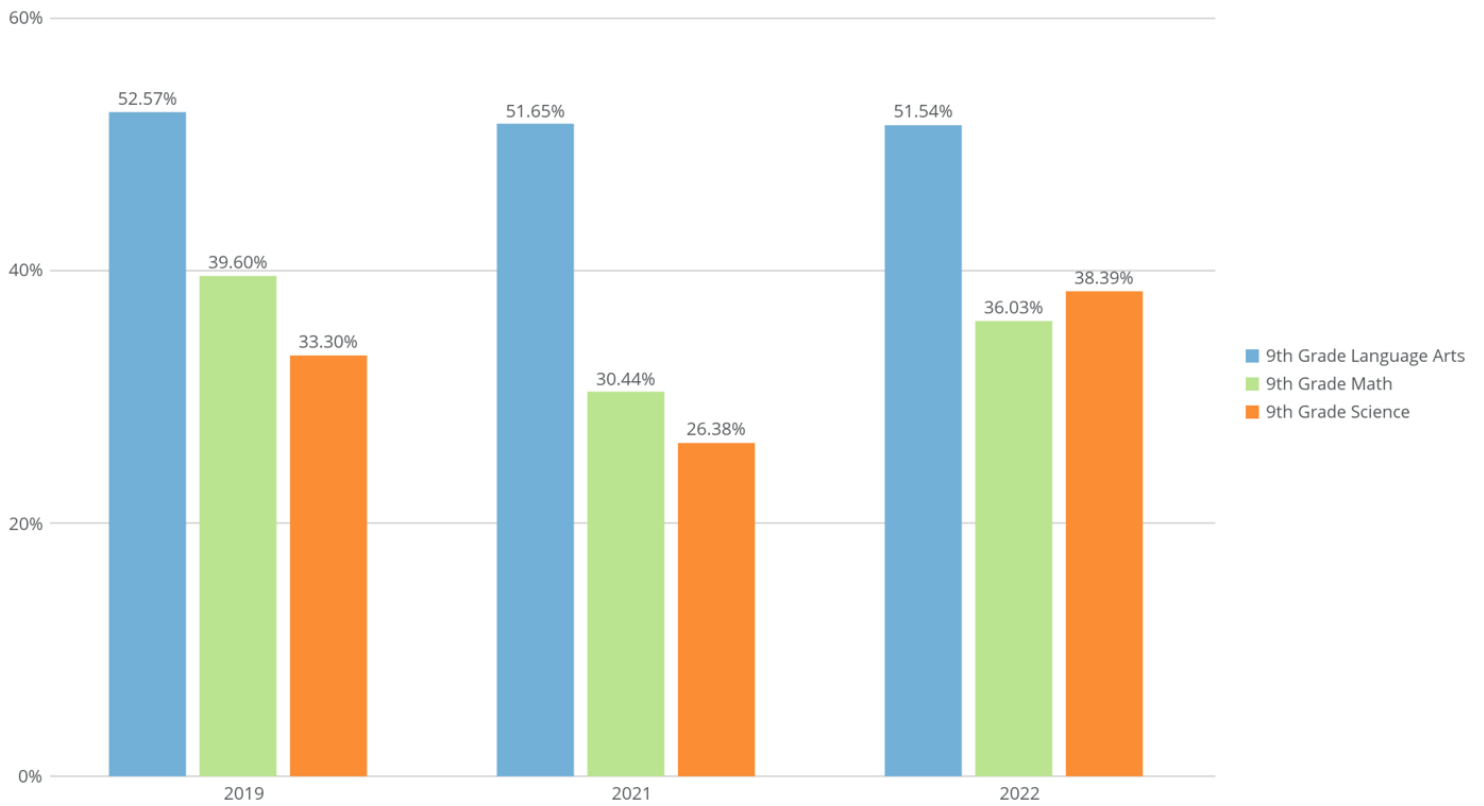
RISE Assessment: District Data



RISE Assessment: District Data

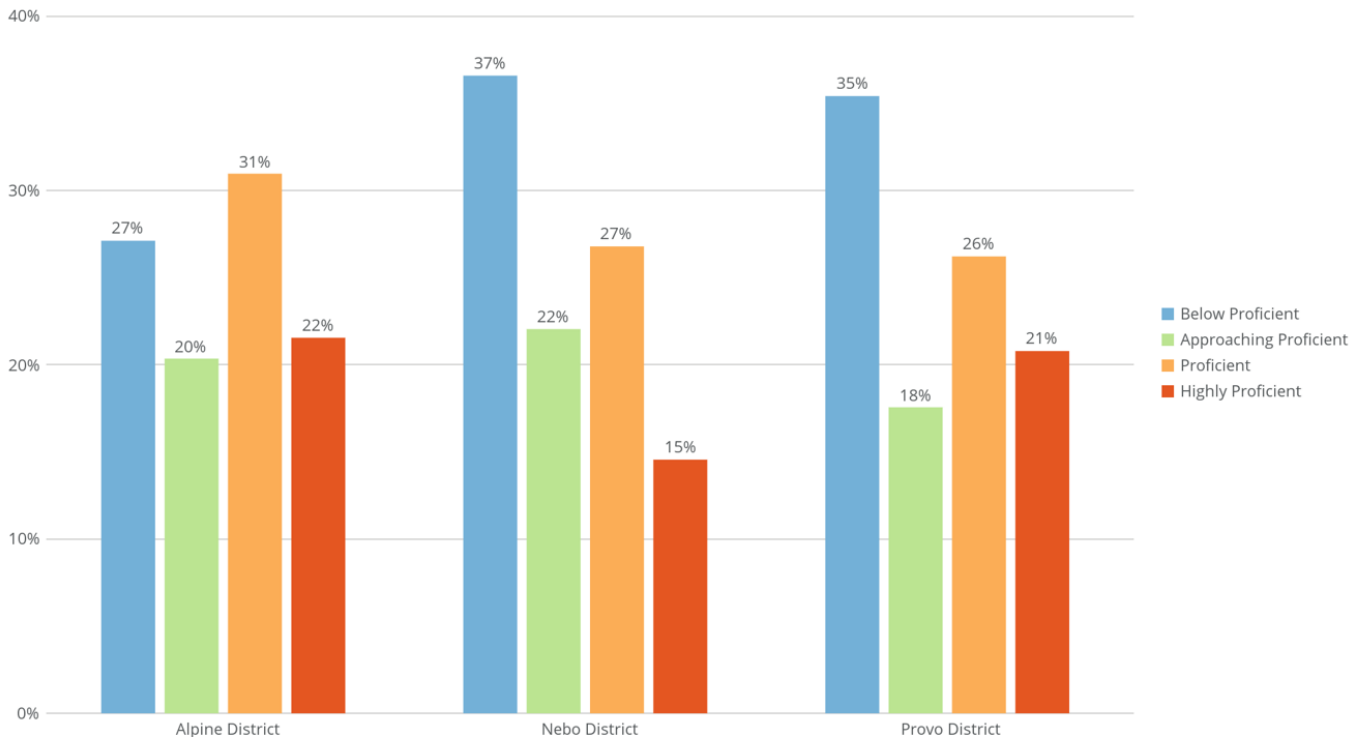


RISE Assessment: District Data

