

**2024-2025 ANNUAL BUDGET**  
For Fiscal Year Ending June 30, 2025

280 West 940 North Provo, UT 84604  
(801)374-4800 | [provo.edu](http://provo.edu)

Please note that the electronic version of this Comprehensive Annual Budget Report is best viewed with the following options enabled:

- Two-page view
- Show cover page in two-page view



**Welcome • Educate • Inspire**

# Comprehensive Annual Budget Report

July 1, 2024 - June 30, 2025

## Superintendent of Schools

Wendy Dau

## Business Administrator

Devyn Dayley

*This publication was prepared by:*

### **PCSD Business Services Department**

Steven C. Reese, CPA, Director of Finance

*Photographs provided by:*

PCSD Public Relations Department & Other Contributors

## **Provo City School District**

280 West 940 North

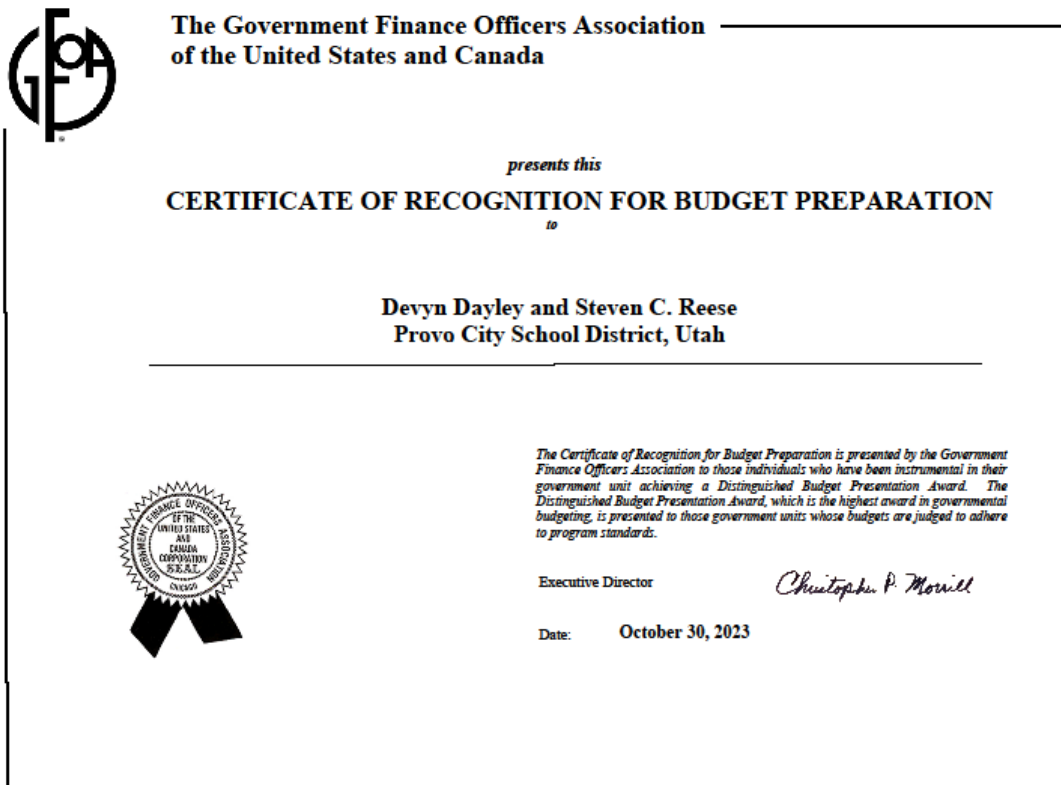
Provo, UT 84604

[www.provo.edu](http://www.provo.edu)

# Budget Recognition

## Government Finance Officers Association

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Provo City School District for its comprehensive annual budget report for the fiscal year beginning July 1, 2023, and ending June 30, 2024. 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.



### 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 2024-25, although the year might be represented as FY2025, FY25, or 2024-25, depending on the context of the information presented and space constraints. These variations of the fiscal year or school year are used interchangeably.

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





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

**PRESENTED TO**

**Provo City School District  
Utah**

For the Fiscal Year Beginning

**July 01, 2023**

*Christopher P. Morrill*

**Executive Director**







# Table of Contents

## Executive Summary

Letter of Transmittal .....	1
Elected Officials.....	3
Appointed Officials.....	4
Organization Chart.....	5
Budget Overview.....	7
Mission, Vision, and Core Values of the District.....	8
Budget Cycle.....	9
The Big Picture: Revenue .....	11
The Big Picture: Expense.....	12
The Big Picture: Revenue & Expenditures—All Funds.....	13
Summary: Revenue and Expenditures.....	14
Fund Balance: Classifications .....	15
Fund Balance: All Funds .....	16
Major Funds .....	17
Budget Forecast: All Funds .....	20
Student Enrollment.....	21
Property Taxes: Tax Base and Rate.....	22
Staffing Levels by Function.....	23
Long-term Debt.....	24
Student Achievement .....	25

## Organizational Section

The District Entity.....	29
Voter Precincts.....	30
Elementary School Boundaries .....	31
District Departments.....	32
Organizational Chart .....	35
Strategic Plan .....	38
Department Priorities: Financial Impacts .....	51
District Budgeting Process .....	53
District Funds: Definitions.....	66
Expenditure Functions .....	67
Major Revenue Sources .....	69
Revenue Projection Assumptions .....	70

Major Revenue Sources: State of Utah.....	71
Major Revenue Sources: Property Tax .....	75
Major Revenue Sources: Other Local Revenue .....	76
Major Revenue Sources: Federal Revenue .....	77
Expenditures: Significant Uses .....	79

## **Financial Information**

Fund Structure: All Funds.....	81
Budgeted Combined Statement of Revenue, Expenditures by Function, and Changes in Fund Balance: All Funds.....	81
Budgeted Combined Statement of Revenue, Expenditures by Object, and Changes in Fund Balance: All Funds.....	81
Fund Balance: Five-Year History .....	87
General Fund: Major Fund .....	87
General Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance ...	91
General Fund: Revenue by Source and Type .....	91
General Fund: Expenditures by Function and Object .....	93
General Fund: Three-Year Budget Forecast.....	96
Capital Projects Fund: Major Fund .....	97
Capital Projects Fund: Capital Improvement Plan .....	98
Capital Projects Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance.....	99
Capital Projects Fund: Three-Year Budget Forecast .....	100
Municipal Building Authority: Major Fund .....	101
Municipal Building Authority Fund: Debt Service Schedule .....	102
Municipal Building Authority Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance.....	103
Municipal Building Authority Fund: Three-Year Budget Forecast.....	104
Debt Service Fund: Major Fund .....	105
Debt Service Fund: Debt Service Schedule .....	106
Debt Service Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance.....	107
Debt Service Fund: Three-Year Budget Forecast.....	108
Debt Service Fund: Debt Waterfall .....	109
Debt Service Fund: Legal Debt Limit and Bond Rating .....	110
Student Activity Fund: Nonmajor Fund .....	111
Student Activity Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance.....	112

Student Activity Fund: Three-Year Budget Forecast.....	113
Pass-Through Taxes Fund: Nonmajor Fund .....	114
Pass-Through Taxes Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance .....	115
Pass-Through Taxes Fund: Three-Year Budget Forecast .....	116
Building Reserve Fund: Nonmajor Fund .....	117
Building Reserve Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance .....	118
Building Reserve Fund: Three-Year Budget Forecast .....	119
Child Nutrition Fund: Nonmajor Fund .....	120
Child Nutrition Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance .....	121
Child Nutrition Fund: Three-Year Budget Forecast.....	122
Self-Insurance Fund: Nonmajor Proprietary Fund.....	123
Self-Insurance Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance .....	124
Self-Insurance Fund: Three-Year Budget Forecast .....	125
PCSD Foundation Fund: Discretely Presented Component Unit .....	126
PCSD Foundation Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance .....	127
PCSD Foundation Fund: Three-Year Budget Forecast .....	128
Combined Statement of Revenue, Expenditures by Function, and Changes in Fund Balance with Prior Year Actuals and Budget Forecasts - All Funds .....	129
Other Post-Employment Benefits (OPEB): Information .....	131

## **Informational Section**

Provo: Past and Present.....	133
Student Enrollment: Information and Forecast Methodologies .....	134
Student Enrollment: Fall Enrollment Count by School .....	135
Student Enrollment: Fall Enrollment County by Grade .....	136
Staffing Levels by Function: Full-Time Equivalent (FTE).....	137
Staffing Levels by Function: Last Ten Fiscal Years.....	138
Weighted Pupil Unit (WPU): History.....	139
Taxable and Fair Market Value of Property in Provo: Last Ten Tax Years.....	140
Total Property Tax Rate: Last Ten Tax Years.....	141
Property Tax Levies by Fund and Type: Last Four Tax Years with Proposed Rate.....	142
Taxable and Fair Market Value: Student Enrollment .....	143
Impact of Budget on Taxpayers: Average Home Value .....	144

Debt Service Schedule: General Obligation Bonds .....	145
Debt Service Schedule: Lease Revenue Bonds and Ratios of Outstanding Debt .....	146
Legal Debt Limit: Calculation .....	147
Expenditures by Function per Pupil: General Fund - Last Ten Tax Years .....	148
Demographics: Information .....	149
Principal Employers: Current and Ten Tax Years Ago .....	150
Economic Outlook .....	151
Economic Snapshot: Utah County .....	152
Economic Indicators: Utah Labor Force Data .....	153
Economic Indicators: Birth Rate History .....	154
Provo: Information and Attractions .....	155
Child Nutrition: Facts and Figures .....	156
Capital Assets: Schools .....	157
High School Graduates and Cohort Graduation Rates: Last Ten Fiscal Years .....	159
Student Assessment: Information .....	160
Student Assessment: RISE Proficiency Report .....	161
Student Assessment: RISE Charts .....	162
Student Assessment: ASPIRE+ .....	163
Student Assessment: ASPIRE+ Charts .....	164
Student Assessment: ACT - College Entrance Exam .....	165
Student Assessment: ACT Charts .....	166

## **Glossary**

Glossary of Terms .....	167
-------------------------	-----



# Executive Summary

# Letter of Transmittal

October 21, 2024

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

We hereby submit to you the Comprehensive Annual Budget Report for fiscal year 2024-25 and the final budget for fiscal year 2023-24.

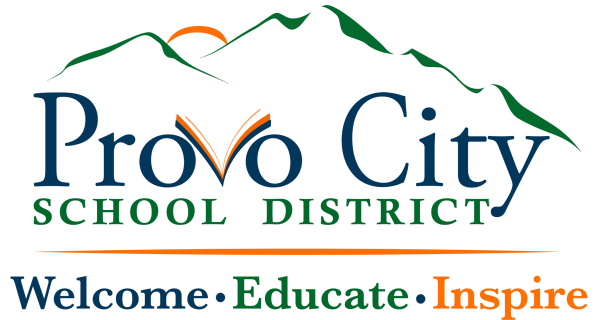
The budget was prepared in accordance with the legal requirements and accounting rules of the State of Utah and other relevant rulemaking bodies to which we are subject, as well as input and guidance from the Board of Education (Board). The financial accounts, internal controls, and grant compliance of the Provo City School District (District) are subject to internal and independent external audits annually, as well as on-going reviews by the Utah State Board of Education (USBE). The District has implemented sound financial policies and internal controls in accordance with best practices to ensure taxpayer funds are expended and reported properly. The budget reflects basic state support through weighted-pupil units (WPU) with a value of \$4,494 per student, an increase of \$214 or 5.0% over the fiscal year 2023-24 value of \$4,280. Student enrollment is a critical data point when building the budget so the District prepares a rolling 3-year projection each November. The District projects student enrollment to remain stable this fiscal year with small increase of 0.2% or 22 students, for a total enrollment of 13,477.

The budget is a balanced financial plan aligned with the District's Strategic Plan and its mission, vision, and core values. The District's strategic plan serves as the focus of our work and financial expenditures.

The Board and District leadership recently evaluated and updated the District's strategic plan with contributions from staff, students, parents, community members, and consultants. The new strategic plan will serve as a roadmap to guide our operations in the coming years. This strategic plan is not just a vision, but a promise of what we can accomplish together. As we navigate the opportunities and challenges that lie ahead, we are confident that the plan will be a compass for important operational and financial decisions, ensuring alignment between our choices and goals.

As a single city school district, the District faces unique financial challenges such as competitive employee compensation and staffing ratios. To this end, teacher compensation, class-size, and support staff were important factors in the budgeting process. Utah's hiring and retention landscape for teachers is extremely competitive as well-funded, multi-city school districts continue to make significant changes to their salary schedules each year. We are excited for the direction we are headed as a district in regards to teacher compensation as another substantial investment in our teacher salary schedule was funded in the budget. In addition, our class-size ratios remain competitive and are often lower than surrounding school districts.

Negotiated agreements with our employee groups are reflected in the budget. Restricted state and federal programs are anticipated to stay within the funding provided. As the program revenue for most restricted state and federal programs is generally unknown at this time, the budget estimates revenue and expense based on past history along with other available data. As official award letters are received from the USBE and carryover funds are calculated after the close of fiscal year 2023-24, the budget will be updated accordingly.



As capital projects funded by general obligation and lease revenue bonds are currently underway, capital expenditure budgets may cross fiscal years due to the progress of work and invoice timing. Therefore, some construction expenditures may be budgeted in both fiscal years until progress billings are received. Once actual costs are known, the budget will be updated to reflect the actual timing of expenditures. All other funds will meet obligations within current expected revenue and fund balances with any changes made, if necessary, to ensure efficient operations.

New year assessed property values and tax rates are reflected in the budget. The District did not seek an increase in its local tax levies this year. The District remains committed to conservative and fiscally prudent decisions on tax rates to provide excellent educational opportunities, while minimizing the impact on taxpayers.

The District continues its commitment to providing educational options that fit each student's needs by offering opportunities such as STEM-focused programs, advanced placement, concurrent enrollment, dual immersion language programs, and accelerated learning classes (CAS) in elementary. Provo eSchool continues to provide additional education opportunities to fit the needs of non-traditional kindergarten students through eighth grade.

The District has an established record of excellence in financial reporting as evidenced by receiving national awards from the Government Finance Officer's Association (GFOA) each year. We are proud to continue this tradition as we move into the new fiscal year. In aggregate, the District is in good financial condition. Adjustments required due to the expiration of pandemic relief funds are reflected in the budget and future monitoring and adjustments may be needed to keep spending in line with available resources.

The District appreciates the continued support, guidance, and feedback from the Board and community as we continue to focus on academic excellence, student achievement, and continuous improvement. We value our relationship with the community and stakeholders because it enables us to be an effective and collaborative learning institution, despite challenges that may arise.

Respectfully submitted,



Wendy Dau  
Superintendent of Schools



Devyn Dayley  
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

# Appointed Officials

## Board of Education

**Rebecca Nielsen**

Board President  
District 6

**Jennifer Partridge**

Board Vice-President  
District 4

**Lisa Boyce**

District 1

**Melanie Hall**

District 2

**Megan Van Wagenen**

District 3

**Teri McCabe**

District 5

**Gina Hales**

District 7

## District Administration

**Wendy Dau**

Superintendent of Schools

**Devyn Dayley**

Business Administrator

**Jarod Sites**

Asst Supt of Elementary Education

**Darrell Jensen**

Asst Supt of Secondary Education

**Jason Cox**

Deputy Supt of School Support

**Judy Rose**

Director of Elementary T&L

**Michelle Eldredge**

Director of School Improvement

**Doug Finch**

Director of Secondary T&L

**Clay Bingham**

Director of Career & Technical Education

**John Anderson**

Director of Special Programs

**Rebecca Rogers**

Director of Human Resources

**Suraj Syal**

Director of Special Education

**Jason Garrison**

Director of Student Services

**Caleb Price**

Director of Communication

**Chad Duncan**

Director of Technology

**Steven C. Reese, CPA**

Director of Finance

**Tammy Horger**

Director of Child Nutrition

**Kyle Bates**

Director of Building Services

## School Administration

Amelia Earhart

Ryan McCarty

Canyon Crest

Sean Edwards

Edgemont

Harmony Kartchner

Franklin

Jason Benson

Lakeview

Jamie Davis-Leite

Provo Peaks

Mark Burge

Provost

Tricia Biggs

Rock Canyon

Karen Brock

Spring Creek

Jay Porter

Sunset View

Seth Hansen

Timpanogos

Clint Wolfe

Wasatch

Ruthann Snow

Westridge

Kim Hawkins

Centennial Middle

Brook Dalby

Shoreline Middle

Tommy Hirschi

Provo High

Kami Alvarez

Timpview High

Momi Tu'ua

Independence High

Jacob Griffin

eSchool

Clint Smith

Sunrise Preschool

Ondylyn Wagner

Slate Mountain

Melanie Bliss

Oak Canyon

Robert Bunker

# Board of Education

**Superintendent**  
*Wendy Dau*

**Assistant Superintendent  
Elementary Education**  
*Jarod Sites*

**Assistant Superintendent  
Secondary Education**  
*Darrell Jensen*

**Elementary Principals**

**Elementary Assistant Principals**

**Elementary Instructional Coaches**

**Elementary Title I Coordinators**

**Sunrise PreK Administrator**  
*Onyfym Wagner*

**Director of Elementary Teaching & Learning**  
*Judy Rose*

**Elementary Curriculum Specialists**  
K-6 Literacy  
Jerris Boudier  
K-6 Math  
Teresa Auer  
K-6 RTI  
K-12 Fine Arts  
Kylie Anderson  
K-12 ELA & World Language  
Zara Parrish

**Secondary Principals**

**Secondary Assistant Principals**

**Secondary Instructional Coaches**

**Director of Secondary Teaching & Learning**  
*Doug Finch*

**Secondary Curriculum Specialists**  
7-12 ELA  
Jayne Munnroe  
7-12 Math  
Carla Johnson  
K-12 Science/STEM  
Brian Mayson  
AVID & Innovation Learning  
Janel Thurston

**Director of Technology**  
*Chad Duncan*

**Director of Career & Technical Education**  
*Clay Bingham*

**CTE Specialists**

**Business Administrator**  
*Devyn Dayley*

**Lead Transportation Coordinator**  
*Troy Lindoff*

**Director of Child Nutrition**  
*Tammy Horger*

**Director of Building Services**  
*Kyle Bates*

**Custodial Services Coordinator**  
*Jef Hunkler*

**Director of Accounting**  
*Steven Reese*

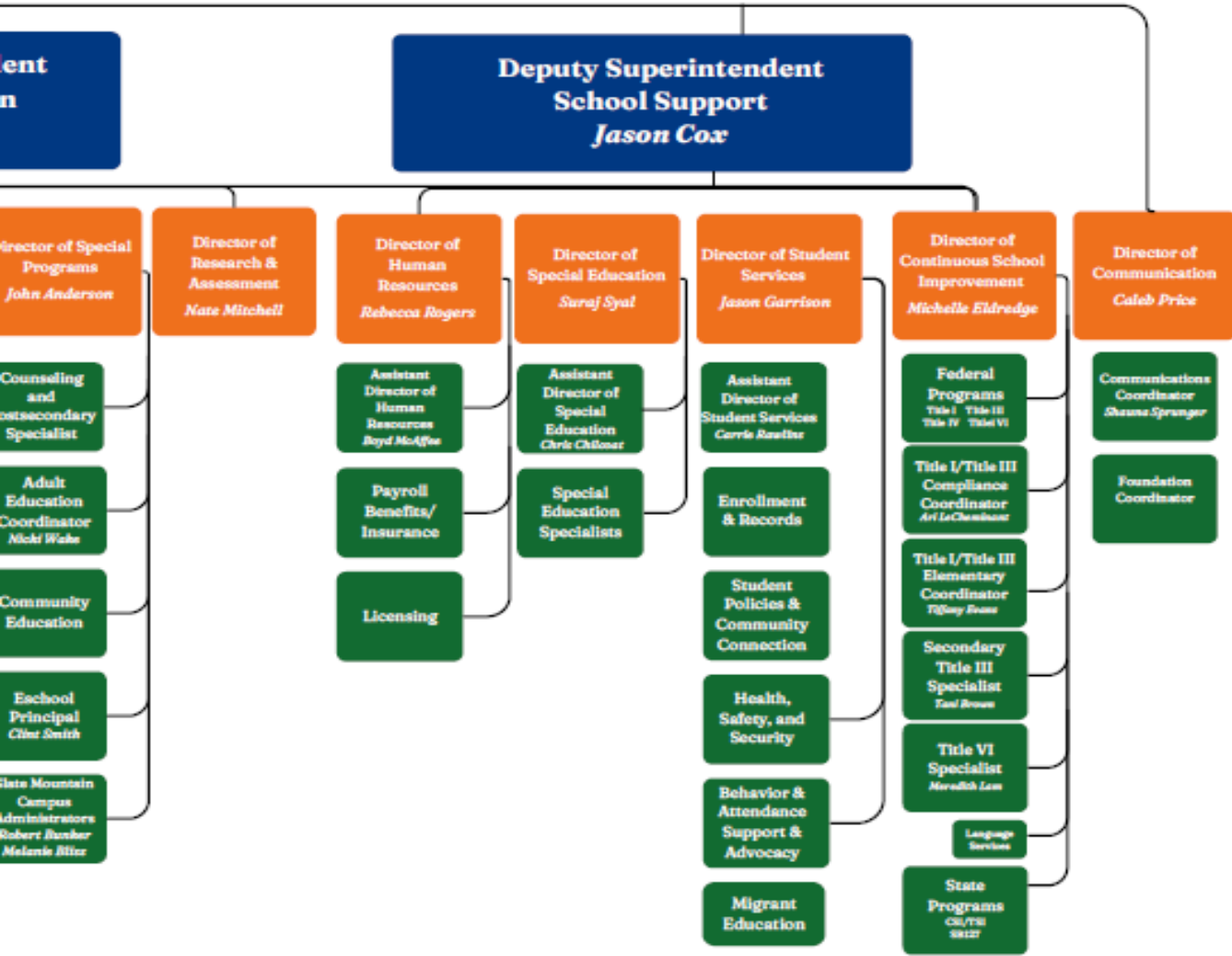
**Accounting Specialist**  
*Rhonda Ledone*

**Purchasing & Finance Coordinator**  
*Woody Turnbaugh*





# Organizational Chart



# Budget Overview

The Provo City School District (District) budget beginning July 1, 2024, and ending June 30, 2025, includes actual audited figures from fiscal years 2020-21, 2021-22, 2022-23, the final amended budget for fiscal year 2023-24 and proposed budget for fiscal year 2024-25. The Board of Education (Board) approved the final fiscal year 2023-24 budget and the proposed budget for fiscal year 2024-25 on June 11, 2024. The District will not be seeking a tax increase; therefore, a truth-in-taxation hearing will not be held. This budget will act as the instructional and financial components of the District’s Strategic Plan for the upcoming school year. The budgets presented in this document includes all governmental funds and proprietary fund (internal service fund) for which the Board is legally responsible, as well as the Provo City School District Foundation—a discretely presented component unit of the District. The budgets in this document are organized by fund as follows:

## Governmental Fund Types:

- General (Major Fund)
- Capital Projects (Major Fund)
- Municipal Building Authority (Major Fund)
- Debt Service (Major Fund)
- Student Activity
- Pass-Through Taxes
- Building Reserve
- Child Nutrition

## Proprietary Fund Types:

- Self-Insurance (Internal Service Fund)

## Discretely Presented Component Unit:

- Provo City School District Foundation

Budgets are presented on the modified accrual basis of accounting for all governmental fund types, and on the accrual basis for proprietary fund types. This is consistent with Generally Accepted Accounting Principles (GAAP). Unencumbered annual appropriations lapse at the end of each fiscal year. A commitment of fund balance is established for all encumbered amounts and carried forward into the next year.

The budget is designed to help assure fiscal integrity and efficiency and to provide accountability for public funds. All school principals and department directors are required to monitor their budgets to assure that expenditures do not exceed appropriations. Users of budgeted accounts have access to online detailed information to help facilitate this task. In addition, the Business Services department is tasked with monitoring all District accounts and establishing daily controls over expenditures.

# Mission, Vision, and Core Values of the District

This budget was designed to meet the mission, vision, and core values of the District, which is the basis of its Strategic Plan. In 2024, the Board and District leadership developed a strategic plan to guide the District’s operations as we seek to make Provo City School District a destination district for all stakeholders. This plan will guide us as we provide a world class education that prepares students effectively for an array of postsecondary opportunities. The Board and District leadership express the appreciation to the many community members, employees, and students that contributed to the new strategic plan.

**Mission:** Welcome, Educate, Inspire!

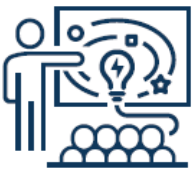
**Vision:** The Provo City School District is a vibrant learning environment where all students become lifelong learners and engaged community members.

## Core Values



⇒ **Belonging**

- ◇ Creating a welcoming and supportive environment where differences are valued and everyone feels respected and included.



⇒ **Creativity**

- ◇ Encouraging innovation, curiosity, imagination, and critical thinking.



⇒ **Empowerment**

- ◇ Providing tools, resources, and opportunities to build confidence, develop capacity, and achieve greatness.



⇒ **Growth**

- ◇ Striving for academic rigor, innovative teaching methods, and continuous improvement to foster student success and achievement.



⇒ **Community**

- ◇ Establishing strong partnerships between schools, families, and the broader community to enhance educational experiences and address needs of students effectively.

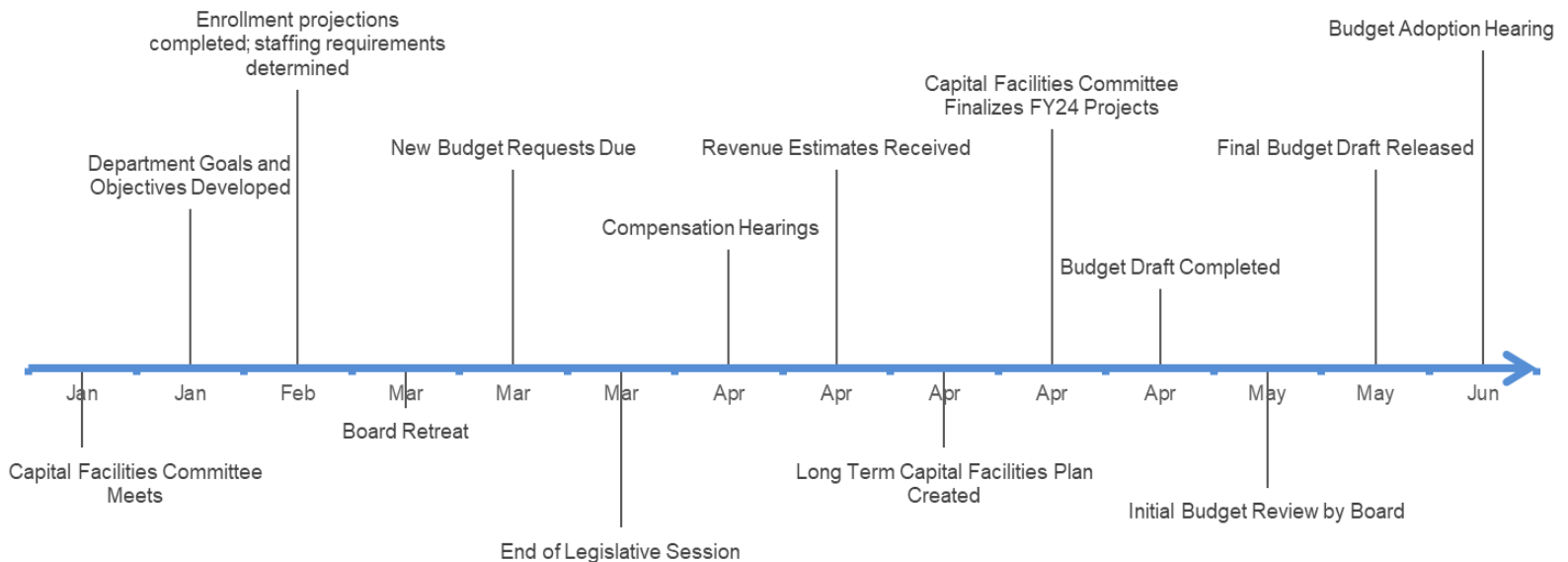
District leadership know that inviting, welcoming, and inspiring environments lead to impressive student outcomes which will benefit our entire community. The priorities outlined in the strategic plan will guide our decision-making and action plans. We look forward to communicating our successes and areas of growth with the community as we improve the education provided to all students. We value our partnership with stakeholders and commit to maximizing opportunities and success for each child we serve.

# Budget Cycle

The process of budget development is a year-round process that involves schools and departments.

- > **September:** Beginning fund balances are established once the financial audit of the Annual Comprehensive Financial Report (ACFR) for the prior fiscal year is completed. The fund balances assist in determining the one time revenue which will be used in the budget process.
- > **November - December:** Enrollment projections by school and grade level are prepared. A 10-year history as well as birthrates, survival rates, migration data, and charter school enrollment are used to model projections.
- > **January:** FTE allocations for schools are calculated based on enrollment projections. These allocations are presented to Elementary and Secondary supervisors who in turn provide them to schools.
- > **January:** Department goals and objectives are developed. In addition, the Finance Committee meets regularly with District leadership to determine needs and priorities for the upcoming year.
- > **March:** Budget requests from schools and departments are due. Those requests are prioritized based on the District's mission, vision, core values, and objectives. The Board holds a retreat to discuss the budget and the current legislative session.
- > **March:** The Utah Legislature completes its session so state revenue funds for education can be determined. Local and federal revenue sources are projected. Once completed, likely revenue is known for the District to carry out its mission.
- > **April:** Negotiations on salary and benefits (by far the largest expenditure category in the budget) with local associations from the certified, classified, and administrative staff begin. The Capital Facilities Committee finalizes its recommended Capital Projects fund budget and list of approved projects. Operations budget requests are reviewed by District leadership. Prioritized and recommended operations and capital budget requests are presented to the Finance Committee for feedback. The Board has ongoing discussions on the budget during its scheduled meetings. Patron feedback is welcome at these public meetings.
- > Based on the latest information available and as legal deadlines approach, expenditures are fit within available revenue and the budgets are balanced. Expenditures are budgeted to be equal to projected revenue and available fund balances. Budgets are considered balanced as long as expenditures do not exceed this total. However, the District is committed to remain fiscally sound and secure in the long-term so any use of fund balance is done so prudently. As a designated practice, the District budgets revenue conservatively and expenditures aggressively.
- > **June 1:** By state law, tentative budget completed, posted on website, and placed on file in the Business Services office.
- > **June 8:** Assessed property valuations are received from the County to determine the certified property tax rate and debt service rate. Local property taxes are updated in time for the June budget hearing.
- > **June 30:** Budget adopted no later than June 30 by the Board of Education.

- > **August:** If the Board determines to increase the tax rate above the certified tax rate, a Truth-in-Taxation hearing is held, after which the budget is adopted.
- > Once adopted, the budget can be amended throughout the fiscal year, as necessary, by the Board of Education. The Board, upon recommendation of the Superintendent, can approve reductions in appropriations. An increase in appropriations requires notice published in a newspaper of the date, time, and place of a public hearing on the proposed changes. After receiving public comment, the Board can then take action on the amendments. Because there has been a legal determination made by the State Superintendent of Public Instruction that the level for which expenditures may not exceed appropriations is the total budget of a given fund, the budget of the Provo City School District is usually amended once each year, when the Board also takes action on the new fiscal year budget.
- > After the fiscal year is completed and the independent audit is performed, the ACFR reports the budgeted revenue and expenditures against actuals for comparison in all governmental funds. The District strives for a close correlation between budgets and actuals; however, due to conservative budgeting practices an increase in the fund balance may occur. Actual fund balances are set for each fund and the budgeting process begins again.

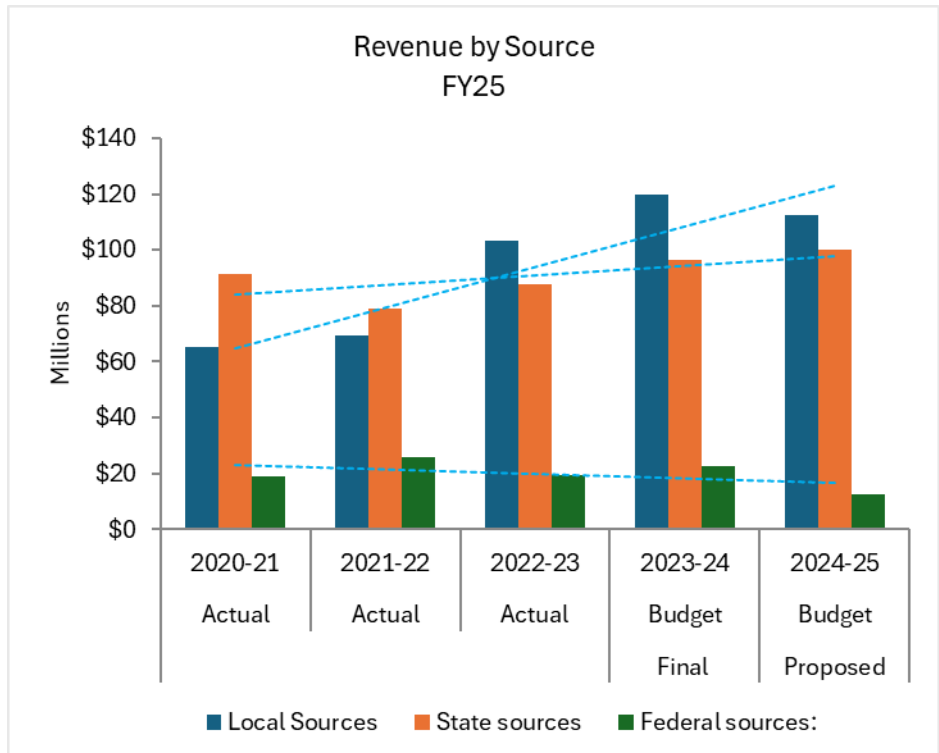
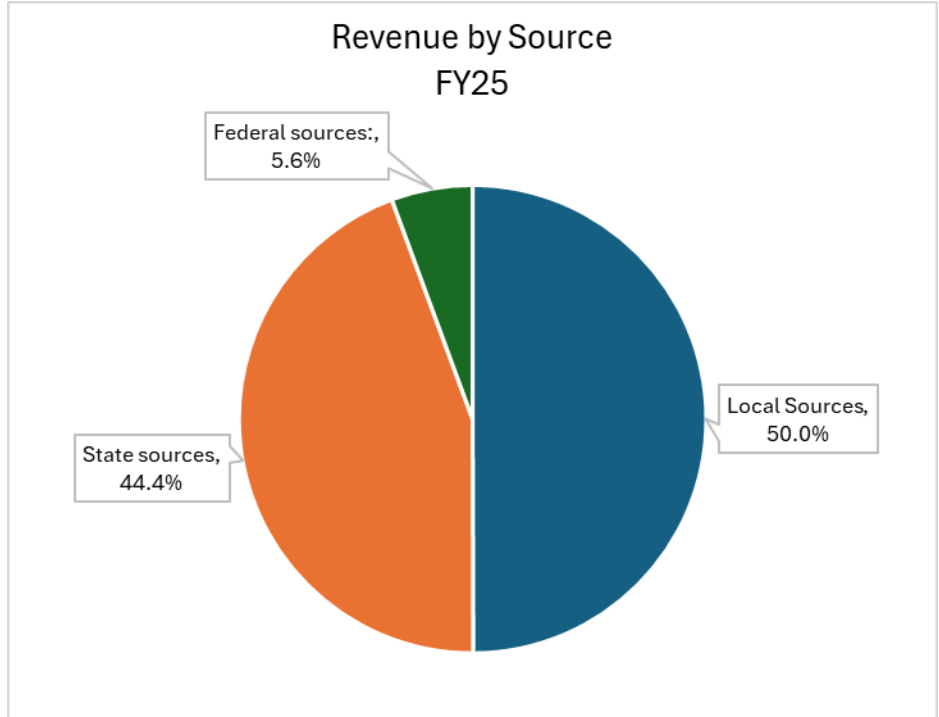


## The Big Picture: Revenue

Local revenue is the largest percentage of revenue for all District funds combined. The largest source of local revenue is property taxes at 86.6% of total local revenue, and 29.3% of total revenue from all sources. In fiscal year 2023-24, the District did not seek a property tax increase despite inflation being much higher than the increase in funding received from the state. Even though the Federal Reserve has begun cutting the target federal funds rate, the District continues to benefit from higher than normal interest income in the final fiscal year 2023-24 and proposed fiscal year 2024-25 budgets.

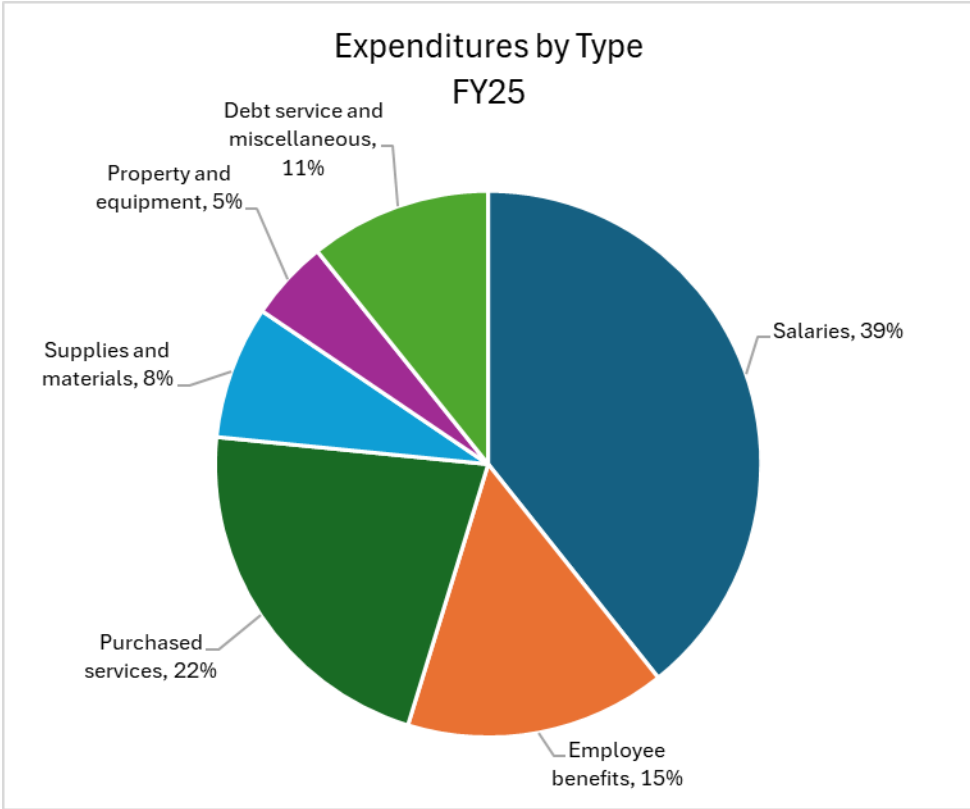
State revenue (44.4%) as a percentage of total revenue will increase to roughly 61.1%, although the total amount of state revenue increased by \$3.5 million, due to an increase in the value of the Weighted Pupil Unit, the funding mechanism used to allocate funds across all districts in the state of Utah.

Federal revenue (5.6%) will see a large decrease due to the final spenddown of federal pandemic relief funds.

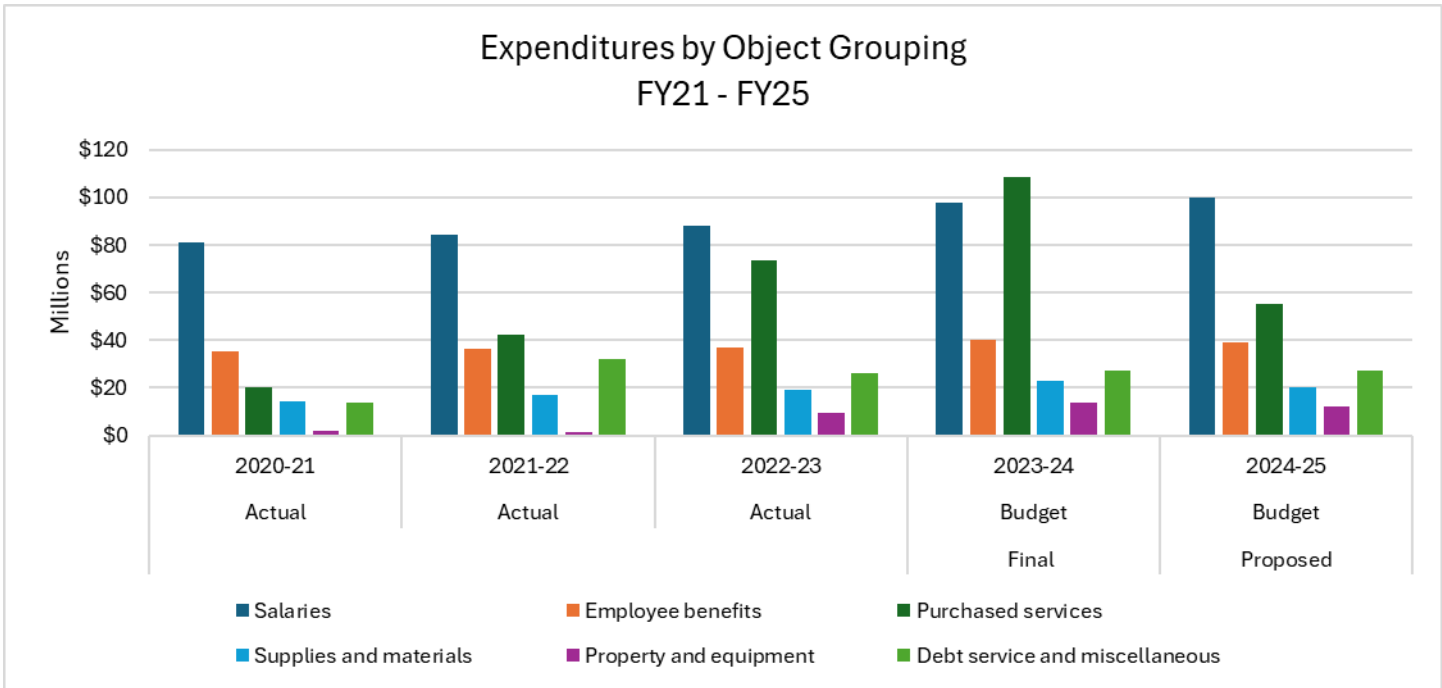




# The Big Picture: Expenditures



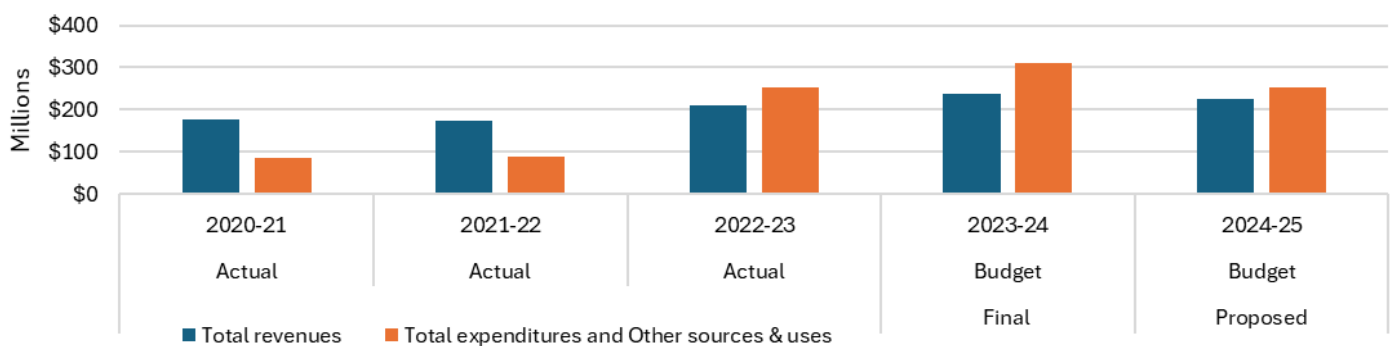
Total expenditures in all funds have decreased in FY25 by \$55.8 million over FY24. Budgets in individual funds and changes between fiscal years will be addressed subsequently in the individual fund summaries found within the Financial Information section. The biggest decrease in expenditures by object groupings are purchased services, which experienced a significant drop due to bond projects nearing completion. The biggest increase in expenditures by object groupings are salaries and employee benefits. Evaluating and raising salaries is a primary objective of District administration and the Board of Education. This is reflected in the increase in salaries for FY25.



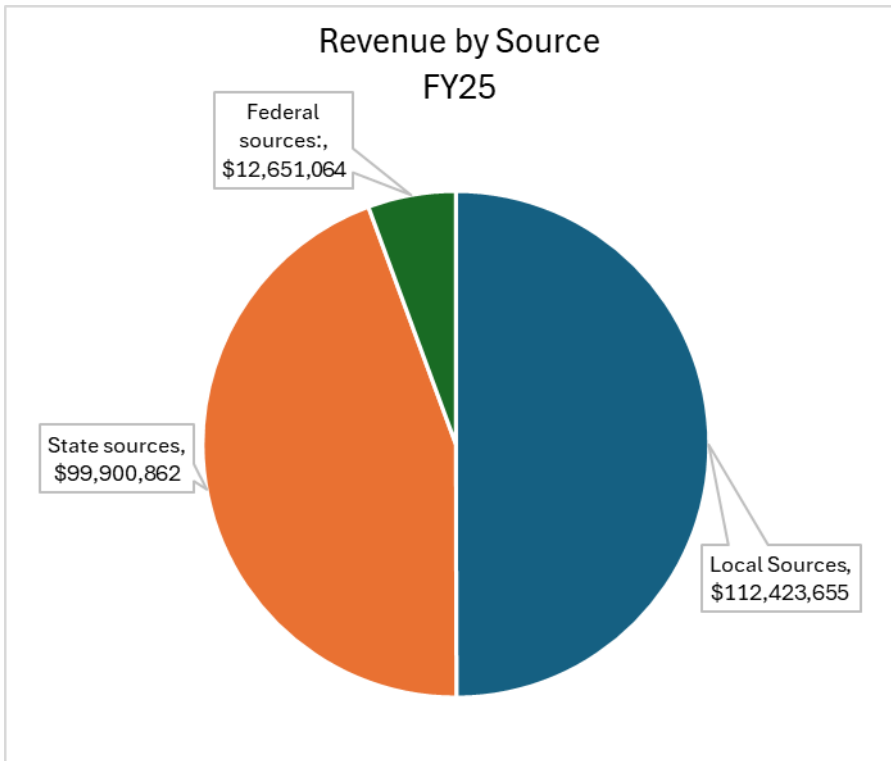
# The Big Picture: Revenue and Expenditures—All Funds

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Final Budget 2023-24	Proposed Budget 2024-25
<b>Revenue summary</b>					
<b>Fund:</b>					
General	\$ 147,266,909	\$ 137,873,391	\$ 150,801,345	\$ 173,503,843	\$ 161,501,501
Capital Projects	8,761,937	12,450,952	22,336,027	14,262,294	12,600,000
Municipal Building Authority	-	199,197	11,135,653	9,652,962	8,852,907
Debt Service	9,913,762	11,148,419	14,333,550	14,882,560	14,436,810
Student Activity	2,435,459	3,104,512	3,358,901	3,302,070	3,317,856
Pass-Through Taxes	1,809,718	1,573,888	1,800,973	2,658,859	2,558,859
Building Reserve	-	-	-	-	-
Child Nutrition	5,356,575	7,244,120	6,321,874	6,557,411	6,957,648
Self-Insurance	-	-	-	13,500,000	14,250,000
Provo Education Foundation	101,640	350,105	348,222	327,500	500,000
<b>Total revenues</b>	<b>175,646,000</b>	<b>173,944,584</b>	<b>210,436,545</b>	<b>238,647,499</b>	<b>224,975,581</b>
<b>Expenditures and Other financing sources and uses</b>					
<b>Fund:</b>					
General	137,571,270	138,933,108	151,745,279	165,975,986	162,371,501
Capital Projects	(72,439,767)	35,953,801	35,879,953	39,827,579	17,437,230
Municipal Building Authority	-	(108,226,121)	43,680,102	62,474,350	30,010,828
Debt Service	9,776,265	12,706,822	13,337,870	14,882,560	15,436,810
Student Activity	2,467,824	2,929,163	2,961,246	3,503,882	3,477,291
Pass-Through Taxes	1,809,718	1,573,888	1,800,973	2,658,859	2,558,859
Building Reserve	-	(2,000,000)	-	-	-
Child Nutrition	5,557,148	5,867,062	6,465,079	7,407,803	7,195,091
Self-Insurance	-	-	(2,902,474)	12,500,000	14,900,000
Provo Education Foundation	59,327	129,688	420,619	487,308	500,000
<b>Total expenditures and Other financing sources and uses</b>	<b>84,801,785</b>	<b>87,867,411</b>	<b>253,388,647</b>	<b>309,718,327</b>	<b>253,887,610</b>
<b>Net change in fund balance</b>	<b>90,844,215</b>	<b>86,077,173</b>	<b>(42,952,102)</b>	<b>(71,070,828)</b>	<b>(28,912,029)</b>
<b>Fund balance - beginning</b>	<b>73,425,536</b>	<b>164,269,751</b>	<b>250,346,924</b>	<b>207,394,822</b>	<b>136,323,994</b>
<b>Fund balance - ending</b>	<b>\$ 164,269,751</b>	<b>250,346,924</b>	<b>207,394,822</b>	<b>136,323,994</b>	<b>107,411,965</b>

Total Revenue and Expenditures + Other Sources & Uses

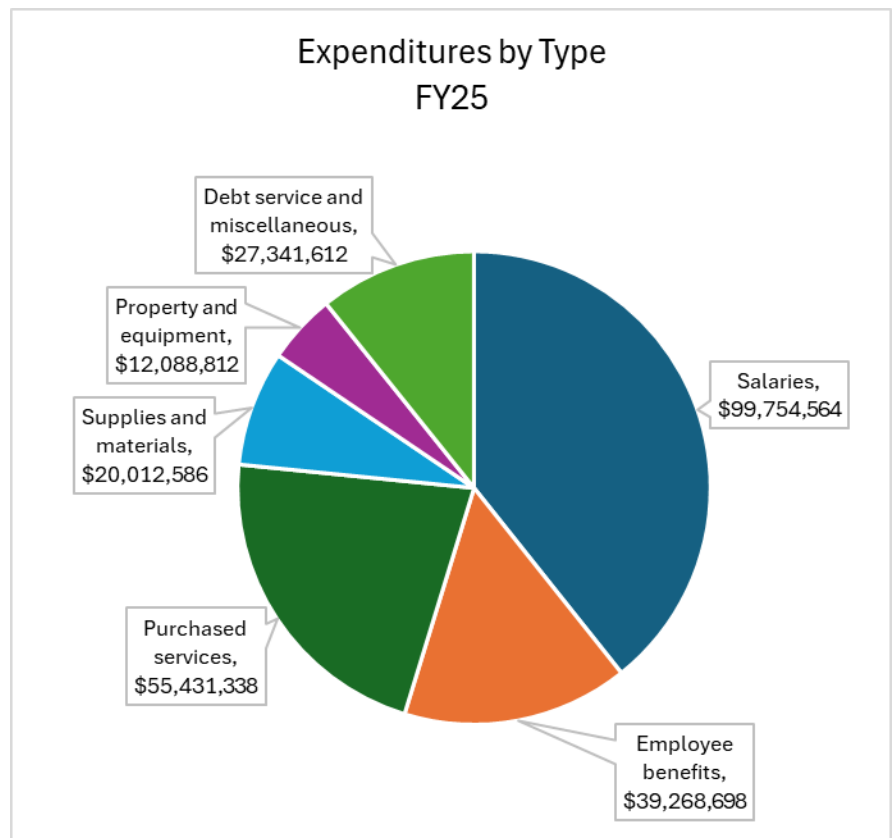


## Summary: Revenue and Expenditures



- The state of Utah increased the WPU by 5.0% in FY25, as compared to 6.0% in FY24.
- No property tax increase in FY24 or FY25.
- Federal revenue decreased significantly compared to FY24 due to the end of pandemic relief funds.
- Some state restricted programs see modest increase in allocations.
- Favorable interest rates continue to result in higher than normal interest income on funds held in interest-bearing accounts, helping to partially offset inflationary pressures and lagging state aid.
- Inflation remains higher than normal, eroding the District's buying power.