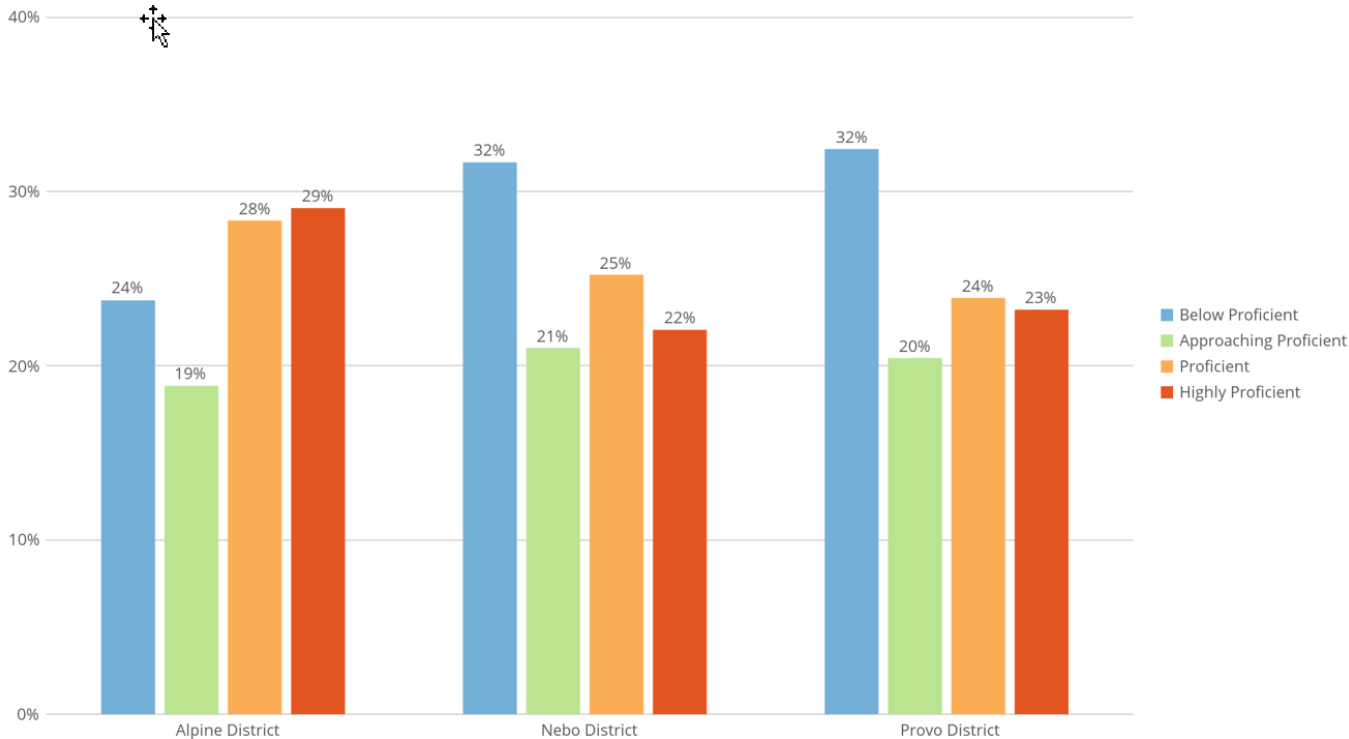


RISE Assessment: District Data vs. Neighboring Districts

RISE/Aspire Proficiency Levels – English Language Arts – Grades 3-8 – 2021-2022 School Year

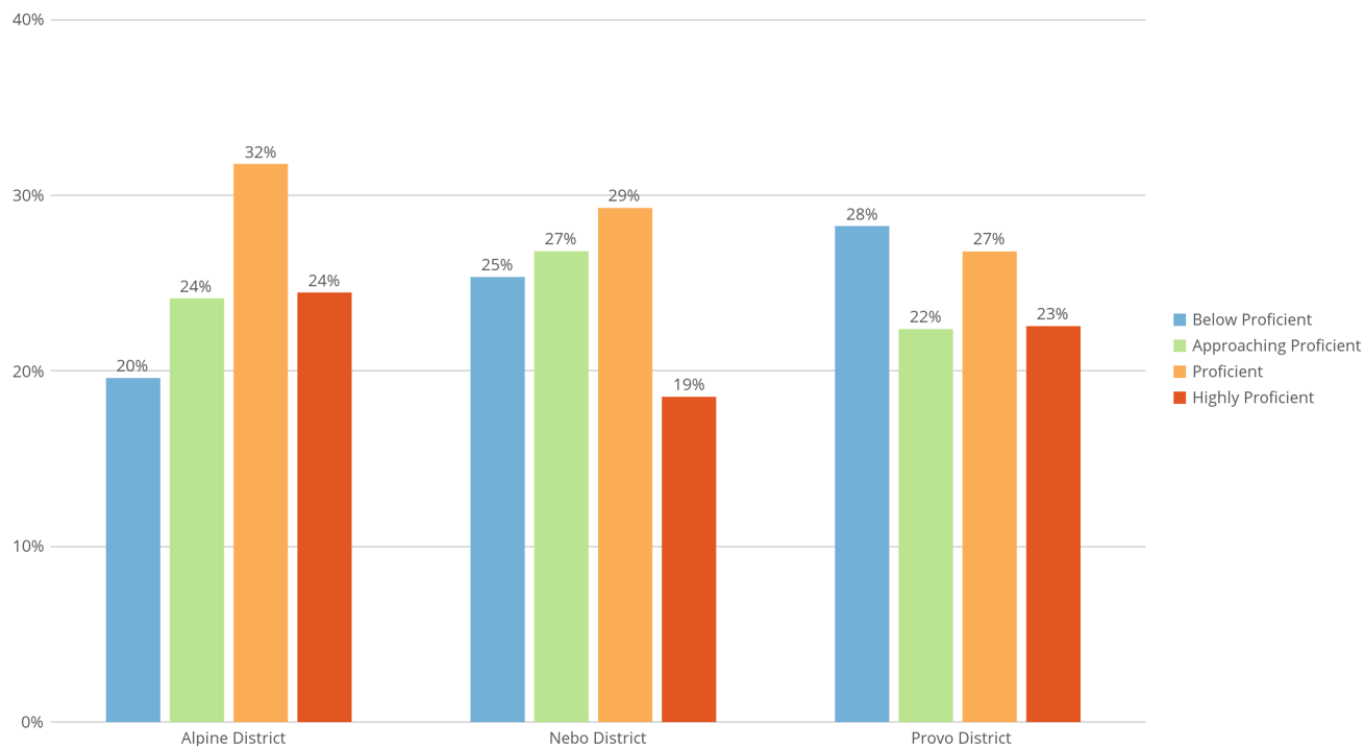


RISE/Aspire Proficiency Levels – Mathematics – Grades 3-8 – 2021-2022 School Year