- Salary expenditures in FY25 increased by 2.1% over FY24. This is due to the Board's goal to increase employee pay throughout the District to be more competitive with surrounding school districts.
- The District moved to a self-funded medical insurance model in FY24, which has led to modest cost containment in employee benefit cost increases.
- Purchased services decreased by 48.8% due to bond projects nearing completion.
- Supplies expenditures decreased by 11.4%, primarily due to the expiration of one-time pandemic relief grants.
- Revenue and expense budgets include the PCSD Foundation - a separate legal entity, recorded in the District financial statements as a blended component unit.



## Fund Balance: Classifications

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.

To comply with the Government Accounting Standards Board (GASB) requirements, the District’s fund balance is classified by the following types:

- **Nonspendable** fund balance includes inventories and prepaid expenditures that are not expected to be converted to cash.
- **Restricted** fund balance includes net fund resources that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors.
- **Committed** fund balance includes funds that have constraints on use, imposed by the Board.
- **Assigned** fund balances in the General fund are those that do not meet the requirements of restricted or committed, but that are intended to be used for a specific purpose. Intent can be expressed by the Board or the Business Administrator, who has been authorized by the Board to assign fund balance.
- **Unassigned** fund balance in the General fund are all other available net fund resources.

The budgeted nonspendable, restricted, committed, and assigned fund balances for the General fund are show in the table to the right.

The District does not budget for an unassigned fund balance in the General fund. This is in alignment with the concept that revenue provided to a district are intended to be used during the period for which they were generated. However, it is probable that an unassigned fund balance will occur during fiscal year 2024-25 due to conservative budgeting practices. Utah law allows a maximum reserve of 5.0% of the adopted budget (53G-7-304) for economic stabilization. The law stipulates that this commitment may not be used in the negotiation or settlement of contract salaries for employees. Furthermore, the law states that the reserve cannot be used until the District’s Board of Education provides the State Board of Education with an adopted, written resolution setting forth the reasons for using the funds.

### Fund Balance Classification (GASB 54)

#### General Fund

Fiscal Year 2024-25 Proposed Budget

	<b>Proposed Budget 2024-25</b>
Nonspendable	
Inventory and prepaids	\$ 210,023
Restricted	
State and federal programs	2,286,674
Committed	
OPEB	13,448,244
Economic stabilization	4,344,402
Assigned	11,116,857
Unassigned	16,958,878
<b>Total</b>	<b>\$ 48,365,078</b>

## Fund Balance: All Funds

In prior fiscal years, the Board has made the following commitments:

- 5.0% for economic stabilization.
- Fully fund local retiree benefits based on actuarial assumptions.
- Fund all compensated absences based on annual calculations.
- The fund balances for the Student Activity and the Provo City School District Foundation fund remain in those funds.

The fund balances for the Child Nutrition, Capital Projects, Municipal Building Authority, and Debt Service funds are restricted due to enabling legislation.

The District’s overall fund balance will decrease by \$28.9 million. The Municipal Building Authority and Capital Projects fund account for the majority of the decrease as previously issued bonds are being used for school construction projects. The fund balance in the General fund is budgeted to decrease by \$0.9 million; however, due to conservative budget practices the actual decrease is expected to be less. The District will use the allowance in Utah Code 11-14-310(c) in which remaining Debt Service revenue can be used for technology programs or projects. A transfer of \$1.0 million from the Debt Service fund to the General fund is budgeted for this allowance. The Self-Insurance fund balance is budgeted to decrease by \$0.7 million. Medical and pharmacy costs have skyrocketed over the past year. Insurance premiums for both the District and employee shares will likely continue to increase in future years due to inflationary pressures.

The following table contains a five year comparison of fund balance for all governmental funds, proprietary fund (Self-Insurance fund), and a discretely presented component unit (Provo City School District Foundation).

### Summary of Fund Balances

All Governmental Funds, Proprietary Fund, and Discretely Presented Component Unit  
Fiscal Year 2024-25 Proposed Budget

Funds	Actual 2020-21	Actual 2021-22	Actual 2022-23	Final Budget 2023-24	Proposed Budget 2024-25	Percent Increase (Decrease)
General	\$ 43,710,872	\$ 42,651,155	\$ 41,707,221	\$ 49,235,078	\$ 48,365,078	-1.8%
Debt Service	1,775,205	216,802	1,212,482	1,212,482	212,482	-82.5%
Capital Projects	91,353,452	67,850,603	54,306,677	28,741,392	23,904,162	-16.8%
Municipal Building Authority	4,146,901	112,572,219	80,027,770	27,206,382	6,048,461	-77.8%
Student Activity	2,043,907	2,219,256	2,616,911	2,415,099	2,255,664	-6.6%
Pass-Through Taxes	-	-	-	-	-	-
Building Reserve	18,372,240	20,372,240	20,372,240	20,372,240	20,372,240	0.0%
Child Nutrition	1,904,379	3,281,437	3,138,232	2,287,840	2,050,397	-10.4%
Self-Insurance	-	-	2,902,474	3,902,474	3,252,474	-16.7%
PCSD Foundation	962,796	1,183,213	1,110,816	951,008	951,008	0.0%
<b>Total</b>	<b>\$ 164,269,752</b>	<b>\$ 250,346,925</b>	<b>\$ 207,394,823</b>	<b>\$ 136,323,995</b>	<b>\$ 107,411,966</b>	<b>-21.2%</b>

# Major Funds

The General, Capital Projects, Municipal Building Authority (MBA), and Debt Service fund are categorized as major governmental funds because of the large dollar amounts of revenue and expenditures. These four funds account for the majority of all governmental fund expenditures. The following is an overview of each.

## General Fund

The District classifies expenditures into functions prescribed by the Utah State Board of Education. Their definitions are as follows:

- **Instruction:** Activities dealing directly with the interaction between teachers and students. Teaching may be provided to pupils in a school classroom, in virtual environments or other location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. Included here are the activities of aides or assistants of any type that assist in the instructional process.
- **Student Support Services:** Activities that are designed to assess and improve the wellbeing of students and to supplement the teaching process. Examples of student services are counselors, social workers, psychologists, and nurses.
- **Instructional Staff Support Services:** Activities associated with assisting the instructional staff with the content and process of providing learning experience for pupils. It includes activities designed to manage, direct, and supervise the instructional program and improve the quality of instruction and curriculum. The costs of acquiring and distributing library and media resources used to support instruction are included here.
- **District Administration:** Activities concerned with establishing and administering policy for the entire school system. It includes responsibilities of such areas as the Board of Education and the Office of the Superintendent.
- **School Administration:** Activities concerned with the overall administrative responsibility for a single school or a group of schools. It includes the principal, assistant principal, and other administrative and clerical staff.
- **Central Services:** Activities that support other administrative and instructional functions including business services, human resources, technology services, and public relations.
- **Operational and Maintenance of Facilities:** Activities concerned with keeping the physical facilities open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in an effective working condition and state of repair. Activities that maintain safety in buildings, on the grounds, and in the vicinity of schools are included.
- **Student Transportation:** Activities concerned with the transportation of students to and from school, as provided by state law.

## Staffing and Labor Negotiations

Education, by nature, is a labor-intensive effort. Employee salaries and benefits comprise the majority of the



General fund expenditures. The District has 60.5% of its budgeted FTE's (full-time equivalents) instructing students. Another 14.6% of budgeted FTE's are in schools supporting our students and teachers (the student and instructional staff support functions). The table below shows the number of contracted FTE's for each function for the fiscal year 2024-25 proposed budget and the previous four fiscal years. More detailed FTE comparisons for previous fiscal years can be found in the Informational Section.

The District has completed negotiations with the Provo Education Association, the Provo Education Support Professional Association and its administrators, directors, and professional technical employees. Highlights from each agreement are as follows.

#### **Provo Education Association (PEA)**

- Certified employees will receive one level increase on the enhanced certified salary schedule with the increment amount between levels remaining the same as the prior year.
- A cost of living adjustment (COLA) of 3.0% on the base of the enhanced certified salary schedule.
- One-time longevity levels will be awarded to employees based on continual service in a contracted assignment on the certified enhanced salary schedule.
- Teachers who complete the National Board Certification will receive a \$2,200 stipend paid out over 12 months.
- The overall cost of medical insurance increased by 11.5% over the prior year. The District will fund 6.5% of that cost and employees will fund the remaining 5.0% through their monthly premiums.

#### **Provo Education Support Professional Association (PESPA)**

- Classified employees will receive one level increase on the classified salary schedule with the increment amount between levels remaining the same as the prior year.
- A cost of living adjustment (COLA) of 3.0% on the base of the enhanced classified salary schedule.
- Add one level to the salary schedule (126) for those that are on the last level.
- Award a one-time longevity increase.
- The overall cost of medical insurance increased by 11.5% over the prior year. The District will fund 6.5% of that cost and employees will fund the remaining 5.0% through their monthly premiums.

#### **PCSD Administrators, Directors, and Professional Technical Employees (Admin)**

- Fund one level increase on the respective salary schedules.
- A cost of living adjustment (COLA) of 3.0% on the base of the respective salary schedules.
- Fund a one-time 1.0% incentive to be paid in November.
- The overall cost of medical insurance increased by 11.5% over the prior year. The District will fund 6.5% of that cost and employees will fund the remaining 5.0% through their monthly premiums.

## Capital Projects Fund

The District has developed a long-term building program to construct new schools and renovate existing schools to accommodate needs and address safety and security concerns. The objective of this program is to provide school facilities that offer the optimum for student achievement and teacher collaboration.

In addition, the District works with a third-party consultant to evaluate and improve the overall efficiency of energy use within its facilities. There have been several improvements and adjustments to HVAC equipment throughout the District. As a result, the District has seen some savings in energy costs.

## Municipal Building Authority Fund

The Municipal Building Authority (MBA) fund was created because the District faced the issue of aging buildings. Dixon Middle was originally built in 1931 and Wasatch Elementary was built in 1949. Both schools 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.

### Municipal Building Authority Bonds

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
Series 2010 QCSB	School Building	\$ 6,462,000	2.25%-5.00%	June 15, 2035	\$ 6,462,000
Series 2022	School Building	100,355,000	2.00%-5.00%	June 15, 2036	94,055,000
<b>Total lease revenue bonds payable as of June 30, 2024:</b>					<b>\$ 100,517,000</b>

## Debt Service Fund

The Debt Service fund is used to account for the accumulation of resources and the payment of general obligation bonds. The voters of the District have authorized the issuance of general obligation bonds for the purpose of acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for quality educational programs for all students within the District. The bonds are general obligations of the Board of Education payable from the proceeds of a property tax levy that is sufficient to pay the principal and interest as it becomes due.

### General Obligation Bonds

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
Series 2015	School Building	\$ 50,615,000	2.25%-5.00%	June 15, 2035	\$ 32,350,000
Series 2016	School Building	50,650,000	2.00%-5.00%	June 15, 2036	36,300,000
Series 2021	School Building	73,670,000	1.75%-5.00%	June 15, 2041	69,820,000
Series 2021B	Refunding	22,790,000	2.13%-5.00%	June 15, 2027	5,885,000
<b>Total general obligation bonds payable as of June 30, 2024:</b>					<b>\$ 144,355,000</b>

## Budget Forecasts: All Funds

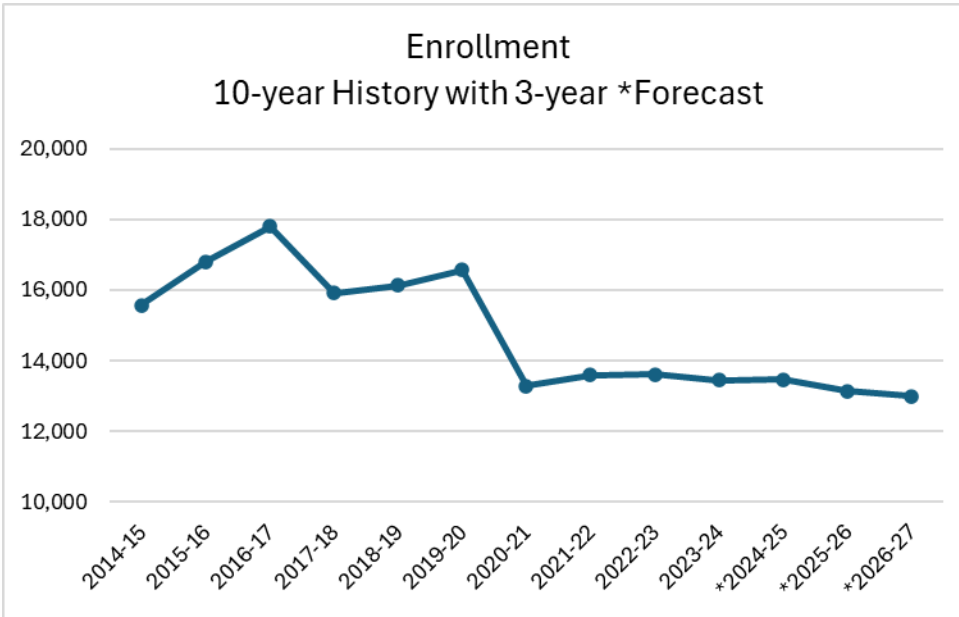
Three-year budget forecasts for all governmental funds, proprietary fund (internal service fund), and discretely presented component unit (i.e. Provo City School District Foundation) can be found in the Financial Section. With its flexible fund balances and a strong state and local economy, the District believes it will experience stability for the foreseeable future.

The following schedule is a combined statement all funds displaying the proposed budget for fiscal year 2024-25 and budget forecasts for fiscal year 2025-26 through 2027-28. The forecasted fiscal years are for informational purposes only, based on trend data, and are not used for planning purposes. While each year presents distinct budget challenges, the District is committed to operating within its available resources.

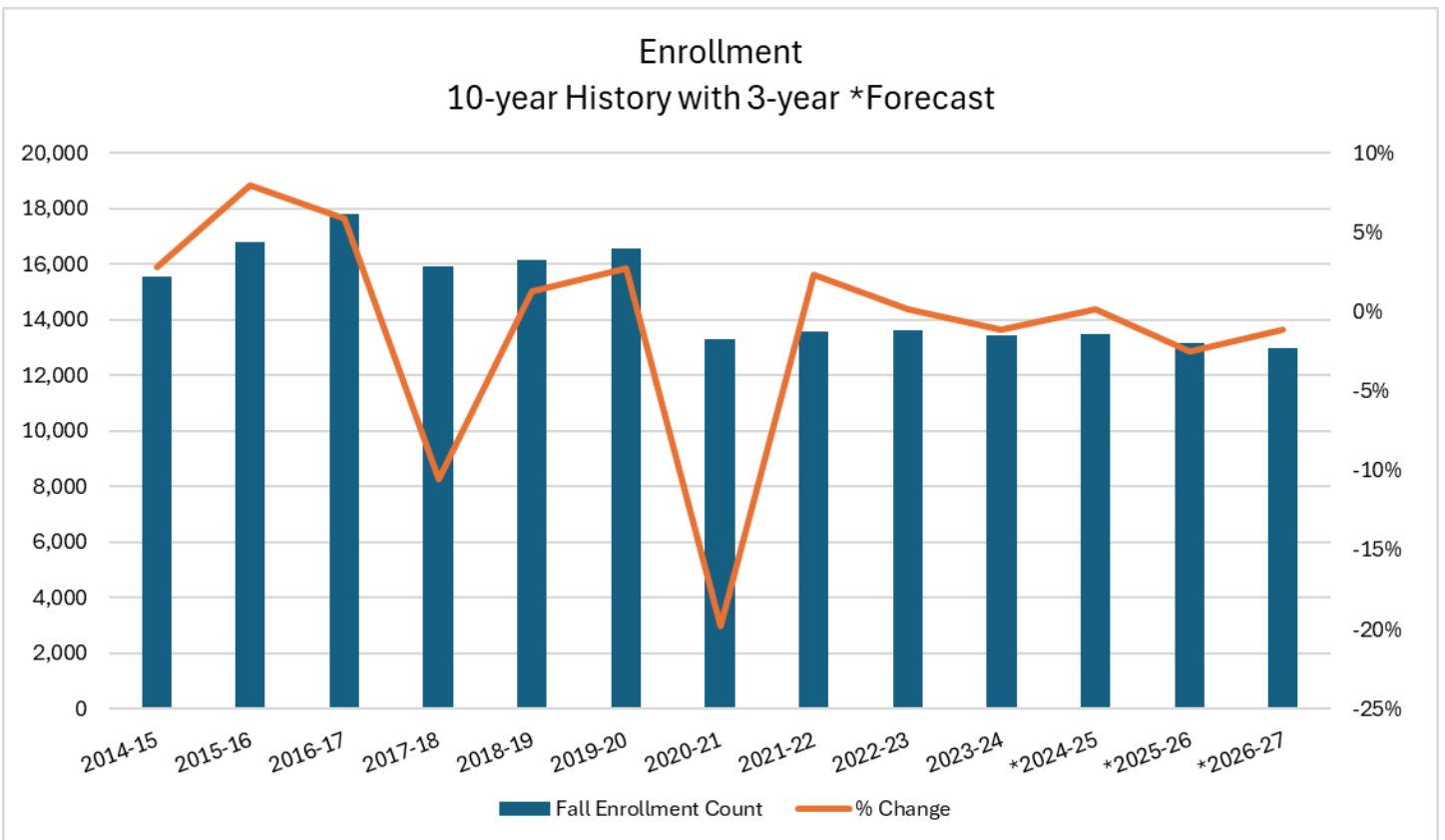
	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenue:</b>				
Local Sources	\$ 112,423,655	\$ 116,920,601	\$ 121,597,425	\$ 126,461,322
State sources	99,900,862	103,896,896	108,052,772	112,374,883
Federal sources:	12,651,064	12,904,085	13,162,167	13,425,410
Total revenue	<u>224,975,581</u>	<u>233,721,582</u>	<u>242,812,364</u>	<u>252,261,615</u>
<b>Expenditures:</b>				
Salaries	99,754,564	103,245,974	106,859,583	110,599,668
Employee benefits	39,268,698	40,446,759	41,660,162	42,909,967
Purchased services	55,431,338	53,768,398	52,155,346	50,590,686
Supplies and materials	20,012,586	20,212,712	20,414,839	20,618,987
Property and equipment	12,088,812	11,484,371	10,910,152	10,364,644
Debt service and miscellaneous	27,341,612	27,615,028	27,891,178	28,170,090
Total expenditures	<u>253,897,610</u>	<u>256,773,242</u>	<u>259,891,260</u>	<u>263,254,042</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(28,922,029)	(23,051,660)	(17,078,896)	(10,992,427)
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	10,000	10,000	10,000	10,000
Transfer in (out)	-	-	-	-
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Net change in fund balance	(28,912,029)	(23,041,660)	(17,068,896)	(10,982,427)
<b>Fund balance - beginning</b>	<u>136,323,994</u>	<u>107,411,965</u>	<u>84,370,305</u>	<u>67,301,409</u>
<b>Fund balance - ending</b>	<u>\$ 107,411,965</u>	<u>\$ 84,370,305</u>	<u>\$ 67,301,409</u>	<u>\$ 56,318,982</u>

## Student Enrollment: Fiscal Year 2015 to 2027

The District's student enrollment has experience dramatic shifts in the last 10 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 drop in enrollment in fiscal year 2017-18 and 2020-21. Enrollment since then has remained relatively flat.



Fiscal Year	Fall Enrollment Count	% Change
2014-15	15,565	2.9%
2015-16	16,800	7.9%
2016-17	17,793	5.9%
2017-18	15,922	-10.5%
2018-19	16,127	1.3%
2019-20	16,567	2.7%
2020-21	13,286	-19.8%
2021-22	13,592	2.3%
2022-23	13,611	0.1%
2023-24	13,455	-1.1%
*2024-25	13,477	0.2%
*2025-26	13,140	-2.5%
*2026-27	12,991	-1.1%

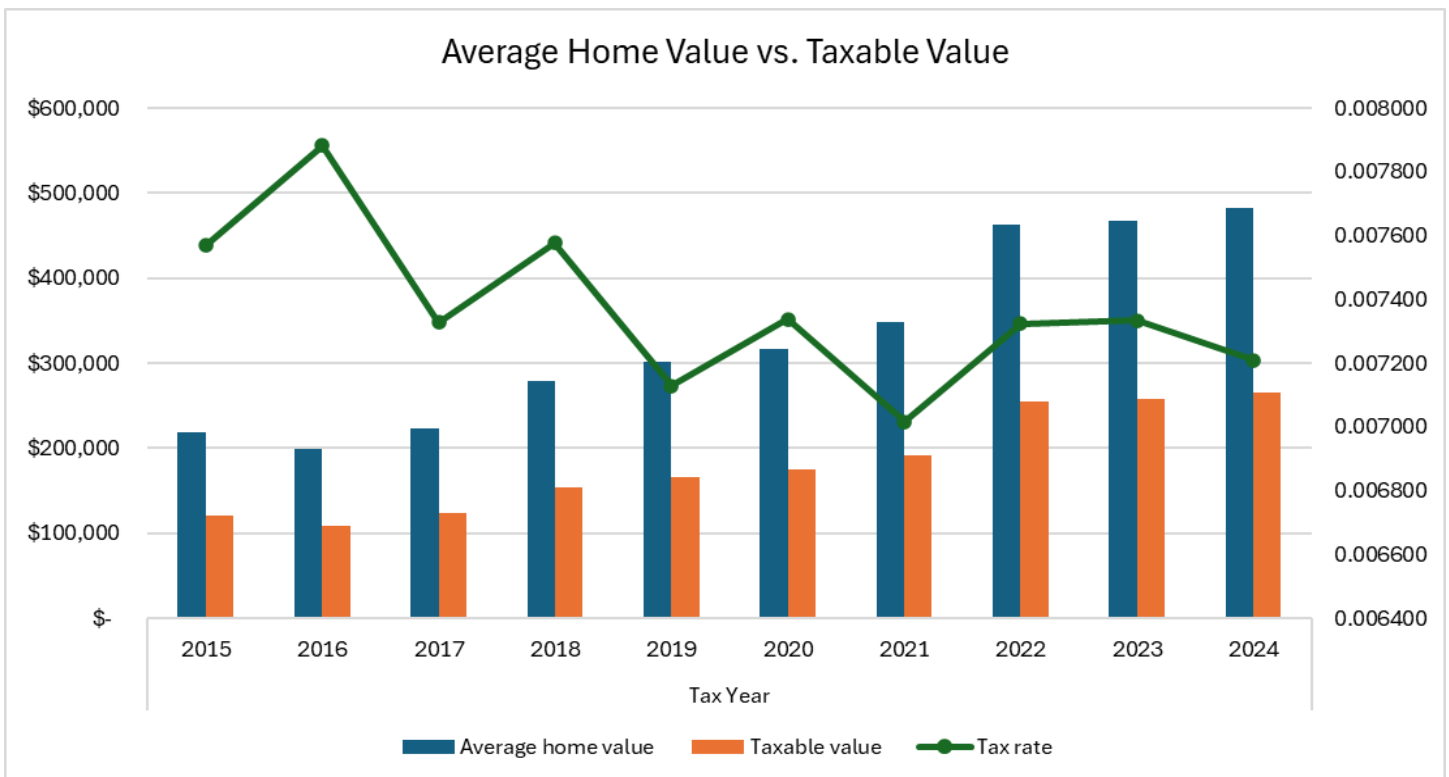


## Property Taxes: Tax Base and Rate

The tax rate for fiscal year 2024-25 is budgeted to be 0.007208, including the state charter school levy of 0.000124, which is diverted by the state for distribution to charter schools. This rate is a decrease of 0.000125 or 1.7% from the prior year rate. The average home value in Provo as of tax year 2024 is \$481,777, an increase of \$14,377 or 3.1% over the prior year.

Below is a table with a five-year history of tax rates, as well as a chart illustrating the average home, taxable value, and tax rate over the past ten tax years.

Property Tax Rates (per \$1 of taxable value)	Tax Year					Proposed 2024	Change	% Change
	2020	2021	2022	2023				
<b>General Fund</b>								
Basic program (set by state)	0.001628	0.001661	0.001652	0.001406	0.001408	0.000002	0.1%	
Board local levy	0.001997	0.001734	0.001760	0.001831	0.001724	(0.000107)	-5.8%	
Voted local levy	0.000968	0.000911	0.000587	0.001300	0.001300	0.000000	0.0%	
<b>Capital Projects Fund</b>								
Capital local levy	0.001198	0.001271	0.001847	0.001229	0.001196	(0.000033)	-2.7%	
<b>Debt Service Fund</b>								
General obligation debt	0.001453	0.001349	0.001381	0.001469	0.001456	(0.000013)	-0.9%	
<b>Pass-Through Taxes Fund</b>								
Charter school levy (set by state)	0.000093	0.000091	0.000096	0.000098	0.000124	0.000026	26.5%	
<b>Total tax rate</b>	<b>0.007337</b>	<b>0.007017</b>	<b>0.007323</b>	<b>0.007333</b>	<b>0.007208</b>	<b>(0.000125)</b>	<b>-1.7%</b>	



# Staffing Levels by Function: Fiscal Year 2016 to FY2025

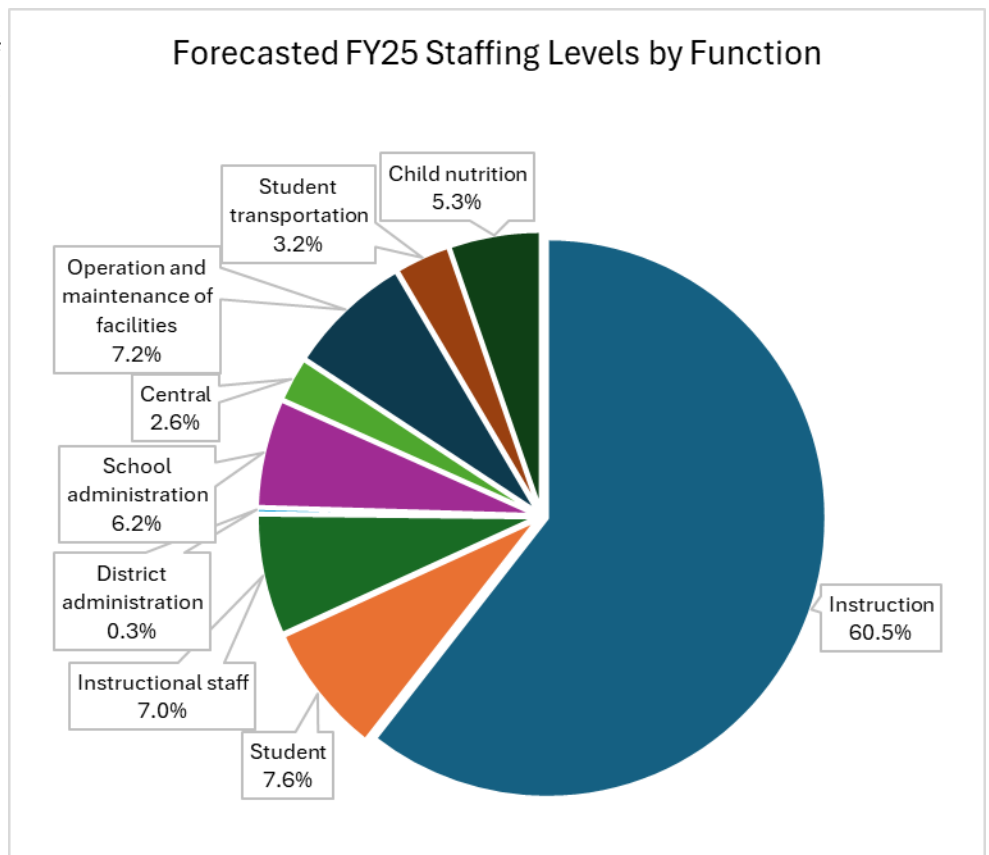
Function	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Forecast 2024-25
Instruction	1,023	1,021	1,022	1,001	1,036	1,088	1,097	1,050	1,070	970
Support Services										
Student	68	84	101	103	104	109	117	126	129	122
Instructional staff	29	42	90	77	91	97	105	120	128	112
District administration	24	26	17	21	16	21	17	18	7	5
School administration	71	76	81	84	89	89	89	89	89	100
Central	47	51	43	50	36	40	41	41	42	41
Operation and maintenance of facilities	109	114	114	119	120	134	99	105	115	116
Student transportation	51	39	48	40	48	52	61	47	47	51
Child nutrition	82	87	76	84	74	84	82	74	82	85
Community services	62	47	4	4	2	1	-	-	-	-
<b>Total FTE's</b>	<b>1,566</b>	<b>1,587</b>	<b>1,596</b>	<b>1,583</b>	<b>1,616</b>	<b>1,715</b>	<b>1,708</b>	<b>1,670</b>	<b>1,709</b>	<b>1,602</b>

Staffing levels decreased from fiscal year 2023-24 to fiscal year 2024-25 in the instruction and support services functions largely due to the expiration of federal pandemic relief funds. In addition, the District and the Board streamlined and improved the efficiency of the district office, which resulted in a decrease in district-level administrative staff and overhead.

Transportation and Child Nutrition have faced challenging times with hiring staff, but that pandemic-era trend has been reversing itself as evidenced by the small increase in FTE in those two functions.

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 personnel, 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, 2024

### General Obligation Bonds

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
Series 2015	School Building	\$ 50,615,000	2.25%-5.00%	June 15, 2035	\$ 38,684,425
Series 2016	School Building	50,650,000	2.00%-5.00%	June 15, 2036	44,765,504
Series 2021	School Building	73,670,000	1.75%-5.00%	June 15, 2041	86,148,358
Series 2021B	Refunding	22,790,000	2.13%-5.00%	June 15, 2027	6,450,500
<b>Total general obligation bonds payable as of June 30, 2024:</b>					<b>\$ 176,048,787</b>

The District's legal debt limit is computed by taking the total estimated fair market value of property in Provo (\$16.0 billion) less the taxable value of motor vehicles (\$202.7 million) and multiplying the net by 4.0%. The District is only using 26.6% of its debt incurring capacity (sometimes referred to as legal debt margin).

The other portion of long-term debt at the District is lease revenue bonds issued by the Municipal Building Authority of Provo City School District (MBA). The MBA is a separate legal entity that has the authority to issue lease revenue bonds on behalf of the District for large capital projects (e.g. constructing new schools or renovating existing schools). These lease revenue bonds are serviced by an annual transfer of property tax revenue from the Capital Projects fund.



### Municipal Building Authority Bonds

Series	Purpose	Original Amount	Interest Rate Range	Final Maturity Date	Current Outstanding Balance
Series 2010 QCSB	School Building	\$ 6,462,000	2.25%-5.00%	June 15, 2035	\$ 6,620,966
Series 2022	School Building	100,355,000	2.00%-5.00%	June 15, 2036	129,897,050
<b>Total lease revenue bonds payable as of June 30, 2024:</b>					<b>\$ 136,518,016</b>



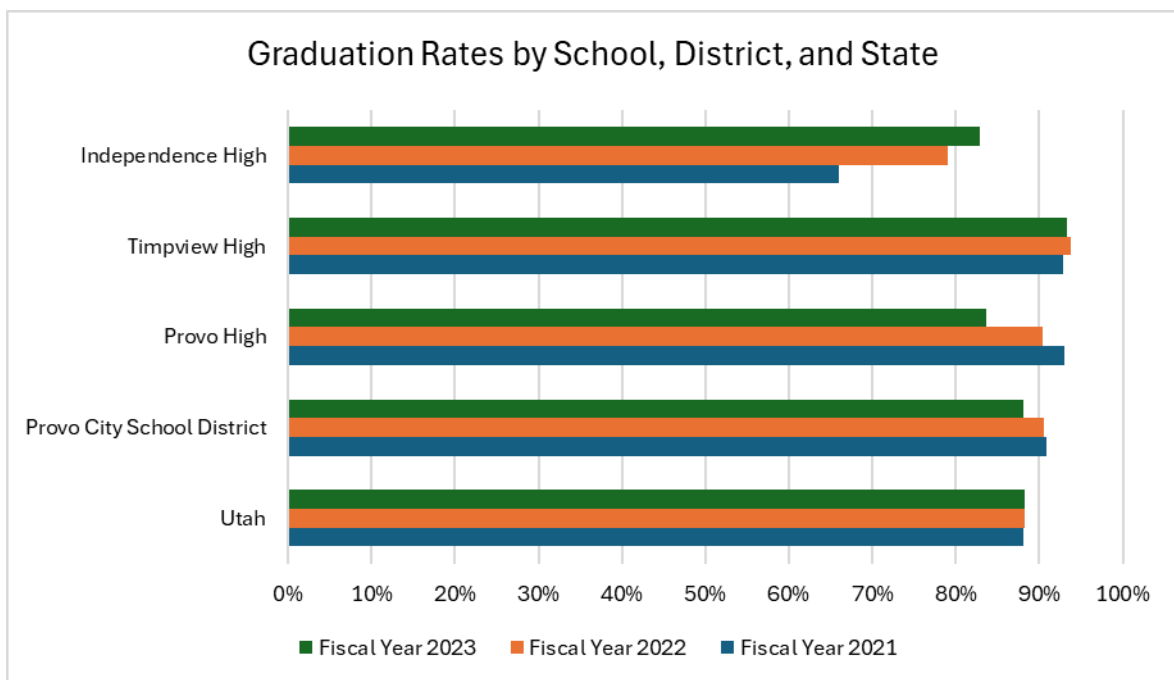
## Student Achievement: Indicators

In preparing the budget each year, student achievement is paramount to the process. From nutritious meals to safe buildings, every department is tasked with providing the best services and opportunities for students and families throughout the District. Budget initiatives are developed to meet short- and long-term needs at our schools. These initiatives are developed using student data to make sure services are meeting existing needs, as well as identifying and evaluating additional needs.

The District's strategic plan and goals center on continued growth in the academic proficiency of its students. Assessment results from RISE, ASPIRE, and the ACT exam are monitored and used to evaluate student growth and areas where additional support is needed.

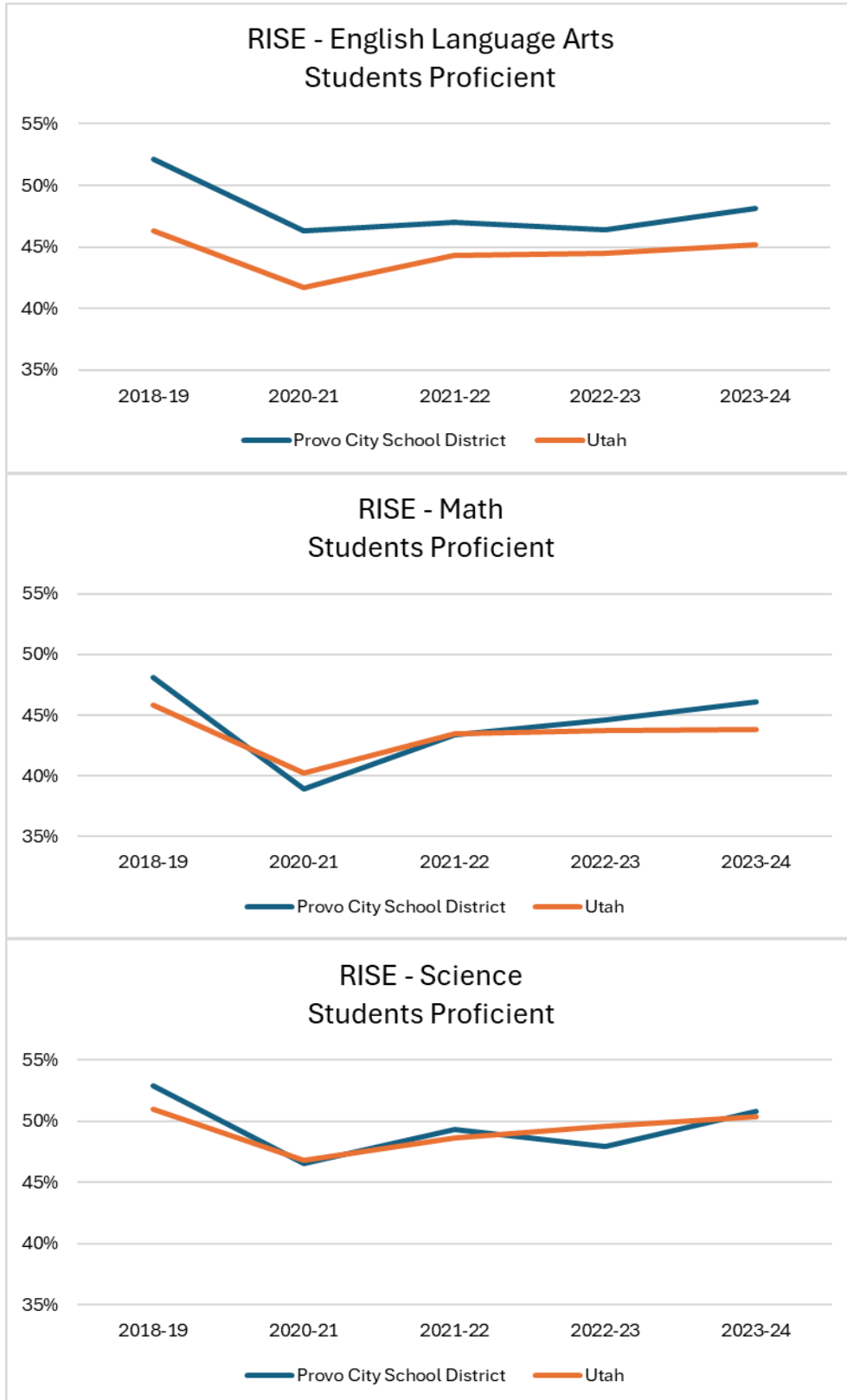
## Student Achievement: Graduation Rates

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 been improving. The District operates two traditional high schools, an alternative high school, 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 88.5% as of fiscal year 2022-23. 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.

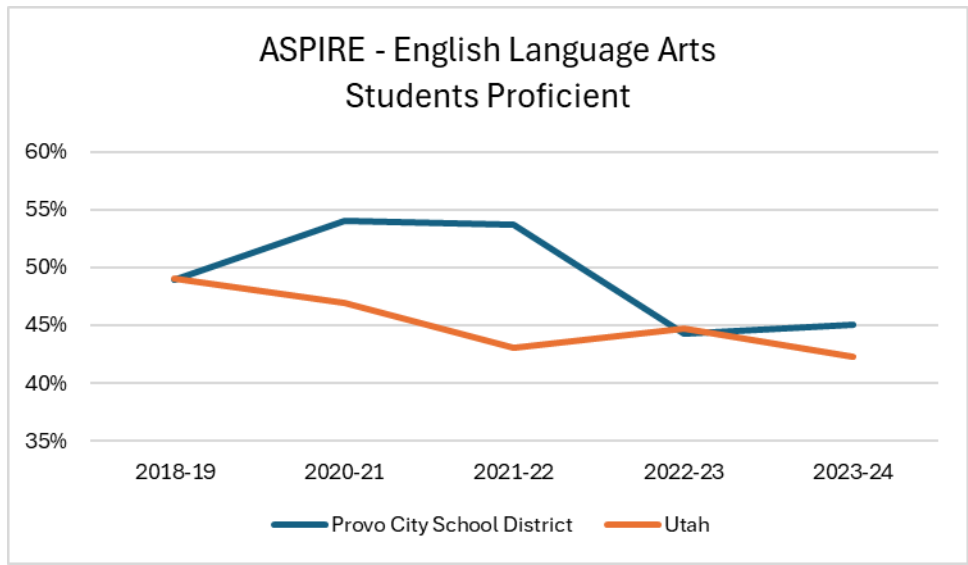
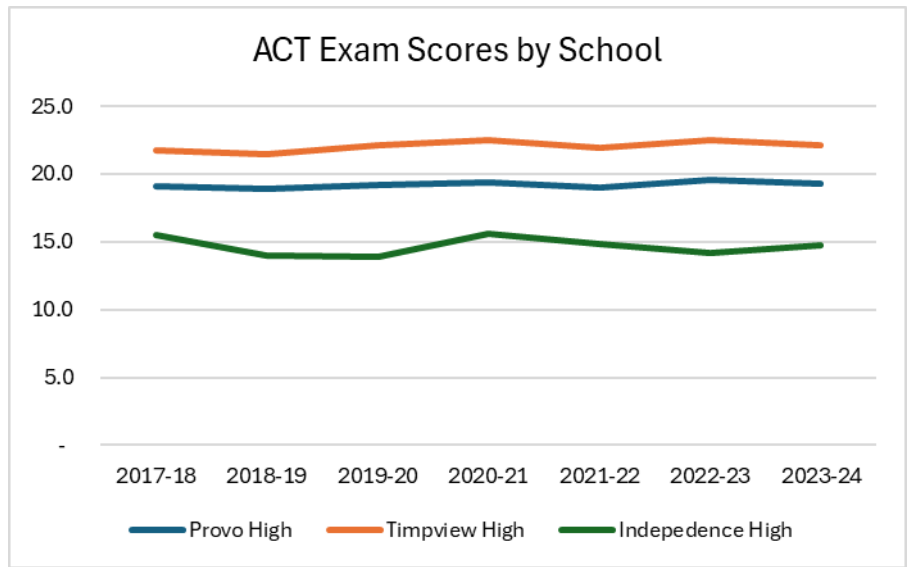
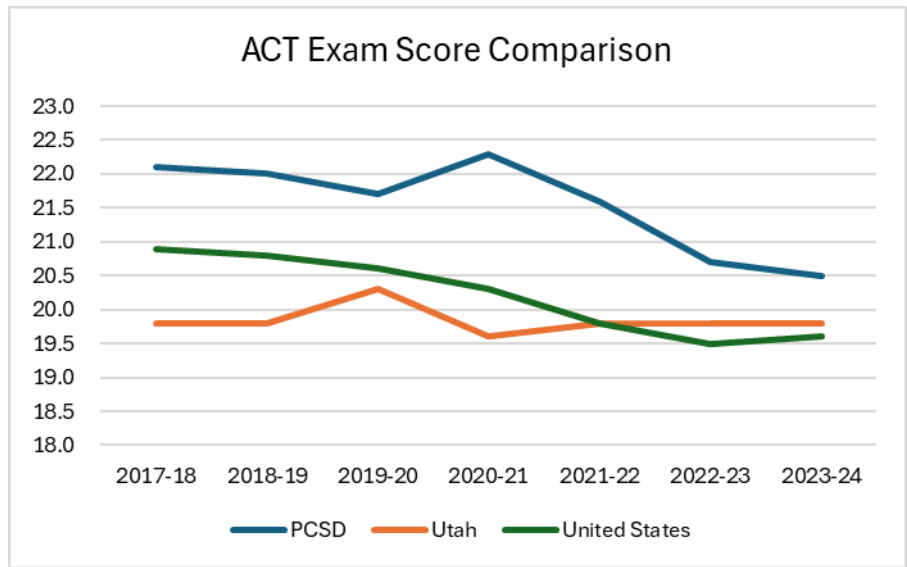


## Student Achievement: Standardized Tests

The District's strategic plan and goals center on continued growth in the academic proficiency of its students. RISE is Utah's computer adaptive standards assessment for students in grades 3-8 and provides a baseline for student learning in those grades. While there are always challenges and obstacles in the path, the results of the past few school years have been positive and continued growth in future years is the expectation.



# Student Achievement: Standardized Tests



# **Organizational Section**

# The District Entity

## Governance and Fiscal Independence

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. 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 staggered 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—positions that are required by state law.

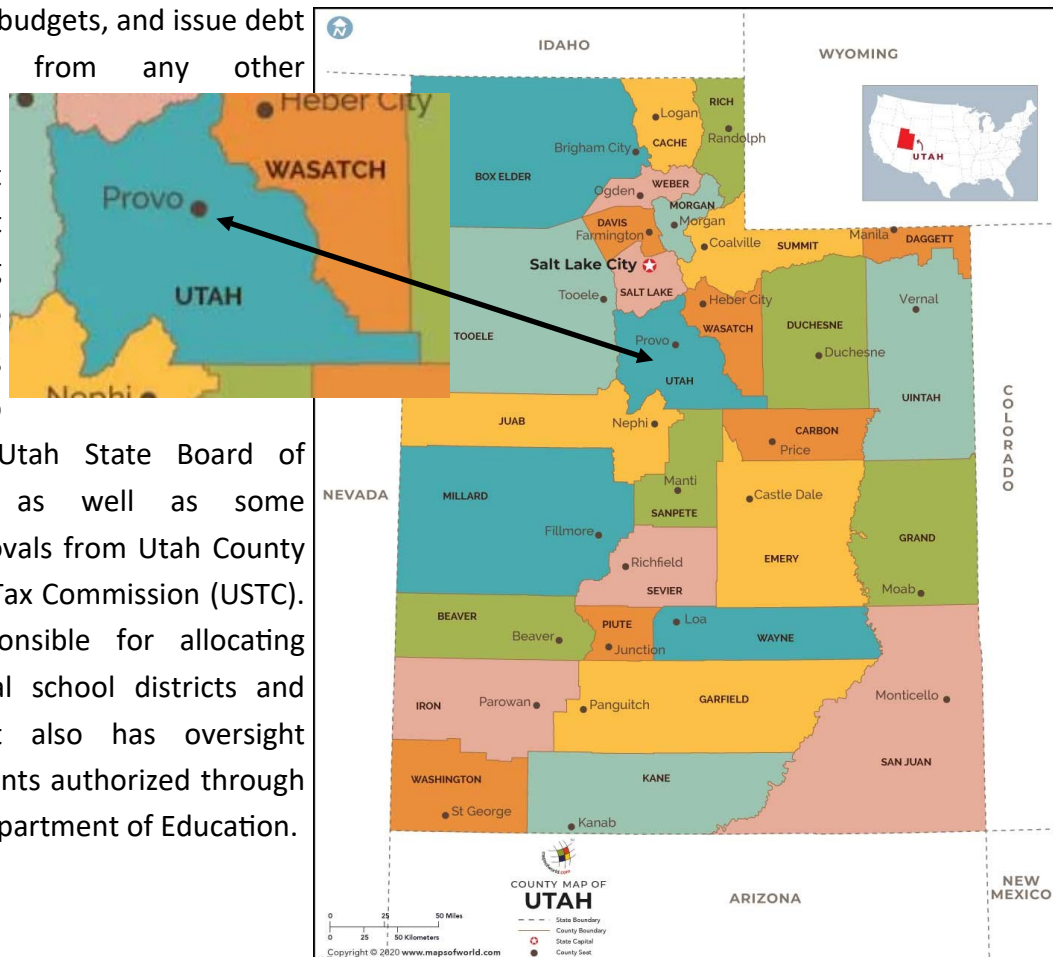
The District is fiscally independent. State law give the District power to levy property taxes, determine fees and other charges, approve and modify budgets, and issue debt without approval from any other government.

While the District places great emphasis on being responsive to the citizens of Provo, it is also subject to oversight by the Utah State Board of Education (USBE) as well as some administrative approvals from Utah County and the Utah State Tax Commission (USTC). The USBE is responsible for allocating funding for all local school districts and charter schools. It also has oversight responsibility for grants authorized through the United States Department of Education.