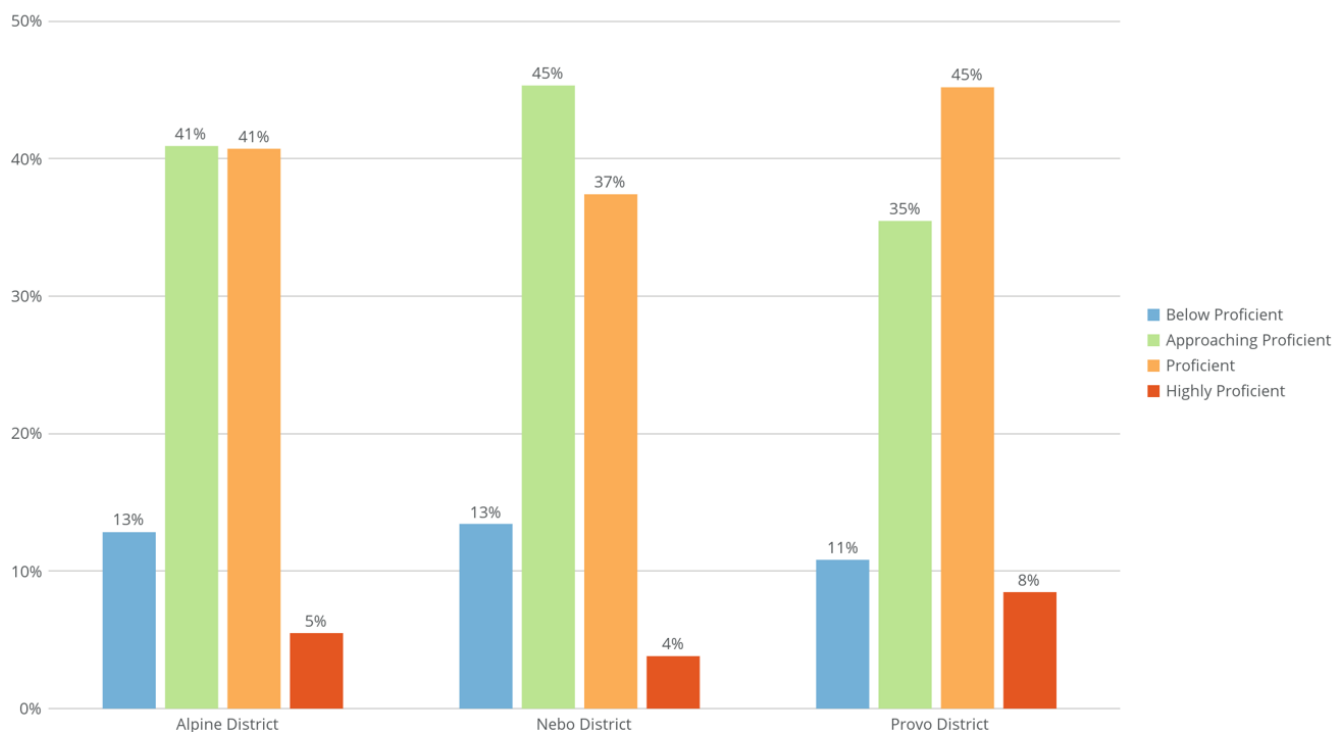


RISE Assessment: District Data vs. Neighboring Districts

RISE/Aspire Proficiency Levels – Science – Grades 4-8 – 2021-2022 School Year

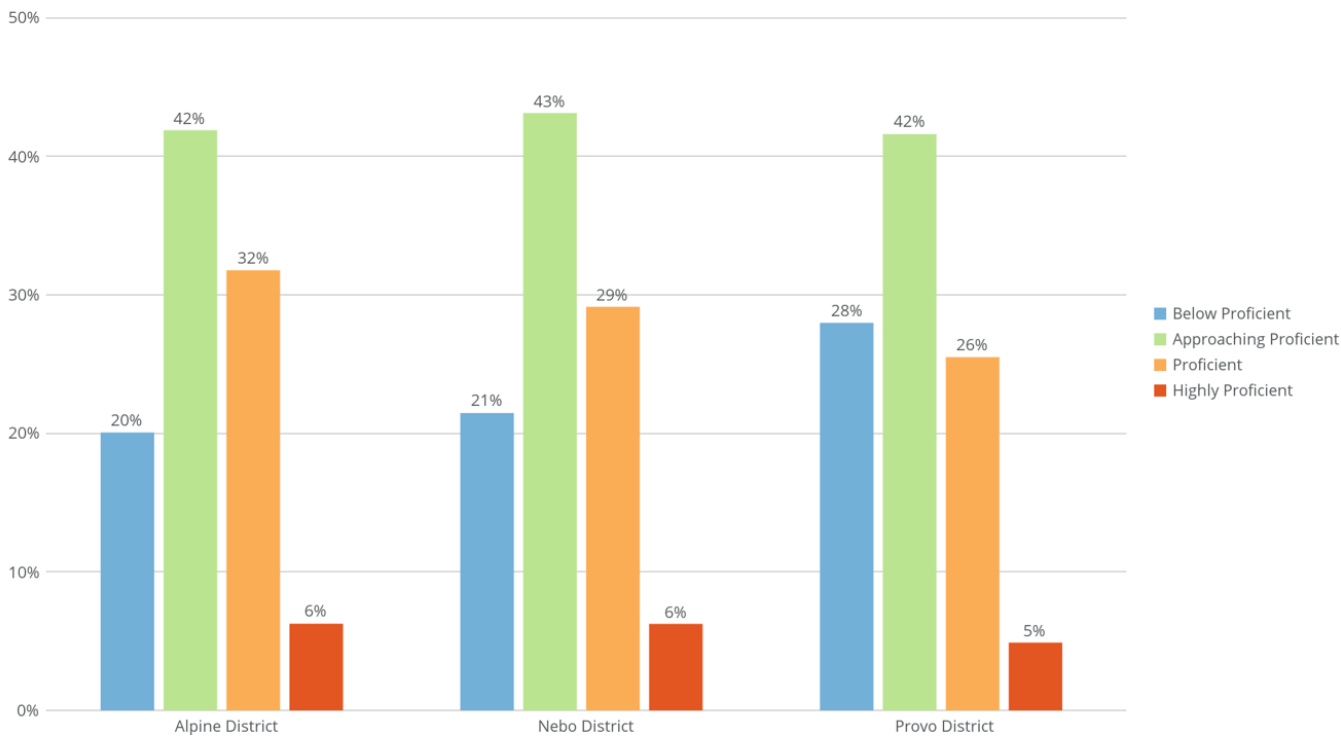


RISE/Aspire Proficiency Levels – English Language Arts – Grades 9-10 – 2021-2022 School Year

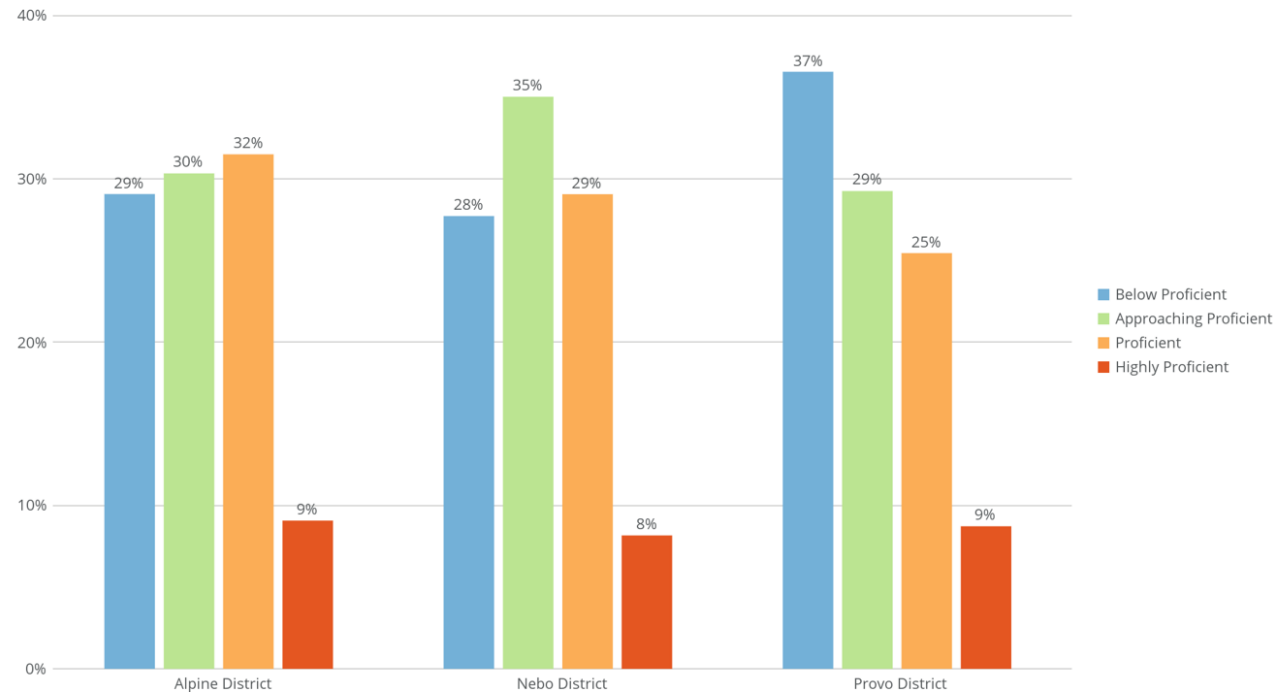


RISE Assessment: District Data vs. Neighboring Districts

RISE/Aspire Proficiency Levels – Mathematics – Grades 9-10 – 2021-2022 School Year