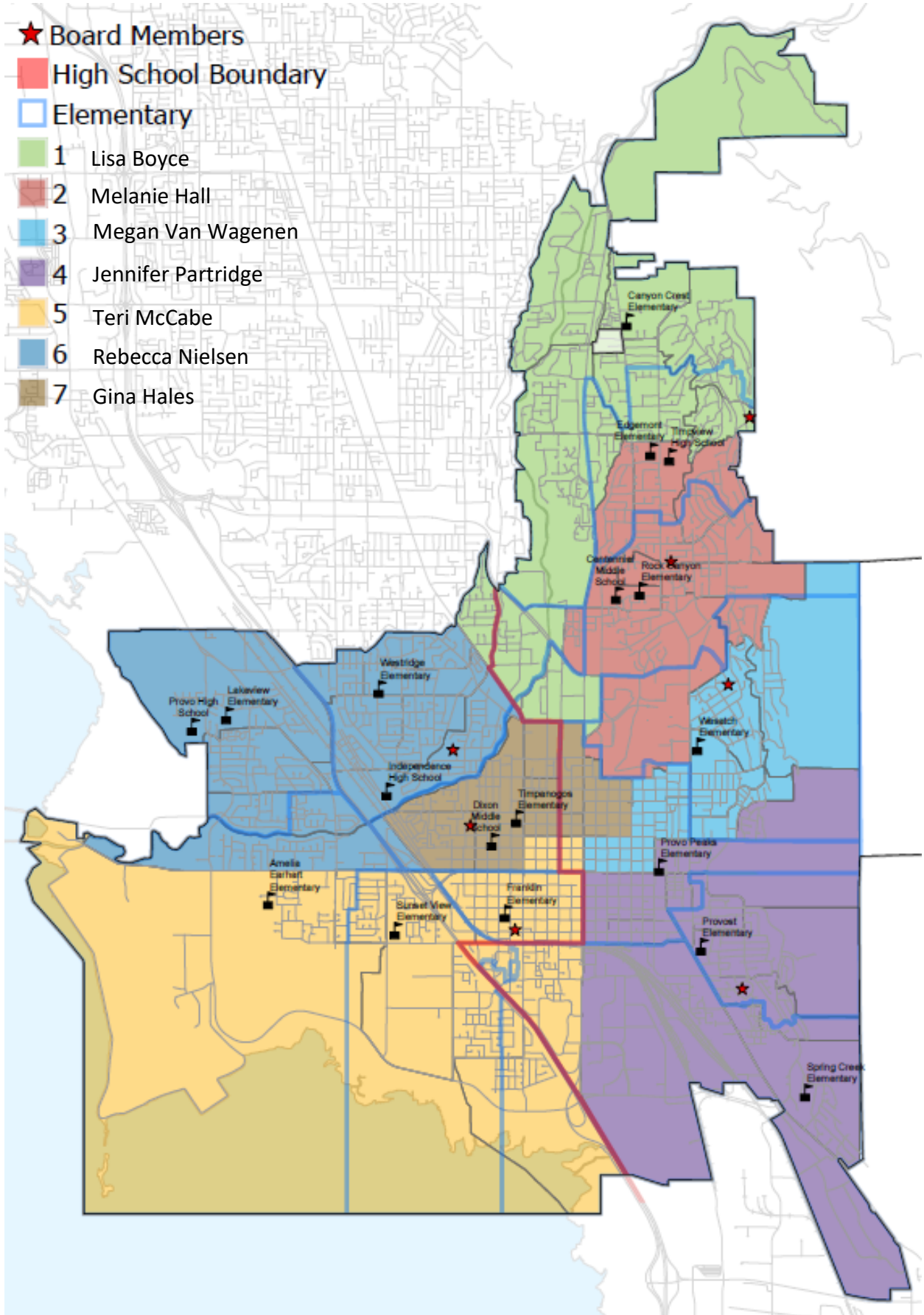
**The District places great emphasis on answering to the citizens of Provo.**

## 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, 2024, the District had 13,455 students enrolled.



# Voter Precincts



# Elementary School Boundaries





# 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.

## **Elementary and Secondary 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.

## **Child Nutrition**

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 Technical Education**

The mission of the Career and Technical Education (CTE) department 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, child nutrition, transportation, and warehouse management.



**Welcome • Educate • Inspire**

# Board of Education

**Superintendent**  
*Wendy Dau*

**Assistant Superintendent  
Elementary Education**  
*Jarod Sites*

**Assistant Superintendent  
Secondary Education**  
*Darrell Jensen*

**Elementary Principals**

**Elementary Assistant Principals**

**Elementary Instructional Coaches**

**Elementary Title I Coordinators**

**Sunrise PreK Administrator**  
*Onyfym Wagner*

**Director of Elementary Teaching & Learning**  
*Judy Rose*

**Elementary Curriculum Specialists**  
K-6 Literacy  
Jerris Boudier  
K-6 Math  
Teresa Auer  
K-6 RTI  
K-12 Fine Arts  
Kylie Anderson  
K-12 ELA & World Language  
Sara Parrish

**Secondary Principals**

**Secondary Assistant Principals**

**Secondary Instructional Coaches**

**Director of Secondary Teaching & Learning**  
*Doug Finch*

**Secondary Curriculum Specialists**  
7-12 ELA  
Jayne Monahan  
7-12 Math  
Carla Johnson  
K-12 Science/STEM  
Brian Mayson  
AVID & Innovation Learning  
Janel Thurston

**Director of Technology**  
*Chad Duncan*

**Director of Career & Technical Education**  
*Clay Bingham*

**CTE Specialists**

**Business Administrator**  
*Devyn Dayley*

**Lead Transportation Coordinator**  
*Troy Lindoff*

**Director of Child Nutrition**  
*Tammy Horger*

**Director of Building Services**  
*Kyle Bates*

**Custodial Services Coordinator**  
*Jef Hunkler*

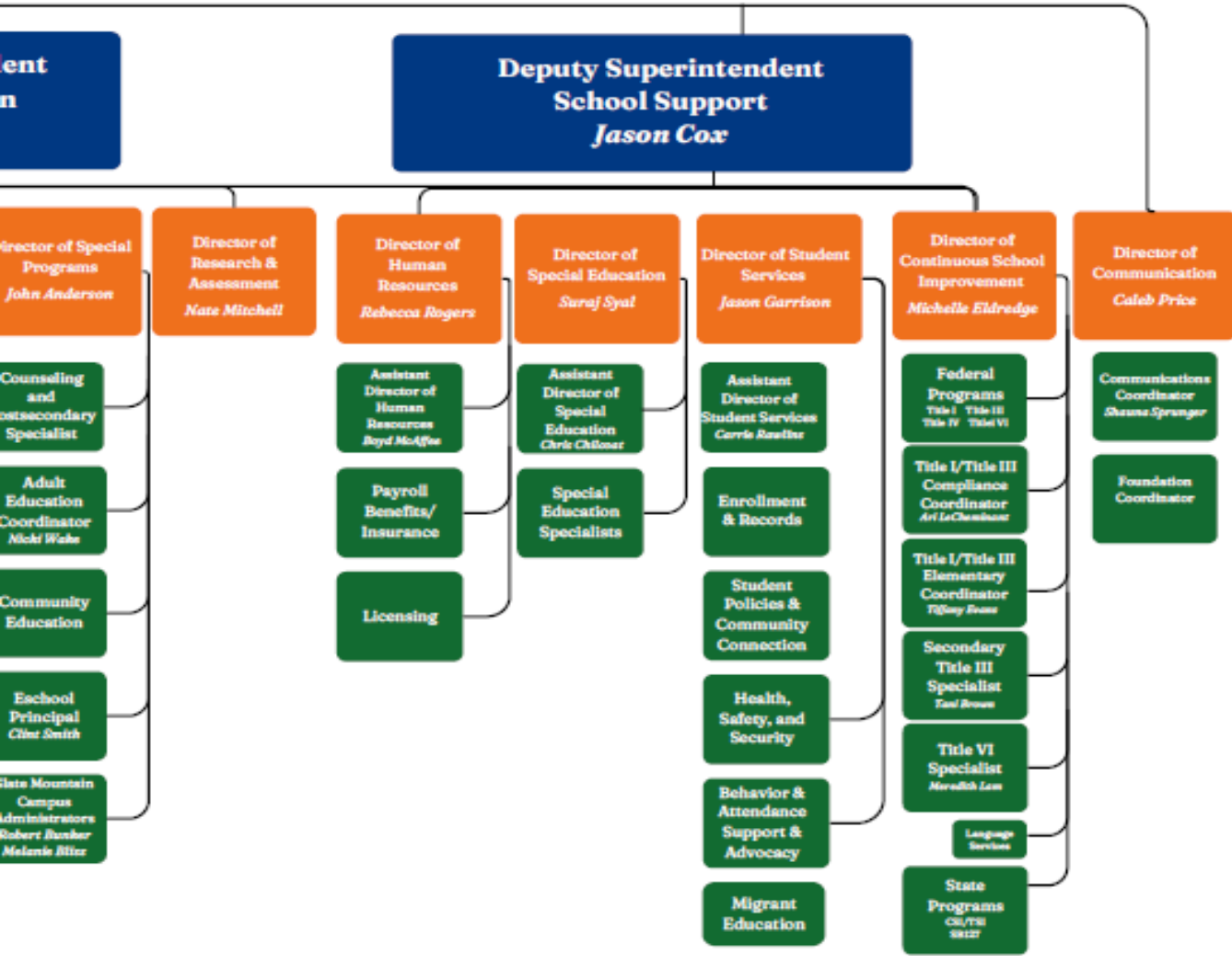
**Director of Accounting**  
*Steven Reese*

**Accounting Specialist**  
*Rhonda Ledone*

**Purchasing & Finance Coordinator**  
*Woody Turnbaugh*



# Organizational Chart





**Welcome • Educate • Inspire**



# Provo City

## SCHOOL DISTRICT

**STRATEGIC PLAN  
2024-2029**

[provo.edu](http://provo.edu)





Dear Provo Community,

We are excited to introduce our newly developed **Provo City School District Strategic Plan**, a roadmap to guide our district in the coming years. With contributions from staff, students, parents, and community members, this plan is not just a vision, but a promise of what we can accomplish together.

As we navigate the opportunities and challenges ahead, we are confident that it will be a compass for every decision made in our district, ensuring alignment between our choices and goals. However, it is more than just a set of guidelines. It is a shared commitment to a consistent, unified approach across our schools. Every facet of our district will be shaped by its principles, helping us create a high-achieving, high-functioning place of learning that prepares both students and staff for success beyond our doors.

We invite each of you to familiarize yourselves with this plan and participate in its implementation and fulfillment. Together, we will foster inspiration, raise the bar for academic achievement, and cultivate a welcoming culture that will benefit all who come in contact with our schools.

Thank you for your continued support and dedication to making the Provo City School District a model of success.

Sincerely,

Rebecca Nielsen  
Board President  
Provo City School District Board of Education

## Contents

- 2 Mission, Vision & Core Values
- 3 From the Superintendent
- 5 Priority 1: Academic Achievement
- 7 Priority 2: Wellness and Safety
- 9 Priority 3: Stewardship of Resources
- 11 Acknowledgments

## STRATEGIC PLAN 2025-2030



**MISSION**

**Welcome  
Educate  
Inspire**

**VISION**

The Provo City School District is a vibrant learning environment where all students become lifelong learners and engaged community members.

**Core Values**

**Belonging**

Creating a welcoming and supportive environment where differences are valued and everyone feels respected and included.



**Growth**

Striving for academic rigor, innovative teaching methods, and continuous improvement to foster student success and achievement.



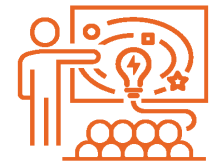
**Empowerment**

Providing tools, resources, and opportunities to build confidence, develop capacity, and achieve greatness.



**Creativity**

Encouraging innovation, curiosity, imagination, and critical thinking.



**Community**

Establishing strong partnerships between schools, families, and the broader community to enhance educational experiences and address needs of students effectively.





## From the Superintendent



Dear Provo Community,

We are excited to share with you Provo City School District's Strategic Plan. A big thank you to the many community members, employees, and students that contributed to our efforts as we identified our priorities and goals. We seek to make Provo City School District a destination district for all stakeholders. This plan will guide us as we provide a world class education that prepares students effectively for an array of postsecondary opportunities.

We know that inviting, welcoming, and inspiring environments lead to impressive student outcomes which will benefit our entire community. Our priorities will guide our decision-making and action plans. We look forward to communicating our successes and areas of growth with our entire community as we improve the education we provide to all students.

Our students, employees, and families can expect us to provide an environment where all can excel, flourish, and feel valued. We value the partnership we have with all our stakeholders, and we commit to maximizing opportunities and success for each child in Provo City School District.

Best,

Wendy J. Dau  
Superintendent  
Provo City School District

### Planning Process

Provo City School District established a Steering Committee comprised of students, parents, district staff, and community members that met monthly over the last year to develop our strategic plan. We completed a needs assessment by analyzing student achievement and growth data along with qualitative and quantitative district data. Further input from surveys and focus groups informed the development of our priorities through a series of school board work sessions. We are grateful for the time and feedback provided by so many who supported this process, resulting in a plan that will benefit the students, families, and staff members of the Provo City School District and contribute to the growth and success of our community for years to come.



Family and Community Engagement

Opportunity for All

Priority One



Academic Achievement

Priority Two



Wellness & Safety

Priority Three



Stewardship of Resources

Provo City  
SCHOOL DISTRICT





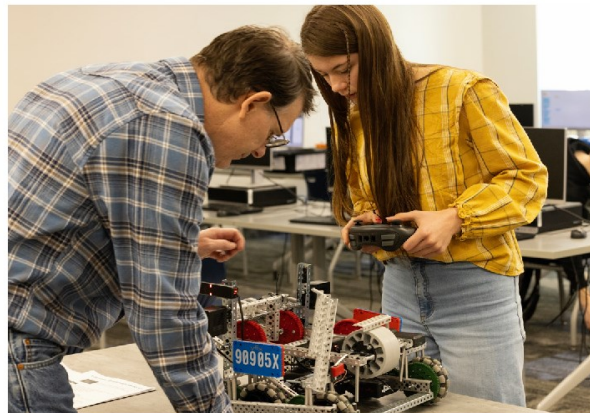
**PRIORITY**



**Academic  
Achievement**



Goals	Strategies	Key Performance Indicators (KPIs)																													
<p><b>Increase the percentage of students achieving proficiency in core subjects (M/LA/S) by 15% within 5 academic years.</b></p>	<ul style="list-style-type: none"> <li>• Ensure all students have access to and engagement with high-quality Tier 1 instruction including differentiated instructional strategies &amp; regular formative assessments, to address individual learning needs.</li> <li>• Analyze data by student group for the district and schools and implement systematic, targeted Tier 2 and Tier 3 evidence-based interventions.</li> <li>• Provide professional development opportunities for teachers to enhance their instructional practices, including student engagement strategies.</li> </ul>	Measured by end of level state assessments																													
		<table border="1"> <thead> <tr> <th>Year</th> <th>Language Arts</th> <th>Math</th> <th>Science</th> </tr> </thead> <tbody> <tr><td>2025</td><td>51%</td><td>46%</td><td>48%</td></tr> <tr><td>2026</td><td>54%</td><td>49%</td><td>51%</td></tr> <tr><td>2027</td><td>57%</td><td>52%</td><td>54%</td></tr> <tr><td>2028</td><td>60%</td><td>55%</td><td>57%</td></tr> <tr><td>2029</td><td>63%</td><td>58%</td><td>60%</td></tr> <tr><td>2030</td><td>66%</td><td>61%</td><td>63%</td></tr> </tbody> </table>	Year	Language Arts	Math	Science	2025	51%	46%	48%	2026	54%	49%	51%	2027	57%	52%	54%	2028	60%	55%	57%	2029	63%	58%	60%	2030	66%	61%	63%	
Year	Language Arts	Math	Science																												
2025	51%	46%	48%																												
2026	54%	49%	51%																												
2027	57%	52%	54%																												
2028	60%	55%	57%																												
2029	63%	58%	60%																												
2030	66%	61%	63%																												
<p><b>Increase the percentage of students who meet college &amp; career readiness benchmarks (ACT &gt;18, Graduation, Adv. Courses) by 5% within 5 academic years.</b></p>	<ul style="list-style-type: none"> <li>• Ensure each student is prepared for the rigors of college, technical or vocational training, or career training to maximize success in postsecondary opportunities.</li> <li>• Ensure each student successfully completes at least one Advanced Placement or Concurrent Enrollment course or a sequence of Career and Technical Education courses that comprise a CTE pathway.</li> </ul>	Postsecondary Readiness Indicators established by Utah State Board of Education																													
		<table border="1"> <thead> <tr> <th>Year</th> <th>ACT Scores &gt;18</th> <th>Graduation Rates</th> <th>Advanced Coursework</th> </tr> </thead> <tbody> <tr><td>2025</td><td>68%</td><td>92%</td><td>80%</td></tr> <tr><td>2026</td><td>69%</td><td>93%</td><td>81%</td></tr> <tr><td>2027</td><td>70%</td><td>94%</td><td>82%</td></tr> <tr><td>2028</td><td>71%</td><td>95%</td><td>83%</td></tr> <tr><td>2029</td><td>72%</td><td>96%</td><td>84%</td></tr> <tr><td>2030</td><td>73%</td><td>97%</td><td>85%</td></tr> </tbody> </table>	Year	ACT Scores >18	Graduation Rates	Advanced Coursework	2025	68%	92%	80%	2026	69%	93%	81%	2027	70%	94%	82%	2028	71%	95%	83%	2029	72%	96%	84%	2030	73%	97%	85%	
Year	ACT Scores >18	Graduation Rates	Advanced Coursework																												
2025	68%	92%	80%																												
2026	69%	93%	81%																												
2027	70%	94%	82%																												
2028	71%	95%	83%																												
2029	72%	96%	84%																												
2030	73%	97%	85%																												







**2**  
**PRIORITY**



**Wellness and  
Safety**



Goals	Strategies	Key Performance Indicators (KPIs)	
<p>Increase the number of students and families who feel that our schools and district provide welcoming and supportive environments as measured by climate and stakeholder feedback surveys.</p>	<ul style="list-style-type: none"> <li>Educate and mentor all employees in how to create a welcoming atmosphere for all community members and students.</li> <li>Increase opportunities for and participation in family engagement opportunities and ensure that parents who attend are representative of the district's population.</li> <li>Create specific district wide committees for families and employees to have access to high levels of leadership to problem-solve situations as they arise in our district.</li> </ul>	Year	Utah State Board of Education Climate Survey
		2025	Baseline survey data
		2026	Improve survey data scores by 4% over baseline in 3 priority areas.
		2027	Improve survey data scores by 8% over baseline in 3 priority areas.
		2028	Improve survey data scores by 12% over baseline in 3 priority areas.
		2029	Improve survey data scores by 16% over baseline in 3 priority areas.
		2030	Improve survey data scores by 20% over baseline in 3 priority areas.
<p>Reduce the number of major offenses tied to bullying, harassment, discrimination, school safety, and physical aggression to 4% or lower across all student groups by 2030.</p>	<ul style="list-style-type: none"> <li>Implement a Levels of Behavior policy and train all teachers and administrators in these protocols. Measure the effectiveness through Office Discipline Referral Data reported on Powerschool as well as SafeUT reports.</li> <li>Implement a successful PBIS system at each school site that is measured by a school-wide evaluation tool (SET).</li> </ul>	Year	Office Discipline Referrals (ODRs) as measured by Powerschool and SafeUT reports
		2025	Baseline ODR data
		2026	Drop in ODRs by 2% for all student groups
		2027	Drop in ODRs by 4% for all student groups
		2028	Drop in ODRs by 6% for all student groups
		2029	Drop in ODRs by 8% for all student groups
		2030	Drop below 4% in ODRs for all student groups
<p>Decrease the number of students who are chronically absent by 20% by 2030.</p>	<ul style="list-style-type: none"> <li>Implement evidence-based strategies to improve attendance.</li> </ul>	Year	Chronic absenteeism data
		2025	Baseline survey data
		2026	Decrease by 4% from baseline
		2027	Decrease by 8% from baseline
		2028	Decrease by 12% from baseline
		2029	Decrease by 16% from baseline
		2030	Decrease by 20% from baseline







**3**  
**PRIORITY**

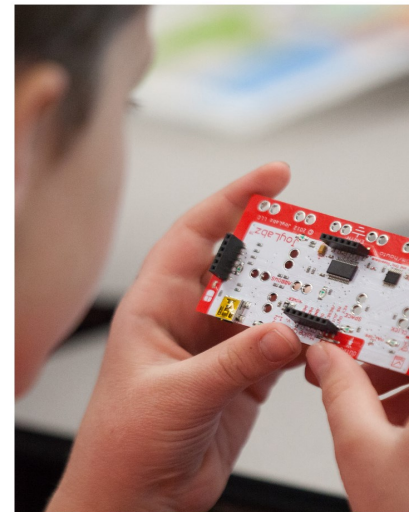


## Stewardship of Resources





Goals	Strategies	Key Performance Indicators (KPIs)	
<p><b>Increase the retention of high quality teachers between years 5 and 15 by 15% over 5 years.</b></p>	<ul style="list-style-type: none"> <li>• Implement an employment satisfaction survey to identify areas of improvement and success to reduce employee turnover.</li> <li>• Work with employee groups to create plans to improve benefits and salaries.</li> <li>• Provide support for employees with continued professional development.</li> </ul>	<b>Year</b>	<b>Employee Satisfaction Survey</b>
		2025	Baseline data
		2026	Improve survey data scores by 3% over baseline in 3 priority areas.
		2027	Improve survey data scores by 6% over baseline in 3 priority areas.
		2028	Improve survey data scores by 9% over baseline in 3 priority areas.
		2029	Improve survey data scores by 12% over baseline in 3 priority areas.
		2030	Improve survey data scores by 15% over baseline in 3 priority areas.
<p><b>Improve communication about decision-making, resource allocation, and facilities management by 15% over 5 years as measured by specific survey data.</b></p>	<ul style="list-style-type: none"> <li>• Provide meaningful data and transparency to the community about our decision-making processes.</li> <li>• Provide effective communication to all stakeholders through regular email, board updates, newsletters, in-person community meetings, social media platforms, videocasts, and podcasts.</li> </ul>	<b>Year</b>	<b>Community Survey</b>
		2025	Baseline survey data
		2026	Improve survey data scores by 3% over baseline in 3 priority areas.
		2027	Improve survey data scores by 6% over baseline in 3 priority areas.
		2028	Improve survey data scores by 9% over baseline in 3 priority areas.
		2029	Improve survey data scores by 12% over baseline in 3 priority areas.
		2030	Improve survey data scores by 15% over baseline in 3 priority areas.



## Acknowledgments

Thank you for your contributions!

### Board of Education

---

**Rebecca Nielsen**

School Board President – District 6

**Jennifer Partridge**

School Board Vice President – District 4

**Lisa Boyce**

School Board – District 1

**Melanie Hall**

School Board – District 2

**Megan Van Wagenen**

School Board – District 3

**Teri McCabe**

School Board – District 5

**Gina Hales**

School Board – District 7

**Monika Tua'one**

Student Board Member

**Hutch Fale**

Student Board Member

**Will Weidner**

(2023-2024 Student Board Member)

**Max Joyner**

(2023-2024 Student Board Member)



### Strategic Plan Committee Members District Employees & Community Members

#### District Employees

---

**Wendy Dau**, Superintendent

**Devyn Dayley**, Business Administrator

**Jason Cox**, Deputy Superintendent

**Jarod Sites**, Assistant Superintendent of Elementary Education

**Darrell Jensen**, Assistant Superintendent of Secondary Education

**Judy Rose**, Director of Elementary Teaching and Learning

**Doug Finch**, Director of Secondary Teaching and Learning

**Jason Garrison**, Director of Student Services

**Michelle Eldredge**, Director of Continuous School Improvement

**Suraj Syal**, Director of Special Education

**Nate Mitchell**, Director of Research and Assessment

**Caleb Price**, Director of Communications

**Rebecca Rogers**, Director of Human Resources

**Clay Bingham**, Director of Career and Technical Education

**John Anderson**, Director of Special Programs

**Steve Reese**, Director of Accounting

**Kyle Bates**, Director of Building and Maintenance

**Tammy Horger**, Director of Child Nutrition

**Troy Lindloff**, Director of Transportation

#### Community Members

---

**Angela Anderson**

**Danny Caldwell**

**Carrie Crowe**

**Brookanne Dalby**

**Jamie Davis-Leite**

**Julia Doxey**

**Nancy Montero**

**Christy Giblon**

**Anthony Lugo**

**Tiffany McCloud**

**Robyn Pulham**

**Sara Parrish**

**Angela Puertas**

**Shanelle Robinson**

**Jeff Rust**

**Daniel Stokes**

**Ethan Unklesbay**

**Mary Wade**

**Carmen Williams**

**Britney Wood**

**Sara Wursten**



[provo.edu](http://provo.edu)



[@provocity schooldistrict](https://www.facebook.com/provocity schooldistrict)



# Department Priorities: Financial Impacts

## **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.

## **Technology**

With the growth in the number of devices, there is a greater demand for technology support throughout the District. Between individual devices, audio and visual needs, network support and safety, and the safety and security of our buildings and classrooms, the Technology 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 2024-25 budget has \$1.7 million budgeted for student and teacher computer replacement. There is additional budget for other technology needs, including audio and visual equipment 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 last raised taxes in fiscal year 2022-23 in order to increase teacher salaries. In fiscal year 2024-25, no increase in property tax rates is planned. Employee compensation increases will be funded by the increase in state aid as well as funds assigned for that purpose in the General fund.

Employee benefits are another focus of Human Resources. Keeping benefit costs low is a priority of the District. The District moved to a self-insured model in fiscal year 2023-24, which allows the District to create 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, strive to ensure funds are reported accurately, timely, and transparently. The department consistently receives national awards and recognition for our Comprehensive Annual Budget Report, Annual Comprehensive Financial Report, and Popular Annual 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.

### **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. The fiscal year 2024-25 budget contains \$1.0 million in order to replace three school buses. The District's goal is to replace three school buses a year until the fleet has reached a sustainable average age.

### **Child Nutrition**

The Child Nutrition 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 since fiscal year 2020-21, but we expect that trend to begin reversing in fiscal year 2024-25. District administration made changes to the salary schedule for hourly Child Nutrition employees to help mitigate this issue. Inflation is especially challenging with the rising cost of food. Fortunately, inflation has started to slow due to intervention by the Federal Reserve. We estimate that the cost of food will increase another 5.0% in fiscal year 2024-25 due to inflation. Adult meal 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 issued lease revenue bonds to build Shoreline Middle and Wasatch Elementary. These construction projects are expected to be completed during fiscal year 2024-25.

# District Budgeting Process: Significant Laws & Administrative Policies

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 revenue and expenditures of the preceding fiscal year;

(b) the estimated revenue and expenditures of the current fiscal year;

(c) for a school district, an estimate of the revenue 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;

# District Budgeting Process: Significant Laws & Administrative Policies

(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.

(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;

# District Budgeting Process: Significant Laws & Administrative Policies

(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 revenue 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.

## **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;

# District Budgeting Process: Significant Laws & Administrative Policies

(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 budgeting 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 revenue. 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' revenue, 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 revenue 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



# District Budgeting Process: Significant Laws & Administrative Policies

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.

## 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.

## 5. Revenue Estimation Policies

A. The District will estimate annual revenue 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 revenue.

B. The capital fund will maintain the minimum balance deemed adequate for emergency repair situations.

## 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).





# District Budgeting Process: Significant Laws & Administrative Policies

## **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).



# 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 are subject to disciplinary action for failure to properly

# District Budgeting Process: Budget Development & Review

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 revenue. However, the budget is also balanced in situations where total expenditures are less than total revenue, 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 expenditures. This type of

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 2024-25, 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 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.

## Balanced Budget Scenarios

Scenario One: Revenue = Expenditures

Scenario Two: Revenue > Expenditures

Scenario Three: Revenue + Appropriated Fund balances = Expenditures

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 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.

*Have feedback? Please send an email to [budget@provo.edu](mailto:budget@provo.edu). This email account is checked regularly by District administrators.*

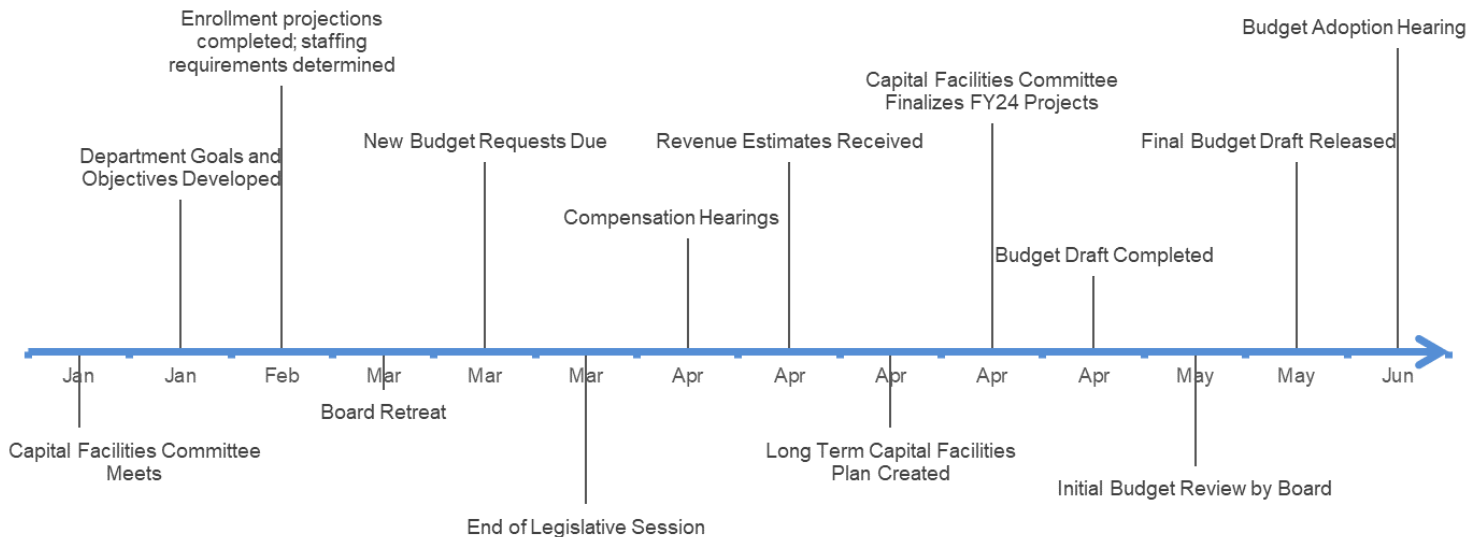


## District Budgeting Process: Approvals & Adjustments

- ⇒ 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.
- ⇒ After study, deliberation, possible amendments, and a public hearing, the Board legally adopts the final budget prior to June 22.
- ⇒ 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.
- ⇒ 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.
- ⇒ As mandated by the USBE, expenditures may not exceed appropriations at the fund level.
- ⇒ At the end of a fiscal year, unencumbered appropriations lapse unless restricted by state or federal guidelines.
- ⇒ 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. 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 and important stakeholders throughout the budget development process.

## District Budgeting Process: Long-term Plan

The budget process 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. 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 2023-24, with the focus being on making sure employee compensation is at a level that retains and attracts high quality teachers. That focus will continue on to fiscal year 2024-25 and beyond until the District is able to be more competitive with surrounding, multi-city school districts that are better funded.

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 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 Budgeting Process: Classifying Revenue and Expenditures

District revenue 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.

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 revenue and expenditures are tracked.

## **Basis of Budgeting and 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 balance 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 revenue 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



# 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.

## **Student 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 moved to a self-funded medical insurance model in fiscal year 2023-24. This model will give the District the ability to better structure plans and better control costs in future years as the medical industry continues to increase prices. 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.

### Child Nutrition Fund

This is a governmental fund used to account for revenue 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 (Proprietary 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"> <li>• General</li> <li>• Capital Projects</li> <li>• Debt Service</li> <li>• Municipal Building Authority</li> </ul>	<ul style="list-style-type: none"> <li>• Student Activities</li> <li>• Food Services</li> <li>• Pass-Through Taxes</li> <li>• Building Reserve</li> </ul>	<ul style="list-style-type: none"> <li>• Self-Insurance</li> </ul>

# 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.

## **District Administration**

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 Administration**

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 Services**

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

## **Child Nutrition**

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 of Facilities**

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 on field trips, and associated salaries, benefits, supplies, and equipment.

**Capital Outlay**

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**

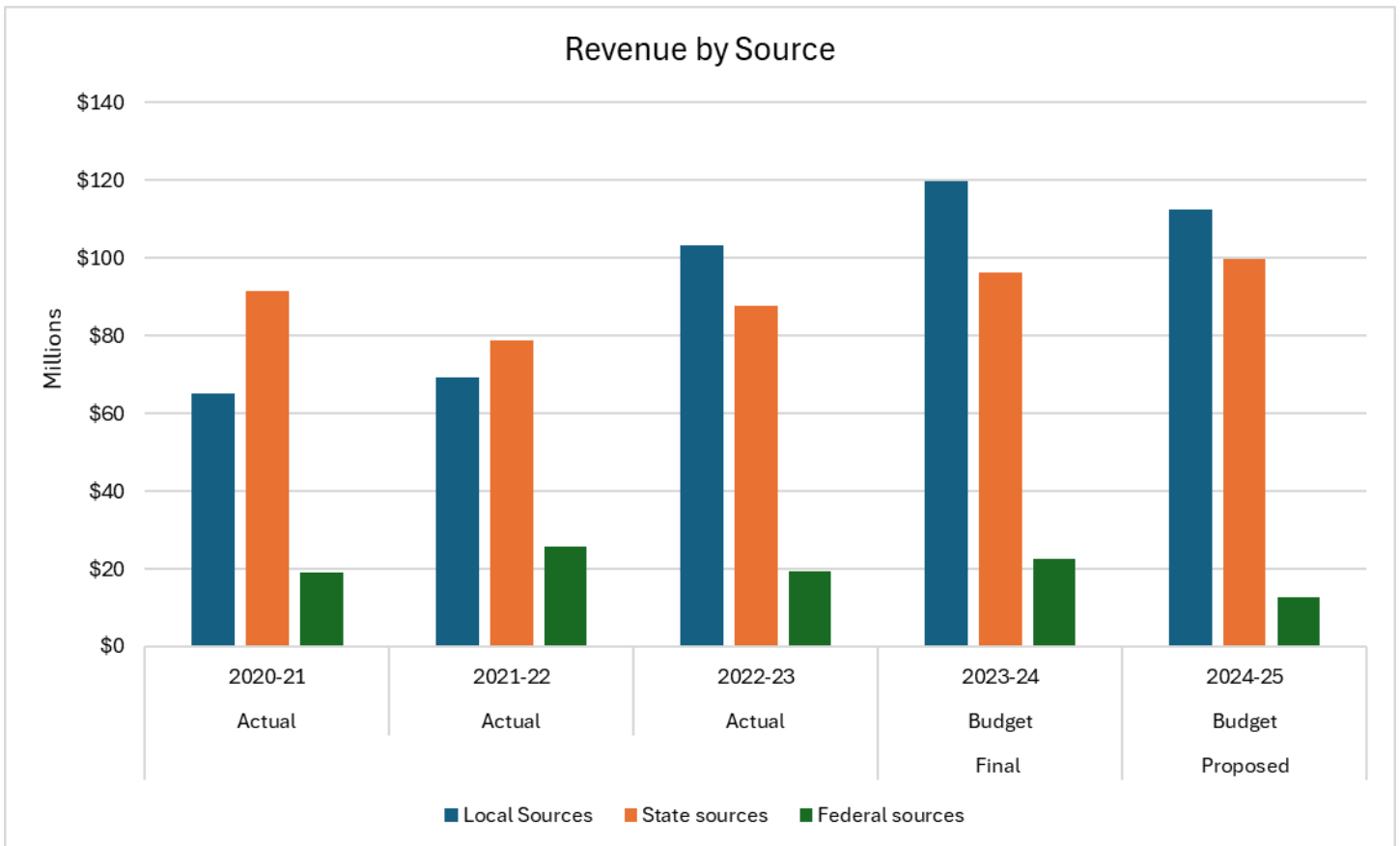
This function covers bond principal, interest, and paying agent fees.



# Major Revenue Sources

The District’s revenue can be broadly classified as coming from three sources: local, state, and federal. The largest revenue source is the State of Utah, followed by local revenue, and federal revenue. State revenue is primarily made up of minimum school program funding based on the WPU. Local revenue includes property taxes, fundraising, donations, student fees, and other miscellaneous local revenue. Federal revenue is made up of several grants of various sizes.

Revenue by Source					
	Actual 2020-21	Actual 2021-22	Actual 2022-23	Final Budget 2023-24	Proposed Budget 2024-25
<b>Revenue:</b>					
Local Sources	\$ 65,227,377	\$ 69,208,297	\$ 103,372,473	\$ 119,758,184	\$ 112,423,655
State sources	91,376,286	78,939,363	87,784,664	96,211,669	99,900,862
Federal sources:	19,042,337	25,796,924	19,279,408	22,677,646	12,651,064
<b>Total revenues</b>	<b>\$ 175,646,000</b>	<b>\$ 173,944,584</b>	<b>\$ 210,436,545</b>	<b>\$ 238,647,499</b>	<b>\$ 224,975,581</b>





The District is conservative when estimating revenue. Accordingly, several assumptions were made when projecting revenue for fiscal year 2024-25. 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, Child Nutrition) have remained relatively flat or decreased.

Local revenue is projected to increase in fiscal year 2024-25. 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 increased the WPU by \$214 or 5.0% for fiscal year 2024-25, which accounts for the increase in state revenue. Unfortunately, the WPU increase was below the level of inflation so the District will have to institute cuts to ensure a balance budget. Student 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 Education, 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 2024-25 revenue:

- 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.
- 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. The increase in taxable value was much more modest in tax year 2023 and projections show that tax year 2024 valuations will increase at a modest rate as well. Property tax impacts the General, Debt Service, and Capital Projects fund.
- Federal revenue is projected to decrease as a result of the expiration of pandemic relief funds on September 30, 2024. In addition, the U.S. Department of Education has continued to make small cuts to other programs such as Title I.
- Local revenue for the Child Nutrition fund is projected to increase slightly. The District is unsure of the level of participation to expect as students enjoyed free meals at the school for the last three years. The adult meal price for fiscal year 2024-25 will be increased by \$0.25 to help offset the rising cost of food and labor.

## Major Revenue Sources: State of Utah

The State of Utah is the largest revenue source for the District with revenue 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.

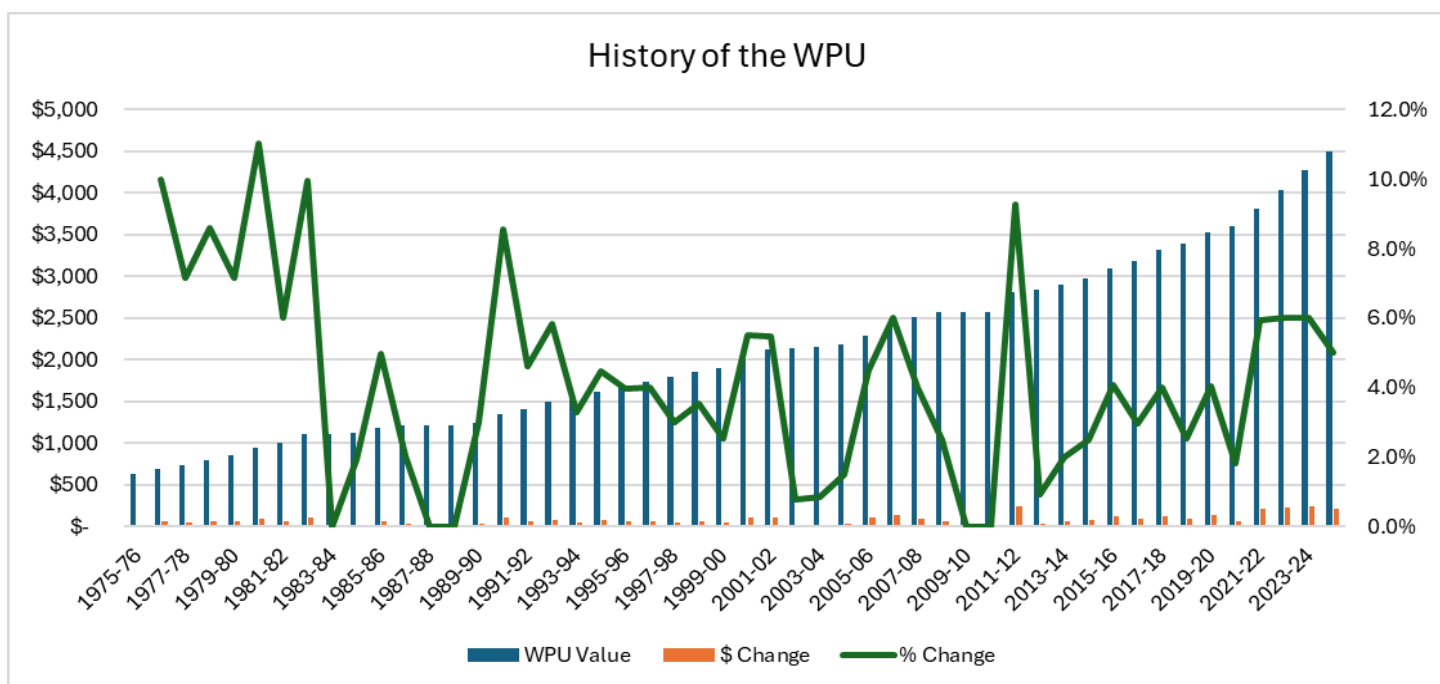
Thirteen programs funded by the State use the WPU to calculate allocations to school districts. Approximately 68.4% of revenue from the State, or \$64.1 million, comes directly from WPU-based programs.

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 revenue. 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 revenue involves predicting future enrollment levels. To that end, the Business Services team prepares enrollment projections each November.



Fiscal Year	WPU Value	\$ Change	% Change	Fiscal Year	WPU Value	\$ Change	% Change
1975-76	\$ 621			2000-01	\$ 2,006	105	5.5%
1976-77	683	\$ 62	10.0%	2001-02	2,116	110	5.5%
1977-78	732	49	7.2%	2002-03	2,132	16	0.8%
1978-79	795	63	8.6%	2003-04	2,150	18	0.8%
1979-80	852	57	7.2%	2004-05	2,182	32	1.5%
1980-81	946	94	11.0%	2005-06	2,280	98	4.5%
1981-82	1,003	57	6.0%	2006-07	2,417	137	6.0%
1982-83	1,103	100	10.0%	2007-08	2,514	97	4.0%
1983-84	1,103	-	0.0%	2008-09	2,577	63	2.5%
1984-85	1,124	21	1.9%	2009-10	2,577	-	0.0%
1985-86	1,180	56	5.0%	2010-11	2,577	-	0.0%
1986-87	1,204	24	2.0%	2011-12	2,816	239	9.3%
1987-88	1,204	-	0.0%	2012-13	2,842	26	0.9%
1988-89	1,204	-	0.0%	2013-14	2,899	57	2.0%
1989-90	1,240	36	3.0%	2014-15	2,971	72	2.5%
1990-91	1,346	106	8.5%	2015-16	3,092	121	4.1%
1991-92	1,408	62	4.6%	2016-17	3,184	92	3.0%
1992-93	1,490	82	5.8%	2017-18	3,311	127	4.0%
1993-94	1,539	49	3.3%	2018-19	3,395	84	2.5%
1994-95	1,608	69	4.5%	2019-20	3,532	137	4.0%
1995-96	1,672	64	4.0%	2020-21	3,596	64	1.8%
1996-97	1,739	67	4.0%	2021-22	3,809	213	5.9%
1997-98	1,791	52	3.0%	2022-23	4,038	229	6.0%
1998-99	1,854	63	3.5%	2023-24	4,280	242	6.0%
1999-00	1,901	47	2.5%	2024-25	4,494	214	5.0%



# Major Revenue Sources: State of Utah

State revenue totals \$99.9 million or 44.4% of total revenue for the District across all funds. General fund state revenue totals \$98.6 million or 61.1% of total revenue in that fund. The only other non-General Fund state revenue is in the Child Nutrition fund, which includes State Liquor Tax that is mandated by state law to provide funding to assist in providing nutritious meals to students.

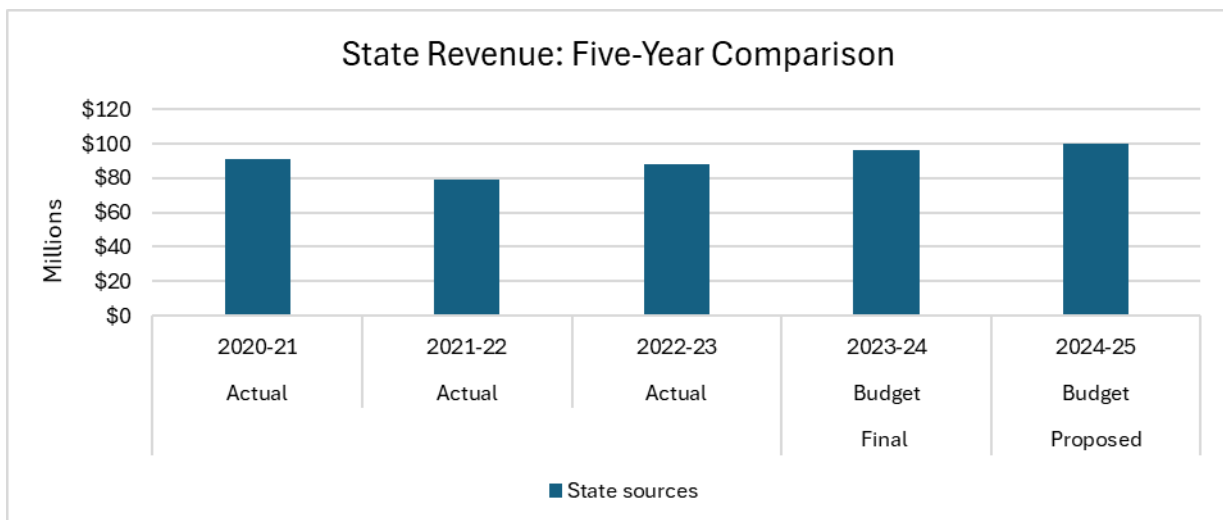
The largest individual state funding source is referred to as the Minimum School Program (MSP). This source is based on the Weighted Pupil Unit (WPU) calculation and the District’s local property tax levies. The District uses this funding primarily to pay for teacher compensation. The Minimum School Program also includes Special Education, Career and Technical Education (CTE), Class-Size Reduction, and At-Risk student funding. 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 behind the MSP. 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 Education Economic Stabilization includes programs restricted for specific uses such as Educator Professional Time and English Language Learner Software. 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 remaining portion 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 three fiscal 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 enrollment 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 school districts or online programs.



Over the last few fiscal years, the Utah Legislature and the Utah State Board of Education 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 Utah 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 so legislators and lobbyists have been active in funding restricted programs for schools. The majority of state funding is related to the Minimum School Program. The only unrestricted portion is the K-12 allotment that is only part of the Minimum School Program allocations.

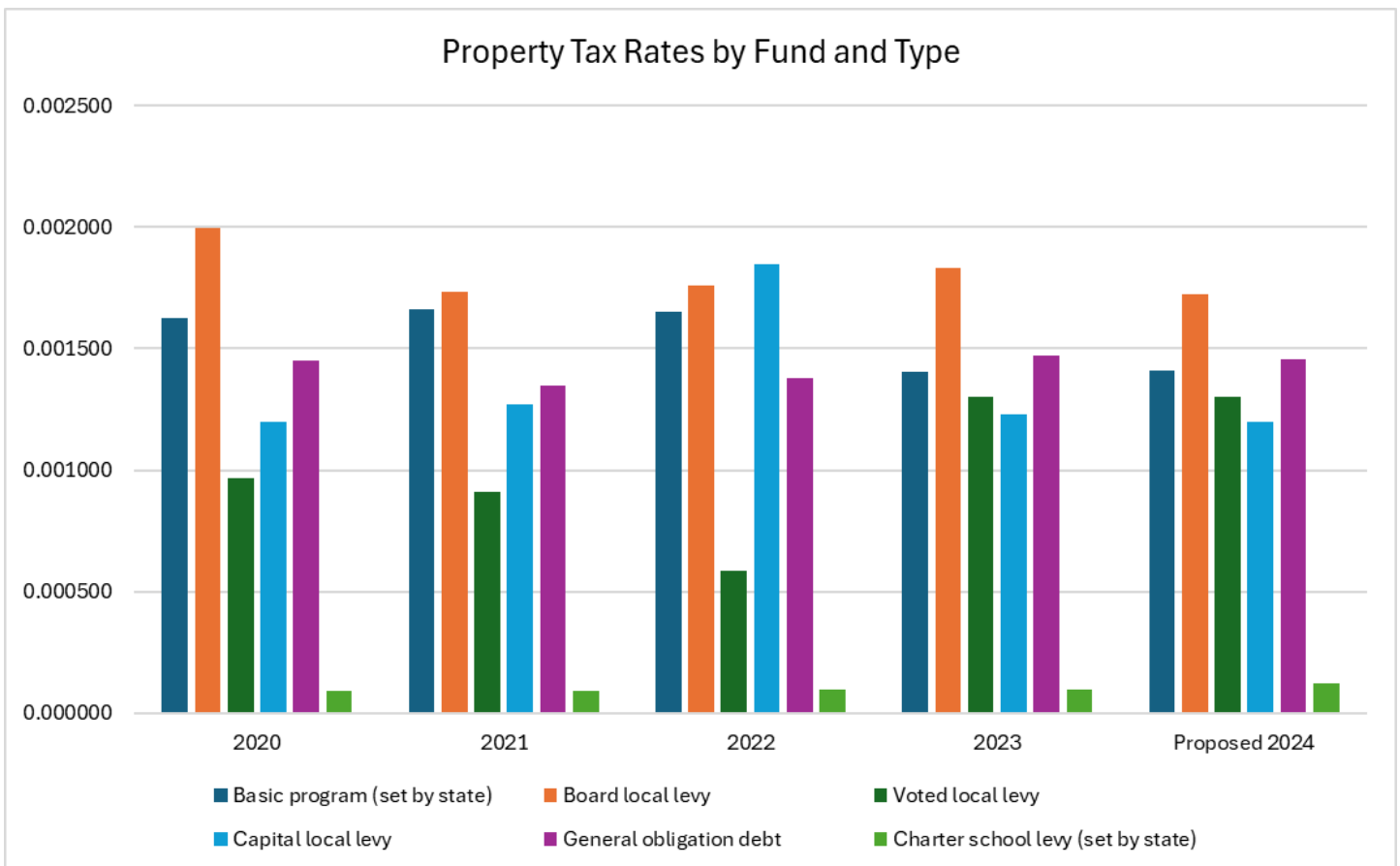


# Major Revenue Sources: Property Tax

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 revenue at approximately 67.8%. For fiscal year 2024-25, the overall local property tax rate is 0.007208, a decrease of .000125 or 1.7% 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.





## Major Revenue Sources: Other Local Revenue

In the summary budgets, other local revenue are often combined with property taxes. These other local revenue 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. Interest earnings in fiscal year 2022-23 through fiscal year 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 Investment Fund (PTIF), which provides security, stability and competitive returns. The PTIF is diversified, with no more than 5.0% of assets invested with a single issuer.

The District also works with an investment advisor registered with the Utah Money Management Council to utilize additional short-term investment products with a portion of its funds that are not needed for near-term expenditures and, therefore, can be invested with a longer-term time horizon. As bond proceeds are spent on construction projects, the District expects interest revenue to decrease in fiscal year 2024-25 and beyond.

The table below illustrates the meal prices by fiscal year charged by the Child Nutrition program to students for breakfast and lunch. Charges for meals accounts for only a small portion of the Child Nutrition fund’s revenue. The majority of funding for food comes from the state and federal government.

	<b>Meal Prices by Fiscal Year</b>							<b>Change From Prior Year</b>
	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>Proposed 2024-25</b>	
<b>Lunch</b>								
Elementary	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.25	\$ 2.25	-
Secondary	2.25	2.25	2.25	2.25	2.50	2.50	2.50	-
Adult	4.00	4.00	4.00	4.00	4.00	4.00	4.25	0.25
<b>Breakfast</b>								
Elementary	1.50	1.50	1.50	1.50	1.50	1.50	1.50	-
Secondary	1.50	1.50	1.50	1.50	1.50	1.50	1.50	-
Adult	2.00	2.00	2.00	2.00	2.00	2.00	2.25	0.25

# Major Revenue Sources: Federal Revenue

The federal government provides direct and flow-through support to certain programs. For fiscal year 2024-25, it is anticipated that the District will receive about \$12.7 million in federal aid.

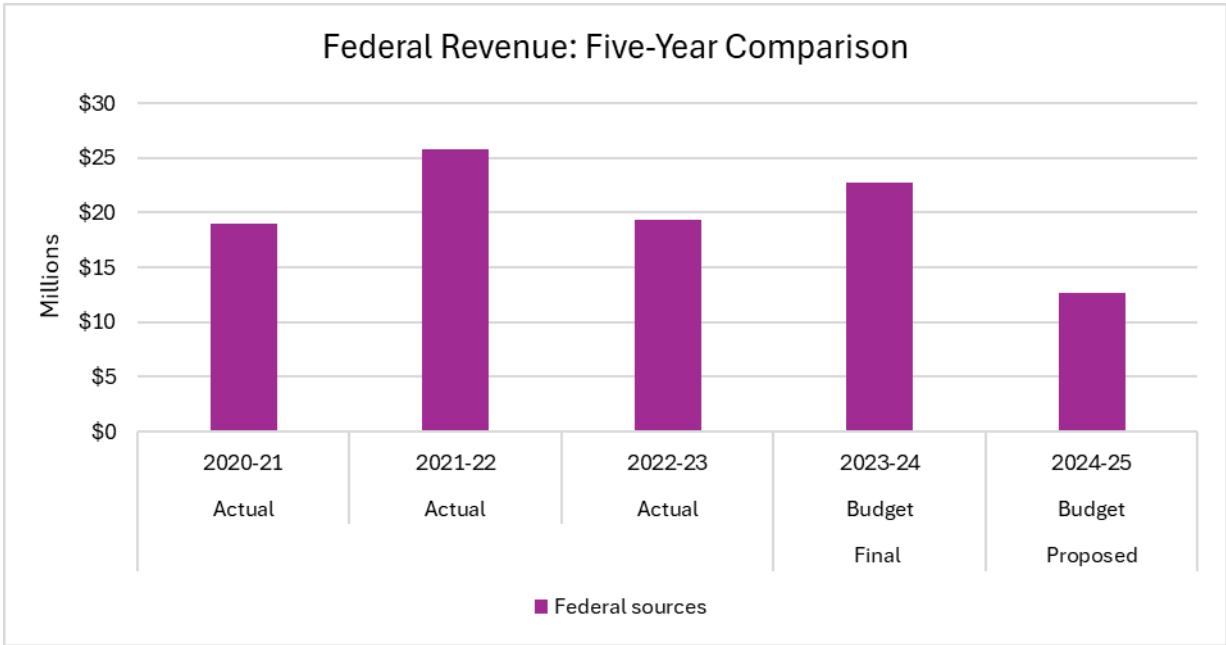
The largest ongoing programs the District operates with federal funding are IDEA, Title I, Improving Teacher Quality, 21st Century Community Learning Centers, and the school lunch program.

Pandemic relief funding has been a significant portion of federal aid received over the past few fiscal years, but that funding is set to expire on September 30, 2024, which represents the federal fiscal year end. Therefore, a significant decrease in federal revenue is reflected in the fiscal year 2024-25 proposed budget.

The Every Student Succeeds Act (ESSA), which replaced No Child Left Behind instituted during the George W. Bush administration, 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.



The chart below is a five-year comparison of federal revenue received by the District.



## **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 pandemic relief funding has been a significant portion of federal revenue. Normal, ongoing federal programs have stayed relatively flat or decreased for fiscal year 2024-25, as compared to previous fiscal years.

## **Federal Food Programs**

The District is planning to receive \$4.3 million in federal revenue in the Child Nutrition fund for fiscal year 2024-25. In fiscal year 2021-22, federal reimbursement was much higher due to pandemic waivers that allowed for reimbursement of all meals served, rather than just students who qualify for free and reduced price lunch. Due to increased revenue and difficulty hiring personnel, 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 relatively flat in fiscal year 2024-25. The federal revenue for the Child Nutrition fund includes reimbursement for breakfast and lunch, along with donated commodities provided through the United States Department of Agriculture.

## **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. Revenue decreased in fiscal year 2022-23 due to a temporary change in the way free and reduced lunch percentages were figured.

There is \$2.5 million budgeted for Title I in fiscal year 2024-25, a decrease of \$0.3 million or 10.7%. Revenue decreased as the federal government continues to make cuts to programs.

## **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 \$2.7 million in the budget for fiscal year 2024-25.

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 \$1.3 million in the budget for fiscal year 2024-25 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.

## 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. Once again, District administration and the Board made the decision to increase teacher salaries for fiscal year 2024-25 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 moved to a self-funded medical insurance model in fiscal year 2023-24, to provide greater flexibility to design plans to have the best mix of coverage for medical and pharmacy benefits. This model is expected to 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.

## Building Construction

The District has two schools in the process of being completely rebuilt and a third school being partially rebuilt. All three are nearing completion either this

year or the next. The Capital Facilities 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.

## 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 rate faster than the funding received by the District.

# Financial Information



## Fund Structure

The District's revenue and expenditures are managed by fund as follows.

Governmental funds are those used for normal governmental services financed by taxes, including state and federal aid. Governmental funds are considered operating funds for the District and include:

- General fund (major)
- Capital Projects fund (major)
- Municipal Building Authority fund (major)
- Debt Service fund (major)
- Student Activity fund (nonmajor special revenue fund)
- Pass-Through Taxes fund (nonmajor special revenue fund)
- Building Reserve fund (nonmajor special revenue fund)
- Child Nutrition fund (nonmajor special revenue fund)

Proprietary fund types include programs that are intended to be self-sufficient. The following is the District's proprietary fund.

- Self-Insurance fund (internal service fund)

The District's revenue and expenditure budgets also include the Provo City School District Foundation

A review of each fund is included herein. Each review describes the operational changes and summarizes information on revenue, expenditures, and fund balances. Statement of revenue, expenditures, and changes in fund balances provide actual amounts for fiscal years 2020-21 through 2022-23, the final budget for fiscal year 2023-24, and the proposed budget for fiscal year 2024-25.

## All Funds

The District manages nine governmental funds, four of which are classified as major funds, four nonmajor special revenue funds, and one proprietary fund. A major fund is described as an individual governmental or enterprise fund where total assets, liabilities, revenue, or expenditures are at least 10% of the corresponding total assets, liabilities, revenue, or expenditures for all funds in that category (i.e. governmental funds) or of that type (i.e. enterprise funds), and the total assets, liabilities, revenue, or expenditures are at least 5% of the corresponding total for all governmental and enterprise funds combined. The General, Capital Projects, Municipal Building Authority, and Debt Service funds meet the requirements of a major fund.

## Revenue

### Local Sources

The District's governmental fund types receive approximately 36.4% from local property taxes, 41.8% of revenue from the State of Utah, 9.2% from the federal government, and 12.6% from other local sources,

including investments. The District anticipates a decrease in total revenue of \$13.7 million in fiscal year 2024-25, which is primarily attributable to a significant decrease in federal aid due to the expiration of pandemic relief funding. Property tax revenue is projected the flat as the Board and District administration did not seek a property tax increase in fiscal year 2023-24, nor will it in fiscal year 2024-25.

### **State Sources**

State revenue is projected to increase by \$3.7 million because the Utah State Legislature set the weighted pupil unit (WPU) value at \$4,494, an increase of \$214 or 5.0% over the prior year value of \$4,280. This increase is also the result of increases in the Teacher & Student Success Act and transportation funding line items.

### **Federal Sources**

Federal revenue is project to decrease by \$10.0 million, as compared to the previous year, as the District has spent the last of its one-time pandemic relief funds prior to their expiration date. These funds were used to address learning loss caused by the pandemic, provide PPE to students and teachers, and for one-time purchases of learning-related technology and equipment.

### **Expenditures**

Overall, expenditures in all funds are expected to decrease by \$55.8 million. General fund expenditures are projected to decrease by \$0.9 million, due to cost-cutting initiatives undertaken to improve the efficiency and effectiveness of district administration and central services. Salaries expenditures are projected to increase by \$1.8 million due to the increases in compensation that the District has provided to its employees. This was made possible, in part, due to the 5.0% increase in the WPU value. Expenditures in the Capital Projects and Municipal Building Authority funds are projected to decrease by \$24.1 million and \$32.5 million, respectively, due to the District's major construction projects nearing a close. These major capital projects include the construction of Shoreline Middle, which is replacing Dixon Middle; the re-build of Wasatch Elementary on a new site, and the safety repairs and renovation of Timpview High.

For fiscal year 2024-25, the contribution rate for the Utah Retirement Systems (URS) will decrease by 0.5% for Tier 1 and Tier 2 employees. Budgeted expenses in the Self-Insurance Fund will continue to increase due to inflationary increases in medical expenses and prescriptions. There are no significant changes in expenditures for the other governmental funds.

The chart on the following page provides an overview of the revenue, expenditures, and changes in fund balances for all governmental funds (with all four special revenue funds combined) and the Self-Insurance fund.

# Budgeted Combined Statement of Revenue, Expenditures by Function, and Changes

	General Fund	Debt Service Fund	Capital Projects Fund	Mun Building Fu
<b>Revenues:</b>				
Local sources	\$ 54,577,288	\$ 14,436,810	\$ 12,600,000	\$ 8
State sources	98,608,675	-	-	
Federal sources	8,315,538	-	-	
Total revenues	<u>161,501,501</u>	<u>14,436,810</u>	<u>12,600,000</u>	<u>8</u>
<b>Expenditures:</b>				
Current:				
Instructional services	97,629,294	-	-	
Support services:				
Students	11,619,097	-	-	
Instructional staff	15,935,111	-	-	
District administration	1,474,995	-	-	
School administration	10,893,830	-	-	
Central services	6,987,748	-	-	
Operation & maintenance of facilities	9,025,168	-	-	
Student transportation	2,616,258	-	-	
Child nutrition	-	-	-	
Community services	-	-	-	
Contributions to other governments	-	-	-	
Capital outlay	-	-	24,423,865	22
Debt service	-	14,436,810	13,365	7
Total expenditures	<u>156,181,501</u>	<u>14,436,810</u>	<u>24,437,230</u>	<u>30</u>
Excess (deficiency) of revenues over (under) expenditures	5,320,000	-	(11,837,230)	(21)
<b>Other financing sources (uses):</b>				
Proceeds from lease revenue bonds issued	-	-	-	
Premium on lease revenue bonds issued	-	-	-	
Proceeds from general obligation bonds issued	-	-	-	
Premium on general obligation bonds issued	-	-	-	
Proceeds from refunding bonds issued	-	-	-	
Premium on refunding bonds issued	-	-	-	
Proceeds from sale of capital assets	10,000	-	-	
Transfer in (out)	(6,200,000)	(1,000,000)	7,000,000	
Total other financing sources (uses)	<u>(6,190,000)</u>	<u>(1,000,000)</u>	<u>7,000,000</u>	
Net change in fund balance	(870,000)	(1,000,000)	(4,837,230)	(21)
Fund balance - beginning	49,235,078	1,212,482	28,741,392	27
Fund balance - ending	<u>\$ 48,365,078</u>	<u>\$ 212,482</u>	<u>\$ 23,904,162</u>	<u>\$ 6</u>

# Changes in Fund Balances—All Funds

<u>Municipal Authority Fund</u>	<u>Student Activities Fund</u>	<u>Pass-Through Taxes Fund</u>	<u>Building Reserve Fund</u>	<u>Child Nutrition Fund</u>	<u>Self-Insurance Fund</u>	<u>PCSD Foundation</u>
1,852,907	\$ 3,317,856	\$ 2,558,859	\$ -	\$ 1,329,935	\$ 14,250,000	\$ 500,000
-	-	-	-	1,292,187	-	-
-	-	-	-	4,335,526	-	-
<u>1,852,907</u>	<u>3,317,856</u>	<u>2,558,859</u>	<u>-</u>	<u>6,957,648</u>	<u>14,250,000</u>	<u>500,000</u>
-	3,677,291	-	-	-	-	500,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	14,900,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	7,195,091	-	-
-	-	-	-	-	-	-
-	-	2,558,859	-	-	-	-
1,707,645	-	-	-	-	-	-
1,303,183	-	-	-	-	-	-
<u>3,010,828</u>	<u>3,677,291</u>	<u>2,558,859</u>	<u>-</u>	<u>7,195,091</u>	<u>14,900,000</u>	<u>500,000</u>
(1,157,921)	(359,435)	-	-	(237,443)	(650,000)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	200,000	-	-	-	-	-
-	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(1,157,921)	(159,435)	-	-	(237,443)	(650,000)	-
1,206,382	2,415,099	-	20,372,240	2,287,840	3,902,474	951,008
<u>1,048,461</u>	<u>\$ 2,255,664</u>	<u>\$ -</u>	<u>\$ 20,372,240</u>	<u>\$ 2,050,397</u>	<u>\$ 3,252,474</u>	<u>\$ 951,008</u>

# Budgeted Combined Statement of Revenue, Expenditures by Object, and Changes in

	General Fund	Debt Service Fund	Capital Projects Fund	Mun Building Fu
<b>Revenues:</b>				
Local sources	\$ 54,577,288	\$ 14,436,810	\$ 12,600,000	\$ 8
State sources	98,608,675	-	-	
Federal sources	8,315,538	-	-	
Total revenues	<u>161,501,501</u>	<u>14,436,810</u>	<u>12,600,000</u>	<u>8</u>
<b>Expenditures:</b>				
Salaries	95,350,843	-	1,678,850	
Employee benefits	37,585,399	-	778,913	
Purchased services	7,687,661	-	9,502,500	21
Supplies and materials	13,091,653	-	1,675,000	
Property and equipment	138,000	-	10,788,602	1
Debt service and miscellaneous	2,327,945	14,436,810	13,365	7
Total expenditures	<u>156,181,501</u>	<u>14,436,810</u>	<u>24,437,230</u>	<u>30</u>
Excess (deficiency) of revenues over (under) expenditures	5,320,000	-	(11,837,230)	(21)
<b>Other financing sources (uses):</b>				
Proceeds from lease revenue bonds issued	-	-	-	
Premium on lease revenue bonds issued	-	-	-	
Proceeds from general obligation bonds issued	-	-	-	
Premium on general obligation bonds issued	-	-	-	
Proceeds from refunding bonds issued	-	-	-	
Premium on refunding bonds issued	-	-	-	
Proceeds from sale of capital assets	10,000	-	-	
Transfer in (out)	<u>(6,200,000)</u>	<u>(1,000,000)</u>	<u>7,000,000</u>	
Total other financing sources (uses)	<u>(6,190,000)</u>	<u>(1,000,000)</u>	<u>7,000,000</u>	
Net change in fund balance	(870,000)	(1,000,000)	(4,837,230)	(21)
Fund balance - beginning	<u>49,235,078</u>	<u>1,212,482</u>	<u>28,741,392</u>	<u>27</u>
Fund balance - ending	<u>\$ 48,365,078</u>	<u>\$ 212,482</u>	<u>\$ 23,904,162</u>	<u>\$ 6</u>



## Fund Balances—All Funds

Municipal Authority Fund	Student Activities Fund	Pass-Through Taxes Fund	Building Reserve Fund	Child Nutrition Fund	Self-Insurance Fund	PCSD Foundation
852,907	\$ 3,317,856	\$ 2,558,859	\$ -	\$ 1,329,935	\$ 14,250,000	\$ 500,000
-	-	-	-	1,292,187	-	-
-	-	-	-	4,335,526	-	-
852,907	3,317,856	2,558,859	-	6,957,648	14,250,000	500,000
-	-	-	-	2,724,871	-	-
-	-	-	-	904,386	-	-
707,645	1,085,032	-	-	48,500	14,900,000	500,000
-	2,517,292	-	-	2,728,641	-	-
000,000	12,210	-	-	150,000	-	-
303,183	62,757	2,558,859	-	638,693	-	-
010,828	3,677,291	2,558,859	-	7,195,091	14,900,000	500,000
157,921)	(359,435)	-	-	(237,443)	(650,000)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	200,000	-	-	-	-	-
-	200,000	-	-	-	-	-
157,921)	(159,435)	-	-	(237,443)	(650,000)	-
206,382	2,415,099	-	20,372,240	2,287,840	3,902,474	951,008
048,461	\$ 2,255,664	\$ -	\$ 20,372,240	2,050,397	\$ 3,252,474	\$ 951,008

# Fund Balance: Five-Year History

## Fund Balance

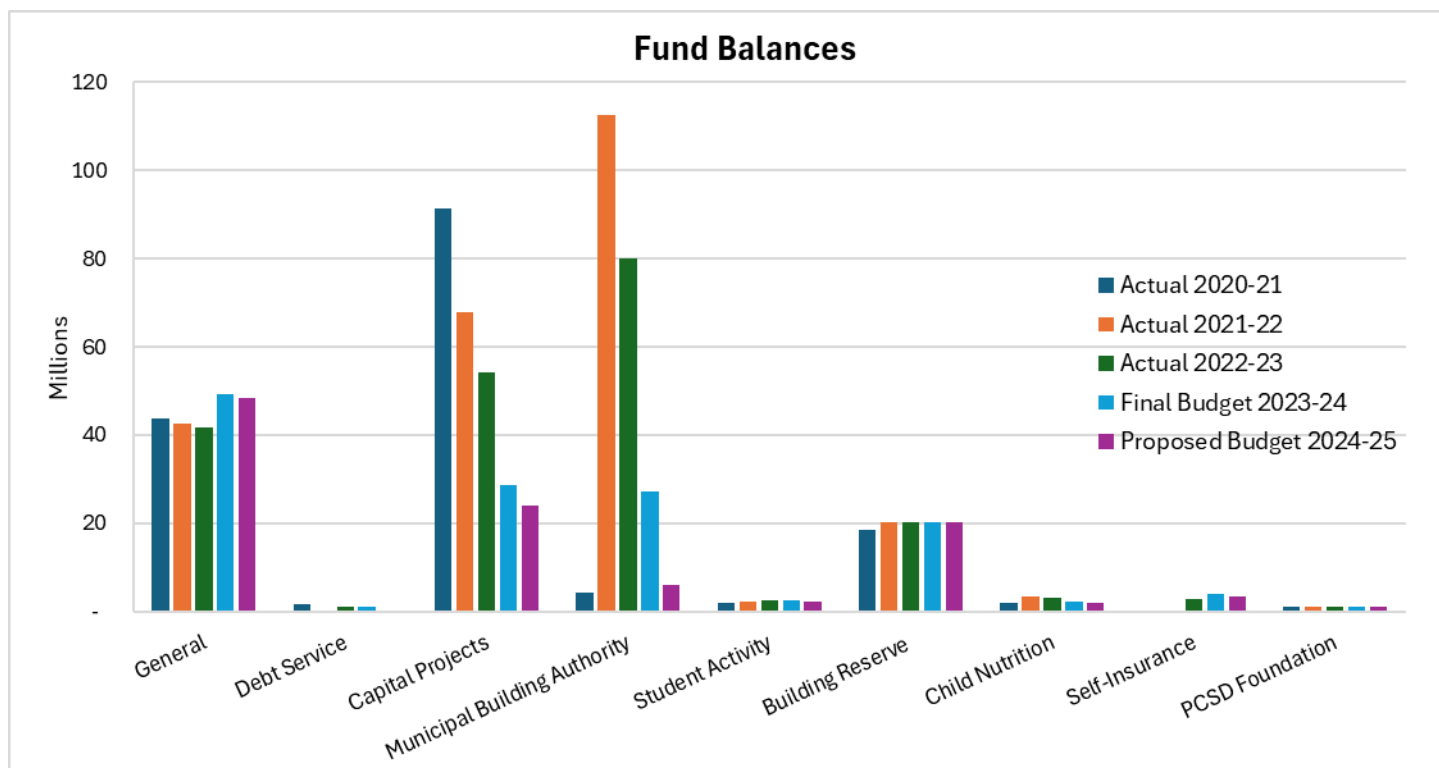
It is projected that the District’s fund balance will decrease by \$28.9 million. The majority of this decrease is in the Capital Projects and Municipal Building Authority funds, which are projected to decrease by \$4.8 million and \$21.2 million, respectively. The table and chart below show a five-year history of fund balance by fund type.

### Summary of Fund Balances

All Governmental Funds, Proprietary Fund, and Discretely Presented Component Unit

Fiscal Years 2020-21 through 2024-25

Funds	Actual 2020-21	Actual 2021-22	Actual 2022-23	Final Budget 2023-24	Proposed Budget 2024-25	Percent Increase (Decrease)
General	\$ 43,710,872	\$ 42,651,155	\$ 41,707,221	\$ 49,235,078	\$ 48,365,078	-1.8%
Debt Service	1,775,205	216,802	1,212,482	1,212,482	212,482	-82.5%
Capital Projects	91,353,452	67,850,603	54,306,677	28,741,392	23,904,162	-16.8%
Municipal Building Authority	4,146,901	112,572,219	80,027,770	27,206,382	6,048,461	-77.8%
Student Activity	2,043,907	2,219,256	2,616,911	2,415,099	2,255,664	-6.6%
Pass-Through Taxes	-	-	-	-	-	-
Building Reserve	18,372,240	20,372,240	20,372,240	20,372,240	20,372,240	0.0%
Child Nutrition	1,904,379	3,281,437	3,138,232	2,287,840	2,050,397	-10.4%
Self-Insurance	-	-	2,902,474	3,902,474	3,252,474	-16.7%
PCSD Foundation	962,796	1,183,213	1,110,816	951,008	951,008	0.0%
<b>Total</b>	<b>\$ 164,269,752</b>	<b>\$ 250,346,925</b>	<b>\$ 207,394,823</b>	<b>\$ 136,323,995</b>	<b>\$ 107,411,966</b>	<b>-21.2%</b>

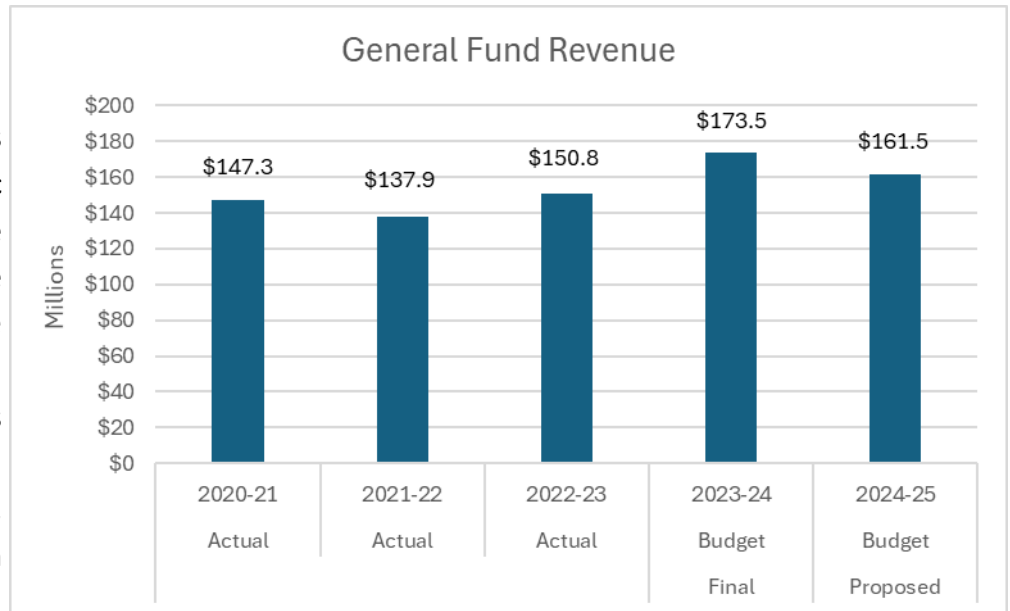


The General fund is the District’s primary operating fund. It accounts for all financial resources of the District, except those required to be account for in another fund, and for all activities of the District associated with education of student in kindergarten through twelfth grade, including instruction and supporting services. This fund obtains its revenue from state aid, local property taxes, federal aid, and other miscellaneous revenue.

**Revenue**

**State Sources**

The Utah State Legislature has stated the mission of public education is to “assure Utah the best educated citizenry in the world and each individual the training to succeed in a global society, by providing students with learning and occupational skills, character development, literacy and numeracy, high quality instruction, curriculum



based on high standards and relevance, and effective assessment to inform high quality instruction and accountability” (UCA 53E-2-301).

The Legislature provides funding to local school districts through the Minimum School Program Act (MSP). The MSP “recognizes that all children of the state are entitled to reasonably equal educational opportunities regardless of their place of residence in the state and of the economic situation of their respective school districts...” It also “recognizes that although the establishment of an educational system is primarily a state function, school districts should be required to participate on a partnership basis in the payment of a reasonable portion of the cost of a minimum program. The Legislature “also recognizes that each locality should be empowered to provide educational facilities and opportunities beyond the minimum program and accordingly provide a method whereby that latitude of action is permitted and encouraged” (53F-2-103) .

Through the MSP, the Legislature guarantees a certain basic level of equalized revenue per student regardless of the local school district wealth. Each local school district is

Estimated Minimum School Program Guarantee	Projected Enrollment	Estimated WPU's
Fall enrollment count for grades K-12 x 1.00	13,463	13,463
WPU value		\$ 4,494
State guarantee revenue		\$ 60,502,722
Local revenue generated by Uniform Basic Rate (0.001408)		\$ (13,953,989)
K-12 revenue from state aid		<u>46,548,733</u>

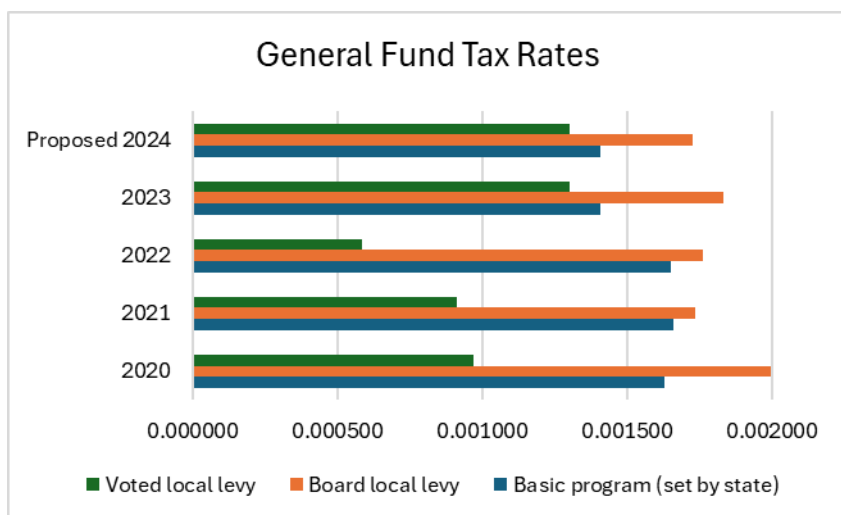
required to levy a minimum unified uniform basic property tax rate. If the uniformed basic tax rate does not generate the minimum revenue guaranteed by the State, then the State will provide aid to the local district to cover the difference. The MSP guarantees each school district in the state an equal amount of revenue per WPU. Each year, the Legislature sets the value of the WPU. The Utah State Legislature set the WPU value at \$4,494. The Special Education and Career and Technical add-on values were made equal to the regular WPU values in fiscal year 2016-17. In fiscal year 2024-25, the District anticipates it will receive 61.1% of its General fund revenue from state aid.

Other State Revenue	
Program	Amount
Beverly taylor sorenson	\$ 466,323
Digital teaching & learning	401,168
Gifted and talented (accelerated learner)	187,400
Concurrent enrollment (accelerated learner)	146,143
Pupil transportation	1,523,462
School-based mental health	429,165
Teacher supplies and materials	273,224
Teacher & student success act	3,957,448
School trustlands	2,134,191
Educator salary adjustment	9,124,321
Voted local levy guarantee	2,540,624
Board local levy guarantee	124,808
Other state programs	7,259,624
<b>Total</b>	<b>\$ 28,567,901</b>

## Local Property Taxes

As part of the Legislature’s recognition that local school districts “should be empowered to provide educational facilities and opportunities beyond the minimum program and accordingly provide a method whereby that latitude of action is permitted and encouraged,” school districts are allowed to set certain tax rate levies to raise additional funds for their local schools. Each year, the District receives a certified tax rate from the Utah State Tax Commission (USTC). The certified tax rate is set so the District can raise the same amount of property tax revenue as the prior year allowing for new growth. The certified tax rate is adjusted each year based upon the change of the assessed value of property within the boundaries of the District. If the assessed value of the property decreases from one year to the next, the certified tax rate is correspondingly increased. If the assessed value of the property increases from one year to the next, the

certified tax rate is correspondingly decreased. There is no inflationary factor built into the certified rate. For fiscal year 2024-25, it is estimated that the property tax levies will generate \$47.3 million in the General fund.



**Federal Sources**

Federal aid accounts for 5.1% of the District’s General fund revenue. Federal funds are earmarked for specific purposes such as special education and the economically disadvantaged. Based upon preliminary 2024-25 data, the District anticipates receiving \$8.3 million in federal funding, a decrease of \$10.1 million from the prior year. The largest federal programs in the General fund are Special Education with \$2.7 million, Title I with \$2.5 million, and Medicaid with \$0.3 million.

**Expenditures**

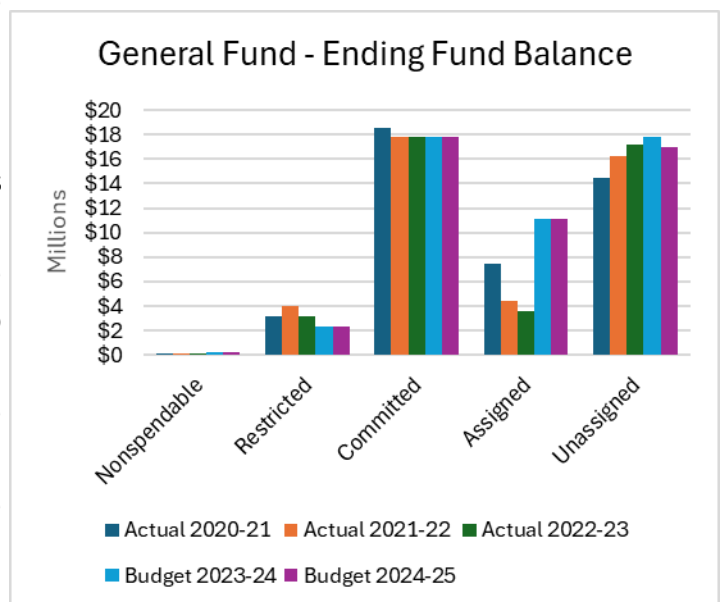
General fund expenditures are projected to decrease by \$0.9 million, due to cost-cutting initiatives undertaken to improve the efficiency and effectiveness of district administration and central services. As is typical of school districts, the General fund expenditure budget is comprised mostly of salaries and employee benefits. The District provides quality educational services to students, enabling them to have lifelong success. This requires hiring and retaining good teachers and support staff in our schools. In the proposed General fund budget, \$132.9 million or 85.1% is for salaries and employee benefits. The other 14.9% of expenditures are made up of purchased services (4.9%), supplies and materials (8.4%), property and equipment (0.1%), and debt service and miscellaneous (1.5%). Inflationary pressures continue to result in increases to the cost of purchased services such as utilities, property and liability insurance, medical insurance, and supplies.

**Other Post Employment Benefits (OPEB)**

The District froze its OPEB plan in 2007. Employees hired before that date are offered post-retirement medical insurance benefits based on continuous years of service prior to 2007. Every other year, the District has an actuarial valuation performed in compliance with GASB 75. The District has 62 current employees that may qualify for some level of OPEB, and 320 retired employees receiving benefits. The District has committed \$13.4 million of fund balance to fund the OPEB liability.

**Fund Balance**

Each year, the unused portion of the District’s operating budget reverts into the ending fund balance. This balance is then available as a resource in the subsequent year. Fund balances are expected to slightly decrease. The District prioritizes a balanced budget each fiscal year. As in past years, fund balance is committed and assigned for various purposes, including economic stabilization, District employee benefits, health insurance, and planned projects.





# General Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balances

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Final Budget 2023-24	Proposed Budget 2024-25
<b>Revenues:</b>					
Local sources	\$ 42,168,245	\$ 40,341,370	\$ 50,822,740	\$ 59,966,939	\$ 54,577,288
State sources	90,307,945	77,841,829	85,206,842	95,105,067	98,608,675
Federal sources	14,790,719	19,690,192	14,771,763	18,431,837	8,315,538
Total revenues	<u>147,266,909</u>	<u>137,873,391</u>	<u>150,801,345</u>	<u>173,503,843</u>	<u>161,501,501</u>
<b>Expenditures:</b>					
Instruction	80,764,228	86,248,769	87,067,650	99,836,911	97,629,294
Support services					
Student	9,338,443	10,309,708	11,290,286	11,319,107	11,619,097
Instructional staff	11,917,369	12,143,030	15,931,050	15,012,473	15,935,111
District administration	2,546,097	2,499,677	1,729,266	1,956,957	1,474,995
School administration	7,959,672	8,472,991	9,413,916	10,049,292	10,893,830
Central	6,105,086	6,412,005	7,115,142	7,512,249	6,987,748
Operation and maintenance of facilities	16,217,531	8,054,247	13,864,227	9,004,044	9,025,168
Student transportation	2,417,535	2,475,874	2,247,304	2,371,753	2,616,258
Child nutrition	111,953	82,949	-	-	-
Community services	208,731	133,733	-	-	-
Total expenditures	<u>137,586,645</u>	<u>136,832,983</u>	<u>148,658,841</u>	<u>157,062,786</u>	<u>156,181,501</u>
Excess (deficiency) of revenues over (under) expenditures	9,680,264	1,040,408	2,142,504	16,441,057	5,320,000
<b>Other financing sources (uses):</b>					
Transfer in (out)	-	(2,138,586)	(3,125,833)	(8,923,200)	(6,200,000)
Proceeds from sale of capital assets	15,375	38,461	39,395	10,000	10,000
Total other financing sources (uses)	<u>15,375</u>	<u>(2,100,125)</u>	<u>(3,086,438)</u>	<u>(8,913,200)</u>	<u>(6,190,000)</u>
Net change in fund balances	9,695,639	(1,059,717)	(943,934)	7,527,857	(870,000)
Fund balance - beginning	<u>34,015,233</u>	<u>43,710,872</u>	<u>42,651,155</u>	<u>41,707,221</u>	<u>49,235,078</u>
Fund balance - ending	<u>\$ 43,710,872</u>	<u>\$ 42,651,155</u>	<u>\$ 41,707,221</u>	<u>\$ 49,235,078</u>	<u>\$ 48,365,078</u>
<b>Fund balance:</b>					
Nonspendable					
Inventory and prepaids	\$ 57,439	\$ 170,723	\$ 28,529	\$ 210,023	\$ 210,023
Restricted					
State and federal programs	3,116,148	4,039,026	3,166,675	2,286,674	2,286,674
Committed					
OPEB	14,198,244	13,448,244	13,448,244	13,448,244	13,448,244
Economic stabilization	4,344,402	4,344,402	4,344,402	4,344,402	4,344,402
Assigned	7,489,045	4,418,354	3,589,000	11,116,857	11,116,857
Unassigned	14,505,594	16,230,406	17,130,371	17,828,878	16,958,878
Total fund balance	<u>\$ 43,710,872</u>	<u>\$ 42,651,155</u>	<u>\$ 41,707,221</u>	<u>\$ 49,235,078</u>	<u>\$ 48,365,078</u>

# General Fund: Revenue by Source and Type

	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Actual 2022-23</u>	<u>Final Amended 2023-24</u>	<u>Proposed 2024-25</u>
<b>REVENUES</b>					
<b>Local sources:</b>					
Property taxes	\$ 37,861,708	\$ 35,541,842	\$ 41,473,053	\$ 47,822,975	\$ 47,268,893
Earnings on investments	494,043	281,708	3,819,527	4,000,000	2,000,000
Other local	3,812,494	4,517,820	5,530,160	8,143,964	5,308,395
Total local sources	<u>42,168,245</u>	<u>40,341,370</u>	<u>50,822,740</u>	<u>59,966,939</u>	<u>54,577,288</u>
<b>State sources:</b>					
<b>Unrestricted basic school programs:</b>					
Regular school programs K-12	43,432,935	35,282,959	34,652,120	41,713,829	45,040,446
Professional staff costs	4,459,595	3,896,911	4,180,851	4,453,539	4,620,548
Flexible allocation	-	-	-	35,000	35,098
Total unrestricted basic school programs	<u>47,892,530</u>	<u>39,179,870</u>	<u>38,832,971</u>	<u>46,202,368</u>	<u>49,696,092</u>
<b>Restricted basic school programs:</b>					
Special education - regular	6,495,531	7,049,119	7,656,656	8,174,644	8,384,125
Special education - self-contained	1,133,519	1,072,318	1,022,960	1,047,601	1,076,438
Special education - preschool	763,521	737,091	901,391	1,058,938	1,045,187
Career and technical education (CTE)	2,273,937	2,273,093	2,263,718	2,565,408	2,548,360
Students at-risk add-on	1,077,059	1,320,961	2,043,551	2,751,013	3,576,280
Class-size reduction	3,865,687	3,100,531	3,321,969	3,550,556	3,714,292
Total restricted basic school programs	<u>15,609,254</u>	<u>15,553,113</u>	<u>17,210,245</u>	<u>19,148,160</u>	<u>20,344,682</u>
<b>Other state revenue:</b>					
Beverly Taylor Sorenson	326,827	418,231	468,693	503,145	466,323
Digital teaching & learning	487,270	356,761	450,013	401,168	401,168
Gifted and talented (accelerated learner)	79,264	90,436	43,463	187,400	187,400
Advanced placement (accelerated learner)	72,387	81,689	43,463	-	-
Concurrent enrollment (accelerated learner)	92,586	122,198	139,934	146,143	146,143
Reading achievement	305,635	203,946	-	206,224	-
Pupil transportation	1,595,049	1,617,517	1,799,797	1,515,227	1,523,462
School-based mental health	574,906	514,797	433,207	495,452	429,165
Teacher supplies and materials	119,330	119,533	116,407	115,037	273,224
Teacher & student success act	2,586,764	2,604,712	3,122,784	3,636,692	3,957,448
School trustlands	1,840,111	1,867,948	1,944,853	2,060,236	2,134,191
Extended-day kindergarten	454,670	647,572	858,336	-	-
USTAR centers	42,536	-	-	-	-
Educator salary adjustment	4,340,113	4,237,825	4,218,147	8,613,988	9,124,321
COVID stipend	2,275,055	-	-	-	-
Voted local levy guarantee	4,173,844	2,729,373	5,924,332	2,006,391	2,540,624
Board local levy guarantee	2,035,040	1,009,300	584,009	1,080,365	124,808
Other state programs	5,404,774	6,487,008	9,016,188	8,787,071	7,259,624
Total other state revenue	<u>26,806,161</u>	<u>23,108,846</u>	<u>29,163,626</u>	<u>29,754,539</u>	<u>28,567,901</u>
Total state sources	<u>90,307,945</u>	<u>77,841,829</u>	<u>85,206,842</u>	<u>95,105,067</u>	<u>98,608,675</u>
<b>Federal sources:</b>					
Title IA - LEA grants	3,186,386	2,445,759	2,567,095	2,839,443	2,535,486
Special education	2,597,786	2,755,741	2,837,660	2,989,948	2,712,705
Medicaid	993,408	1,717,792	1,106,812	1,400,000	1,287,015
Career and Technical Education (CTE)	207,961	192,386	250,439	241,120	277,597
Federal CARES act	6,009,859	10,385,548	5,303,515	9,443,722	-
Other federal programs	1,795,319	2,192,966	2,706,242	1,517,604	1,502,735
Total federal sources	<u>14,790,719</u>	<u>19,690,192</u>	<u>14,771,763</u>	<u>18,431,837</u>	<u>8,315,538</u>
<b>Total revenue</b>	<u>\$ 147,266,909</u>	<u>\$ 137,873,391</u>	<u>\$ 150,801,345</u>	<u>\$ 173,503,843</u>	<u>\$ 161,501,501</u>

# General Fund: Expenditures by Function and Object

## EXPENDITURES

### Instruction

#### Salaries:

Teachers	\$ 44,224,447	\$ 46,283,783	\$ 45,807,378	\$ 52,499,940	\$ 52,921,113
Aides & paraprofessionals	6,539,704	6,991,856	6,969,530	8,583,044	7,990,502
<b>Total salaries</b>	<b>50,764,151</b>	<b>53,275,639</b>	<b>52,776,908</b>	<b>61,082,984</b>	<b>60,911,615</b>

#### Employee benefits:

State retirement	9,767,825	10,408,292	10,121,748	11,926,369	11,477,988
Social security	3,671,596	4,000,649	3,864,302	4,524,576	4,630,357
Medical insurance	7,843,779	7,840,881	7,889,725	7,952,153	7,724,664
Industrial Insurance	506,092	378,617	355,539	384,099	270,202
Other employee benefits	1,334,383	1,154,913	847,542	900,000	599,999
<b>Total employee benefits</b>	<b>23,123,675</b>	<b>23,783,352</b>	<b>23,078,856</b>	<b>25,687,197</b>	<b>24,703,210</b>

Purchased services	1,410,396	1,262,912	1,415,781	1,764,066	1,797,639
Purchased property services	2,844	1,114	1,791	-	-
Other purchased services	134,739	304,052	389,412	148,352	188,312
<b>Total purchased services</b>	<b>1,547,979</b>	<b>1,568,078</b>	<b>1,806,984</b>	<b>1,912,418</b>	<b>1,985,951</b>

Supplies and materials	2,477,196	2,996,192	3,563,091	6,066,086	6,204,054
Library and textbooks	174,713	241,537	1,050,496	1,085,100	400,000
Technology and software	1,066,632	1,998,149	1,666,454	1,595,991	1,098,983
<b>Total supplies and materials</b>	<b>3,718,541</b>	<b>5,235,878</b>	<b>6,280,041</b>	<b>8,747,177</b>	<b>7,703,037</b>

Property and equipment	146,217	140,928	158,295	100,000	100,000
Debt service and miscellaneous	1,463,665	2,244,894	2,966,566	2,307,135	2,225,481
<b>Total instruction</b>	<b>\$ 80,764,228</b>	<b>\$ 86,248,769</b>	<b>\$ 87,067,650</b>	<b>\$ 99,836,911</b>	<b>\$ 97,629,294</b>

### Student Support

#### Salaries:

Attendance & social work personnel	\$ 1,382,552	\$ 1,623,151	\$ 1,722,767	\$ 1,760,544	\$ 1,792,633
Guidance personnel	1,363,156	1,454,908	1,594,804	1,599,411	1,679,382
Health services personnel	1,774,912	1,810,219	1,993,677	1,963,225	1,946,482
Psychological personnel	669,327	737,477	845,262	714,643	925,879
Secretarial, aides, and other	826,838	783,113	846,518	881,440	873,448
<b>Total salaries</b>	<b>6,016,785</b>	<b>6,408,868</b>	<b>7,003,028</b>	<b>6,919,263</b>	<b>7,217,824</b>

Employee benefits	2,482,231	2,693,592	2,965,658	3,013,553	3,037,500
Purchased services	680,343	1,028,427	1,005,815	1,168,000	1,059,000
Purchased property services	-	-	-	-	-
Other purchased services	17,725	15,783	17,122	28,750	18,250
Supplies and materials	87,113	105,372	229,832	165,683	275,693
Property and equipment	-	-	-	-	-
Debt service and miscellaneous	54,246	57,666	68,831	23,858	10,830
<b>Total student support</b>	<b>\$ 9,338,443</b>	<b>\$ 10,309,708</b>	<b>\$ 11,290,286</b>	<b>\$ 11,319,107</b>	<b>\$ 11,619,097</b>

# General Fund: Expenditures by Function and Object

## Instruction staff support

### Salaries:

Supervisors and directors	\$ 691,393	\$ 822,129	\$ 1,497,822	\$ 1,600,331	\$ 1,196,439
Teachers	3,610,643	3,951,188	5,799,154	5,301,610	6,848,951
Media personnel	704,058	708,284	766,295	829,805	820,958
Secretarial and clerical	429,690	356,154	706,745	758,605	599,349
Technology, aides, and other	<u>1,116,524</u>	<u>1,132,457</u>	<u>1,068,976</u>	<u>1,204,698</u>	<u>1,304,698</u>
<b>Total salaries</b>	<u>6,552,308</u>	<u>6,970,212</u>	<u>9,838,992</u>	<u>9,695,049</u>	<u>10,770,395</u>

Employee benefits	\$ 2,558,338	\$ 2,685,398	\$ 3,672,711	\$ 3,581,112	\$ 3,589,948
Purchased services	699,103	501,840	705,309	878,244	935,119
Purchased property services	-	-	-	-	-
Other purchased services	49,316	268,199	468,731	166,343	173,440
Supplies and materials	1,951,393	1,701,272	1,224,521	672,890	457,374
Property and equipment	99,010	6,623	12,856	10,000	-
Debt service and miscellaneous	<u>7,901</u>	<u>9,486</u>	<u>7,930</u>	<u>8,835</u>	<u>8,835</u>
<b>Total instructional staff support</b>	<u>\$ 11,917,369</u>	<u>\$ 12,143,030</u>	<u>\$ 15,931,050</u>	<u>\$ 15,012,473</u>	<u>\$ 15,935,111</u>

## District administration

### Salaries:

Board of education and superintendent	\$ 246,720	\$ 261,492	\$ 339,529	\$ 254,265	\$ 248,370
Supervisors and directors	796,847	775,236	480,981	419,635	329,709
Secretarial and clerical	<u>413,077</u>	<u>410,351</u>	<u>170,072</u>	<u>191,882</u>	<u>88,593</u>
<b>Total salaries</b>	<u>1,456,644</u>	<u>1,447,079</u>	<u>990,582</u>	<u>865,782</u>	<u>666,672</u>

Employee benefits	664,586	687,821	433,882	520,362	310,743
Purchased services	239,506	178,178	144,833	272,398	270,176
Purchased property services	67	-	-	-	-
Other purchased services	4,925	33,703	41,343	37,346	80,000
Supplies and materials	135,005	120,086	97,288	197,990	101,979
Property and equipment	10,560	-	-	-	-
Debt service and miscellaneous	<u>34,804</u>	<u>32,810</u>	<u>21,338</u>	<u>63,079</u>	<u>45,425</u>
<b>Total district administration</b>	<u>\$ 2,546,097</u>	<u>\$ 2,499,677</u>	<u>\$ 1,729,266</u>	<u>\$ 1,956,957</u>	<u>\$ 1,474,995</u>

## School administration

### Salaries:

Principals and assistants	\$ 3,323,626	\$ 3,509,425	\$ 4,118,746	\$ 4,479,414	\$ 5,463,682
Secretarial and clerical	<u>2,035,463</u>	<u>2,147,318</u>	<u>2,201,621</u>	<u>2,377,947</u>	<u>2,074,620</u>
<b>Total salaries</b>	<u>5,359,089</u>	<u>5,656,743</u>	<u>6,320,367</u>	<u>6,857,361</u>	<u>7,538,302</u>

Employee benefits	2,362,231	2,442,738	2,669,868	2,873,581	3,033,878
Purchased services	3,071	17,699	30,835	27,600	39,250
Purchased property services	964	-	-	-	-
Other purchased services	4,195	12,125	20,627	19,800	10,400
Supplies and materials	175,059	319,796	342,716	253,000	254,000
Property and equipment	40,822	-	12,700	-	-
Debt service and miscellaneous	<u>14,241</u>	<u>23,890</u>	<u>16,803</u>	<u>17,950</u>	<u>18,000</u>
<b>Total school administration</b>	<u>\$ 7,959,672</u>	<u>\$ 8,472,991</u>	<u>\$ 9,413,916</u>	<u>\$ 10,049,292</u>	<u>\$ 10,893,830</u>



# General Fund: Expenditures by Function and Object

## Central services

### Salaries:

Supervisors and directors	\$ 598,964	\$ 727,627	\$ 558,883	\$ 566,124	\$ 606,074
Professional office personnel	370,737	386,038	455,139	425,807	404,726
Technology, secretarial, and other	1,703,309	1,804,364	2,042,071	2,417,727	2,310,940
<b>Total salaries</b>	<u>2,673,010</u>	<u>2,918,029</u>	<u>3,056,093</u>	<u>3,409,658</u>	<u>3,321,740</u>

Employee benefits	1,208,656	1,321,844	1,316,147	1,412,280	1,530,062
Purchased services	767,226	1,059,234	981,625	1,165,828	1,412,786
Purchased property services	3,857	1,877	9,429	4,000	4,000
Other purchased services	229,014	236,509	259,063	265,500	101,430
Supplies and materials	857,906	731,250	1,322,500	1,022,733	567,730
Property and equipment	355,255	138,596	165,155	220,000	38,000
Debt service and miscellaneous	10,162	4,666	5,130	12,250	12,000
<b>Total central services</b>	<u>\$ 6,105,086</u>	<u>\$ 6,412,005</u>	<u>\$ 7,115,142</u>	<u>\$ 7,512,249</u>	<u>\$ 6,987,748</u>

## Operation & maintenance of facilities

### Salaries:

Supervisors and directors	\$ 545,664	\$ 375,845	\$ 276,082	\$ 293,882	\$ 5,000
Secretarial and clerical	1,593	1,704	-	-	-
Operation & maint supervisors	67,119	-	211,079	-	-
Custodial & maintenance	3,814,676	2,852,139	3,887,558	2,995,246	3,246,108
<b>Total salaries</b>	<u>4,429,052</u>	<u>3,229,688</u>	<u>4,374,719</u>	<u>3,289,128</u>	<u>3,251,108</u>

Employee benefits	1,551,691	1,065,325	1,562,846	1,027,527	946,271
Purchased services	310,812	223,611	730,936	199,000	660,000
Purchased property services	5,661,950	154,263	2,470,255	(20,580)	159,426
Other purchased services	256,258	344,139	429,473	657,000	753,000
Supplies and materials	3,361,569	2,886,703	3,942,380	3,626,969	3,255,363
Property and equipment	646,199	150,518	353,618	225,000	-
Debt service and miscellaneous	-	-	-	-	-
<b>Total operation and maintenance</b>	<u>\$ 16,217,531</u>	<u>\$ 8,054,247</u>	<u>\$ 13,864,227</u>	<u>\$ 9,004,044</u>	<u>\$ 9,025,168</u>

## Student transportation

Secretarial & clerical	\$ 72,130	\$ 73,234	\$ 24,738	\$ -	\$ 41,038
Supervisors	1,728	2,148	75,793	107,270	115,224
Bus drivers	950,443	1,003,835	1,053,908	1,124,358	1,294,046
Mechanics, garage, and aides	258,198	240,673	198,565	203,106	222,879
<b>Total salaries</b>	<u>1,282,499</u>	<u>1,319,890</u>	<u>1,353,004</u>	<u>1,434,734</u>	<u>1,673,187</u>

Employee benefits	445,313	455,086	422,149	427,580	433,787
Purchased services	255	1,499	1,606	-	-
Purchased property services	16,175	19,791	9,817	20,000	20,000
Other purchased services	937	4,449	4,518	5,433	5,433
Supplies and materials	251,122	405,494	432,321	476,632	476,477
Property and equipment	414,408	263,194	17,210	-	-
Debt service and miscellaneous	6,826	6,471	6,679	7,374	7,374
<b>Total student transportation</b>	<u>\$ 2,417,535</u>	<u>\$ 2,475,874</u>	<u>\$ 2,247,304</u>	<u>\$ 2,371,753</u>	<u>\$ 2,616,258</u>

## Child nutrition - function 3100

Food services personnel	\$ 92,781	\$ 68,897	\$ -	\$ -	\$ -
Employee benefits	19,172	14,052	-	-	-
<b>Total child nutrition</b>	<u>\$ 111,953</u>	<u>\$ 82,949</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## Community services - Function 3300

Salaries	\$ 152,283	\$ 80,040	\$ -	\$ -	\$ -
Employee benefits	54,739	17,611	-	-	-
Purchased services	1,413	5,356	-	-	-
Supplies and materials	296	30,726	-	-	-
<b>Total community services</b>	<u>\$ 208,731</u>	<u>\$ 133,733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total expenditures</b>	<u>\$ 137,586,645</u>	<u>\$ 136,832,983</u>	<u>\$ 148,658,841</u>	<u>\$ 157,062,786</u>	<u>\$ 156,181,501</u>



## General Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenues:</b>				
Local sources:				
Property taxes	\$ 47,268,893	\$ 48,686,960	\$ 50,147,569	\$ 51,651,996
Earnings on investments	2,000,000	1,800,000	1,620,000	1,458,000
Other local	5,308,395	5,467,647	5,631,676	5,800,626
State sources	98,608,675	102,553,022	106,655,143	110,921,349
Federal sources	8,315,538	8,398,693	8,482,680	8,567,507
Total revenues	<u>161,501,501</u>	<u>166,906,322</u>	<u>172,537,068</u>	<u>178,399,478</u>
<b>Expenditures:</b>				
Current:				
Salaries	95,350,843	98,688,123	102,142,207	105,717,184
Employee benefits	37,585,399	38,900,888	40,262,419	41,671,604
Purchased services	6,173,970	6,297,449	6,423,398	6,551,866
Purchased property services	183,426	187,095	190,837	194,654
Other purchased services	1,330,265	1,356,870	1,384,007	1,411,687
Supplies and materials	13,091,653	13,549,861	14,024,106	14,514,950
Property and equipment	138,000	140,760	143,575	146,447
Debt service and miscellaneous	2,327,945	2,351,224	2,374,736	2,398,483
Total expenditures	<u>156,181,501</u>	<u>161,472,270</u>	<u>166,945,285</u>	<u>172,606,875</u>
Excess (deficiency) of revenues over (under) expenditures	5,320,000	5,434,052	5,591,783	5,792,603
<b>Other financing sources (uses):</b>				
Transfer in (out)	(6,200,000)	(6,200,000)	(6,200,000)	(6,200,000)
Proceeds from sale of capital assets	10,000	10,000	10,000	10,000
Total other financing sources (uses)	<u>(6,190,000)</u>	<u>(6,190,000)</u>	<u>(6,190,000)</u>	<u>(6,190,000)</u>
Net change in fund balances	(870,000)	(755,948)	(598,217)	(397,397)
Fund balance - beginning	<u>49,235,078</u>	<u>48,365,078</u>	<u>47,609,130</u>	<u>47,010,913</u>
Fund balance - ending	<u>\$ 48,365,078</u>	<u>\$ 47,609,130</u>	<u>\$ 47,010,913</u>	<u>\$ 46,613,516</u>

# Capital Projects Fund: Major Fund

The purpose of the Capital Projects fund is to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing quality educational programs for all students within the District. Financing is provided by the capital local property tax levy as authorized by Utah Code 53F-8-303 and from general obligation bond proceeds.