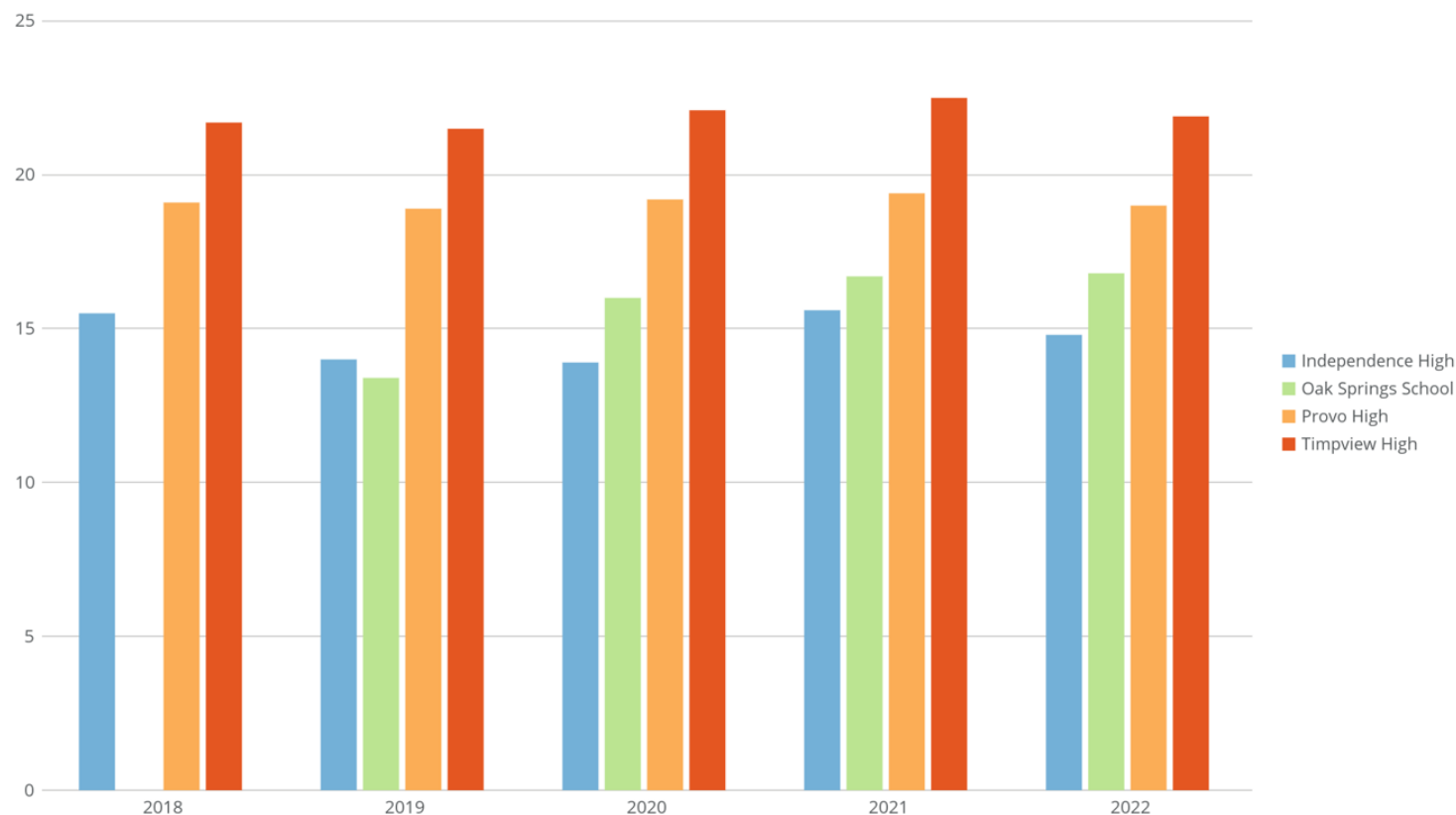
RISE/Aspire Proficiency Levels – Science – Grades 9-10 – 2021-2022 School Year



ACT Test: Comparison Data

The ACT (American College Testing) is a standardized test designed to assess high school students' academic readiness for college. It consists of multiple-choice questions in four main subject areas: English, Mathematics, Reading, and Science. The test is administered by ACT, Inc. and is widely accepted by colleges and universities in the United States as part of the admissions process. Students receive a score on a scale of 1 to 36 for each section, and these scores are averaged to provide an overall composite score. Schools offer ACT prep courses after school during the school year to help prepare for the test.

Average ACT by Year by School - 2018-2022



Graduation and Dropout Rates

Historical Graduation Rates with comparative data to neighboring districts – 2008-2022



	FY 2014	FY 2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Provo School District	72.0%	71.0%	71.0%	77.2%	86.3%	89.8%	89.3%	90.9%	90.9%
Utah	84.0%	84.3%	84.7%	86.0%	87.0%	87.4%	88.2%	88.1%	88.2%
National	82.0%	83.0%	84.0%	84.0%	85.0%	88.0%	88.6%		

Source: USOE Graduation and Dropout Report

Special emphasis has been given on increasing graduation rates over the last several years. Since FY2014, the fruit of that emphasis has been seen in graduation rates going from 72% to 90.5% in FY2022. Rates have been higher than the Utah average and national average since FY2019. Additional classified employees have been added in order to track students' progress throughout the year and to watch for early indications that students are struggling. Additional counselors and social workers have been added to more closely track the emotional and physical well being of students and will provide assistance to stu-

dents and families to provide stability in the school.

Focus has also been given to make sure students stay in school. Historically, dropout rates at Provo High and Timpview have been relatively low, but Independence High School, an alternative high school, has had higher rates. School administration has been focused on working with each individual student to provide services and classes that are engaging and motivating for students. District dropouts for the 2021-2022 school year were 2.2% of the student population.

Glossary of Terms

Acadience Reading: An assessment given to students in grades K-3 to test early literacy and reading skills.

Accrual: Allows an entity to record expenses and revenues for which it expects to expend cash or receive cash, respectively, in a future reporting period.

Allocation: An amount (usually money or staff) designated for a specific purpose or program.

ACT: A standardized test used for college admissions in the United States covering four academic areas - English, Mathematics, Reading, and Science reasoning.