## Revenue

### Local Sources

The capital local levy is intended to fund the District’s Capital Projects fund and is forecasted to generate \$12.5 million in fiscal year 2024-25, which equates to 99.2% of total revenue in this fund.

### State and Federal Sources

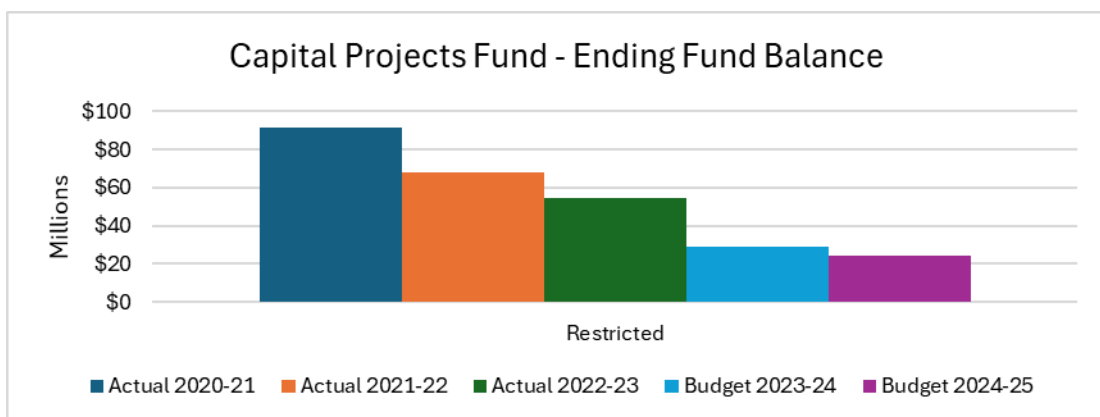
State and federal revenue is less likely in the Capital Projects fund. In fiscal year 2022-23, the state awarded districts one-time capital grants to help with any qualified needs. This money was used to help replace HVAC controls that had become outdated.

## Expenditures

The proposed expenditures budget for the Capital Projects fund for fiscal year 2024-25 is \$24.4 million, a decrease of \$24.1 million or 49.7%. This decrease is primarily the result of the spenddown of general obligation bond proceeds on the safety upgrades and renovation of Timpview High. Salaries and benefits of the Maintenance department make up \$2.5 million or 10.1% of the total budget. Construction project, maintenance, and repair costs reside in purchased property services budget of \$9.5 million or 38.9% of the total budget. The property and equipment budget of \$10.8 million or 44.1% of the total budget, is used to make an annual rent payment to the Municipal Building Authority fund as well as purchase furniture, fixtures, and equipment for schools.

## Fund Balance

Fund balance in the Capital Projects fund is expected to decrease by \$4.8 million for an ending balance of \$23.9 million by the end of fiscal year 2024-25, due to expending the remaining general obligation bond proceeds on the renovation of Timpview High. The remaining fund balance is restricted for future capital and maintenance needs such as parking lot resurfacing, roof repair, building improvements, etc.



## Capital Facilities Committee

The Capital Facilities Committee (CFC) is responsible for forecasting, planning, and monitoring capital outlay needs throughout the District. 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 periodically 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 are allocated effectively and efficiently.

## General Obligation Bonds

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 placed an \$80 million general obligation bond (GO bond) on the 2020 ballot and the citizens of Provo voted to approve it. Those GO 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 FY2025. The drawdown of fund balance in the Capital Projects fund is related to the spenddown of these bond proceeds.

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

Capital Projects Approved by the Capital Facilities Committee - Fiscal Year 2024-25		
Location	Project Description	Amount
Canyon Crest Elementary	Renovate the front and south sides of building	\$ 750,000
Transportation Dept	Bus replacement cycle (3 per year)	653,644
District-wide	Playground repair and replacement cycle	500,000
District-wide	Flooring repair and replacement cycle	500,000
Franklin Elementary	Boiler and chiller upgrades	450,000
Amelia Earhart Elementary	Replace roof membrane	450,000
District-wide	Painting	400,000
District-wide	Flooring	400,000
Independence High	Roof replacement	400,000
Westridge Elementary	Restroom renovations	400,000
District-wide	Asphalt maintenance & repairs	300,000
Westridge Elementary	Replace 7 rooftop HVAC units	280,000
District Office	Replace roof membrane	280,000
Independence High	Replace rooftop units at IHS	200,000
Transportation Dept	Purchase a special needs bus (SPED)	181,958
Timpview High	Replace Thunderdome bleachers	160,000
Centennial Middle	Remodel of Arches hall bathrooms	150,000
Independence High	Replace generator	120,000
Timpanogos Elementary	Bathroom remodel	50,000
Independence High	Remodel main boys and girls restrooms	50,000
Independence High	New scoreboard for IHS gym	40,000
Westridge Elementary	Replace HVAC units on portable	40,000
Timpview High	Roof maintenance	40,000
Lakeview Elementary	Remove portables	5,000
<b>Total estimated cost:</b>		<b>\$ 6,800,602</b>

# Capital Projects Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balances

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Final Budget 2023-24	Proposed Budget 2024-25
<b>Revenues:</b>					
Local sources:					
Property taxes	\$ 8,620,353	\$ 10,411,199	\$ 19,184,956	\$ 13,550,330	\$ 12,500,000
Earnings on investments	89,263	338,257	1,345,273	711,964	100,000
Other local	52,321	1,701,496	-	-	-
Total local sources	8,761,937	12,450,952	20,530,229	14,262,294	12,600,000
State sources	-	-	1,805,798	-	-
Total revenues	8,761,937	12,450,952	22,336,027	14,262,294	12,600,000
<b>Expenditures:</b>					
Capital outlay:					
Salaries	-	1,126,862	-	1,506,275	1,678,850
Employee benefits	-	522,366	-	719,709	778,913
Purchased services	399,236	-	400	-	-
Purchased property services	8,871,023	32,869,201	26,392,391	32,432,904	9,500,000
Other purchased services	-	-	-	2,500	2,500
Supplies and materials	-	738,509	902,302	2,359,000	1,675,000
Property and equipment	-	641,869	8,536,400	11,503,664	10,788,602
Debt service and miscellaneous	-	19	-	-	-
Debt service:					
Notes payable principal	23,387	45,863	48,460	25,772	13,203
Notes payable interest	82,454	9,112	-	955	162
Total expenditures	9,376,100	35,953,801	35,879,953	48,550,779	24,437,230
Excess (deficiency) of revenues over (under) expenditures	(614,163)	(23,502,849)	(13,543,926)	(34,288,485)	(11,837,230)
<b>Other financing sources (uses):</b>					
Proceeds from general obligation bonds	73,670,000	-	-	-	-
Premium on general obligation bonds	8,145,867	-	-	-	-
Transfer in (out)	-	-	-	8,723,200	7,000,000
Total other financing sources (uses)	81,815,867	-	-	8,723,200	7,000,000
Net change in fund balances	81,201,704	(23,502,849)	(13,543,926)	(25,565,285)	(4,837,230)
Fund balance - beginning	10,151,748	91,353,452	67,850,603	54,306,677	28,741,392
Fund balance - ending	\$ 91,353,452	\$ 67,850,603	\$ 54,306,677	\$ 28,741,392	\$ 23,904,162
<b>Fund balance:</b>					
Restricted	\$ 91,353,452	\$ 67,850,603	\$ 54,306,677	\$ 28,741,392	\$ 23,904,162
Total fund balance	\$ 91,353,452	\$ 67,850,603	\$ 54,306,677	\$ 28,741,392	\$ 23,904,162

## Capital Projects Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenues:</b>				
Local sources:				
Property taxes	\$ 12,500,000	\$ 20,100,000	\$ 20,703,000	\$ 21,324,090
Earnings on investments	100,000	90,000	81,000	72,900
Other local	-	-	-	-
State sources	-	-	-	-
Total revenues	<u>12,600,000</u>	<u>20,190,000</u>	<u>20,784,000</u>	<u>21,396,990</u>
<b>Expenditures:</b>				
Capital outlay:				
Salaries	1,678,850	1,737,610	1,798,426	1,861,371
Employee benefits	778,913	806,175	834,391	863,595
Purchased services	-	-	-	-
Purchased property services	9,500,000	9,690,000	9,883,800	10,081,476
Other purchased services	2,500	2,550	2,601	2,653
Supplies and materials	1,675,000	1,708,500	1,742,670	1,777,523
Property and equipment	10,788,602	11,004,374	11,224,461	11,448,950
Debt service and miscellaneous	-	-	-	-
Debt service:				
Notes payable principal	13,203	-	-	-
Notes payable interest	162	-	-	-
Total expenditures	<u>24,437,230</u>	<u>24,949,209</u>	<u>25,486,349</u>	<u>26,035,568</u>
Excess (deficiency) of revenues over (under) expenditures	(11,837,230)	(4,759,209)	(4,702,349)	(4,638,578)
<b>Other financing sources (uses):</b>				
Proceeds from general obligation bonds	-	-	-	-
Premium on general obligation bonds	-	-	-	-
Transfer in (out)	7,000,000	-	-	-
Total other financing sources (uses)	<u>7,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,837,230)	(4,759,209)	(4,702,349)	(4,638,578)
Fund balance - beginning	<u>28,741,392</u>	<u>23,904,162</u>	<u>19,144,953</u>	<u>14,442,604</u>
Fund balance - ending	<u>\$ 23,904,162</u>	<u>\$ 19,144,953</u>	<u>\$ 14,442,604</u>	<u>\$ 9,804,026</u>



# Municipal Building Authority Fund: Major Fund

The Municipal Building Authority (MBA) fund, a separate legal entity of the District with legal authority to issue bonds on its behalf, is a capital projects fund that was established to account for proceeds from the issuance of lease revenue bonds, which are used for the purpose of acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for quality educational programs.

The MBA fund was created because the District faced the issue of aging buildings. Dixon Middle was originally built in 1931 and Wasatch Elementary was built in 1949. Both schools 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.

## Revenue

### Local Sources

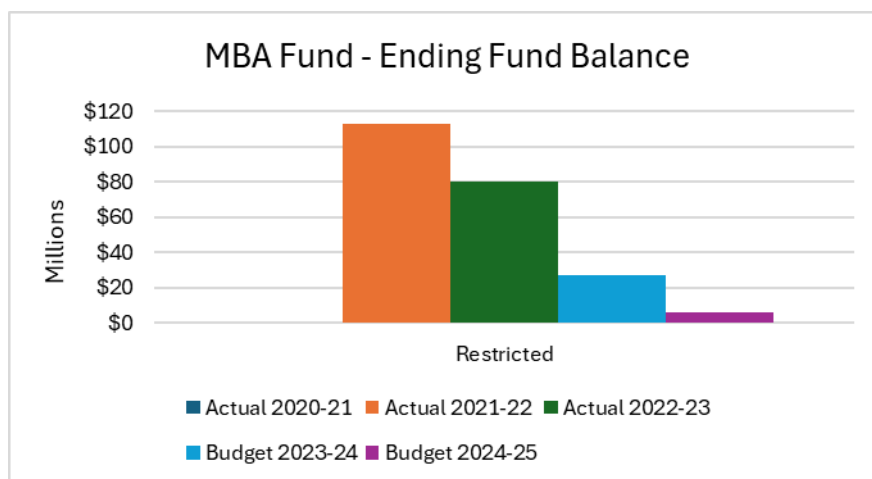
The MBA fund receives an annual lease payment from the Capital Projects fund and investment earnings on cash held in interest-bearing accounts. The annual payment from the Capital Projects fund is funded by the capital local levy.

## Expenditures

The proposed expenditures budget for the MBA fund for fiscal year 2024-25 is \$30.0 million, a decrease of \$32.5 million or 52.0% from the prior year. The decrease is the result of the spenddown of lease revenue bond proceeds on the construction of Shoreline Middle and Wasatch Elementary. Those projects are forecasted to be completed this fiscal year. The District is committed to using bonds wisely to build schools with conservative, yet efficient designs. New buildings are built with the future in mind, which compliments the District's goal of utilizing technology to provide excellent educational services.

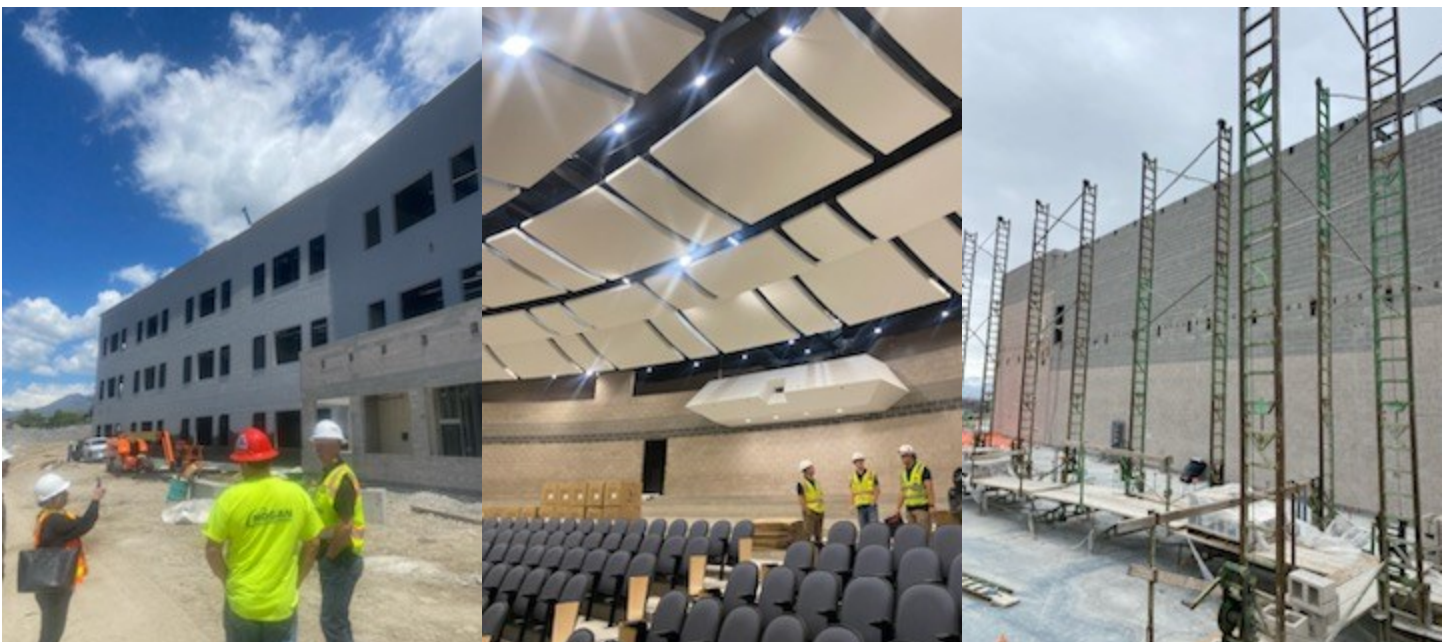
## Fund Balance

Fund balance in the MBA fund is expected to decrease by \$21.2 million for an ending balance of \$6.0 million by the end of fiscal year 2024-25, due to expending the remaining lease revenue bond proceeds on the construction of Shoreline Middle and Wasatch Elementary. The remaining fund balance is restricted.



# Municipal Building Authority Fund: Debt Service Schedule

Fiscal Year	Series 2010		Series 2022		Totals		Grand Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ -	\$ 79,483	\$ 3,465,000	\$ 3,753,200	\$ 3,465,000	\$ 3,832,683	\$ 7,297,683
2026	6,462,000	79,483	3,635,000	3,579,950	10,097,000	3,659,433	13,756,433
2027	-	-	3,820,000	3,398,200	3,820,000	3,398,200	7,218,200
2028	-	-	4,010,000	3,207,200	4,010,000	3,207,200	7,217,200
2029	-	-	4,210,000	3,006,700	4,210,000	3,006,700	7,216,700
2030	-	-	4,420,000	2,796,200	4,420,000	2,796,200	7,216,200
2031	-	-	4,640,000	2,575,200	4,640,000	2,575,200	7,215,200
2032	-	-	4,875,000	2,343,200	4,875,000	2,343,200	7,218,200
2033	-	-	5,115,000	2,099,450	5,115,000	2,099,450	7,214,450
2034	-	-	5,375,000	1,843,700	5,375,000	1,843,700	7,218,700
2035	-	-	5,590,000	1,628,700	5,590,000	1,628,700	7,218,700
2036	-	-	5,810,000	1,405,100	5,810,000	1,405,100	7,215,100
2037	-	-	6,045,000	1,172,700	6,045,000	1,172,700	7,217,700
2038	-	-	6,225,000	991,350	6,225,000	991,350	7,216,350
2039	-	-	6,410,000	804,600	6,410,000	804,600	7,214,600
2040	-	-	6,605,000	612,300	6,605,000	612,300	7,217,300
2041	-	-	6,800,000	414,150	6,800,000	414,150	7,214,150
2042	-	-	7,005,000	210,150	7,005,000	210,150	7,215,150
	<u>\$ 6,462,000</u>	<u>\$ 158,966</u>	<u>\$ 94,055,000</u>	<u>\$ 35,842,050</u>	<u>\$ 100,517,000</u>	<u>\$ 36,001,016</u>	<u>\$ 136,518,016</u>



# Municipal Building Authority Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balances

	<u>Actual</u> <u>2020-21</u>	<u>Actual</u> <u>2021-22</u>	<u>Actual</u> <u>2022-23</u>	<u>Final</u> <u>Budget</u> <u>2023-24</u>	<u>Proposed</u> <u>Budget</u> <u>2024-25</u>
<b>Revenue:</b>					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ 3,380,546	\$ 1,897,855	\$ 1,097,800
Other local	-	199,197	7,755,107	7,755,107	7,755,107
Total revenues	-	199,197	11,135,653	9,652,962	8,852,907
<b>Expenditures:</b>					
Capital outlay:					
Purchased services	-	2,684,401	36,428,536	53,906,082	21,707,645
Property and equipment	-	-	-	1,265,085	1,000,000
Debt service:					
Lease revenue bond principal	-	-	2,951,540	3,300,000	3,465,000
Lease revenue bond interest	-	79,413	4,294,526	3,997,683	3,832,683
Bond issuance cost	-	1,115,560	-	-	-
Paying agent fees	-	10,065	5,500	5,500	5,500
Total expenditures	-	3,889,439	43,680,102	62,474,350	30,010,828
Excess (deficiency) of revenues over (under) expenditures	-	(3,690,242)	(32,544,449)	(52,821,388)	(21,157,921)
<b>Other financing sources (uses):</b>					
Proceeds from lease revenue bonds	-	100,355,000	-	-	-
Premium on lease revenue bonds	-	11,760,560	-	-	-
Transfer in (out)	-	-	-	-	-
Total other financing sources (uses):	-	112,115,560	-	-	-
Net change in fund balances	-	108,425,318	(32,544,449)	(52,821,388)	(21,157,921)
Fund balance - beginning	-	4,146,901	112,572,219	80,027,770	27,206,382
Fund balance - ending	\$ -	\$ 112,572,219	\$ 80,027,770	\$ 27,206,382	\$ 6,048,461
<b>Fund balance:</b>					
Restricted	\$ -	\$ 112,572,219	\$ 80,027,770	\$ 27,206,382	\$ 6,048,461
Total fund balance	\$ -	\$ 112,572,219	\$ 80,027,770	\$ 27,206,382	\$ 6,048,461

# Municipal Building Authority Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenues:</b>				
Local sources:				
Earnings on investments	\$ 1,097,800	\$ 988,020	\$ 889,218	\$ 800,296
Other local	<u>7,755,107</u>	<u>7,755,107</u>	<u>7,755,107</u>	<u>7,755,107</u>
Total revenues	<u>8,852,907</u>	<u>8,743,127</u>	<u>8,644,325</u>	<u>8,555,403</u>
<b>Expenditures:</b>				
Capital outlay:				
Purchased services	21,707,645	415,268	-	-
Property and equipment	1,000,000	-	-	-
Debt service:				
Lease revenue bond principal	3,465,000	10,097,000	3,820,000	4,010,000
Lease revenue bond interest	3,832,683	3,659,433	3,398,200	3,207,200
Bond issuance cost	-	-	-	-
Paying agent fees	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>
Total expenditures	<u>30,010,828</u>	<u>14,177,201</u>	<u>7,223,700</u>	<u>7,222,700</u>
Excess (deficiency) of revenues over (under) expenditures	(21,157,921)	(5,434,074)	1,420,625	1,332,703
<b>Other financing sources (uses):</b>				
Proceeds from lease revenue bonds	-	-	-	-
Premium on lease revenue bonds	-	-	-	-
Transfer in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(21,157,921)	(5,434,074)	1,420,625	1,332,703
<b>Fund balance - beginning</b>	<u>27,206,382</u>	<u>6,048,461</u>	<u>614,387</u>	<u>2,035,012</u>
<b>Fund balance - ending</b>	<u>\$ 6,048,461</u>	<u>\$ 614,387</u>	<u>\$ 2,035,012</u>	<u>\$ 3,367,715</u>

# Debt Service Fund: Major Fund

The Debt Service fund is used to account for the accumulation of resources and the payment of general obligation bonds. The voters of the District have authorized the issuance of general obligation bonds for the purpose of acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for quality educational programs for all students within the District. The bonds are general obligations of the Board of Education payable from the proceeds of a property tax levy that is sufficient to pay the principal and interest as it becomes due.

## Revenue

### Local Sources

The debt service levy is intended to fund the payment of principal and interest on the District’s general obligation bonds. Budgeted property tax revenue in fiscal year 2024-25 are \$14.4 million. This represents a small decrease of \$0.4 million or 3.0% from the prior year.

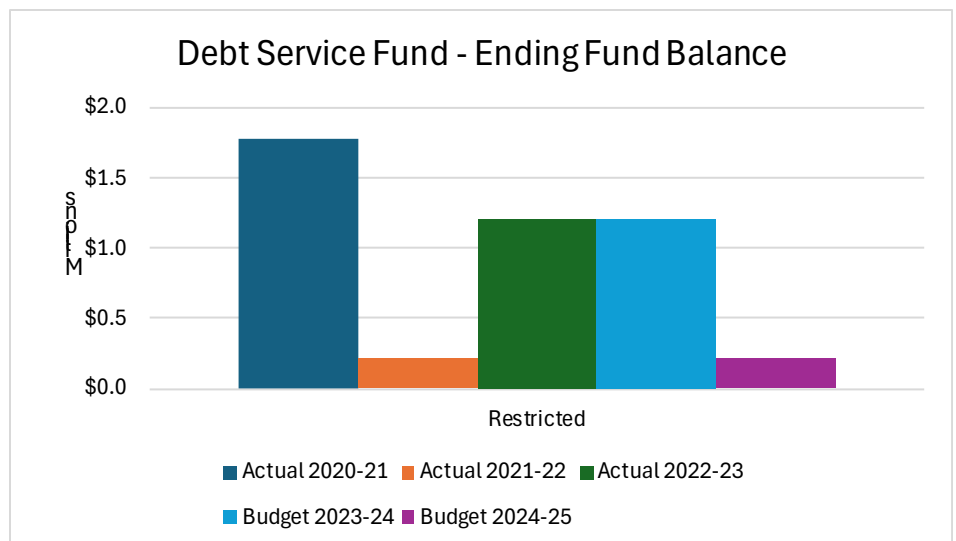
## Expenditures

The proposed expenditures budget for the debt service fund for fiscal year 2024-25 is \$14.4 million, an increase of \$0.6 million or 4.0% from the prior year. The District has one refunding bond outstanding—Series 2021B. This refunding had the effect of reducing future debt service payments and provided a present value savings to the taxpayers of the District. \$9.8 million or 67.7% of the total expenditure budget in the fund is payment of principal on outstanding general obligation bonds. \$4.7 million, or 32.2%, is budgeted for interest payments on outstanding general obligation bonds.

Under certain circumstances, the state allows school districts to use excess debt service fund balance to purchase technology equipment such as computers for students. The District is planning to transfer \$1.0 million of fund balance out of the Debt Service fund to purchase computer equipment.

## Fund Balance

Fund balance in the Debt Service fund is expected decrease in fiscal year 2024-25, but remain relatively flat in the following years. The District sets the debt service levy at an amount each year that will cover the bond payments and leave a small balance in the fund at fiscal year-end.





## Debt Service Fund: Debt Service Schedule

Fiscal Year	Series 2015		Series 2016		Series 2021B Refunding	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 2,510,000	\$ 1,006,700	\$ 2,475,000	\$ 1,260,813	\$ 2,080,000	\$ 294,250
2026	2,580,000	937,675	2,600,000	1,137,063	2,185,000	190,250
2027	2,655,000	860,275	2,725,000	1,007,063	1,620,000	81,000
2028	2,735,000	780,625	2,775,000	952,563	-	-
2029	2,830,000	684,900	2,825,000	897,063	-	-
2030	2,930,000	585,850	2,950,000	784,063	-	-
2031	3,035,000	483,300	3,075,000	666,063	-	-
2032	3,125,000	392,250	3,150,000	566,125	-	-
2033	3,220,000	298,500	3,275,000	463,750	-	-
2034	3,315,000	201,900	3,375,000	357,313	-	-
2035	3,415,000	102,450	3,475,000	247,625	-	-
2036	-	-	3,600,000	126,000	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
2041	-	-	-	-	-	-
	<b>\$ 32,350,000</b>	<b>\$ 6,334,425</b>	<b>\$ 36,300,000</b>	<b>\$ 8,465,504</b>	<b>\$ 5,885,000</b>	<b>\$ 565,500</b>

	Series 2021		Totals		Grand Total
	Principal	Interest	Principal	Interest	
2025	\$ 2,710,000	\$ 2,093,048	\$ 9,775,000	\$ 4,654,811	\$ 14,429,811
2026	3,285,000	1,957,548	10,650,000	4,222,536	14,872,536
2027	3,280,000	1,793,298	10,280,000	3,741,636	14,021,636
2028	3,445,000	1,629,298	8,955,000	3,362,486	12,317,486
2029	3,615,000	1,457,048	9,270,000	3,039,011	12,309,011
2030	3,800,000	1,276,298	9,680,000	2,646,211	12,326,211
2031	3,990,000	1,086,298	10,100,000	2,235,661	12,335,661
2032	4,185,000	886,798	10,460,000	1,845,173	12,305,173
2033	4,270,000	803,098	10,765,000	1,565,348	12,330,348
2034	4,355,000	717,698	11,045,000	1,276,911	12,321,911
2035	4,445,000	630,598	11,335,000	980,673	12,315,673
2036	4,520,000	552,810	8,120,000	678,810	8,798,810
2037	4,600,000	473,710	4,600,000	473,710	5,073,710
2038	4,690,000	381,710	4,690,000	381,710	5,071,710
2039	4,780,000	292,600	4,780,000	292,600	5,072,600
2040	4,875,000	197,000	4,875,000	197,000	5,072,000
2041	4,975,000	99,500	4,975,000	99,500	5,074,500
	<b>\$ 69,820,000</b>	<b>\$ 16,328,358</b>	<b>\$ 144,355,000</b>	<b>\$ 31,693,787</b>	<b>\$ 176,048,787</b>

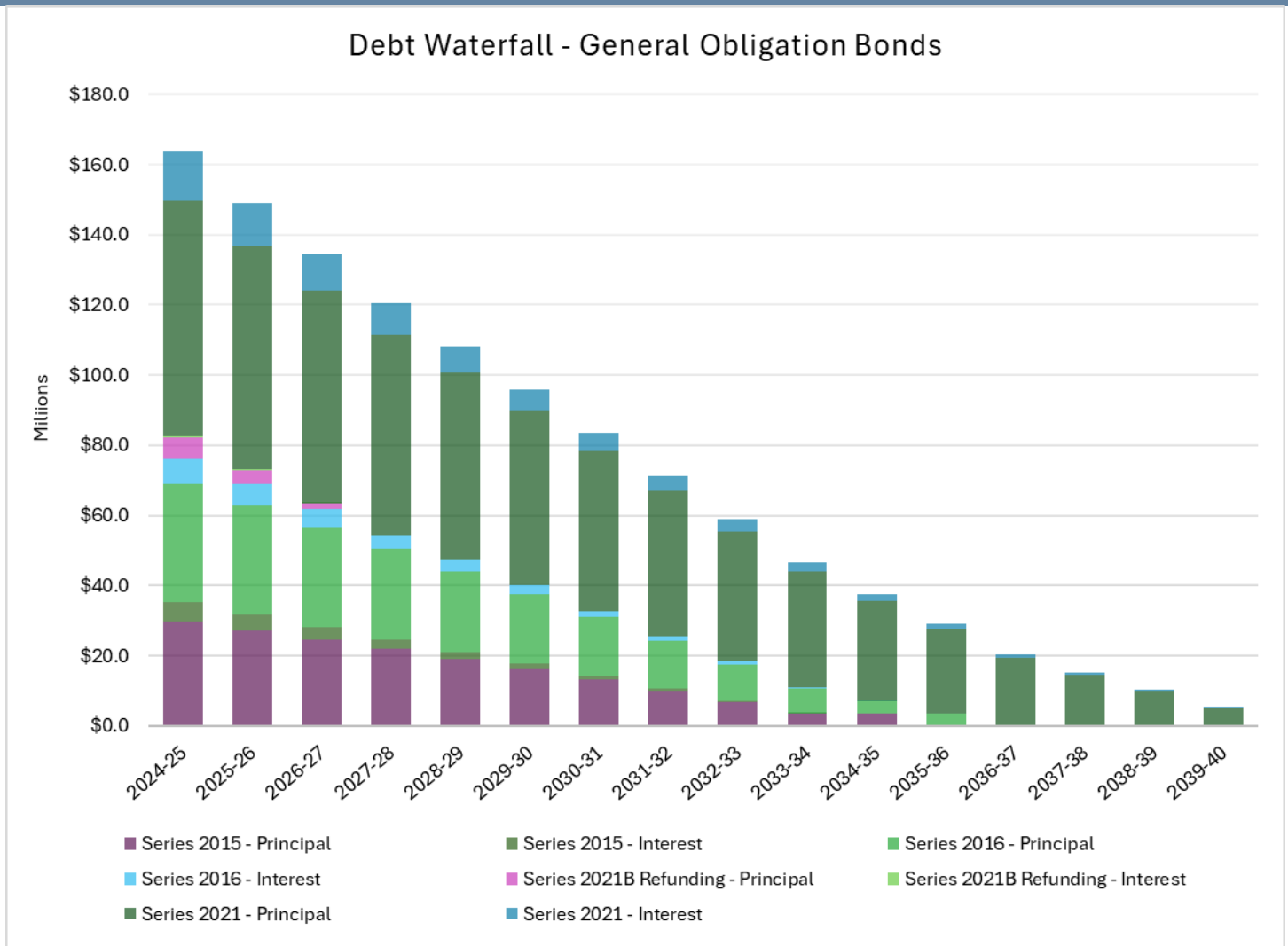
# Debt Service Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balances

	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Actual 2022-23</u>	<u>Final Budget 2023-24</u>	<u>Proposed Budget 2024-25</u>
<b>Revenues:</b>					
Local sources:					
Property taxes	\$ 9,913,762	\$ 11,141,801	\$ 14,327,908	\$ 14,875,560	\$ 14,429,810
Earnings on investments	-	6,618	5,642	7,000	7,000
Total revenues	<u>9,913,762</u>	<u>11,148,419</u>	<u>14,333,550</u>	<u>14,882,560</u>	<u>14,436,810</u>
<b>Expenditures:</b>					
Debt service:					
Bond principal	6,420,000	19,960,000	7,970,000	8,840,000	9,775,000
Bond interest	3,350,765	6,068,439	5,364,370	5,035,560	4,654,810
Bond issuance cost	-	85,404	-	-	-
Paying agent fees	5,500	7,000	3,500	7,000	7,000
Total expenditures	<u>9,776,265</u>	<u>26,120,843</u>	<u>13,337,870</u>	<u>13,882,560</u>	<u>14,436,810</u>
Excess (deficiency) of revenue over (under) expenditures	137,497	(14,972,424)	995,680	1,000,000	-
<b>Other financing sources (uses):</b>					
Proceeds from refunding bonds	-	11,650,000	-	-	-
Premium on refunding bonds	-	1,764,021	-	-	-
Transfer in (out)	-	-	-	(1,000,000)	(1,000,000)
Total other financing sources (uses)	<u>-</u>	<u>13,414,021</u>	<u>-</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Net change in fund balances	137,497	(1,558,403)	995,680	-	(1,000,000)
Fund balance - beginning	<u>1,637,708</u>	<u>1,775,205</u>	<u>216,802</u>	<u>1,212,482</u>	<u>1,212,482</u>
Fund balance - ending	<u>\$ 1,775,205</u>	<u>\$ 216,802</u>	<u>\$ 1,212,482</u>	<u>\$ 1,212,482</u>	<u>\$ 212,482</u>
<b>Fund balance:</b>					
Restricted	\$ 1,775,205	\$ 216,802	\$ 1,212,482	\$ 1,212,482	\$ 212,482
Total fund balance	<u>\$ 1,775,205</u>	<u>\$ 216,802</u>	<u>\$ 1,212,482</u>	<u>\$ 1,212,482</u>	<u>\$ 212,482</u>

# Debt Service Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenue:</b>				
Local sources:				
Property taxes	\$ 14,429,810	\$ 14,718,406	\$ 15,012,774	\$ 15,313,029
Earnings on investments	7,000	6,300	5,670	5,103
Total revenue	<u>14,436,810</u>	<u>14,724,706</u>	<u>15,018,444</u>	<u>15,318,132</u>
<b>Expenditures:</b>				
Debt service:				
Bond principal	9,775,000	10,650,000	10,280,000	8,955,000
Bond interest	4,654,810	4,222,535	3,741,635	3,362,485
Bond issuance cost	-	-	-	-
Paying agent fees	7,000	7,000	7,000	7,000
Total expenditures	<u>14,436,810</u>	<u>14,879,535</u>	<u>14,028,635</u>	<u>12,324,485</u>
Excess (deficiency) of revenues over (under) expenditures	-	(154,829)	989,809	2,993,647
<b>Other financing sources (uses):</b>				
Proceeds from refunding bonds	-	-	-	-
Premium on refunding bonds	-	-	-	-
Transfer in (out)	<u>(1,000,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,000,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,000,000)	(154,829)	989,809	2,993,647
<b>Fund balance - beginning</b>	<u>1,212,482</u>	<u>212,482</u>	<u>57,653</u>	<u>1,047,462</u>
<b>Fund balance - ending</b>	<u>\$ 212,482</u>	<u>\$ 57,653</u>	<u>\$ 1,047,462</u>	<u>\$ 4,041,109</u>

# Debt Service Fund: Debt Waterfall



The above chart illustrates the District’s required annual principal and interest payments on outstanding general obligation bonds. The District maintains an aggressive payoff schedule that results in most bond issuances being paid off within 20 years. In addition, the District has structured its bond issuances in such a way to allow future bonds to be layered in without an increase in tax burden to the citizens of Provo.

Two of the bond series represented above are refunding bonds. These refunding bonds had the effect of reducing future debt service payments and providing a present value savings to the taxpayers—similar to the savings a homeowner realizes when re-financing their outstanding mortgage for a lower interest rate. The District periodically evaluates its outstanding bonds against current market conditions to determine whether a refunding is feasible and advantageous.

The approximate fair market value of taxable properties in Provo is \$16.0 billion, which means the District’s legal debt limit is approximately \$632.6 million. The District’s general obligation debt outstanding is \$144.4 million or 22.8% of the debt limit—far less than what is allowed by law.

In fiscal year 2021-22, the District refunded bonds that were originally issued in fiscal year 2006-07 to take advantage of lower interest rates. These bonds had been previously refunded in 2014-15. The original bond along with the Qualified School Construction Bonds (QSCB) lease revenue bonds were used to rebuild Timpanogos and Provo Peaks Elementary. Lakeview Elementary was also built with these bonds, along with several seismic upgrades at several other schools.

The 2015 and 2016 GO bonds were authorized in November 2014 and issued in two separate transactions 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,

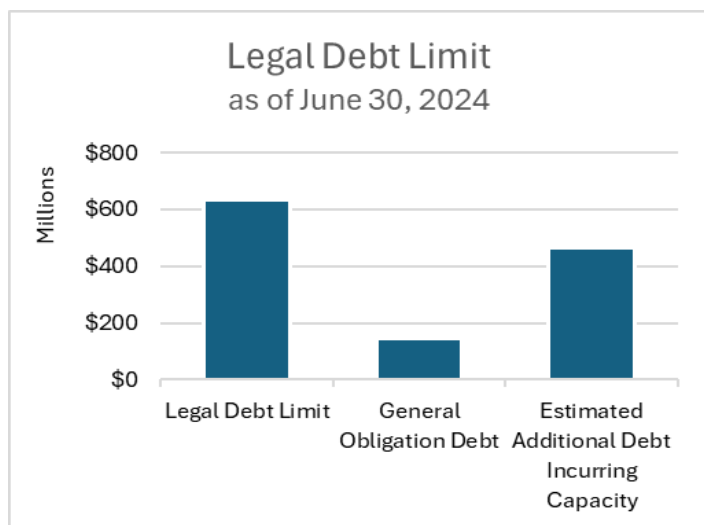
balance must be achieved when considering the safety and security of the District’s buildings. Long-term debt is effectively the only option for school districts in Utah to fund large projects, as the state provides no financial assistance to school districts when they need to construct new schools or renovate existing ones.

GO bond debt is serviced by the Debt Service fund. The lease revenue bonds are serviced by the Municipal Building Authority fund with an annual transfer of funds from the Capital Projects fund.

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 fully paid off this year.

The District has been working hard to create a more sustainable long-term capital plan, strategically designed to have minimal impact on taxpayers. The District has been proactive in saving for emergency needs and has set-aside \$20.4 million in the Building Reserve fund restricted for future capital use.

The District’s current bond rating is Aa3, as determined by Moody’s Investor Service.





# Student Activity Fund: Nonmajor Fund

The Student Activity fund is a nonmajor special revenue fund used to account for funds generated and spent at the school-level related to their curricular, co-curricular and extracurricular activities as administered by School Administration. This fund includes all monies that flow through the individual school-level programs including courses, performing groups, athletic programs, student clubs, as well as school-wide programs. All such funds are considered District funds managed by the Principal at each school and are subject to all District policies and procedures.

## Revenue

### Local Sources

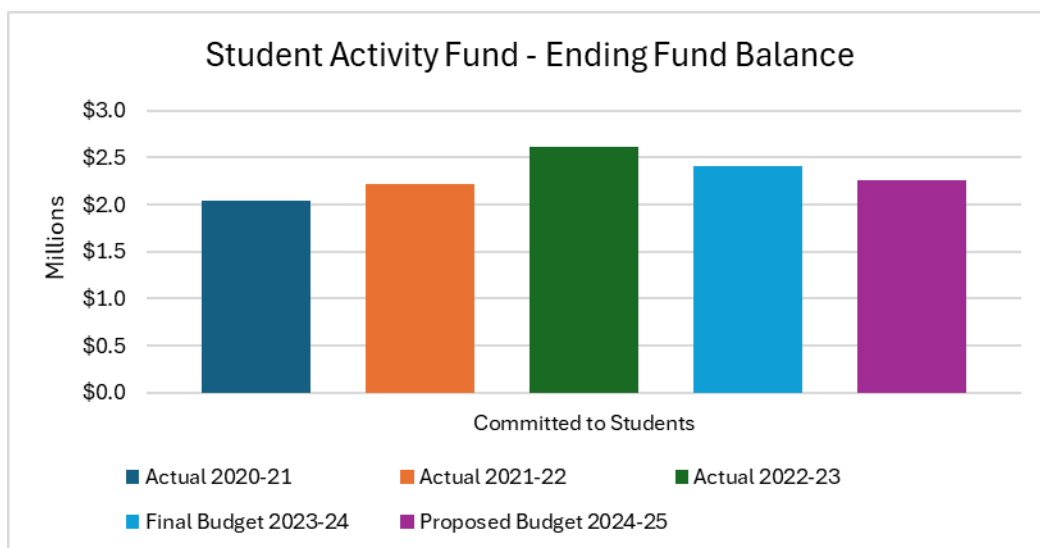
The Student Activity fund receives revenue from student fees, fundraising, and interest on monies held in interest bearing accounts. In addition, the District transfers funds from the General fund to the Student Activity fund each year to cover fee waivers. Fees are broken down into the categories of curricular, co-curricular, and extracurricular. Beginning in fiscal year 2025-26, the state has prohibited charging general registration fees and certain curricular course fees, which will cause a significant decrease in student fee revenue. In future years, this will necessitate increased funding from local property taxes to fill in the gap, an adjustment to programs and activities offered at secondary schools, or a combination of the two.

## Expenditures

The proposed expenditures budget for the Student Activity fund for fiscal year 2024-25 is \$3.7 million, which is similar to the prior year. 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 Board before April 1 of each year. Elementary schools do not charge fees for anything that occurs during the regular school day.

## Fund Balance

Fund balance is expected to decrease by \$0.2 million for an ending balance of \$2.3 million by the end of fiscal year 2024-25.



# Student Activity Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance

	<u>Actual</u> <u>2020-21</u>	<u>Actual</u> <u>2021-22</u>	<u>Actual</u> <u>2022-23</u>	<u>Final</u> <u>Budget</u> <u>2023-24</u>	<u>Proposed</u> <u>Budget</u> <u>2024-25</u>
<b>Revenues:</b>					
Local sources:					
Student fees and fundraising	\$ 1,483,936	\$ 2,172,261	\$ 2,269,887	\$ 2,199,691	\$ 2,194,856
Earnings on investments	4,558	4,179	29,246	29,599	28,000
Other local	946,965	928,072	1,059,768	1,072,780	1,095,000
Total revenues	<u>2,435,459</u>	<u>3,104,512</u>	<u>3,358,901</u>	<u>3,302,070</u>	<u>3,317,856</u>
<b>Expenditures:</b>					
Current:					
Salaries	1,394	-	-	-	-
Employee benefits	118	-	-	-	-
Purchased services	300,889	160,525	119,326	161,259	132,572
Purchased property services	8,729	23,259	33,169	36,486	36,851
Other purchased services	143,378	679,456	824,131	906,544	915,609
Supplies and materials	1,949,442	2,046,513	2,076,973	2,522,368	2,517,292
Property and equipment	10,748	44,640	10,990	15,089	12,210
Debt services and miscellaneous	53,126	113,356	22,490	62,136	62,757
Total expenditures	<u>2,467,824</u>	<u>3,067,749</u>	<u>3,087,079</u>	<u>3,703,882</u>	<u>3,677,291</u>
Excess (deficiency) of revenues over (under) expenditures	(32,365)	36,763	271,822	(401,812)	(359,435)
<b>Other financing sources:</b>					
Transfer in (out)	-	138,586	125,833	200,000	200,000
Net change in fund balances	(32,365)	175,349	397,655	(201,812)	(159,435)
<b>Fund balance - beginning</b>	<u>2,076,272</u>	<u>2,043,907</u>	<u>2,219,256</u>	<u>2,616,911</u>	<u>2,415,099</u>
<b>Fund balance - ending</b>	<u>\$ 2,043,907</u>	<u>\$ 2,219,256</u>	<u>\$ 2,616,911</u>	<u>\$ 2,415,099</u>	<u>\$ 2,255,664</u>
<b>Fund balance:</b>					
Committed to students	<u>2,043,907</u>	<u>2,219,256</u>	<u>2,616,911</u>	<u>2,415,099</u>	<u>2,255,664</u>
Total fund balance	<u>\$ 2,043,907</u>	<u>\$ 2,219,256</u>	<u>\$ 2,616,911</u>	<u>\$ 2,415,099</u>	<u>\$ 2,255,664</u>

# Student Activity Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenue:</b>				
Local sources:				
Student fees and fundraising	\$ 2,194,856	\$ 2,238,753	\$ 2,283,528	\$ 2,329,199
Earnings on investments	28,000	25,200	22,680	20,412
Other local	1,095,000	1,105,950	1,117,010	1,128,180
Total revenue	<u>3,317,856</u>	<u>3,369,903</u>	<u>3,423,218</u>	<u>3,477,791</u>
<b>Expenditures:</b>				
Current:				
Purchased services	132,572	135,223	137,927	140,686
Purchased property services	36,851	37,220	37,592	37,968
Other purchased services	915,609	933,921	952,599	971,651
Supplies and materials	2,517,292	2,567,638	2,618,991	2,671,371
Property and equipment	12,210	12,332	12,455	12,580
Debt service and miscellaneous	62,757	63,071	63,386	63,703
Total expenditures	<u>3,677,291</u>	<u>3,749,405</u>	<u>3,822,950</u>	<u>3,897,959</u>
Excess (deficiency) of revenues over (under) expenditures	(359,435)	(379,502)	(399,732)	(420,168)
<b>Other financing sources (uses):</b>				
Transfer in (out)	200,000	200,000	200,000	200,000
Net change in fund balances	(159,435)	(179,502)	(199,732)	(220,168)
<b>Fund balance - beginning</b>	<u>2,415,099</u>	<u>2,255,664</u>	<u>2,076,162</u>	<u>1,876,430</u>
<b>Fund balance - ending</b>	<u>\$ 2,255,664</u>	<u>\$ 2,076,162</u>	<u>\$ 1,876,430</u>	<u>\$ 1,656,262</u>

The Pass-Through Taxes fund is a nonmajor special revenue fund used to: 1) account for the tax increment financing (TIF) authorized by the Community Development and Renewal Agencies Act (Utah Code 17C-1) to finance urban renewal, economic development, and community development projects by earmarking property tax revenue from increases in taxable values within a designated TIF district; and 2) account for the pass-through property tax generated by the Charter School Levy set and administered by the state. The incremental taxes are collected by Utah County and paid directly to the CDRA within the District. The charter school property taxes are collected by Utah County and paid directly to the Utah State Treasurer for distribution to charter schools within the State.

### **Revenue**

#### **Local Sources**

Revenue of the Pass-Through Taxes fund include property taxes collected by Utah County and paid to other entities. These include tax increment financing (TIF) agreements with Community Development and Renewal Agencies (CDRAs) and revenue generated through the charter school levy. Incremental taxes are generated through each of the various levies of the District. The Utah Legislature created the charter school levy as a mechanism to funnel property taxes to charter schools throughout the state. To that end, the state sets the charter school levy rate each year and mandates that every school district within every county assess and remit those taxes directly to the Utah State Treasurer for distribution to charter schools.

### **Expenditures**

Fiscal year 2024-25 total budgeted expenditures in the Pass-Through Taxes fund are \$2.6 million, which includes \$1.4 million (52.9%) in taxes remitted to the Utah State Treasurer for distribution to charter schools within the state and \$1.2 million (47.1%) in tax increment remitted to CDRAs directly by Utah County.

### **Fund Balance**

In the Pass-Through Taxes fund, expenditures are always equal to revenue. Thus, the fund balance in the Pass-Through Taxes fund is always zero.

# Pass-Through Taxes Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance

	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Actual 2022-23</u>	<u>Final Budget 2023-24</u>	<u>Proposed Budget 2024-25</u>
<b>Revenues:</b>					
Local sources:					
Incremental property taxes	\$ 1,175,685	\$ 913,968	\$ 872,616	\$ 1,305,000	\$ 1,205,000
Statewide charter school tax	<u>634,033</u>	<u>659,920</u>	<u>928,357</u>	<u>1,353,859</u>	<u>1,353,859</u>
Total revenues	<u>1,809,718</u>	<u>1,573,888</u>	<u>1,800,973</u>	<u>2,658,859</u>	<u>2,558,859</u>
<b>Expenditures:</b>					
Contributions to other governments:					
Redevelopment agencies	1,175,685	913,968	872,616	1,305,000	1,205,000
Statewide charter school program	<u>634,033</u>	<u>659,920</u>	<u>928,357</u>	<u>1,353,859</u>	<u>1,353,859</u>
Total contributions to other governments	<u>1,809,718</u>	<u>1,573,888</u>	<u>1,800,973</u>	<u>2,658,859</u>	<u>2,558,859</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	-	-	-	-	-
<b>Fund balance - beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund balance:</b>					
Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



# Pass-Through Taxes Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenue:</b>				
Local sources:				
Incremental property taxes	\$ 1,205,000	\$ 1,217,050	\$ 1,229,221	\$ 1,241,513
Statewide charter school tax	<u>1,353,859</u>	<u>1,394,475</u>	<u>1,436,309</u>	<u>1,479,398</u>
Total revenue	<u>2,558,859</u>	<u>2,611,525</u>	<u>2,665,530</u>	<u>2,720,911</u>
<b>Expenditures:</b>				
Contributions to other governments:				
Redevelopment agencies	1,205,000	1,217,050	1,229,221	1,241,513
Statewide charter school program	<u>1,353,859</u>	<u>1,394,475</u>	<u>1,436,309</u>	<u>1,479,398</u>
Total contributions to other governments	<u>2,558,859</u>	<u>2,611,525</u>	<u>2,665,530</u>	<u>2,720,911</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	-	-	-	-
<b>Fund balance - beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## Building Reserve Fund: Nonmajor Fund

The Building Reserve fund is a nonmajor special revenue fund. This special reserve fund is authorized by state law for the purpose of accumulating resources to meet future capital outlay needs. The District established this fund for the purpose of saving funds in case of emergency facility needs such as the unplanned replacement or repair of a roof damaged by a storm, or to help fund the construction of a new school, or rebuild of an existing school.

### **Revenue**

#### **Local Sources**

This fund does not have a revenue source. Rather, it is funded by transferring funds from another fund such as the General or Capital Projects fund. The Building Reserve fund holds these funds until the need arises for them to be transferred out.

### **Expenditures**

This fund does not have any planned expenditures; therefore, no expenditure budgets have been set.

### **Fund Balance**

The Building Reserve fund currently holds \$20.4 million in fund balance, of which the entire amount is restricted to future capital outlay needs.

# Building Reserve Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance

	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Actual 2022-23</u>	<u>Final Budget 2023-24</u>	<u>Proposed Budget 2024-25</u>
<b>Revenues:</b>					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>					
Capital outlay:					
Purchased services	-	-	-	-	-
Supplies and materials	-	-	-	-	-
Property and equipment	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
<b>Other financing sources (uses):</b>					
Transfer in (out)	<u>-</u>	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	2,000,000	-	-	-
<b>Fund balance - beginning</b>	<u>18,372,240</u>	<u>18,372,240</u>	<u>20,372,240</u>	<u>20,372,240</u>	<u>20,372,240</u>
<b>Fund balance - ending</b>	<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>
<b>Fund balance:</b>					
Restricted	<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>
Total fund balance	<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>

# Building Reserve Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenue:</b>				
Local sources:				
Earnings on investments	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Capital outlay:				
Purchased services	-	-	-	-
Supplies and materials	-	-	-	-
Property and equipment	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfer in (out)	-	-	-	-
Net change in fund balances	-	-	-	-
<b>Fund balance - beginning</b>	<u>20,372,240</u>	<u>20,372,240</u>	<u>20,372,240</u>	<u>20,372,240</u>
<b>Fund balance - ending</b>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>	<u>\$ 20,372,240</u>

The Child Nutrition fund is a nonmajor special revenue fund use to account for the food service activities of the District as required by state and federal law. Financing is provided by local sales along with substantial subsidies from the State of Utah and the U.S. Department of Agriculture.

## Revenue

### Local

The school breakfast and lunch programs charge students (those not approved for free lunch) and adults for meals served. During the pandemic, charges to students for meals were temporarily suspended. However, beginning in fiscal year 2022-23, students were once again charged for their meals. Budgeted revenue for food sales in fiscal year 2024-25 are \$1.3 million or 19.1% of total revenue, a 10.4% increase over the prior year.

### State

Ten percent of taxes collected on the sale of alcohol throughout the state are earmarked for the support of the school lunch program and distributed to local education agencies statewide. The fiscal year 2024-25 proposed budget includes \$1.3 million in state support or 18.6% of total revenue. State revenue has increased in recent years and that trend is expected to continue.

### Federal

The majority of the revenue in this fund comes from the U.S. Department of Agriculture (USDA) through the Federal National School Lunch Program. Reimbursements to the District through the program are based on meals served to children eligible at the established free, reduced, and paid rate. Budgeted revenue in fiscal year 2024-25 are \$4.3 million or 62.3% of total fund revenue. This is consistent with past experience and represents a 2.1% increase over the prior year final budget.

## Expenditures

The total expenditure budget for fiscal year 2024-25 decreased by \$0.2 million or 2.9%. \$2.4 million or 33.4% of the total expenditures budget is for food; \$3.6 million or 50.4% is for salaries and benefits of staff, and the remaining \$1.2 million or 16.1% is for purchased services, supplies, equipment, and other costs.

## Fund Balance

Fund balance is expected to decrease by \$0.2 million during fiscal year 2024-25, ending at \$2.0 million. The USDA has a requirement that net cash resources must not exceed three months of average expenditures. The District continually monitors this fund balance to ensure compliance with this external legal requirement, while maintaining a health fund balance.



# Child Nutrition Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Final Budget 2023-24	Proposed Budget 2024-25
<b>Revenues:</b>					
Local sources:					
Sales to students	\$ 20,208	\$ 39,854	\$ 974,838	\$ 1,205,000	\$ 1,329,935
Sales to adults	5,959	-	26,218	-	-
Other local	10,449	-	41,149	-	-
Total local sources	36,616	39,854	1,042,205	1,205,000	1,329,935
State sources	1,068,341	1,097,534	772,024	1,106,602	1,292,187
Federal sources	4,251,618	6,106,732	4,507,645	4,245,809	4,335,526
Total revenues	5,356,575	7,244,120	6,321,874	6,557,411	6,957,648
<b>Expenditures:</b>					
Current:					
Salaries	2,138,153	2,047,753	2,387,442	2,595,115	2,724,871
Employee benefits	759,401	727,114	768,879	861,320	904,386
Purchased services	127,653	134,816	141,118	65,500	48,500
Supplies and materials	255,577	378,205	509,501	562,090	322,500
Food	1,810,327	2,126,741	1,923,276	2,336,059	2,406,141
Property and equipment	-	-	49,580	300,000	150,000
Debt service and miscellaneous	466,037	452,433	685,283	687,719	638,693
Total expenditures	5,557,148	5,867,062	6,465,079	7,407,803	7,195,091
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(200,573)	1,377,058	(143,205)	(850,392)	(237,443)
<b>Fund balance - beginning</b>	<u>2,104,952</u>	<u>1,904,379</u>	<u>3,281,437</u>	<u>3,138,232</u>	<u>2,287,840</u>
<b>Fund balance - ending</b>	<u>\$ 1,904,379</u>	<u>\$ 3,281,437</u>	<u>\$ 3,138,232</u>	<u>\$ 2,287,840</u>	<u>\$ 2,050,397</u>
<b>Fund balance:</b>					
Nonspendable - inventory	\$ 133,525	\$ 268,107	\$ 359,327	\$ 228,784	\$ 205,040
Restricted	1,770,854	3,013,330	2,778,905	2,059,056	1,845,357
Total fund balance	<u>\$ 1,904,379</u>	<u>\$ 3,281,437</u>	<u>\$ 3,138,232</u>	<u>\$ 2,287,840</u>	<u>\$ 2,050,397</u>

# Child Nutrition Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenue:</b>				
Local sources:				
Sales to students	\$ 1,329,935	\$ 1,383,132	\$ 1,438,457	\$ 1,495,995
Sales to adults	-	-	-	-
Other local	-	-	-	-
<b>Total local sources</b>	<b>1,329,935</b>	<b>1,383,132</b>	<b>1,438,457</b>	<b>1,495,995</b>
State sources	1,292,187	1,343,874	1,397,629	1,453,534
Federal sources	4,335,526	4,422,237	4,510,682	4,600,896
<b>Total revenue</b>	<b>6,957,648</b>	<b>7,149,243</b>	<b>7,346,768</b>	<b>7,550,425</b>
<b>Expenditures:</b>				
Current:				
Salaries	2,724,871	2,779,368	2,834,955	2,891,654
Employee benefits	904,386	922,474	940,923	959,741
Purchased services	48,500	48,985	49,475	49,970
Supplies and materials	322,500	325,725	328,982	332,272
Food	2,406,141	2,430,202	2,454,504	2,479,049
Property and equipment	150,000	151,500	153,015	154,545
Debt service and miscellaneous	638,693	645,080	651,531	658,046
<b>Total expenditures</b>	<b>7,195,091</b>	<b>7,303,334</b>	<b>7,413,385</b>	<b>7,525,277</b>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(237,443)	(154,091)	(66,617)	25,148
<b>Fund balance - beginning</b>	<b>2,287,840</b>	<b>2,050,397</b>	<b>1,896,306</b>	<b>1,829,689</b>
<b>Fund balance - ending</b>	<b>\$ 2,050,397</b>	<b>\$ 1,896,306</b>	<b>\$ 1,829,689</b>	<b>\$ 1,854,837</b>

# Self-Insurance Fund: Nonmajor Proprietary Fund

The Self-Insurance fund is a nonmajor internal service fund that accounts for the costs of the District's self-funded medical insurance plans. Annual premiums are charged to the other funds based upon total projected expenditures. Benefit payments plus an administrative charge are made to third-party administrators who approve and process all claims.

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 better benefit to employees. Implementing a self-insured model has allowed the District to keep premiums in check. 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

### Local

Annual premiums for medical insurance are charged to all District funds as payroll costs for eligible employees are incurred. In fiscal year 2024-25, medical premiums paid into this fund are estimated to be \$14.8 million. In addition, the District may elect to transfer funds from the General fund to help stabilize this fund, if the need arises. The fiscal year 2024-25 does not include a budgeted transfer from the General fund to the Self-Insurance fund as current forecasts show that the current net position is sufficient at this time.

## Expenses

The fund's total operating expenses are projected to increase by \$1.4 million, a 10.4% increase over the prior year's final operating expense budget. This projected increase in medical claim costs are primarily the result of inflationary pressures in the healthcare sector. The fiscal year 2024-25 budget for medical claims is \$14.8 million or 99.0% of the total operating budget, a \$1.4 million increase from the prior year final budget. Administration and other costs are budgeted at \$0.2 million or 1.0% of the total operating budget, which is the same as the prior year final budget.

## Net Position

Net position is budgeted to decrease by \$0.7 million in fiscal year 2024-25, ending the year at \$3.3 million. This net position level is consistent with previous fiscal years and provides a reasonable buffer against unexpected increases and unforeseen large claims due to employee injury or illness.

# Self-Insurance Fund: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance

	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Actual 2022-23</u>	<u>Final Budget 2023-24</u>	<u>Proposed Budget 2024-25</u>
<b>Operating revenues:</b>					
Medical insurance premiums	\$ -	\$ -	\$ -	\$ 13,500,000	\$ 14,250,000
<b>Operating expenses:</b>					
Medical claims	-	-	-	13,350,000	14,750,000
Administration and other	-	-	97,526	150,000	150,000
Total operating expenses	-	-	97,526	13,500,000	14,900,000
Operating income (loss)	-	-	(97,526)	-	(650,000)
<b>Nonoperating revenue (expense):</b>					
Transfer in (out)	-	-	3,000,000	1,000,000	-
Total nonoperating income (loss)	-	-	3,000,000	1,000,000	-
Change in net position	-	-	2,902,474	1,000,000	(650,000)
<b>Net position - beginning</b>	-	-	-	2,902,474	3,902,474
<b>Net position - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,902,474</u>	<u>\$ 3,902,474</u>	<u>\$ 3,252,474</u>
<b>Fund balance:</b>					
Restricted	\$ -	\$ -	\$ 2,902,474	\$ 3,902,474	\$ 3,252,474
Total fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,902,474</u>	<u>\$ 3,902,474</u>	<u>\$ 3,252,474</u>

## Self-Insurance Fund: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Operating revenues:</b>				
Medical insurance premiums	\$ 14,250,000	\$ 14,962,500	\$ 15,710,625	\$ 16,496,156
<b>Operating expenses:</b>				
Medical claims	14,750,000	15,487,500	16,261,875	17,074,969
Administration and other	150,000	150,000	150,000	150,000
Total operating expenses	<u>14,900,000</u>	<u>15,637,500</u>	<u>16,411,875</u>	<u>17,224,969</u>
Operating income (loss)	(650,000)	(675,000)	(701,250)	(728,813)
<b>Nonoperating revenue (expense):</b>				
Transfer in (out)	-	-	-	-
Total nonoperating income (loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	(650,000)	(675,000)	(701,250)	(728,813)
<b>Fund balance - beginning</b>	<u>3,902,474</u>	<u>3,252,474</u>	<u>2,577,474</u>	<u>1,876,224</u>
<b>Fund balance - ending</b>	<u>\$ 3,252,474</u>	<u>\$ 2,577,474</u>	<u>\$ 1,876,224</u>	<u>\$ 1,147,411</u>

The Provo City School District Foundation (foundation) was organized as a separate nonprofit organization with separate accounting records and activities. The foundation is reported as a discretely presented component unit of the District. The purpose of the Foundation is to facilitate business and community involvement in building an unparalleled education system in Provo City School District.

The Foundation and its partners work to cultivate ideas, motivate participation and encourage monetary or in-kind contributions. A governing board of community leaders and local volunteers provides organizational oversight with assistance from dedicated district employees.

## **Revenue**

### **Local**

Donations are the primary revenue source of the Foundation. Donation and fundraiser revenue is budgeted at \$0.5 million for fiscal year 2024-25, which is based on prior year history. Besides donations from charitable members of the community, the Foundation also holds an annual golf tournament to raise funds.

## **Expenditures**

Total expenditures for fiscal year 2024-25 are budgeted at \$0.5 million, which is consistent with prior years. All expenditures of the Foundation are made to benefit students of the District, either directly or indirectly. Expenditures made by the Foundation includes items such as scholarships, supplies, and services provided to the schools and students.

## **Fund Balance**

Fund balance in the Provo City School District Foundation fund are expected to remain steady in fiscal year 2024-25 at \$1.0 million. The Foundation's budget is adjusted each year to ensure that expenditures stay within available resources.



# PCSD Foundation: Comparative Statement of Revenue, Expenditures, and Changes in Fund Balance

	<u>Actual</u> <u>2020-21</u>	<u>Actual</u> <u>2021-22</u>	<u>Actual</u> <u>2022-23</u>	<u>Final</u> <u>Budget</u> <u>2023-24</u>	<u>Proposed</u> <u>Budget</u> <u>2024-25</u>
<b>Revenues:</b>					
Local sources:					
Donations and fundraisers	\$ 97,830	\$ 346,210	\$ 318,362	\$ 295,000	\$ 500,000
Earnings on investments	3,810	3,895	29,860	32,500	-
Total revenues	<u>101,640</u>	<u>350,105</u>	<u>348,222</u>	<u>327,500</u>	<u>500,000</u>
<b>Expenditures:</b>					
Current:					
Instructional services - scholarships, services, and supplies donated to schools	<u>59,327</u>	<u>129,688</u>	<u>420,619</u>	<u>487,308</u>	<u>500,000</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	42,313	220,417	(72,397)	(159,808)	-
<b>Other financing sources:</b>					
Transfer in (out)	-	-	-	-	-
Net change in fund balances	<u>42,313</u>	<u>220,417</u>	<u>(72,397)</u>	<u>(159,808)</u>	<u>-</u>
<b>Fund balance - beginning</b>	<u>920,483</u>	<u>962,796</u>	<u>1,183,213</u>	<u>1,110,816</u>	<u>951,008</u>
<b>Fund balance - ending</b>	<u>\$ 962,796</u>	<u>\$ 1,183,213</u>	<u>\$ 1,110,816</u>	<u>\$ 951,008</u>	<u>\$ 951,008</u>
<b>Fund balance:</b>					
Restricted	<u>962,796</u>	<u>1,183,213</u>	<u>1,110,816</u>	<u>951,008</u>	<u>951,008</u>
Total fund balance	<u>\$ 962,796</u>	<u>\$ 1,183,213</u>	<u>\$ 1,110,816</u>	<u>\$ 951,008</u>	<u>\$ 951,008</u>

# PCSD Foundation: Three-Year Budget Forecast

	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
<b>Revenues:</b>				
Local sources:				
Donations and fundraisers	500,000	505,000	510,050	515,151
Earnings on investments	-	-	-	-
<b>Total revenues</b>	<u>500,000</u>	<u>505,000</u>	<u>510,050</u>	<u>515,151</u>
<b>Expenditures:</b>				
Current:				
Instructional services - scholarships, services, and supplies donated to schools	<u>500,000</u>	<u>505,000</u>	<u>510,050</u>	<u>515,151</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfer in (out)	-	-	-	-
<b>Net change in fund balances</b>	-	-	-	-
<b>Fund balance - beginning</b>	<u>951,008</u>	<u>951,008</u>	<u>951,008</u>	<u>951,008</u>
<b>Fund balance - ending</b>	<u>\$ 951,008</u>	<u>\$ 951,008</u>	<u>\$ 951,008</u>	<u>\$ 951,008</u>

# Combined Statement of Revenue, Expenditures by Function, and Changes in Fund Balance - Proprietary Fund, and Discretely Presented Component Unit

	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Actual 2022-23</u>
<b>Revenues:</b>			
Local Sources	\$ 65,227,377	\$ 69,208,297	\$ 103,372,473
State sources	91,376,286	78,939,363	87,784,664
Federal sources:	19,042,337	25,796,924	19,279,408
Total revenues	<u>175,646,000</u>	<u>173,944,584</u>	<u>210,436,545</u>
<b>Expenditures:</b>			
Salaries	80,918,149	84,549,700	88,101,135
Employee benefits	35,230,151	36,416,299	36,890,996
Purchased services	20,405,326	42,356,106	73,595,537
Supplies and materials	14,553,350	16,826,545	19,283,651
Property and equipment	1,723,219	1,386,368	9,316,804
Debt service and miscellaneous	13,802,832	31,900,435	26,239,919
Total expenditures	<u>166,633,027</u>	<u>213,435,453</u>	<u>253,428,042</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	9,012,973	(39,490,869)	(42,991,497)
<b>Other financing sources (uses):</b>			
Proceeds from lease revenue bonds	-	100,355,000	-
Premium on lease revenue bonds	-	11,760,560	-
Proceeds from general obligation bonds	73,670,000	-	-
Premium on general obligation bonds	8,145,867	-	-
Proceeds from refunding bonds	-	11,650,000	-
Premium on refunding bonds	-	1,764,021	-
Proceeds from sale of capital assets	15,375	38,461	39,395
Transfer in (out)	-	-	-
Total other financing sources (uses)	<u>81,831,242</u>	<u>125,568,042</u>	<u>39,395</u>
Net change in fund balance	90,844,215	86,077,173	(42,952,102)
<b>Fund balance - beginning</b>	<u>73,425,536</u>	<u>164,269,751</u>	<u>250,346,924</u>
<b>Fund balance - ending</b>	<u>\$ 164,269,751</u>	<u>\$ 250,346,924</u>	<u>\$ 207,394,822</u>

balances with Prior Year Actuals and Budget Forecasts—All Governmental Funds,

<b>Final Budget 2023-24</b>	<b>Proposed Budget 2024-25</b>	<b>Budget Forecast 2025-26</b>	<b>Budget Forecast 2026-27</b>	<b>Budget Forecast 2027-28</b>
\$ 119,758,184	\$ 112,423,655	\$ 116,920,601	\$ 121,597,425	\$ 126,461,322
96,211,669	99,900,862	103,896,896	108,052,772	112,374,883
22,677,646	12,651,064	12,904,085	13,162,167	13,425,410
<u>238,647,499</u>	<u>224,975,581</u>	<u>233,721,582</u>	<u>242,812,364</u>	<u>252,261,615</u>
97,655,349	99,754,564	103,245,974	106,859,583	110,599,668
40,124,221	39,268,698	40,446,759	41,660,162	42,909,967
108,305,663	55,431,338	53,768,398	52,155,346	50,590,686
22,942,591	20,012,586	20,212,712	20,414,839	20,618,987
13,638,838	12,088,812	11,484,371	10,910,152	10,364,644
27,061,665	27,341,612	27,615,028	27,891,178	28,170,090
<u>309,728,327</u>	<u>253,897,610</u>	<u>256,773,242</u>	<u>259,891,260</u>	<u>263,254,042</u>
(71,080,828)	(28,922,029)	(23,051,660)	(17,078,896)	(10,992,427)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
10,000	10,000	10,000	10,000	10,000
-	-	-	-	-
<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
(71,070,828)	(28,912,029)	(23,041,660)	(17,068,896)	(10,982,427)
207,394,822	136,323,994	107,411,965	84,370,305	67,301,409
<u>\$ 136,323,994</u>	<u>\$ 107,411,965</u>	<u>\$ 84,370,305</u>	<u>\$ 67,301,409</u>	<u>\$ 56,318,982</u>

## Other Post-Employment Benefits (OPEB): Information

Prior to 2007, District administration evaluated the efficacy of the District’s OPEB offerings. Employees were provided lifetime medical insurance benefits as part of the retirement package, not unlike what was happening at a majority of governments and companies at that time. Throughout the country, employers came under scrutiny for the inability to fund long-term benefits for retired employees. The District evaluated available options, while keeping current and future resources focused on its primary purpose—educating students.

In fiscal year 2006-07, the District ratified a 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 OPEB benefits, but were still part of the URS system for pension benefits.

In compliance with GASB 75, the District has an actuarial valuation performed every other year to determine the future payments necessary to meet the obligations. The total OPEB liability as of fiscal year 2023-24 is \$12.5 million, a decrease of \$1.1 million or 8.1% over the prior year. The District has set aside \$13.4 million in committed fund balance to help fund this liability.

The table below shows the actuarially determined projected liability of the District for the total OPEB liability for retirees.

	Fiscal Year		
	2024	2023	2022
<b>Total OPEB Liability:</b>			
Service Cost	\$ 24,367	\$ 24,559	\$ 113,020
Interest	504,602	628,996	443,895
Effect of economic/demographic gains or losses	-	-	-
Differences between expected and actual experience	-	(3,854,940)	-
Changes of assumptions	(161,017)	63,339	(1,740,879)
Benefit payments	<u>(1,479,007)</u>	<u>(1,901,612)</u>	<u>(1,128,937)</u>
Net change in total OPEB Liability	(1,111,055)	(5,039,658)	(2,312,901)
Total OPEB Liability--beginning	<u>13,646,566</u>	<u>18,686,224</u>	<u>20,999,125</u>
Total OPEB Liability--ending	<u>\$ 12,535,511</u>	<u>\$ 13,646,566</u>	<u>\$ 18,686,224</u>
Covered employee payroll	\$ 3,728,837	\$ 3,620,230	\$ 4,562,601
Net OPEB liability as a percentage of covered employee payroll	336.2%	377.0%	409.6%

# **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 northeastern 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.

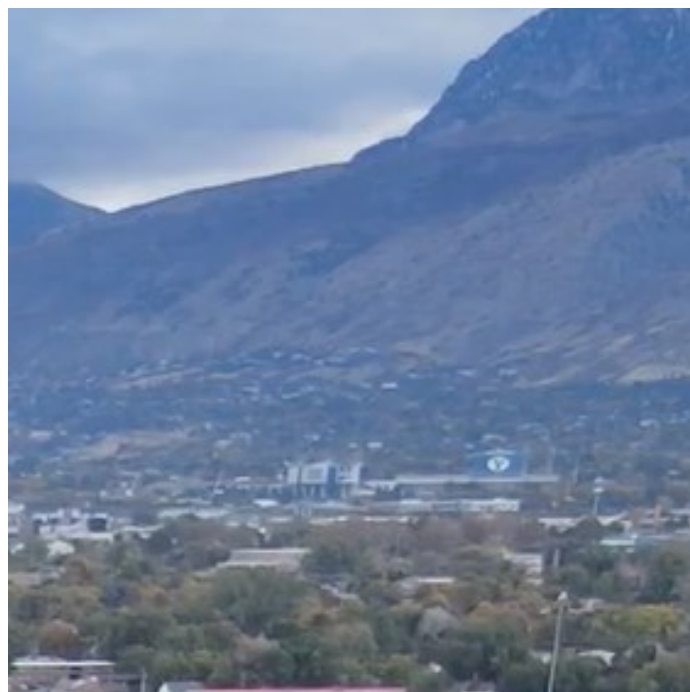
During the first decades of the 19th century, many fur trappers and traders hunted beaver in Utah Valley. Etienne Provost-a French-Canadian trapper-working out of Taos in present-day New Mexico is perhaps the first white man to have seen the Great Salt Lake. In 1824, he led a company into the Great Basin. 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 1870's. In 1875, the settlers established Brigham Young Academy, the beginning 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.



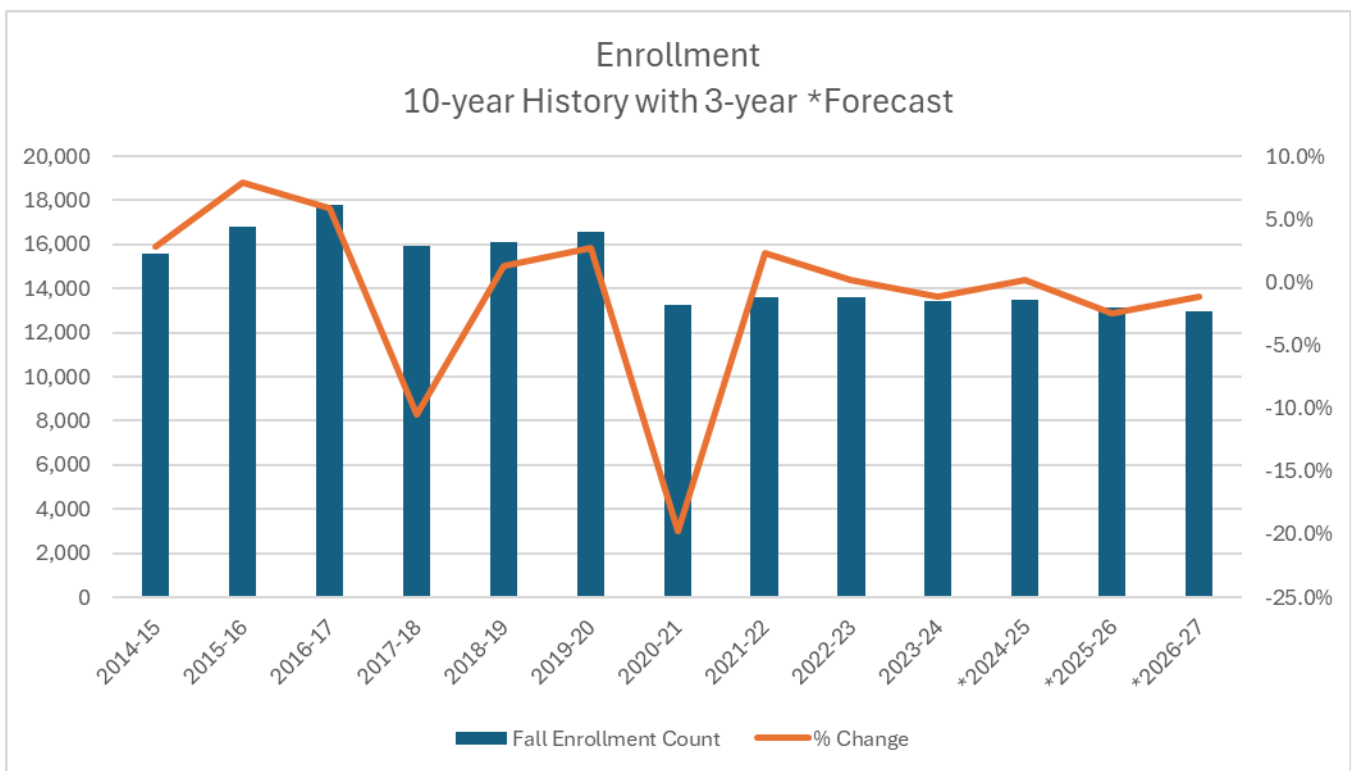
# Student Enrollment: Information and Forecast Methodologies

Student enrollment is the primary factor in projecting state, federal, and some local revenue for the District. Many revenue projections are based on annual fall enrollment counts as of October 1. 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 aggregate or average daily membership (ADM) over a number of years, number of professional staff, or percentages of special populations in the District.

Enrollment forecasts 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 survival rates, is also used.

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 fiscal year 2013-14 through fiscal year 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.

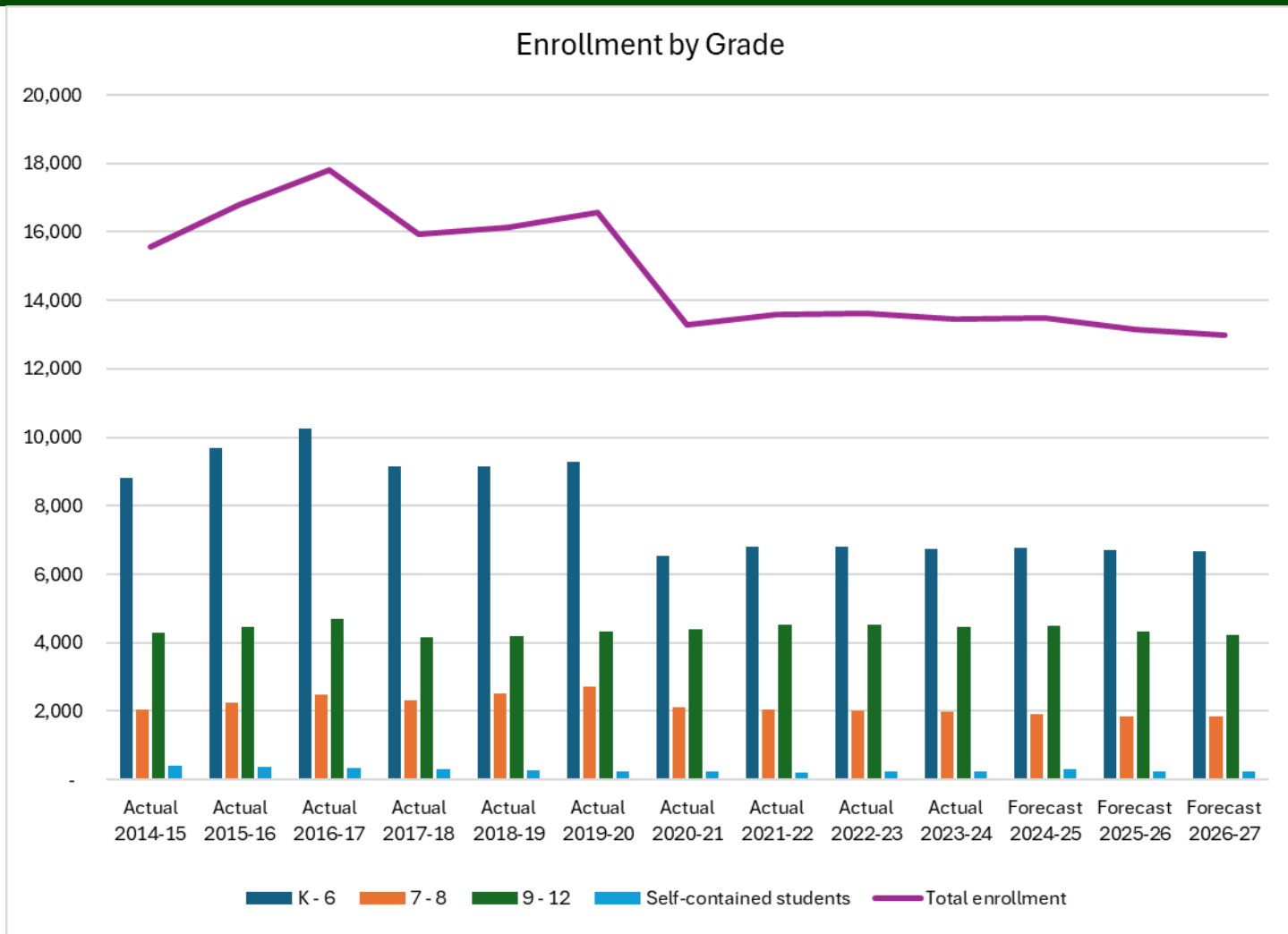


# Student Enrollment: Fall Enrollment Count by School

School	Actual 2014-15	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21
Amelia Earhart Elementary	547	532	523	504	518	485	422
Canyon Crest Elementary	545	538	547	524	503	476	379
Edgemont Elementary	641	523	626	645	665	631	536
Provo Peaks Elementary	728	592	571	546	504	496	473
Franklin Elementary	463	472	450	407	383	349	332
Lakeview Elementary	776	787	754	813	823	791	667
Provost Elementary	452	464	472	445	465	464	416
Rock Canyon Elementary	642	612	623	591	583	589	515
Spring Creek Elementary	517	486	476	418	411	401	382
Sunset View Elementary	524	473	561	568	546	583	526
Timpanogos Elementary	710	766	763	649	629	629	565
Wasatch Elementary	977	944	892	883	799	744	623
Westridge Elementary	848	785	806	769	730	718	601
Centennial Middle	989	1,056	1,103	1,119	1,191	1,238	1,200
Shoreline Middle	822	847	869	835	882	988	928
Provo High	1,930	1,924	1,901	1,853	1,889	1,915	1,931
Timpview High	2,006	2,058	2,114	2,173	2,162	2,270	2,353
Independence High	241	259	285	190	200	190	184
Special Schools	1,207	2,682	3,457	1,990	2,244	2,610	253
<b>Total Enrollment</b>	<b>15,565</b>	<b>16,800</b>	<b>17,793</b>	<b>15,922</b>	<b>16,127</b>	<b>16,567</b>	<b>13,286</b>

School	Actual 2021-22	Actual 2022-23	Actual 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27
Amelia Earhart Elementary	395	419	388	396	386	396
Canyon Crest Elementary	448	474	492	499	505	501
Edgemont Elementary	642	631	643	658	646	625
Provo Peaks Elementary	498	517	508	513	509	502
Franklin Elementary	314	336	354	356	364	359
Lakeview Elementary	711	689	692	684	694	687
Provost Elementary	472	470	482	494	492	494
Rock Canyon Elementary	540	530	487	499	489	477
Spring Creek Elementary	412	423	415	419	405	404
Sunset View Elementary	551	546	572	580	574	567
Timpanogos Elementary	586	622	605	618	615	609
Wasatch Elementary	644	609	583	572	561	583
Westridge Elementary	614	620	612	613	606	595
Centennial Middle	1,133	1,099	1,119	1,114	1,051	1,043
Shoreline Middle	922	937	883	828	817	823
Provo High	1,970	1,971	1,976	2,024	1,937	1,866
Timpview High	2,390	2,339	2,269	2,258	2,173	2,150
Independence High	253	267	278	263	267	270
Special Schools	97	112	97	90	48	39
<b>Total Enrollment</b>	<b>13,592</b>	<b>13,611</b>	<b>13,455</b>	<b>13,477</b>	<b>13,139</b>	<b>12,990</b>

# Student Enrollment: Fall Enrollment Count by Grade



Grade	Actual 2014-15	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21
K - 6	8,826	9,696	10,258	9,138	9,136	9,269	6,545
7 - 8	2,051	2,257	2,497	2,330	2,528	2,736	2,101
9 - 12	4,277	4,464	4,699	4,158	4,200	4,329	4,410
Self-contained students	411	383	339	296	263	233	230
<b>Total enrollment</b>	<b>15,565</b>	<b>16,800</b>	<b>17,793</b>	<b>15,922</b>	<b>16,127</b>	<b>16,567</b>	<b>13,286</b>

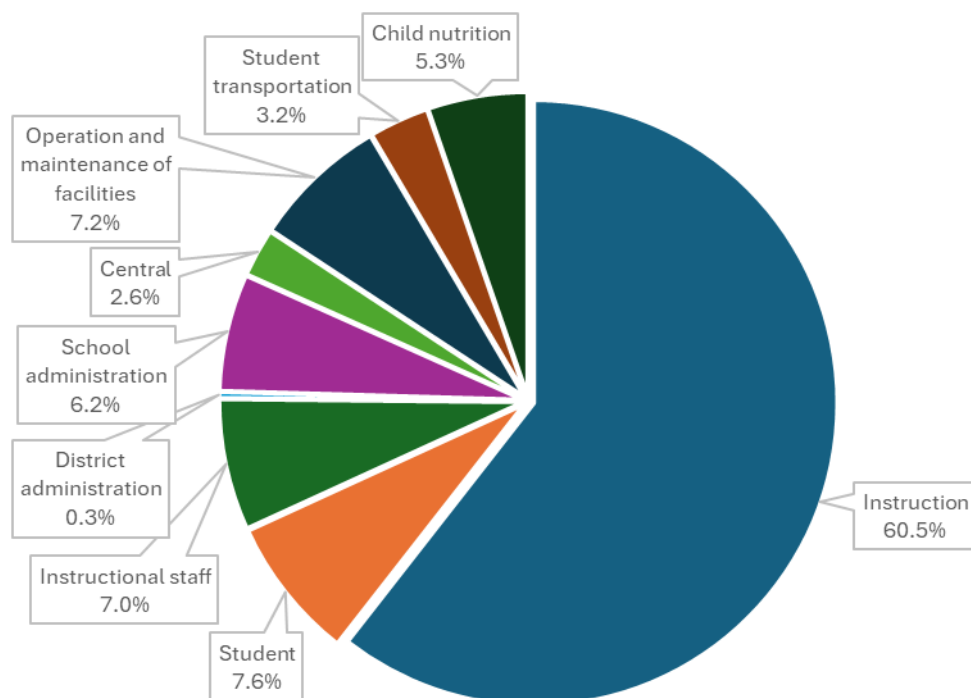
Grade	Actual 2021-22	Actual 2022-23	Actual 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27
K - 6	6,797	6,820	6,749	6,766	6,717	6,674
7 - 8	2,045	2,021	1,993	1,914	1,841	1,836
9 - 12	4,540	4,527	4,458	4,484	4,324	4,231
Self-contained students	210	243	255	313	258	250
<b>Total enrollment</b>	<b>13,592</b>	<b>13,611</b>	<b>13,455</b>	<b>13,477</b>	<b>13,140</b>	<b>12,991</b>

# Staffing Levels by Function: Full-Time Equivalents

The District’s primary activity is to educate children. The delivery of services involved in educating children is a labor intensive effort. Therefore, the cost of hiring and employing staff to deliver the necessary services is the District’s primary expenditure. The District has a long history of allocating the lion's share of resources to the instructional services rather than unnecessary administration—as evidenced in the data. The table and chart below illustrate the District’s staffing levels over the past nine fiscal years and a forecast of staffing levels for fiscal year 2024-25. Staff are presented using a metric called full-time equivalents (FTE), which combines full-time and part-time employees to arrive at the final number of FTE.