Amortization: The paying off of debt in regular installments over a period of time.

Appropriation: An authorization, usually limited in amount and time, granted by a legislative body to make expenditures and to incur obligations for specific purchases.

Assessed Valuation (AV): The value of taxable property. The District's overall tax rate is determined by the combined assessed value of all businesses and residences in Provo City.

Assigned Fund Balance: The portion of fund balance that reflects a government's intended use of resources. Intended use is established.

Asset: An economic benefit obtained or controlled by the District as a result of a past transaction or event.

Average Daily Membership (ADM): The aggregate days of student membership in a school during a typical 180 day school year, divided by the total number of school days in session during the same period. Each student who remains in membership for 180 days equals one ADM.

Balanced Budget: A budget in which estimated revenues and other funds available (including beginning fund balance) equal or exceed planned expenditures.

Balance Sheet: A summary of the District's balances. Assets, liabilities and fund balances (called "equity" in non-governmental accounting) are included on the balance sheet.

Basic School Program: Programs for kindergarten, elementary, and secondary school students that are operated and maintained for the amount derived by multiplying the number of Weighted Pupil Units (WPU) for each district or charter school by the value of the Weighted Pupil Unit.

Board of Education: The governing body of a school district comprised of elected representatives. In Provo, the Board consists of seven members elected to four-year terms.

Bond: A funding tool representing a written promise to pay a specific sum (principal amount) in the future (maturity date), plus interest. Bonds are only used to finance capital improvements.

Budget: A plan of financial operation consisting of an estimate of proposed expenditures for a given period and the proposed means to finance them.

Budget Initiatives: Short-term goals or objectives the District intends to accomplish in the near future. Initiatives should support the District's mission and long-term goals.

Capital Expenditure: Tangible property of a more or less permanent nature with a useful life of at least three years, and costing at least \$5,000. Examples of capital expenditures include buildings, copy machines, buses, and network equipment.

Certified Tax Rate: The property tax rate that will provide the same tax revenue for the school district as was received the prior year, exclusive of new growth, except that the certified tax rate for the minimum school program basic levy will be the levy set by law, and the debt service levy will be that required to meet debt service requirements. Therefore, increases in the basic and debt service levies do not cause a school district to exceed its certified tax rate.

Certified Teacher: A formal term for teachers who have obtained certification from the State of Utah.

Classified or Education Support Professional (ESP): A formal term for staff whose job functions are ancillary to the direct education of students (e.g. bus drivers, custodians, accountants, secretaries, maintenance workers, etc.).

Committed Fund Balance: The portion that represents resources whose use is constrained by limitations that the Board imposes upon itself.

Consumer Price Index: A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of cost of living and economic inflation.

Cost Center: Part of the District that does not produce direct profit and adds to the cost of running the overall organization (e.g., purchasing department, human resources).

CTE: Career and Technical Education.

Debt Service: Cash required over a given period for the repayment of interest and principal on a debt.

Deficit or Deficiency: A budget in which planned expenditures exceed estimated revenues and other funds available.

Depreciation: The expiration of the useful life of District assets, attributable to age, wear and tear, and obsolescence.

Encumbrance: A method of reserving funds for purchase orders, salary contracts, and other financial commitments which are forthcoming.

Enrollment or Enrollment Count: The number of pupils enrolled on October 1 of the applicable fiscal year.

Expenditure: A charge that is incurred, presumably to benefit the District.

Fall Enrollment Report: The audited census of students registered in Utah public schools as reported in the audited October 1 Fall Enrollment Report from the previous year.

Fiscal Year (FY): A 12-month period beginning July 1 and ending June 30 to which the annual operating budget applies and at the end of which the District determines its financial position and results of operations.

Full-Time Equivalent (FTE): A unit of workforce measurement. An employee hired to fill a normal contract day of approximately 8 hours is considered 1.0 FTE. An assistant that works 1/2 time is considered 0.5 FTE, and so forth.

Function: A relatively broad grouping of related expenditures or revenues aimed at accomplishing a common objective.

- **Instruction** - Activities dealing directly with the interaction between students and teachers within the classroom
- **Student Support** - Services providing administrative, technical (guidance & health), and logistical support to facilitate and enhance instruction
- **Teacher Support** - Activities associated with assisting instructional staff with content and learning experiences
- **General Administration** - Activities associated with establishing and administering policy for operating the school district
- **School Administration** - Activities concerned with the overall administration of the school buildings
- **Central Services** - Activities that support other administrative and instructional functions, including accounting, human resources, planning, budgeting, etc.
- **Operation and Maintenance of Facilities** – Activities concerned with keeping the physical facilities open, comfortable, and safe for use
- **Transportation** – Activities concerned with conveying students to and from school
- **Food Services** – Activities concerned with providing food to students and staff in a school or school district
- **Debt Service** - Payments required to meet District's debt obligations
- **Building Acquisition and Construction** - Activities concerned with building new schools or acquiring land

Fund: A segregation of accounting and financial resources, each with cash and other assets, liabilities, and fund balances.