Function	Actual 2015-16	Actual 2016-17	Actual 2017-18	Actual 2018-19	Actual 2019-20	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Forecast 2024-25
Instruction	1,023	1,021	1,022	1,001	1,036	1,088	1,097	1,050	1,070	970
Support Services										
Student	68	84	101	103	104	109	117	126	129	122
Instructional staff	29	42	90	77	91	97	105	120	128	112
District administration	24	26	17	21	16	21	17	18	7	5
School administration	71	76	81	84	89	89	89	89	89	100
Central	47	51	43	50	36	40	41	41	42	41
Operation and maintenance of facilities	109	114	114	119	120	134	99	105	115	116
Student transportation	51	39	48	40	48	52	61	47	47	51
Child nutrition	82	87	76	84	74	84	82	74	82	85
Community services	62	47	4	4	2	1	-	-	-	-
<b>Total FTE's</b>	<b>1,566</b>	<b>1,587</b>	<b>1,596</b>	<b>1,583</b>	<b>1,616</b>	<b>1,715</b>	<b>1,708</b>	<b>1,670</b>	<b>1,709</b>	<b>1,602</b>

Forecasted FY25 Staffing Levels by Function



# Staffing Levels by Function: Last Ten Fiscal Years

By Purpose (Function) of FTE Allocated	Actual 2014-15		Actual 2015-16		Actual 2016-17		Actual 2017-18	
	% of Total		% of Total		% of Total		% of Total	
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Instruction	1,004	63.4%	1,023	65.3%	1,021	64.3%	1,022	64.0%
Support Services								
Student	50	3.2%	68	4.3%	84	5.3%	101	6.3%
Instructional staff	27	1.7%	29	1.9%	42	2.6%	90	5.6%
District administration	17	1.1%	24	1.5%	26	1.6%	17	1.1%
School administration	65	4.0%	71	4.5%	76	4.8%	81	5.1%
Central	41	2.6%	47	3.0%	51	3.2%	43	2.7%
Operation and maintenance of facilities	133	8.4%	109	7.0%	114	7.2%	114	7.1%
Student transportation	66	4.2%	51	3.3%	39	2.5%	48	3.0%
Child nutrition	77	4.9%	82	5.2%	87	5.5%	76	4.8%
Community services	103	6.5%	62	4.0%	47	3.0%	4	0.3%
<b>Total FTE's</b>	<b>1,583</b>	<b>100.0%</b>	<b>1,566</b>	<b>100.0%</b>	<b>1,587</b>	<b>100.0%</b>	<b>1,596</b>	<b>100.0%</b>

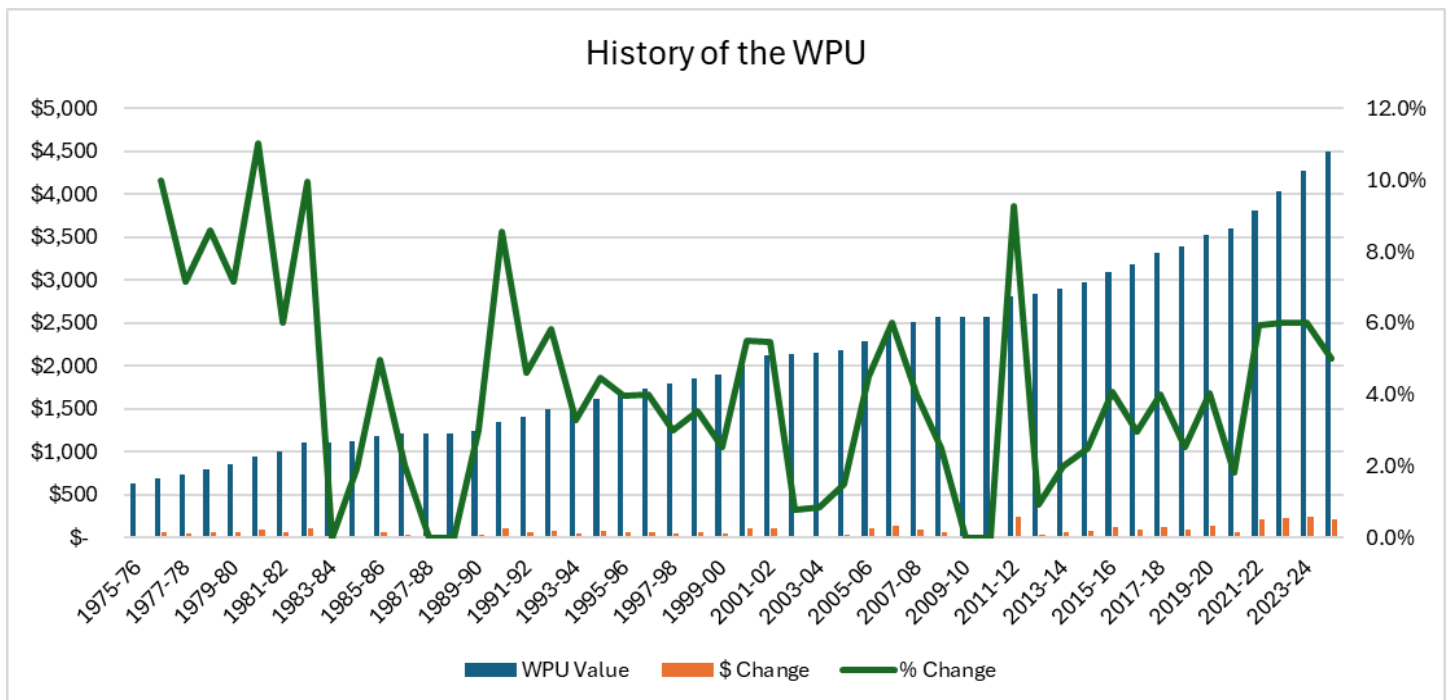
By Purpose (Function) of FTE Allocated	Actual 2018-19		Actual 2019-20		Actual 2020-21		Actual 2021-22	
	% of Total		% of Total		% of Total		% of Total	
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Instruction	1,001	63.2%	1,036	64.2%	1,088	63.4%	1,097	64.2%
Support Services								
Student	103	6.5%	104	6.4%	109	6.4%	117	6.9%
Instructional staff	77	4.9%	91	5.6%	97	5.7%	105	6.1%
District administration	21	1.3%	16	1.0%	21	1.2%	17	1.0%
School administration	84	5.3%	89	5.5%	89	5.2%	89	5.2%
Central	50	3.2%	36	2.2%	40	2.3%	41	2.4%
Operation and maintenance of facilities	119	7.5%	120	7.4%	134	7.8%	99	5.8%
Student transportation	40	2.5%	48	3.0%	52	3.0%	61	3.6%
Child nutrition	84	5.3%	74	4.6%	84	4.9%	82	4.8%
Community services	4	0.3%	2	0.1%	1	0.1%	-	0.0%
<b>Total FTE's</b>	<b>1,583</b>	<b>100.0%</b>	<b>1,616</b>	<b>100.0%</b>	<b>1,715</b>	<b>100.0%</b>	<b>1,708</b>	<b>100.0%</b>

By Purpose (Function) of FTE Allocated	Actual 2022-23		Actual 2023-24		Forecast 2024-25	
	% of Total		% of Total		% of Total	
	FTE	FTE	FTE	FTE	FTE	FTE
Instruction	1,050	62.9%	1,070	62.6%	970	60.6%
Support Services						
Student	126	7.5%	129	7.5%	122	7.6%
Instructional staff	120	7.2%	128	7.5%	112	7.0%
District administration	18	1.1%	7	0.4%	5	0.3%
School administration	89	5.3%	89	5.2%	100	6.2%
Central	41	2.5%	42	2.5%	41	2.6%
Operation and maintenance of facilities	105	6.3%	115	6.7%	116	7.2%
Student transportation	47	2.8%	47	2.8%	51	3.2%
Child nutrition	74	4.4%	82	4.8%	85	5.3%
Community services	-	0.0%	-	0.0%	-	0.0%
<b>Total FTE's</b>	<b>1,670</b>	<b>100.0%</b>	<b>1,709</b>	<b>100.0%</b>	<b>1,602</b>	<b>100.0%</b>



# Weighted Pupil Unit (WPU): History

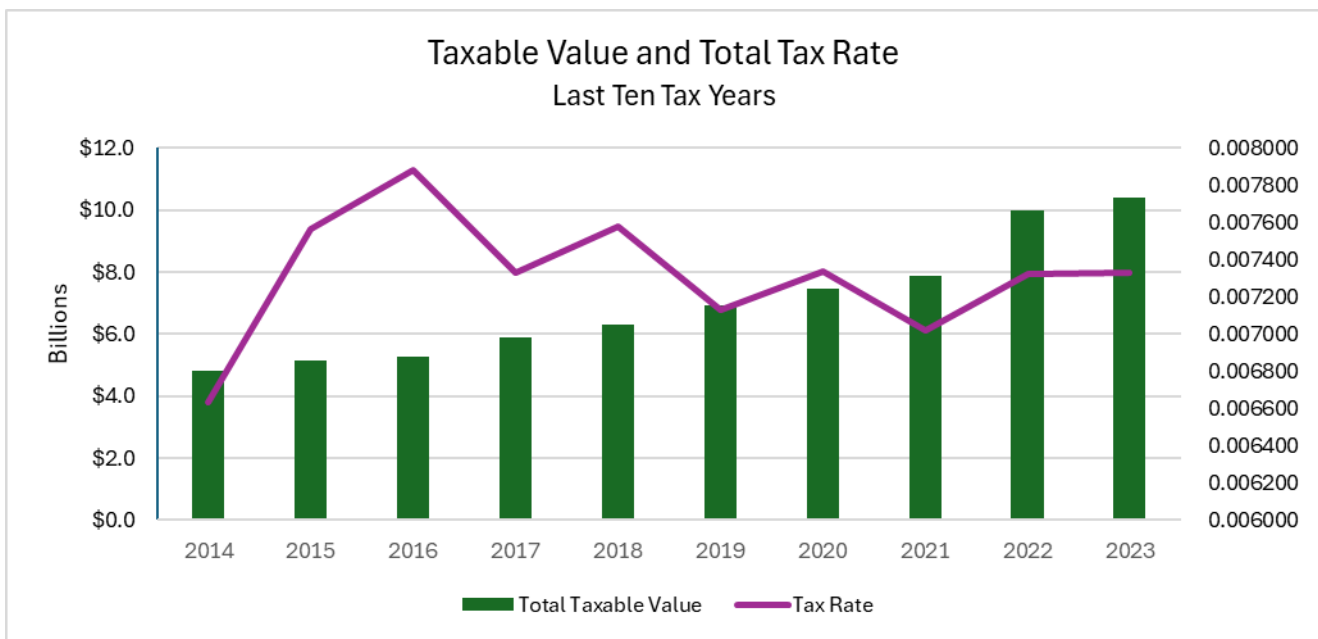
Fiscal Year	WPU Value	\$ Change	% Change	Fiscal Year	WPU Value	\$ Change	% Change
1975-76	\$ 621			2000-01	\$ 2,006	105	5.5%
1976-77	683	\$ 62	10.0%	2001-02	2,116	110	5.5%
1977-78	732	49	7.2%	2002-03	2,132	16	0.8%
1978-79	795	63	8.6%	2003-04	2,150	18	0.8%
1979-80	852	57	7.2%	2004-05	2,182	32	1.5%
1980-81	946	94	11.0%	2005-06	2,280	98	4.5%
1981-82	1,003	57	6.0%	2006-07	2,417	137	6.0%
1982-83	1,103	100	10.0%	2007-08	2,514	97	4.0%
1983-84	1,103	-	0.0%	2008-09	2,577	63	2.5%
1984-85	1,124	21	1.9%	2009-10	2,577	-	0.0%
1985-86	1,180	56	5.0%	2010-11	2,577	-	0.0%
1986-87	1,204	24	2.0%	2011-12	2,816	239	9.3%
1987-88	1,204	-	0.0%	2012-13	2,842	26	0.9%
1988-89	1,204	-	0.0%	2013-14	2,899	57	2.0%
1989-90	1,240	36	3.0%	2014-15	2,971	72	2.5%
1990-91	1,346	106	8.5%	2015-16	3,092	121	4.1%
1991-92	1,408	62	4.6%	2016-17	3,184	92	3.0%
1992-93	1,490	82	5.8%	2017-18	3,311	127	4.0%
1993-94	1,539	49	3.3%	2018-19	3,395	84	2.5%
1994-95	1,608	69	4.5%	2019-20	3,532	137	4.0%
1995-96	1,672	64	4.0%	2020-21	3,596	64	1.8%
1996-97	1,739	67	4.0%	2021-22	3,809	213	5.9%
1997-98	1,791	52	3.0%	2022-23	4,038	229	6.0%
1998-99	1,854	63	3.5%	2023-24	4,280	242	6.0%
1999-00	1,901	47	2.5%	2024-25	4,494	214	5.0%



# Taxable and Fair Market Value of Property in Provo: Last Ten Tax Years

Property taxes are the primary source of local revenue for the District. Property taxes include portions charged to homeowners, commercial businesses, centrally assessed property, and personal property. Provo has a significant amount of tax-exempt property and a small amount of centrally assessed property. District administration is cognizant of the burden that homeowners bear in Provo and are committed to consistently evaluate expenditures before considering a property tax increase.

The property tax schedules and charts below and on the following pages provide comparative information over the last five to ten tax years as well as the rate for the proposed budget.



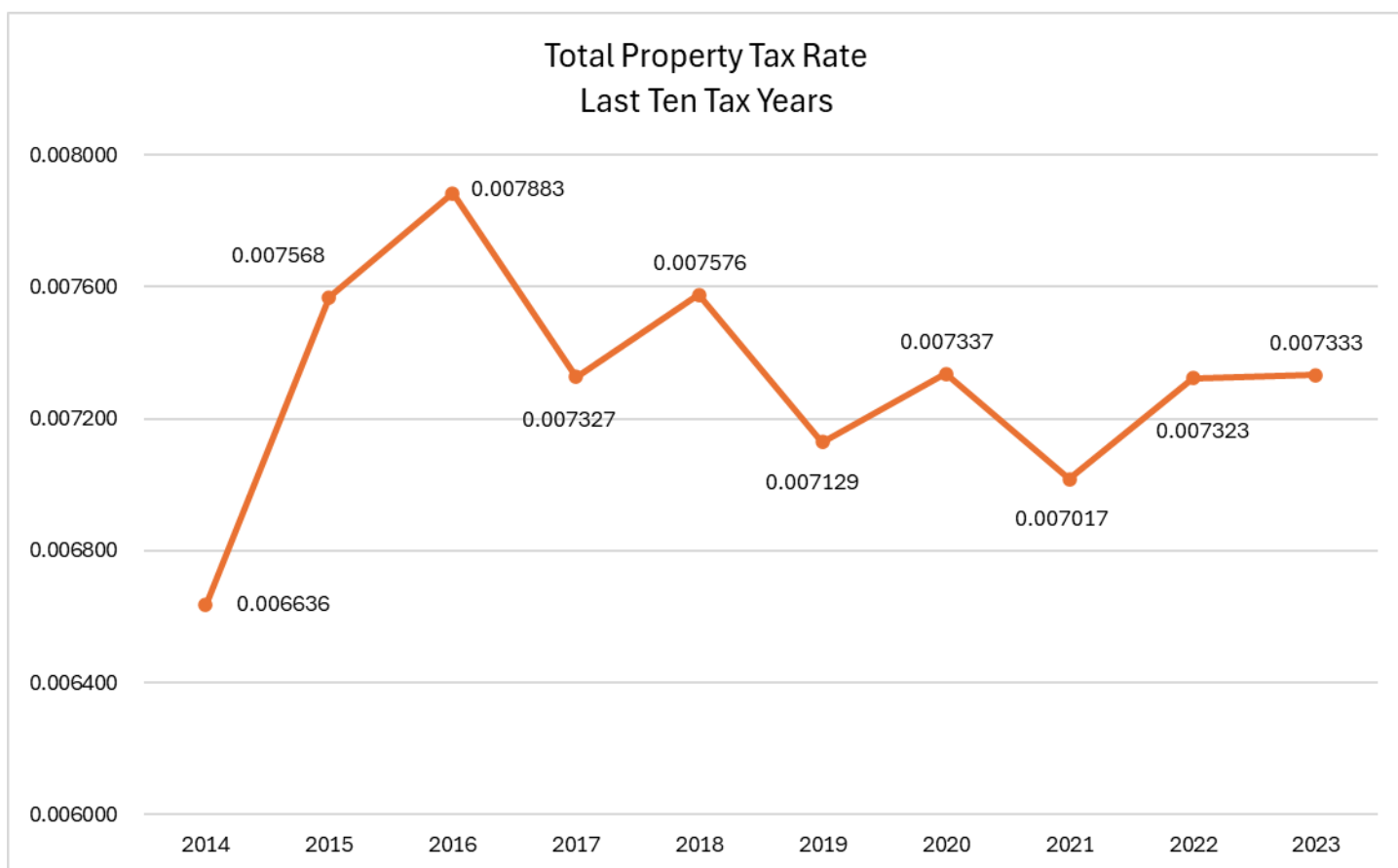
Tax Year	Total Taxable Value	Total Direct Tax Rate	Fair Market Value	Total Taxable Value as a % of Fair Market Value
2014	\$ 4,811,709,777	0.006636	\$ 7,054,799,468	68.2%
2015	5,131,948,176	0.007568	7,568,631,080	67.8%
2016	5,275,293,074	0.007883	8,053,230,201	65.5%
2017	5,904,585,986	0.007327	8,785,451,745	67.2%
2018	6,293,078,149	0.007576	9,423,134,014	66.8%
2019	6,939,175,635	0.007129	10,376,702,550	66.9%
2020	7,459,493,580	0.007337	11,103,352,057	67.2%
2021	7,874,614,896	0.007017	11,864,928,556	66.4%
2022	10,006,191,848	0.007323	15,242,906,265	65.6%
2023	10,410,508,381	0.007333	15,814,010,051	65.8%

# Total Property Tax Rate: Last Ten Tax Years

Property tax is the largest category of local revenue for the District. Property taxes include portions charged to homeowners, commercial businesses, centrally assessed property, and personal property. Provo has a significant amount of tax-exempt property and a very small portion of centrally assessed property. District administration is cognizant of the burden that homeowners bear in Provo and are committed to consistently evaluate expenditures before increasing property tax rates.

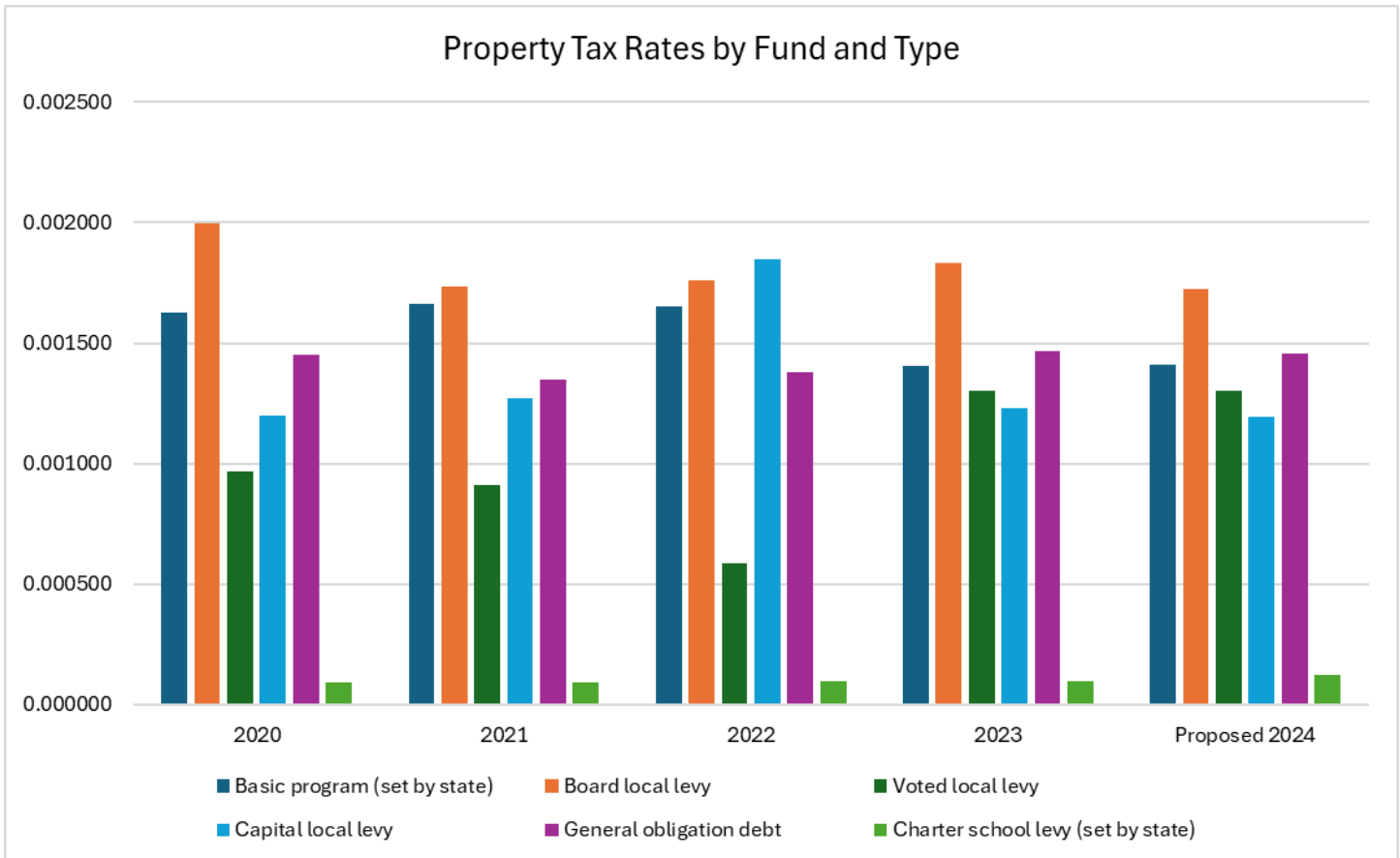
Overall, the District's property tax rates have stayed relatively flat for the last ten fiscal years. The average total rate for that time is .007313.

In fiscal year 2017-18, the Utah Legislature created the charter school levy to provide local property tax revenue to charter schools even though they are not associated with school districts throughout the state. This levy is set by the state each year and added to each school district's total property tax levy by mandate. The revenue from the charter school levy is recorded in the Pass-Through Taxes fund. The funds generated by the charter school levy are collected by Utah County and remitted directly to the State Treasurer for distribution to charter schools. The funds are not revenue to school districts even though the state mandates that the Board of Education for each school district assess the charter school levy in using their taxing authority. In summary, it is a very unique mechanism for raising funds from property taxes for charter schools even though charter school board's do not have taxing authority or publicly-elected board members.

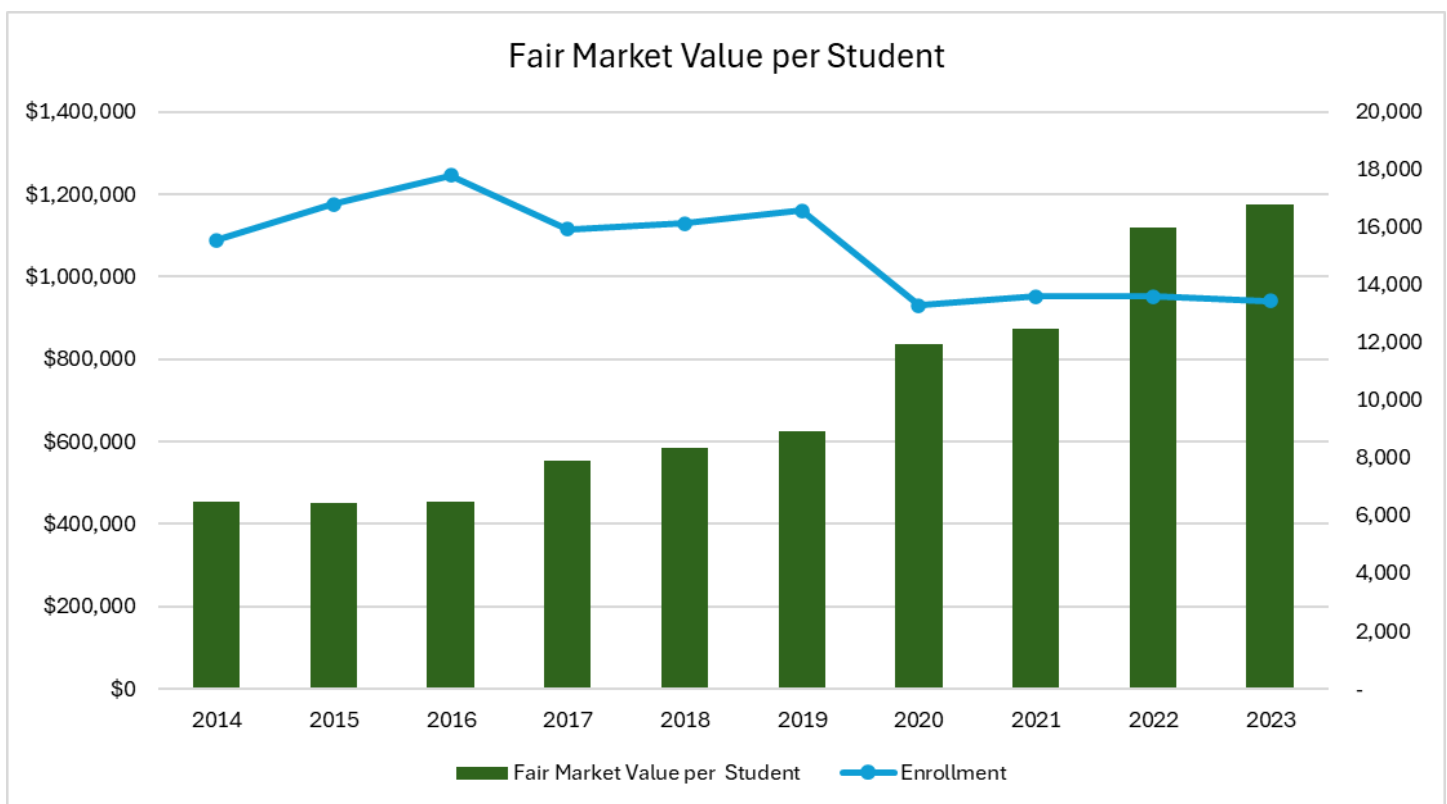
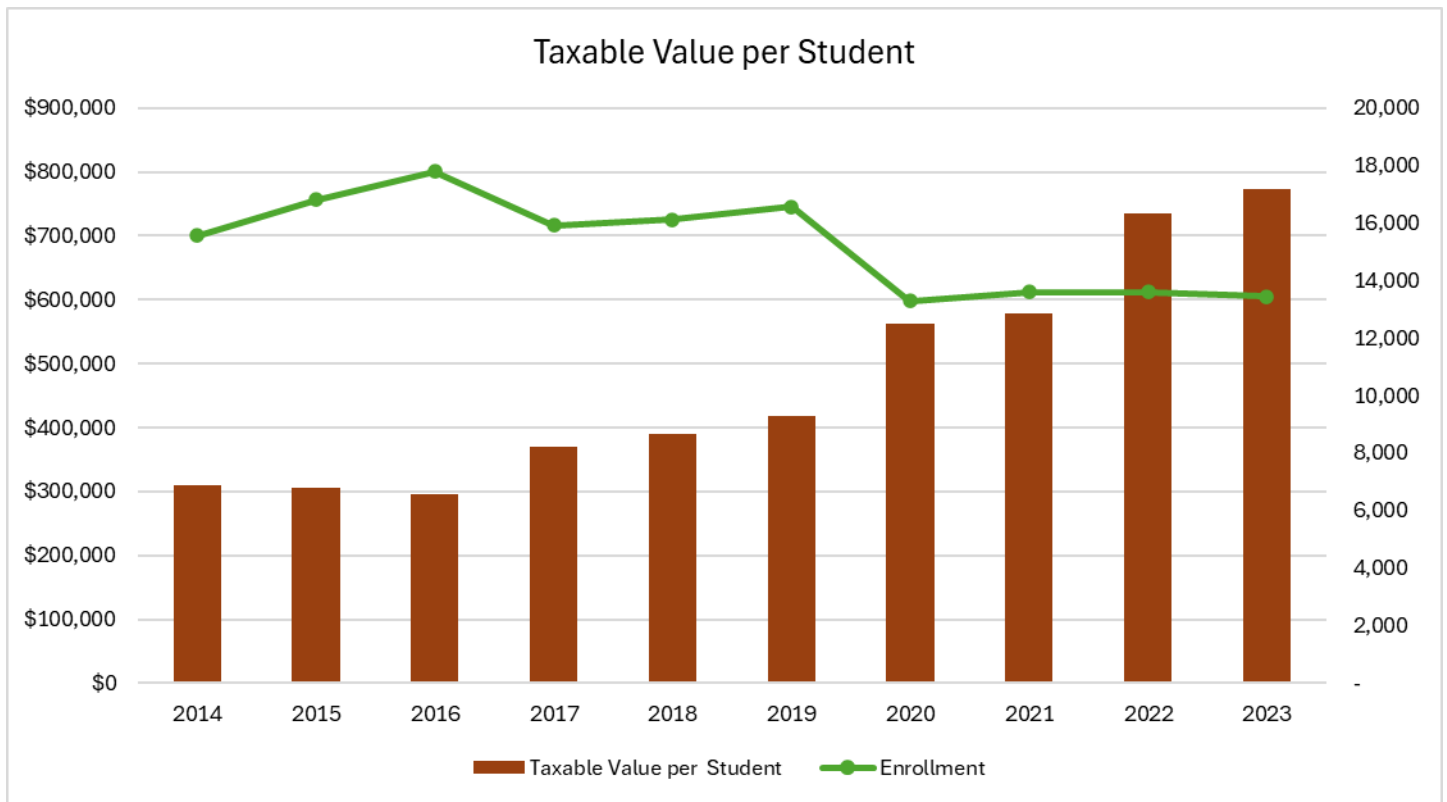


# Property Tax Levies by Fund and Type: Last Four Tax Years with Proposed Rate

Property Tax Rates (per \$1 of taxable value)	Tax Year					Proposed 2024	Change	% Change
	2020	2021	2022	2023	2024			
<b>General Fund</b>								
Basic program (set by state)	0.001628	0.001661	0.001652	0.001406	0.001408	0.000002	0.1%	
Board local levy	0.001997	0.001734	0.001760	0.001831	0.001724	(0.000107)	-5.8%	
Voted local levy	0.000968	0.000911	0.000587	0.001300	0.001300	0.000000	0.0%	
<b>Capital Projects Fund</b>								
Capital local levy	0.001198	0.001271	0.001847	0.001229	0.001196	(0.000033)	-2.7%	
<b>Debt Service Fund</b>								
General obligation debt	0.001453	0.001349	0.001381	0.001469	0.001456	(0.000013)	-0.9%	
<b>Pass-Through Taxes Fund</b>								
Charter school levy (set by state)	0.000093	0.000091	0.000096	0.000098	0.000124	0.000026	26.5%	
<b>Total tax rate</b>	<u>0.007337</u>	<u>0.007017</u>	<u>0.007323</u>	<u>0.007333</u>	<u>0.007208</u>	<u>(0.000125)</u>	-1.7%	



# Taxable and Fair Market Value: Student Enrollment



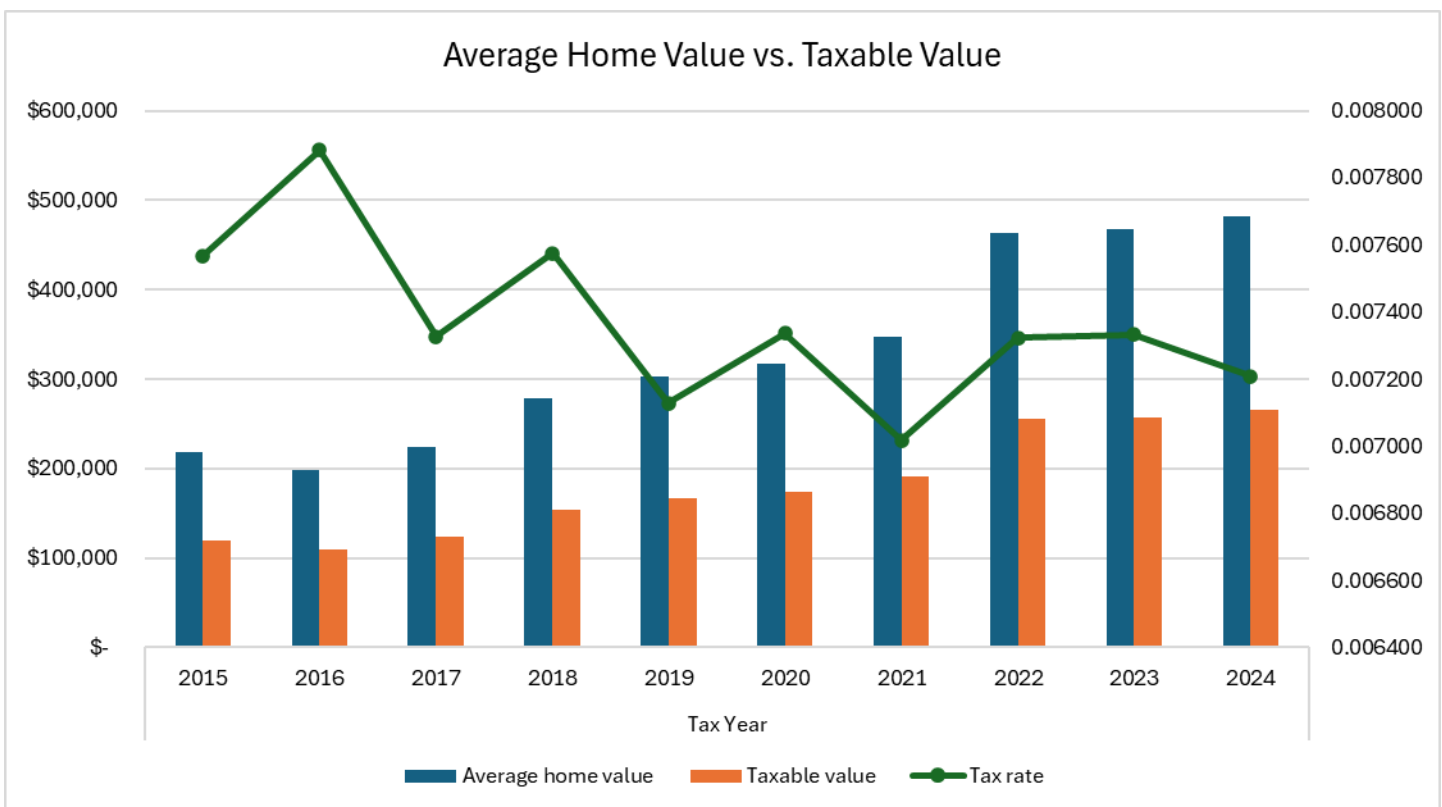
# Impact of Budget on Taxpayers: Average Home Value

The Utah County Assessor has calculated the average single family home value in Provo. Home values have increased each year over the period shown with the exception of 2016. Changes in home values impact taxes owed. If a home's value increases at a percentage less than the District-wide average (or decreases in value), the tax charged to the homeowner will decrease. However, if a home's value increases at a higher percentage than the District-wide average, the tax charged to the homeowner will increase.

Property tax on a primary residence is calculated by multiplying the home's taxable value by the total tax rate. However, primary residential homes receive a 45.0% exemption, meaning homeowners only pay tax on 55.0% of the taxable value of their home. If the home is not the primary residence, the market value equals the taxable value.

The table and chart below illustrate this calculation using the average residential home value in Provo over the last ten tax years.

	Tax Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Average home value	\$ 218,383	\$ 198,500	\$ 223,667	\$ 278,400	\$ 302,200	\$ 316,900	\$ 347,900	\$ 463,400	\$ 467,400	\$ 481,777
Residential exemption	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%
Taxable value	\$ 120,111	\$ 109,175	\$ 123,017	\$ 153,120	\$ 166,210	\$ 174,295	\$ 191,345	\$ 254,870	\$ 257,070	\$ 264,977
Tax rate	0.007568	0.007883	0.007327	0.007576	0.007129	0.007337	0.007017	0.007323	0.007333	0.007208
Property tax due	\$ 909	\$ 861	\$ 901	\$ 1,160	\$ 1,185	\$ 1,279	\$ 1,343	\$ 1,866	\$ 1,885	\$ 1,910
Increase (decrease) over prior year		\$ (48)	\$ 40	\$ 259	\$ 25	\$ 94	\$ 64	\$ 523	\$ 19	\$ 25
% Change over prior year		-5.3%	4.6%	28.7%	2.2%	7.9%	5.0%	38.9%	1.0%	1.3%





# Debt Service Schedule: General Obligation Bonds

Fiscal Year	Series 2015		Series 2016		Series 2021B Refunding	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 2,510,000	\$ 1,006,700	\$ 2,475,000	\$ 1,260,813	\$ 2,080,000	\$ 294,250
2026	2,580,000	937,675	2,600,000	1,137,063	2,185,000	190,250
2027	2,655,000	860,275	2,725,000	1,007,063	1,620,000	81,000
2028	2,735,000	780,625	2,775,000	952,563	-	-
2029	2,830,000	684,900	2,825,000	897,063	-	-
2030	2,930,000	585,850	2,950,000	784,063	-	-
2031	3,035,000	483,300	3,075,000	666,063	-	-
2032	3,125,000	392,250	3,150,000	566,125	-	-
2033	3,220,000	298,500	3,275,000	463,750	-	-
2034	3,315,000	201,900	3,375,000	357,313	-	-
2035	3,415,000	102,450	3,475,000	247,625	-	-
2036	-	-	3,600,000	126,000	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
2041	-	-	-	-	-	-
	<b>\$ 32,350,000</b>	<b>\$ 6,334,425</b>	<b>\$ 36,300,000</b>	<b>\$ 8,465,504</b>	<b>\$ 5,885,000</b>	<b>\$ 565,500</b>

	Series 2021		Totals		Grand Total
	Principal	Interest	Principal	Interest	
2025	\$ 2,710,000	\$ 2,093,048	\$ 9,775,000	\$ 4,654,811	\$ 14,429,811
2026	3,285,000	1,957,548	10,650,000	4,222,536	14,872,536
2027	3,280,000	1,793,298	10,280,000	3,741,636	14,021,636
2028	3,445,000	1,629,298	8,955,000	3,362,486	12,317,486
2029	3,615,000	1,457,048	9,270,000	3,039,011	12,309,011
2030	3,800,000	1,276,298	9,680,000	2,646,211	12,326,211
2031	3,990,000	1,086,298	10,100,000	2,235,661	12,335,661
2032	4,185,000	886,798	10,460,000	1,845,173	12,305,173
2033	4,270,000	803,098	10,765,000	1,565,348	12,330,348
2034	4,355,000	717,698	11,045,000	1,276,911	12,321,911
2035	4,445,000	630,598	11,335,000	980,673	12,315,673
2036	4,520,000	552,810	8,120,000	678,810	8,798,810
2037	4,600,000	473,710	4,600,000	473,710	5,073,710
2038	4,690,000	381,710	4,690,000	381,710	5,071,710
2039	4,780,000	292,600	4,780,000	292,600	5,072,600
2040	4,875,000	197,000	4,875,000	197,000	5,072,000
2041	4,975,000	99,500	4,975,000	99,500	5,074,500
	<b>\$ 69,820,000</b>	<b>\$ 16,328,358</b>	<b>\$ 144,355,000</b>	<b>\$ 31,693,787</b>	<b>\$ 176,048,787</b>

# Debt Service Schedule: Lease Revenue Bonds and Ratios of Outstanding Debt

Fiscal Year	Series 2010		Series 2022		Totals		Grand Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ -	\$ 79,483	\$ 3,465,000	\$ 3,753,200	\$ 3,465,000	\$ 3,832,683	\$ 7,297,683
2026	6,462,000	79,483	3,635,000	3,579,950	10,097,000	3,659,433	13,756,433
2027	-	-	3,820,000	3,398,200	3,820,000	3,398,200	7,218,200
2028	-	-	4,010,000	3,207,200	4,010,000	3,207,200	7,217,200
2029	-	-	4,210,000	3,006,700	4,210,000	3,006,700	7,216,700
2030	-	-	4,420,000	2,796,200	4,420,000	2,796,200	7,216,200
2031	-	-	4,640,000	2,575,200	4,640,000	2,575,200	7,215,200
2032	-	-	4,875,000	2,343,200	4,875,000	2,343,200	7,218,200
2033	-	-	5,115,000	2,099,450	5,115,000	2,099,450	7,214,450
2034	-	-	5,375,000	1,843,700	5,375,000	1,843,700	7,218,700
2035	-	-	5,590,000	1,628,700	5,590,000	1,628,700	7,218,700
2036	-	-	5,810,000	1,405,100	5,810,000	1,405,100	7,215,100
2037	-	-	6,045,000	1,172,700	6,045,000	1,172,700	7,217,700
2038	-	-	6,225,000	991,350	6,225,000	991,350	7,216,350
2039	-	-	6,410,000	804,600	6,410,000	804,600	7,214,600
2040	-	-	6,605,000	612,300	6,605,000	612,300	7,217,300
2041	-	-	6,800,000	414,150	6,800,000	414,150	7,214,150
2042	-	-	7,005,000	210,150	7,005,000	210,150	7,215,150
	<b>\$ 6,462,000</b>	<b>\$ 158,966</b>	<b>\$ 94,055,000</b>	<b>\$ 35,842,050</b>	<b>\$ 100,517,000</b>	<b>\$ 36,001,016</b>	<b>\$ 136,518,016</b>

Fiscal Year	(1)		(2)		Enrollment	Debt per Student	Population	Debt per Capita
	General Obligation Bonds	Lease Revenue Bonds	Notes Payable	Total Outstanding Debt				
2015	\$ 86,719,010	\$ 5,333,227	\$ -	\$ 92,052,237	15,565	\$ 5,914	118,500	\$ 777
2016	134,474,021	6,707,093	-	141,181,114	16,800	8,404	118,500	1,191
2017	128,314,365	6,656,808	-	134,971,173	17,793	7,586	118,500	1,139
2018	122,199,709	6,627,051	-	128,826,760	15,922	8,091	115,321	1,117
2019	115,840,053	6,596,110	-	122,436,163	16,127	7,592	115,321	1,062
2020	109,220,397	6,573,468	-	115,793,865	16,567	6,989	115,321	1,004
2021	184,171,608	6,550,081	-	190,721,689	13,286	14,355	115,321	1,654
2022	188,240,235	106,880,925	-	295,121,160	13,592	21,713	115,321	2,559
2023	178,536,253	103,902,324	-	282,438,577	13,611	20,751	115,321	2,449
2024	167,962,271	100,517,000	13,202	268,492,473	13,455	19,955	116,315	2,308

(1) Presented net of unamortized amounts for bond premiums

(2) Prior to 2024, notes payable amounts are combined with and reported in the lease revenue bonds column

# Legal Debt Limit: Calculation

Fiscal Year	Estimated Fair Market Value	Less: Fee-in-Lieu / Age-based Taxable Value	Fair Market Value for Debt Incurring Capacity	a	b	c	a-b-c	(b+c)/a
				Legal Debt Limit	General Obligation Debt	Unamortized Bond Premium	Estimated Additional Debt Incurring	Percentage of Debt to Debt Limit
2015	\$ 7,204,269,301	\$ 149,469,833	\$ 7,054,799,468	\$ 282,191,979	\$ 81,955,000	\$ 2,382,005	\$ 197,854,974	29.9%
2016	7,727,710,401	159,079,321	7,568,631,080	302,745,243	127,500,000	8,774,021	166,471,222	45.0%
2017	8,230,511,312	177,281,111	8,053,230,201	322,129,208	119,985,000	8,329,365	193,814,843	39.8%
2018	8,971,148,654	185,696,909	8,785,451,745	351,418,070	114,315,000	7,884,709	229,218,361	34.8%
2019	9,617,112,301	193,978,287	9,423,134,014	376,925,361	108,400,000	7,440,053	261,085,308	30.7%
2020	10,572,161,375	195,458,825	10,376,702,550	415,068,102	102,225,000	6,995,397	305,847,705	26.3%
2021	11,278,088,266	174,736,209	11,103,352,057	444,134,082	169,475,000	14,696,608	259,962,474	41.5%
2022	12,056,976,726	192,048,170	11,864,928,556	474,597,142	161,165,000	27,075,235	286,356,907	39.7%
2023	15,431,976,540	189,070,275	15,242,906,265	609,716,251	153,195,000	25,341,253	431,179,998	29.3%
2024	16,016,707,726	202,697,675	15,814,010,051	632,560,402	144,355,000	23,607,271	464,598,131	26.6%

(1) For debt incurring capacity only, in computing the fair market value of taxable property in the District, the fair market value of all tax equivalent property (which value includes the values of motor vehicles, watercraft, recreational vehicles and all other tangible personal property required to be registered with the State) is excluded as a part of the fair market value of the taxable property in the District.

(2) The general obligation indebtedness of the District is limited by Utah law to 4% of the fair market value of taxable property in the District. The legal debt limit (additional debt incurring capacity of the District) is based on estimated assessed value. As determined by the Utah State Auditor and Utah State Treasurer, the deferred amounts associated with debt issuances are to be included in the calculation of debt margin.



(1)

(2)



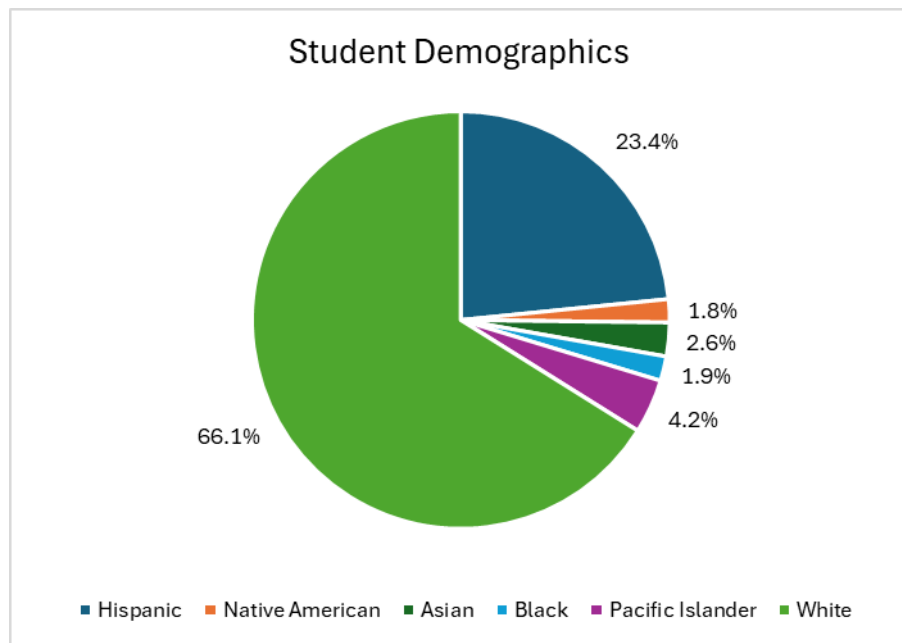
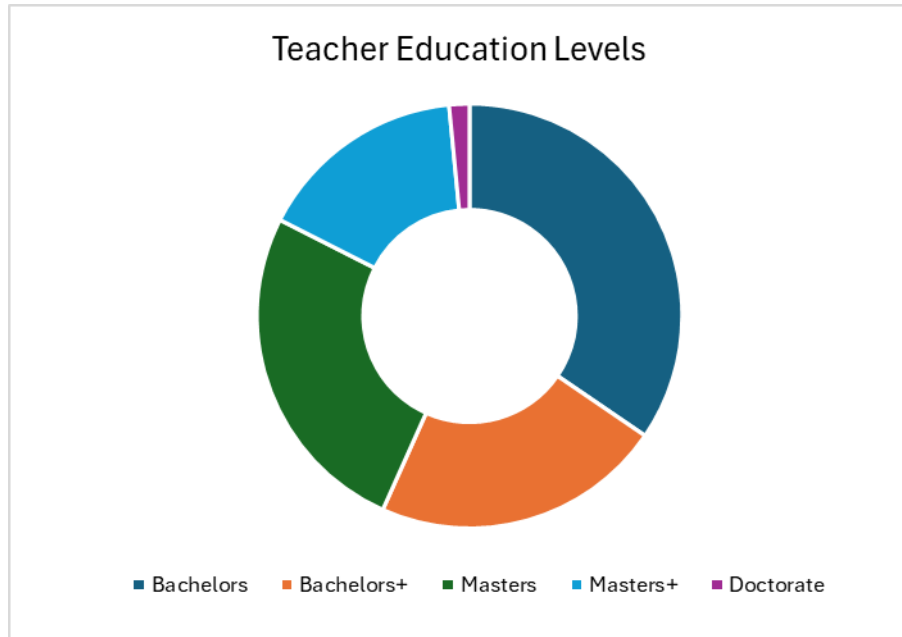
Fiscal Year	General Obligation Bonds	Lease Revenue Bonds	Notes Payable	Total Outstanding Debt	Enrollment	Debt per Student	Population	Debt per Capita
2015	\$ 86,719,010	\$ 5,333,227	\$ -	\$ 92,052,237	15,565	\$ 5,914	118,500	\$ 777
2016	134,474,021	6,707,093	-	141,181,114	16,800	8,404	118,500	1,191
2017	128,314,365	6,656,808	-	134,971,173	17,793	7,586	118,500	1,139
2018	122,199,709	6,627,051	-	128,826,760	15,922	8,091	115,321	1,117
2019	115,840,053	6,596,110	-	122,436,163	16,127	7,592	115,321	1,062
2020	109,220,397	6,573,468	-	115,793,865	16,567	6,989	115,321	1,004
2021	184,171,608	6,550,081	-	190,721,689	13,286	14,355	115,321	1,654
2022	188,240,235	106,880,925	-	295,121,160	13,592	21,713	115,321	2,559
2023	178,536,253	103,902,324	-	282,438,577	13,611	20,751	115,321	2,449
2024	167,962,271	100,517,000	13,202	268,492,473	13,455	19,955	116,315	2,308

(1) Presented net of unamortized amounts for bond premiums

(2) Prior to 2024, notes payable amounts are combined with and reported in the lease revenue bonds column

# Expenditures by Function per Pupil: General Fund - Last Ten Fiscal Years

<u>Function</u>	<u>Actual</u> <u>2020-21</u>	<u>Actual</u> <u>2021-22</u>	<u>Actual</u> <u>2022-23</u>	<u>Final</u> <u>Budget</u> <u>2023-24</u>	<u>Proposed</u> <u>Budget</u> <u>2024-25</u>
Instruction	\$ 6,003 58.7%	\$ 6,337 63.0%	\$ 6,406 58.6%	\$ 7,514 63.6%	\$ 5,893 62.5%
Student support	694 6.8%	757 7.5%	831 7.6%	852 7.2%	701 7.4%
Instructional staff support	886 8.7%	892 8.9%	1,172 10.7%	1,130 9.6%	962 10.2%
District administration	189 1.8%	184 1.8%	127 1.2%	147 1.2%	89 0.9%
School administration	592 5.8%	623 6.2%	693 6.3%	756 6.4%	658 7.0%
Central services	454 4.4%	471 4.7%	523 4.8%	565 4.8%	422 4.5%
Operation and maintenance of facilities	1,205 11.8%	592 5.9%	1,020 9.3%	678 5.7%	545 5.8%
Student transportation	180 1.8%	182 1.8%	165 1.5%	179 1.5%	158 1.7%
Child nutrition	8 0.1%	6 0.1%	- 0.0%	- 0.0%	- 0.0%
Community services	16 0.2%	10 0.1%	- 0.0%	- 0.0%	- 0.0%
<b>Total</b>	<b>\$ 10,227</b>	<b>\$ 10,054</b>	<b>\$ 10,937</b>	<b>\$ 11,821</b>	<b>\$ 9,428</b>
Student enrollment	13,455	13,611	13,592	13,286	16,567



# Principal Employers: Current and Ten Tax Years Ago

## PROVO CITY SCHOOL DISTRICT

### Principal Employers

December 31, 2023 and 2014

Employer	Rank	2023	2014	Industry
		Approximate Number of Employees	Approximate Number of Employees	
Brigham Young University	1	5,000 - 6,999	1,000 - 4,999	Higher Education
Utah Valley Regional Medical Center	2	3,000 - 3,999	1,000 - 4,999	Health Care
Vivint	3	3,000 - 3,999		Home Security
Provo City School District	4	2,000 - 2,999	1,000 - 1,999	Local Government
Utah County	5	1,000 - 1,999	1,000 - 1,999	Local Government
Provo City	6	1,000 - 1,999	500 - 999	Local Government
Central Utah Medical Clinic	7	1,000 - 1,999	500 - 999	Healthcare
Qualtrics	8	1,000 - 1,999		Management
Chrysalis Utah, Inc.	9	1,000 - 1,999		Healthcare
Nu Skin International	10	500 - 999	1,000 - 4,999	Personal Care

Source: Utah Department of Workforce Services





# Economic Outlook

The economic outlook of the District is heavily dependent on state aid, which for fiscal year 2024-25 will provide 44.4% of all revenue. The Utah State Uniform School Fund was established constitutionally in 1938 to ensure equitable funding for public education statewide. From 1947 through 1996, all income taxes were constitutionally required to be used for public education. In 1996, voters in Utah approved a constitutional change championed by the Utah Legislature providing that these revenue 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 highlights that play a role in the State's economic environment include:

**Population:** Utah's population according to the 2020 U.S. Census was approximately 3.3 million. From the 2010 U.S. Census, Utah grew by 17.2%, the largest

population growth in the United States. Growth is attributable to natural increase and in-migration. Utah is a popular destination for families and professionals leaving crowded cities in search of employment, safer communities, recreation opportunities, and an overall better quality of life. Utah County's population as of 2022 was approximately 702,434, an increase of 18,809 or 2.8% over the prior year.

**Fiscal Year 2024-25 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 virtually all other states with the exception of Idaho.

Utah has a strong economic presence. Unemployment is usually lower and average wages are usually higher than the United States as a whole.