Glossary of Terms

Fund Balance: The difference between assets and liabilities (see “asset” and “liability”).

Governmental Accounting Standards Board (GASB): The authoritative accounting and financial reporting standard setting body for government entities in the United States.

GASB Statement 54: An authoritative statement which classifies fund balances based primarily on the extent to which the District is bound to observe constraints placed on the use of the funds.

General Fund: Accounts for resources which are not required to be accounted for in any other fund. Revenue and expenditures of categorical federal and state programs for a student’s regular day school are accounted for in this fund.

GFOA: Government Finance Officers Association - founded in 1906, represents public finance officials throughout the United States and Canada.

Governmental Fund: Governmental funds are used to account for activities primarily supported by taxes, grants, and similar revenue sources. Within the category of governmental funds there are five types: general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

IDEA: Individuals with Disabilities Education Act.

Indirect Cost: Those elements of cost necessary in the production of a good or service, which are not directly traceable to the good or service.

Instruction: Activities dealing directly with the interaction between teachers and students. Teaching may be provided for pupils in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving other mediums such as television, radio, telephone, and correspondence. Included here are the activities of aides or assistants of any type, (clerk, graders, etc.) which assist in the instructional process.

Internal Service Fund: A fund that primarily provides either goods or services to other funds, departments, or agencies of a government on a cost-reimbursement basis with the goal of ‘break-even’ rather than making a profit. The District maintains one internal service fund called the “Self-Insurance Fund.”

Lane: A designation on the salary schedule stipulating beginning and maximum salaries. An enlargement in salary provided for experience. The number of salary increments available varies according to job classification.

Lane Change: An enlargement in salary provided for successful completion of additional professional training.

Legal Debt Limit: The amount of debt the District can enter into based on the overall taxable value of Provo City multiplied by 4%.

Legal Debt Margin: The amount of debt the District can enter into after current debt is included. Can be classified as a percentage or dollar amount. See “Legal Debt Limit.”

Liability: An obligation of the District arising from past transactions or events. Liabilities are recorded on the District’s balance sheet.

Location: Group activities and operations that take place at a specific site or area, such as an elementary school.

Major Fund: Funds whose revenues, expenditures, assets, or liabilities (excluding extraordinary items) are at least 10.0% of corresponding totals for all governmental funds and at least 5.0% of the aggregate amount for all governmental funds.

Minimum School Program (MSP): The primary funding source for the school districts and chart schools in Utah. MSP funds are distributed according to formulas provided by State law and State Board of Education rules.

Modified-Accrual Basis: Government accounting method where revenue is recognized when it becomes available and measurable. Expenditures are typically recognized in the period in which liability is incurred.

Nonmajor Fund: A fund whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are less than 10% of corresponding totals for all governmental funds and are less than 5% of the aggregate amount for all governmental funds.

Nonroutine Expenditure: Expenditures that occur infrequently and are not typically part of normal operations.

Object: As used in expenditures classification, identifies the type of article or service obtained (e.g., supplies, equipment, purchased services).

- 01xxxx – Salaries and Wages
- 02xxxx – Fringe benefits including retirement benefits, taxes, and medical plan coverages
- 03xxxx – Purchased services including trainings, presentations, and other services provided to the District
- 04xxxx – Property services expenses including vehicle maintenance and building repairs
- 05xxxx – Other services including primarily travel expenses (both staff and student) and telecommunications
- 06xxxx – Supplies expenses including consumable supplies, books, paper, food costs, technology, etc.
- 07xxxx – Large equipment purchases
- 08xxxx – Other costs such as organization dues and fees and other expenses that don't fit the other codes

Other Post-Employment Benefits (OPEB): Payments or services given to retirees other than pension benefits (e.g.

post-retiree medical insurance).

Program: A group of activities, operations, or organizational units directed to attaining specific purposes or objectives (e.g., transportation, school lunch, dual immersion).

Regression Analysis: A statistical method that can be used for predicting future numerical values. The District uses a form of regression analysis when projecting future enrollment, revenues, and other figures.

Revenue: Actual income the District receives from external sources. Donated items of value are not counted as revenue.

STEM: Science, Technology, Engineering, and Math.

Tax Rate: An amount of tax stated in terms of a unit of the tax base

Undistributed Reserve: The part of the District's fund balance that is not specifically reserved for a particular purpose.

USBE: Utah State Board of Education - the governing body comprised of elected representatives that oversee local education agencies within Utah.

Weighted Pupil Unit (WPU): A unit of measure used to determine the needed amount of state funding in a fair and equitable way.

Zero-based Budgeting: A method of budgeting used by the District in which all expenses must be justified each year. Zero-based budgeting starts from a "zero base" and every program within the District is analyzed to determine viability and cost. Budgets are then built around what is needed for the upcoming year, regardless of whether the budget is higher or lower than the previous one.

Email us if you see a word or phrase in this book that you feel should be included in the glossary.

budget@provo.edu

If you have any questions regarding the budget of Provo City School District, please contact the Business Services Department at 801-374-4848 or budget@provo.edu. The web address is provo.edu/business-finance.

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