# ECONOMIC SNAPSHOT

## Utah County

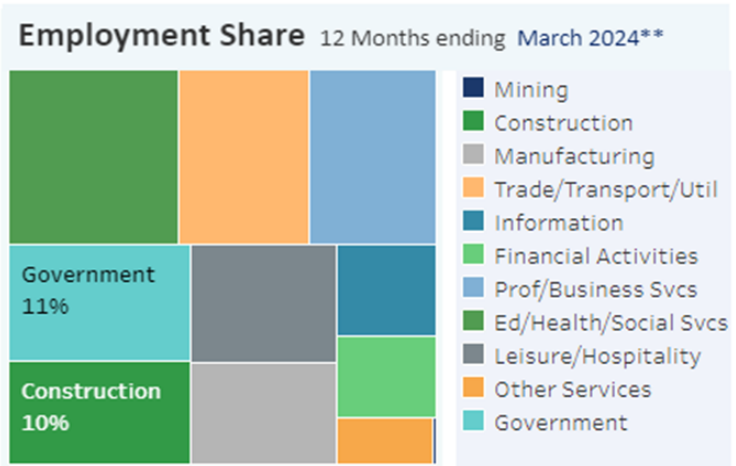
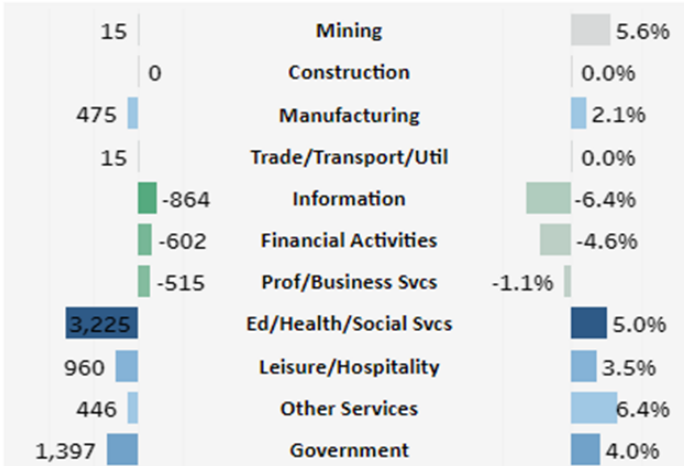
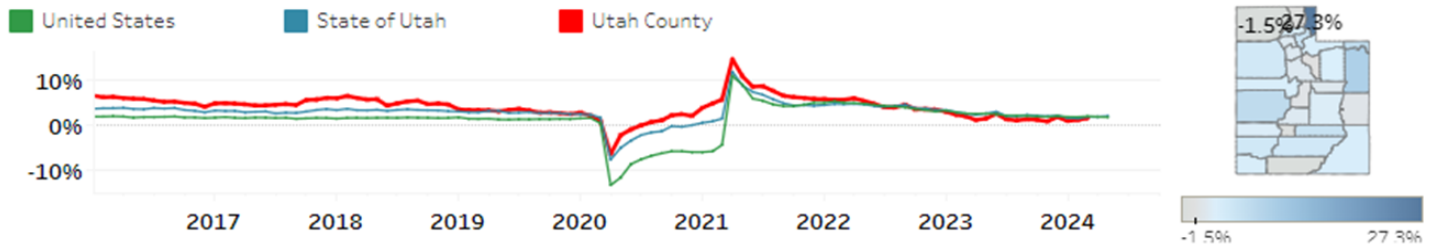
Select Area  
Utah County



### Year-to-Year Change in Nonfarm Jobs March 2024

↑ 4,552

↑ 1.5% Utah County    ↑ 1.8% State of Utah    ↑ 1.9% United States



### How's the economy?

Slower job growth and higher unemployment rates in the first part of 2024 point to a slight softening in Utah County's labor market. While employment declines in the information, financial activities and professional and business services sectors have weighed on county employment, job gains in education, health and social services and government sectors have more than offset job losses over the year.

Over the last two years, Utah County has seen a 3.6% increase in wages, marking it as the county with the lowest wage growth rate over the period. Wage gains in Utah County have been limited by recent employment declines in the relatively high paying information, financial activities and professional and business services sectors.

### Jobs

Utah County added 4,552 jobs over the year ended March 2024, primarily due to increases in the educational, health and social services sector, which added 3,225 positions to local payrolls. At 20% of the county's nonfarm employment, this sector employs the largest share of people in Utah County. The government and leisure and hospitality sectors also contributed to the county's employment gains, adding 1,397 and 960 jobs, respectively. The increase in government employment is part of a trend seen in both the state and the nation, after governments struggled to fill positions when labor markets were especially tight in 2021 and 2022. However, job losses in the information, financial activities and professional and business services sectors limited the county's employment gains, shedding a total of 1,981 jobs.

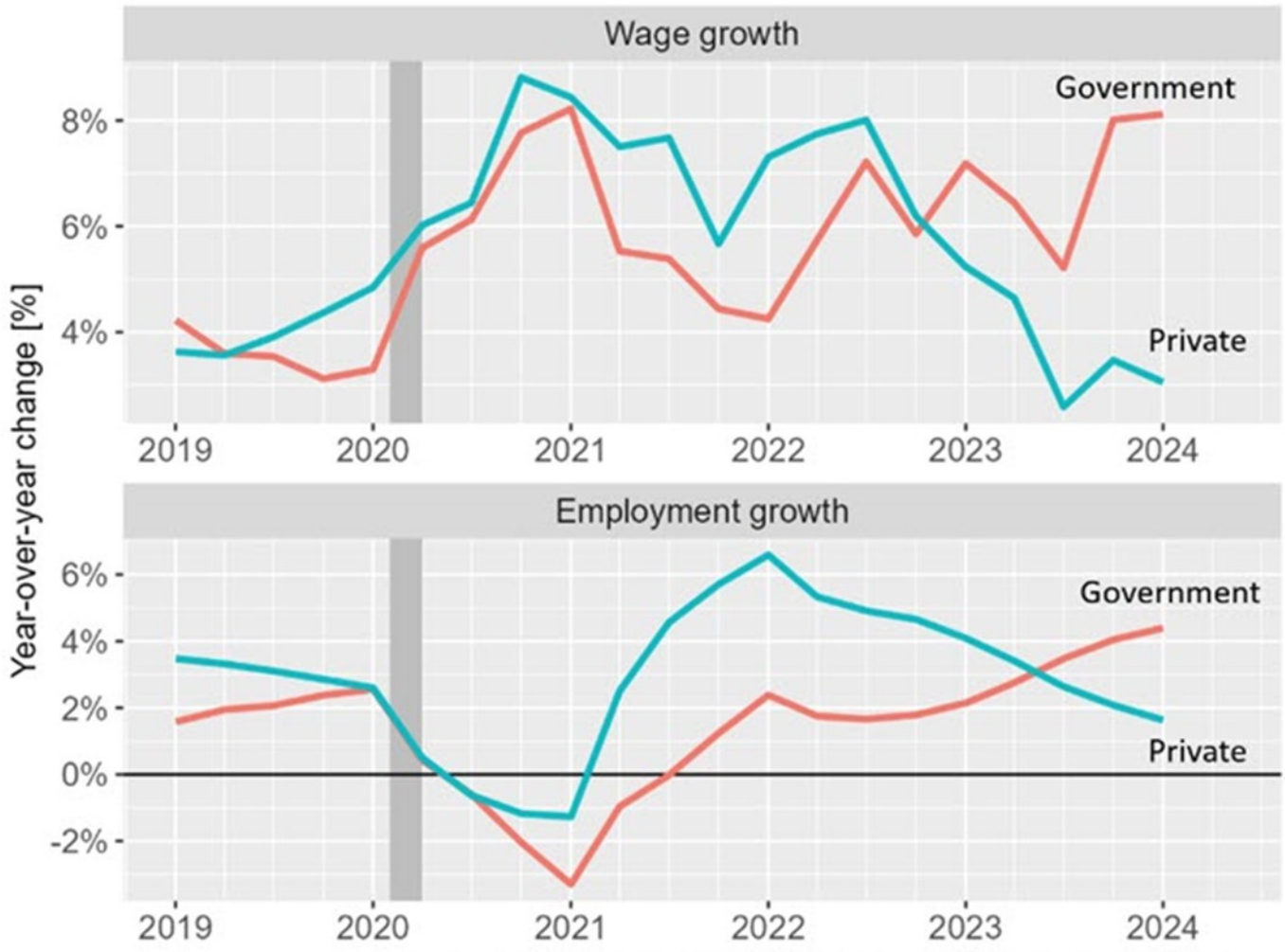
\* Preliminary. Source: U.S. Bureau of Labor Statistics; Utah Department of Workforce Services.

## SEPTEMBER 2024

UNEMPLOYMENT RATES		JOB GROWTH RATES	
Utah	U.S.	Utah	U.S.
<b>3.5</b>	<b>4.1</b>	<b>1.8</b>	<b>1.5</b>
percent	percent	percent	percent

**WORKFORCE SERVICES**  
RESEARCH & ANALYSIS

Employment and nominal wage growth, Utah  
Four-quarter moving average

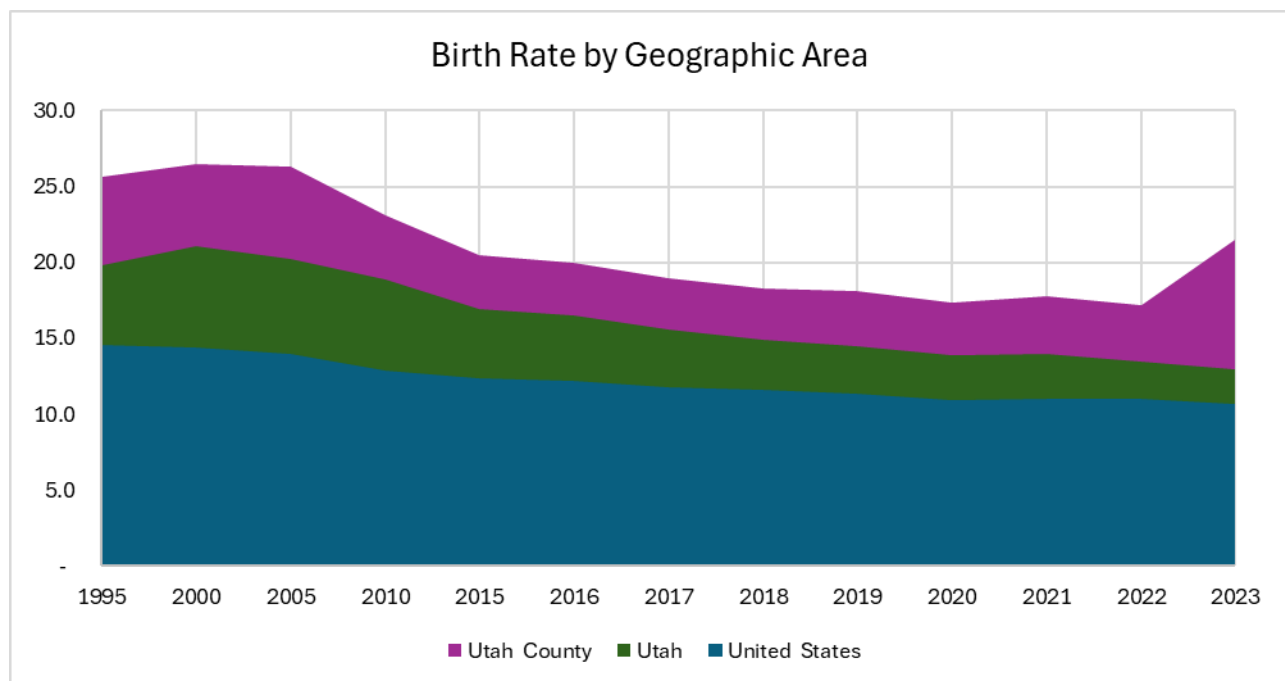


Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

<b>Birth Rate History</b> <i>based on Mother's Residency</i>			
<b>Calendar Year</b>	<b>Utah County</b>	<b>Utah</b>	<b>United States</b>
1995	25.6	19.8	14.6
2000	26.5	21.1	14.4
2005	26.3	20.2	14.0
2010	23.1	18.9	12.9
2015	20.5	16.9	12.4
2016	20.0	16.5	12.2
2017	19.0	15.6	11.8
2018	18.3	14.9	11.6
2019	18.1	14.5	11.4
2020	17.4	13.9	10.9
2021	17.8	14.0	11.0
2022	17.2	13.5	11.0
2023	21.5	13.0	10.7

Source: Utah Public Health Indicator Based Information System (IBIS)

Note: Only births to mothers that reside in Utah County were included in the county's column.





## 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 the second best 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.



# Child Nutrition: Facts and Figures

	Fiscal Year					
	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19
Number of schools participating in:						
Lunch program	18	18	18	18	18	18
Breakfast program	18	18	18	18	18	18
Student lunches served:						
Free	516,189	463,821	390,019	918,391	719,128	627,185
Reduced	110,461	100,093	82,055	1,921	99,791	125,257
Fully paid	412,605	388,888	664,560	3,614	283,841	359,500
Total	<b>1,039,255</b>	<b>952,802</b>	<b>1,136,634</b>	<b>923,926</b>	<b>1,102,760</b>	<b>1,111,942</b>
Student breakfasts served:						
Free	148,691	152,095	128,979	260,141	423,466	258,599
Reduced	26,755	27,160	27,789	353	26,868	32,712
Fully paid	41,936	48,234	152,450	203	31,573	35,763
Total	<b>217,382</b>	<b>227,489</b>	<b>309,218</b>	<b>260,697</b>	<b>481,907</b>	<b>327,074</b>
Adult meals served	29,723	24,425	21,715	-	-	-
Number of serving days:						
Regular schedule	175	175	176	178	167	175
Average daily participation:						
Student lunch	5,939	5,445	6,458	5,191	6,603	6,354
Student breakfast	1,242	1,300	1,757	1,465	2,886	1,869
Adult meals	170	140	123	-	-	-
Student enrollment	13,592	13,611	13,592	13,286	16,567	16,127
Percent of students eating lunch daily	43.7%	40.0%	47.5%	39.1%	39.9%	39.4%
Fall enrollment count of benefits:						
Students on free lunch	4,562	4,382	3,564	4,057	4,739	4,857
Student on reduced lunch	1,006	1,070	725	963	1,141	1,119
Percentage of students on:						
Free lunch	33.6%	32.2%	26.2%	30.5%	28.6%	30.1%
Reduced lunch	7.4%	7.9%	5.3%	7.2%	6.9%	6.9%
Total	<b>41.0%</b>	<b>40.1%</b>	<b>31.6%</b>	<b>37.8%</b>	<b>35.5%</b>	<b>37.1%</b>

Source: District records



## Elementary Schools



Amelia Earhart (K-6)  
Year Built: 1999



Canyon Crest Elementary (K-6)  
Year Built: 1982



Edgemont Elementary (K-6)  
Year rebuilt: 2017



Franklin Elementary (K-6)  
Year Built: 1994



Rock Canyon Elementary (K-6)  
Year Rebuilt: 2016



Spring Creek Elementary (K-6)  
Year Built: 2002



Sunset View Elementary (K-6)  
Year Rebuilt: 2016

## Middle Schools



Centennial Middle School (7-8)  
Year Built: 1996



Shoreline Middle (7-8)  
Year Built: 2024

### Elementary Schools



Lakeview Elementary (K-6)  
Year Built: 2007



Provo Peaks Elementary (K-6)  
Year Built: 2011



Provost Elementary (K-6)  
Year Rebuilt: 2018



Timpanogos Elementary (K-6)  
Year Rebuilt: 2008



Wasatch Elementary (K-6)  
Year Built: 2024



Westridge Elementary (K-6)  
Year Built: 1979

### High Schools



Provo High School (9-12)  
Year Built: 2018



Timpview High School (9-12)  
Year Built: 1974  
Renovated: 2024

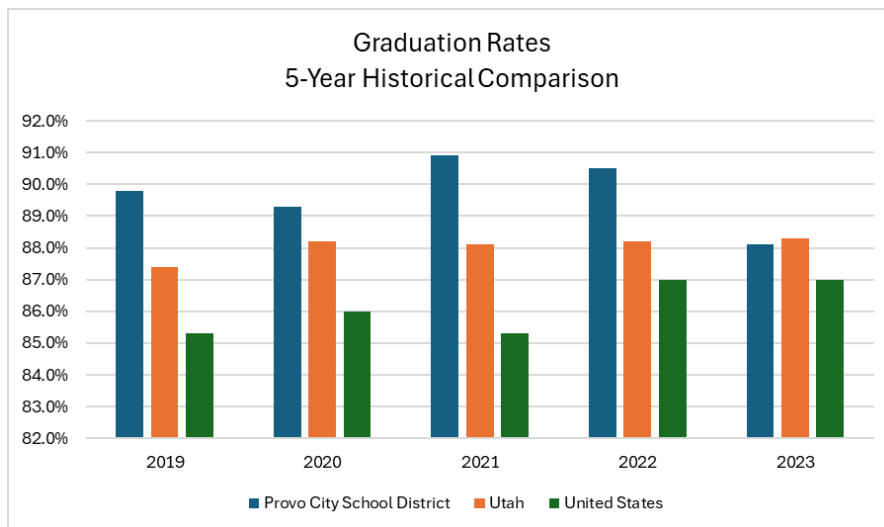


Independence High School (9-12)  
Year Built: 1992

# High School Graduates and Cohort Graduation Rates: Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Timpview High</u>	<u>Provo High</u>	<u>Independence High</u>	<u>Total</u>
2014-15	472 90.2%	436 89.2%	130 53.7%	<b>1,038</b>
2015-16	467 86.3%	437 86.7%	187 31.6%	<b>1,091</b>
2016-17	503 91.7%	433 88.7%	116 50.0%	<b>1,052</b>
2017-18	548 92.5%	432 92.1%	86 66.3%	<b>1,066</b>
2018-19	506 92.1%	440 95.7%	6 66.7%	<b>952</b>
2019-20	490 93.1%	461 92.8%	72 76.4%	<b>1,023</b>
2020-21	586 92.8%	484 93.0%	50 66.0%	<b>1,120</b>
2021-22	532 93.8%	511 90.4%	57 79.0%	<b>1,100</b>
2022-23	580 93.3%	438 83.6%	64 82.9%	<b>1,082</b>
2023-24	<i>Not yet available</i>			

Source: District records



The purpose of state-wide student assessment is to provide information about how students in Utah schools are doing relative to the Utah Core Curriculum and state requirements for school performance. Information about Utah schools is used to help in the interpretation of achievement information. Schools vary significantly in size, characteristics of students, faculty, staff, and facilities, and all of these factors influence how students perform on their assessments. Additionally, student performance is influenced by multiple factors outside the school environment. Nevertheless, it is the goal of the state education system that all students learn the core curriculum each year so that they have the fundamentals necessary for a solid academic future.

The charts and data which follow summarize the results of RISE and ASPIRE+ testing for the past five school years. Summarized results for the District are compared to statewide results. It is important to note the impact of the COVID-19 pandemic on these results. RISE and ASPIRE + were not administered in 2020 due to distance learning protocols in place at the time. In the years that followed, learning loss across the state of Utah and the United States which resulted from the pandemic has impacted test scores greatly. The District's strategic plan and goals center on continued growth in the proficiency of its students. While there are always challenges and obstacles in the path, the results of the past few school years have been positive. Continued growth and progression in student assessment results in future school years is the expectation.

RISE is Utah's computer adaptive standards assessment for students in grades 3-8. RISE offers students, teachers, and parents an improved overall experience and an opportunity to work collaboratively towards following the Utah State Core Standards. It also provides a baseline for student learning, while ensuring that student proficiency and growth reflect what they know and can do. The assessment provides proficiency scores for end-of-grade-level expectations in English language arts, mathematics, and science.

The four letters of the RISE acronym have the following meanings:

- > **READINESS** – Assessments play an important role in preparing today's students for tomorrow's challenges. Information obtained from assessments makes teachers and parents aware of what their students know and can do today and what they are prepared to learn tomorrow.
- > **IMPROVEMENT** – Assessments enable teachers to identify what areas students are struggling in and work with them on an individual basis to ensure they are prepared to reach the next milestone.
- > **SUCCESS** – With a clear understanding of where students excel and where they need to improve, teachers can work collaboratively with families to ensure students continue to be success bound.
- > **EMPOWERMENT** – Knowledge and skills provide students valuable resources that empower them by expanding their future opportunities and freedoms.



# Student Assessment: RISE Proficiency Report (% of students proficient or above)

		English Language Arts					
Grade		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Provo City School District	3	53.1%	N/A	44.3%	50.2%	48.4%	50.1%
	4	51.1%	N/A	41.1%	49.3%	50.1%	45.5%
	5	49.7%	N/A	48.5%	48.8%	51.7%	49.5%
	6	55.6%	N/A	47.8%	49.7%	50.7%	53.8%
	7	52.0%	N/A	46.8%	43.3%	42.7%	44.6%
	8	51.2%	N/A	49.1%	40.8%	34.7%	44.8%
	Avg	52.1%	N/A	46.3%	47.0%	46.4%	48.1%

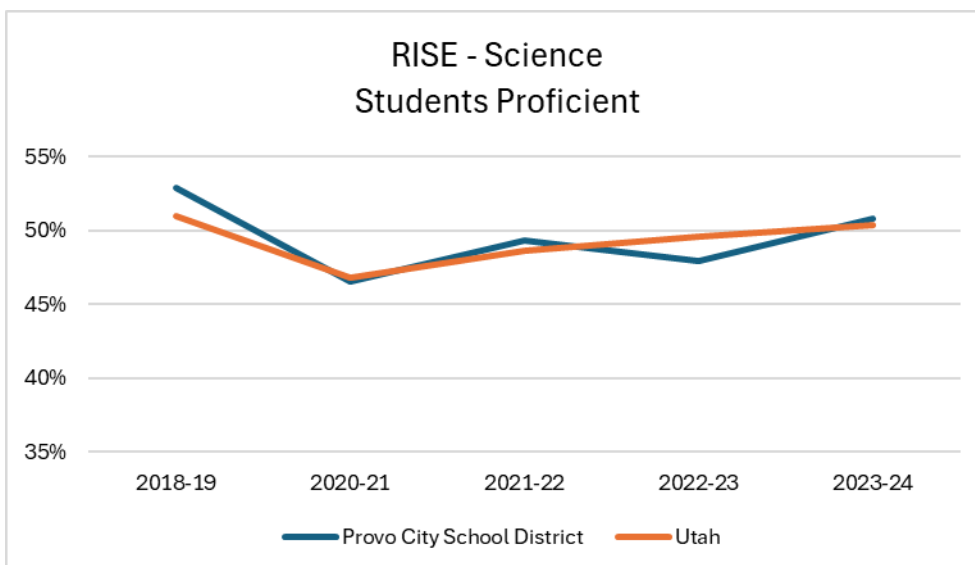
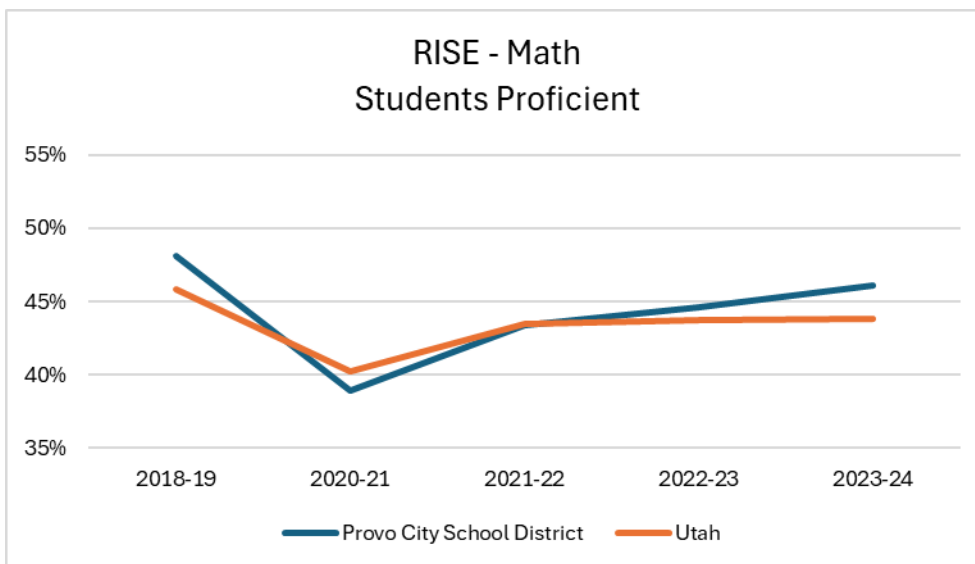
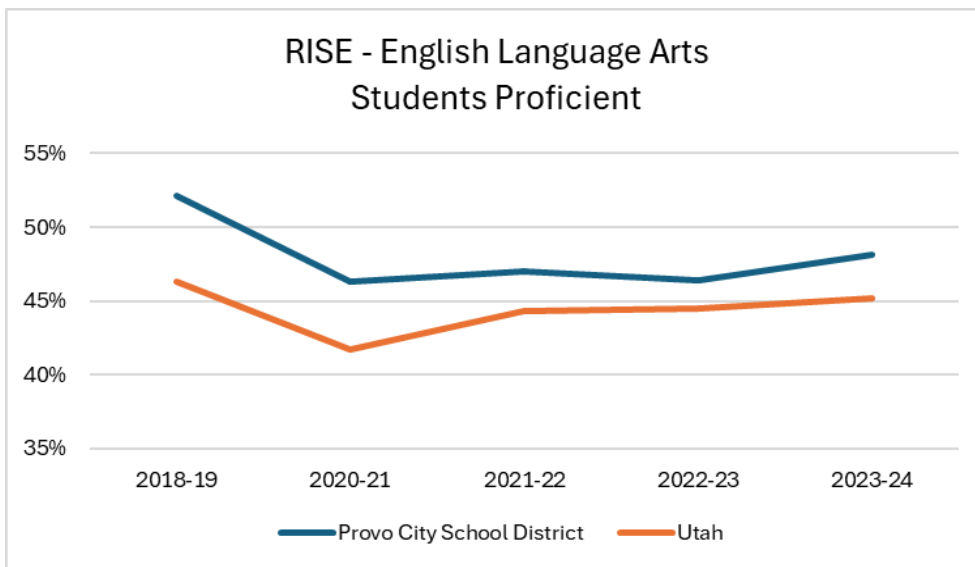
Utah	3	47.0%	N/A	43.0%	46.0%	46.0%	46.7%
	4	47.0%	N/A	38.0%	43.0%	44.0%	44.0%
	5	48.0%	N/A	44.0%	47.0%	49.0%	48.3%
	6	49.0%	N/A	41.0%	47.0%	45.0%	47.3%
	7	44.0%	N/A	41.0%	41.0%	41.0%	42.4%
	8	43.0%	N/A	43.0%	42.0%	42.0%	42.5%
	Avg	46.3%	N/A	41.7%	44.3%	44.5%	45.2%

		Math					
Grade		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Provo City School District	3	52.8%	N/A	44.5%	51.7%	48.6%	53.6%
	4	52.7%	N/A	46.2%	56.1%	54.4%	54.2%
	5	47.6%	N/A	40.9%	46.0%	48.3%	45.7%
	6	52.4%	N/A	42.5%	47.1%	42.7%	48.5%
	7	44.4%	N/A	34.5%	32.7%	43.6%	45.5%
	8	38.7%	N/A	24.9%	26.5%	30.0%	28.8%
	Avg	48.1%	N/A	38.9%	43.4%	44.6%	46.1%

Utah	3	50.0%	N/A	45.0%	49.0%	49.0%	49.0%
	4	49.0%	N/A	45.0%	49.0%	50.0%	50.0%
	5	49.0%	N/A	42.0%	45.0%	45.0%	44.3%
	6	39.0%	N/A	32.0%	35.0%	35.0%	35.6%
	7	45.0%	N/A	41.0%	45.0%	45.0%	44.5%
	8	43.0%	N/A	36.0%	38.0%	38.0%	39.2%
	Avg	45.8%	N/A	40.2%	43.5%	43.7%	43.8%

		Science					
Grade		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Provo City School District	3	<i>Not Tested</i>					
	4	51.7%	N/A	43.7%	52.0%	51.6%	52.5%
	5	51.4%	N/A	43.8%	48.5%	51.4%	54.8%
	6	60.9%	N/A	52.2%	55.3%	52.4%	59.5%
	7	48.2%	N/A	44.6%	42.5%	43.2%	41.7%
	8	52.4%	N/A	48.3%	48.4%	41.1%	45.4%
	Avg	52.9%	N/A	46.5%	49.3%	47.9%	50.8%

Utah	3	<i>Not Tested</i>					
	4	51.0%	N/A	43.0%	46.0%	49.0%	50.0%
	5	52.0%	N/A	45.0%	49.0%	51.0%	51.9%
	6	58.0%	N/A	53.0%	55.0%	55.0%	55.9%
	7	45.0%	N/A	44.0%	45.0%	45.0%	45.4%
	8	49.0%	N/A	49.0%	48.0%	48.0%	49.0%
	Avg	51.0%	N/A	46.8%	48.6%	49.6%	50.4%





# Student Assessment: ASPIRE+

## Utah Aspire Plus - Utah's High School Summative Assessment

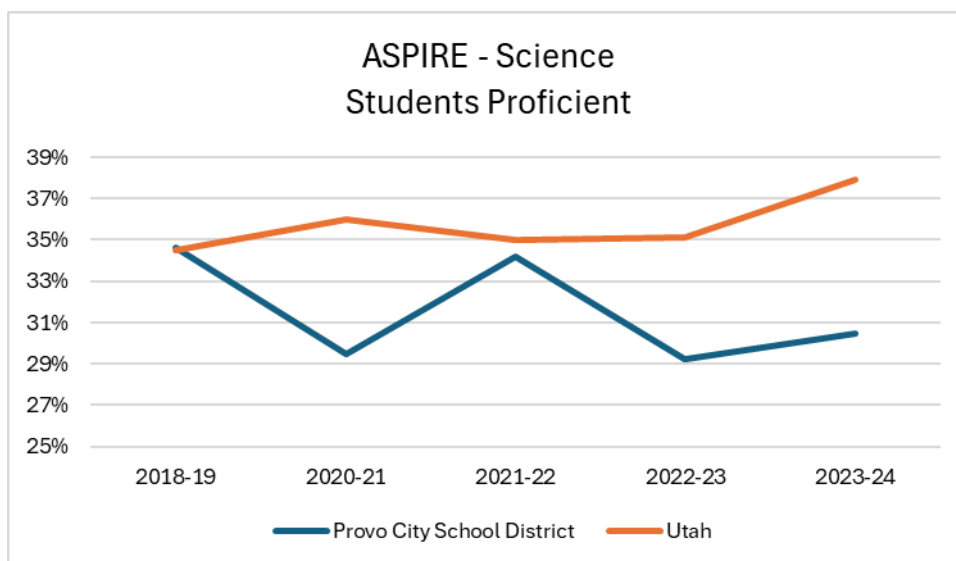
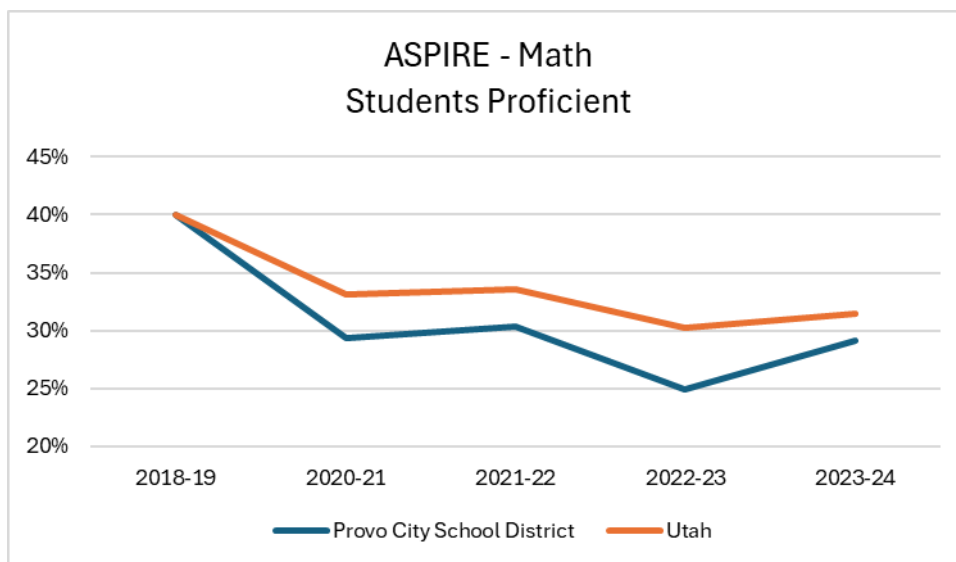
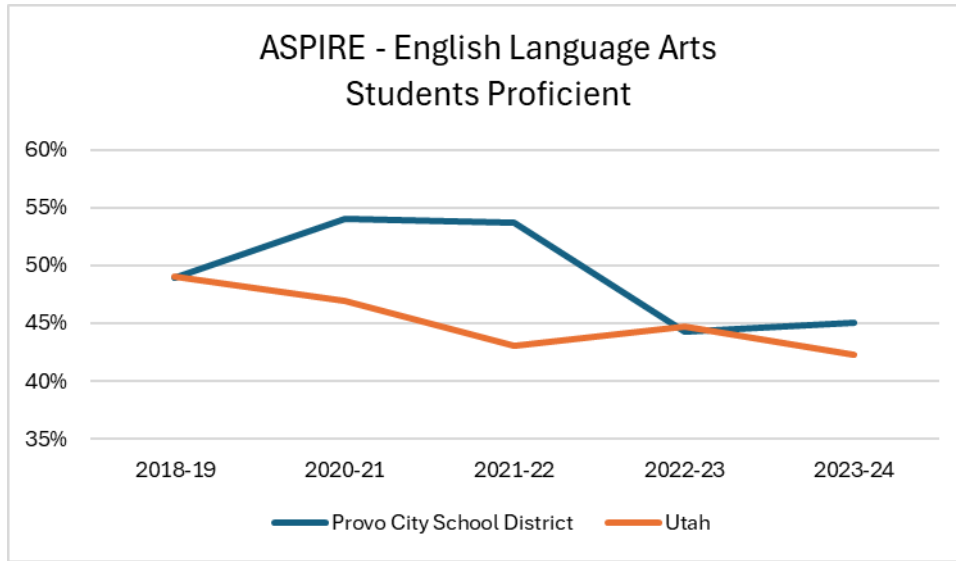
The Utah Aspire Plus assessment is a hybrid of ACT Aspire and Utah Core test items. It is a computer delivered, fixed form end-of-grade-level high school assessment for students in grades 9-10. Students receive predicted ACT score ranges for each subject area, as well as an overall predicted composite ACT score range. The assessment provides proficiency scores for end-of-grade-level expectations in English language arts, mathematics, and science. Items on the exam align with the Utah Core Standards.

The tables below is an ASPIRE+ proficiency report by grade displaying the percentage of student proficient or above.

		English Language Arts						
		Grade	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Provo City School District	9		48.2%	N/A	51.7%	51.5%	42.4%	43.6%
	10		49.5%	N/A	56.2%	55.8%	46.1%	46.3%
	Avg		48.9%	N/A	54.0%	53.7%	44.3%	45.0%
Utah	9		48.0%	N/A	44.9%	40.9%	44.0%	40.0%
	10		50.0%	N/A	48.9%	45.0%	45.3%	44.6%
	Avg		49.0%	N/A	46.9%	43.0%	44.7%	42.3%

		Math						
		Grade	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Provo City School District	9		43.6%	N/A	30.4%	36.0%	23.2%	31.7%
	10		36.3%	N/A	28.2%	24.8%	26.5%	26.5%
	Avg		40.0%	N/A	29.3%	30.4%	24.9%	29.1%
Utah	9		44.0%	N/A	36.5%	39.3%	32.7%	35.5%
	10		36.0%	N/A	29.7%	27.9%	27.7%	27.5%
	Avg		40.0%	N/A	33.1%	33.6%	30.2%	31.5%

		Science						
		Grade	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Provo City School District	9		36.2%	N/A	26.4%	38.4%	29.6%	33.5%
	10		33.0%	N/A	32.5%	30.0%	28.7%	27.4%
	Avg		34.6%	N/A	29.5%	34.2%	29.2%	30.5%
Utah	9		36.0%	N/A	35.2%	39.6%	38.0%	41.9%
	10		33.0%	N/A	36.8%	30.3%	32.2%	33.8%
	Avg		34.5%	N/A	36.0%	35.0%	35.1%	37.9%



# Student Assessment: ACT - College Entrance Exam

State ACT (average composite score) testing is for all juniors (11th graders) in public school in Utah. The ACT is comprised of reading, English (grammar and usage), math, and science subtests. These tests provide scores that predict the likelihood that students will attain a grade of “C” or better in a college entry-level course. For example, the science sub-test score predicts the likelihood a student is prepared to achieve a “C” or better in an entry-level college biology class. 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 preparation for college and career.

The tables below list the average ACT District-wide and by high school as compared to state and national averages. Please note that many postsecondary schools temporarily suspended their ACT testing requirements during the pandemic and many 11th graders in the District did not take the ACT exam in 2020. The source for this data is the Utah State Board of Education.

## Average Composite Score (ACT)

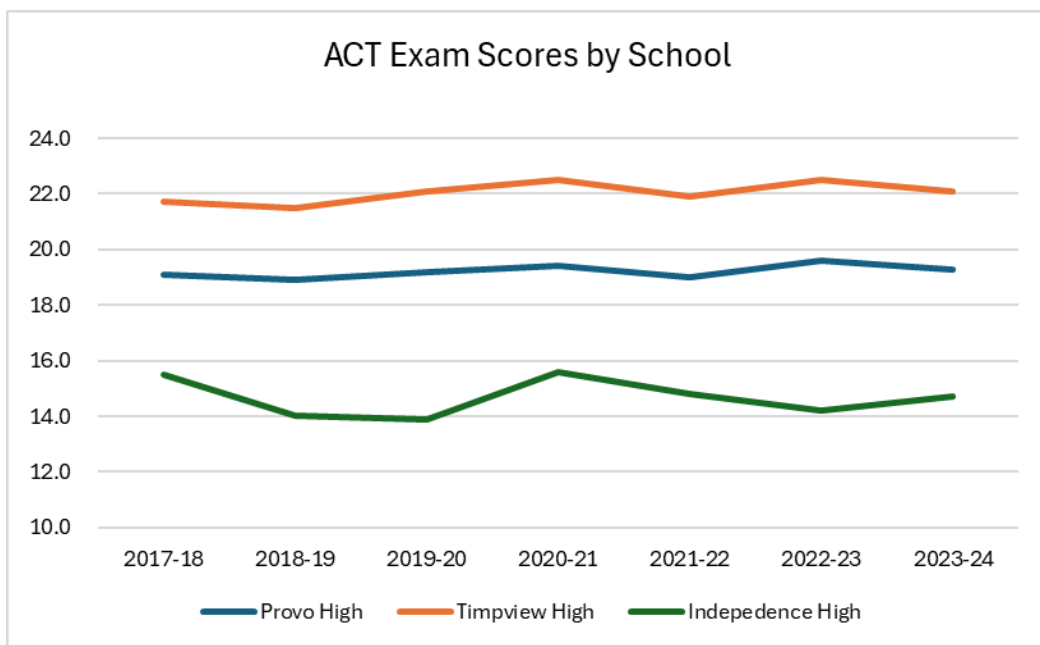
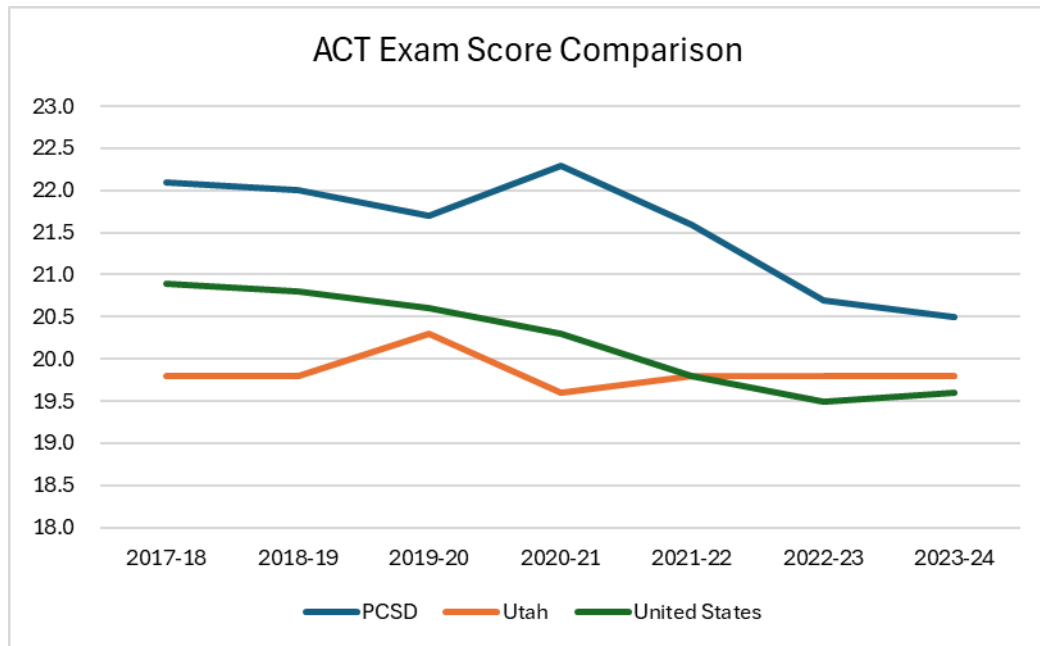
### College Entrance Exam

	Fiscal Year							Average
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	
PCSD	22.1	22.0	21.7	22.3	21.6	20.7	20.5	21.6
Utah	19.8	19.8	20.3	19.6	19.8	19.8	19.8	19.8
United States	20.9	20.8	20.6	20.3	19.8	19.5	19.6	20.2

## Average Composite Score (ACT) by School

### College Entrance Exam

	Fiscal Year							School
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Average
Provo High	19.1	18.9	19.2	19.4	19.0	19.6	19.3	19.2
Timpview High	21.7	21.5	22.1	22.5	21.9	22.5	22.1	22.0
Independence High	15.5	14.0	13.9	15.6	14.8	14.2	14.7	14.7



# Glossary of Terms

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

**Accounting System:** The total structure of records and procedures which discover, record, classify and report information on the financial position and operations of a school district or any of its funds, balanced account groups and organizational components.

**Accrual Basis:** The basis of accounting under which revenues are recorded in the accounting period in which they are earned and become measurable and expenses are recorded in the period incurred, if measurable, notwithstanding that the receipt of the revenue or the payment of the expense may take place, in whole or in part, in another accounting period. (The accrual basis of accounting is appropriate for proprietary fund types)

**Accrual Expenses:** Expenses incurred during the current accounting period but which are not paid until a subsequent accounting period.

**Accrued Revenue:** Revenue measurable and available or earned during the current accounting period, but which is not collected until a subsequent accounting period.

**ACT Exam (American College Testing):** The ACT is an entrance exam used by most colleges and universities in the United States to make admission decisions.

**Advanced Placement (AP):** A program that offers college-level curricula and examinations to high school students. Colleges and universities may grant placement and course credit to students who obtain high scores on the examinations.

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

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

**ACFR (Annual Comprehensive Financial Report):** An ACFR is a set of financial statements for a state, municipality, or other governmental entity that comply with accounting requirements established by the Governmental Accounting Standards Board (GASB).

**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 average number of students in membership for a 180-day school year. Each student who remains in membership for 180 days equals 1 ADM.

**Balanced Budget:** A budget in which estimated revenue 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 school district or charter school by the value of the WPU.

**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.

**Building Reserve Fund:** The Building Reserve fund is a nonmajor special revenue fund. This special reserve fund is authorized by state law for the purpose of accumulating resources to meet future capital outlay needs.

**Capital Projects Fund:** The purpose of the Capital Projects fund is to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing quality educational programs for all students within the District. Financing is provided by the capital local property tax levy as authorized by Utah Code 53F-8-303 and from general obligation bond proceeds.

**Capital or Fixed Assets:** Land, buildings, machinery,

furniture, and other equipment which the school system intends to hold or continue in use over a long period of time. "Fixed" denotes probability or intent to continue use or possession, and does not indicate immobility of an asset.

**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 or Educator:** A formal term for teachers who have obtained certification from the State of Utah.

**Child Nutrition fund:** The special revenue fund used by the District to account for its food services activities as required by State and Federal law.

**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.).

**COLA (Cost of Living Adjustment):** A COLA is a wage increase that is designed to help employees keep pace with increased living costs that result from inflation.

**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.



# Glossary of Terms

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.

**Curriculum:** The ordering of the content that allows students to acquire and integrate knowledge and skills.

**Debt:** An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of school districts include bonds, warrants, notes, etc.

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

**Debt Service Fund:** The Debt Service fund is used to account for the accumulation of resources and the payment of general obligation bonds.

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

**Deferred Revenues:** Amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable but not available.

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

**Drop-out Rate:** An annual rate reflecting the percentage of all students enrolled in grades 7-12 who leave school during the reporting period and are not known to transfer to other public or private

schools.

**Economic Stabilization:** A portion of fund balance defined in State law which is set aside for future contingencies. The reserve may only be used to cover expenditures by a written resolution adopted by a majority vote of the board setting forth the reasons for the appropriation.

**Encumbrances:** Obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when the actual liability is set up.

**ELA (English Language Arts):** Study of the English language through reading, writing and speaking.

**ESSA (Every Student Succeeds Act):** A U.S. law passed in 2015 that governs public education policy. The law replaced its predecessor, the No Child Left Behind Act (NCLB) and modified but did not eliminate provisions relating to the periodic standardized tests given to students.

**ESSER (Elementary and Secondary School Emergency Relief) ARP (American Rescue Plan):** The final portion of federal COVID relief funding laws designed to help address educational issues arising from the pandemic by providing schools with resources to prevent, prepare for, and respond to the COVID-19 crisis. These funds are available to spend until September 2024.

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

**Fair Market Value:** The amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having a reasonable knowledge

of the relevant facts, and includes the adjustment for any intangible values. For purposes of taxation, "fair market value" is determined using the current zoning laws applicable to the property in question, except in cases where there is a reasonable probability of a change in the zoning laws affecting that property in the tax year in question and the change would have an appreciable influence upon the value.

**Fall Enrollment Count or 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.

**Fee-in-lieu Property:** Any of the following personal property: motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State before it is used on a public highway, on a public waterway, on public land, or in the air.

**Fiduciary Funds:** Funds established to hold or manage financial resources in an agent or fiduciary capacity.

**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):** An employee hired to fill a normal contract day is equivalent to 1.00 FTE (i.e. a classroom teacher that teaches a full day for the entire school year equal 1.00 FTE).

**Full Value:** Asset is valued at market value.

**Function:** A relatively broad grouping of related expenditures or revenue 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.
- **Instructional Staff Support:** Activities associated with assisting instructional staff with content and learning experiences.
- **District 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.
- **Child Nutrition:** 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.

**Fund Balance:** The difference between assets and liabilities (see "asset" and "liability").

**Governmental Accounting Standards Board (GASB):**

# Glossary of Terms

The authoritative accounting and financial reporting standard setting body for government entities in the United States.

**GASB Statement 54 (GASB 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 Types:** 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 Costs:** Those elements of cost necessary in the production of a good or service, which are not directly traceable to the good or service (e.g. utilities, central services, and property services).

**Internal Service Fund:** Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis. The District maintains one internal service fund called the "Self-Insurance Fund."

**Interfund Transfer:** Money that is taken from one

fund and added to another fund. Interfund transfers are not receipts or expenditures of the District.

**Inventory:** A detailed list or record showing quantities, descriptions and values. Frequently the units of measure and unit prices of property on hand at a given time, and the cost of supplies and equipment on hand not yet distributed to requisitioning units are also listed.

**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 4.0%.

**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.

**Level or Step Increase:** A salary enlargement that is sometimes referred to as an increment.

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

**Magnet School:** A magnet school is one which functions in the traditional school setting, but with an emphasis on a few target areas of instruction to best

prepare students for the future.

**Major Fund:** Funds whose revenue, 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 Finance Act:** Utah Code 53A-17A – Under the Act, each district in the state is guaranteed a dollar amount per WPU to fund the Minimum School Program. The purpose of the Act is to meet the constitutional mandate that all children are entitled to reasonable equal educational opportunities. The source of funds is the state income tax.

**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 Utah 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.

**Municipal Building Authority Fund (MBA):** The Municipal Building Authority (MBA) fund, a separate legal entity of the District with legal authority to issue bonds on its behalf, is a capital projects fund that was established to account for proceeds from the issuance of lease revenue bonds, which are used for the purpose of acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for quality educational programs.

**No Child Left Behind (NCLB):** A federal law tying

federal funds to schools that are labeled as “Meeting Adequate Yearly Progress” and giving financial and operational sanctions against schools labeled as “Not Meeting Adequate Yearly Progress.”

**Non-Instructional Services:** The function assigned to activities concerned with providing non-instructional services to students, staff or the community.

**Nonspendable Fund Balance:** The portion of fund balance that includes inventories and prepaid expenditures that are not expected to be converted to cash.

**Nonmajor Fund:** A fund whose revenue, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are less than 10.0% of corresponding totals for all governmental funds and are less than 5.0% 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.

- 1xx: Salaries and Wages.
- 2xx: Employee benefits including retirement benefits, taxes, and medical insurance.
- 3xx: Purchased services including trainings, presentations, and other services provided to the District.
- 4xx: Property services expenses including vehicle maintenance and building repairs.
- 5xx: Other services including primarily travel expenses (both staff and student) and telecommunications.
- 6xx: Supplies expenses including consumable supplies, books, paper, food costs, technology,

# Glossary of Terms

etc.

- 7xx: Purchases of capital assets such as land, equipment, buildings, etc.
- 8xx: Debt service and other costs such as organization dues and fees 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).

**Pass-Through Taxes Fund:** The Pass-Through Taxes fund is a nonmajor special revenue fund used to: 1) account for the tax increment financing (TIF) authorized by the Community Development and Renewal Agencies Act (Utah Code 17C-1) to finance urban renewal, economic development, and community development projects by earmarking property tax revenue from increases in taxable values within a designated TIF district; and 2) account for the pass-through property tax generated by the Charter School Levy set and administered by the state.

**PLC (Professional Learning Communities):** An ongoing process in which educators work collaboratively in recurring cycles of collective inquiry and action research to achieve better results for the students they serve.

**Precinct:** A political division of the school district with distinct boundaries established for election purposes. The voters in each precinct elect one representative to the Board of Education.

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

**Property:** Any property which is subject to assessment and taxation according to its value, but

does not include monies, credits, bonds, stocks, representative property, franchises, goodwill, copyrights, patents, or other intangibles.

**Proprietary Fund Types:** The classification of funds used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. Enterprise funds and internal service funds are classified as Proprietary Fund Types.

**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, revenue, and other figures.

**Residential Property:** Any property used for residential purposes as a primary residence. It does not include property used for transient residential use or condominiums used in rental pools.

**Restricted Assets:** Monies or other resources, the use of which is restricted by legal or contractual requirements.

**Restricted Fund Balance:** The portion of fund balance that include resources that are subject to external constraints due to state or federal laws, or externally imposed by grantors or creditors.

**Revenue:** Increases in the net current assets of a governmental fund type from transactions other than expenditure refunds, residual equity transfers, general long-term debt proceeds and operating transfers in.

**Salary Schedule:** A list setting forth the salaries to be paid in increments (years of experience) and lanes (professional training completed). The District maintains separate salary schedules for teachers, classified employees, and administrators.

**School:** An institution where instruction is provided.

**Self-Insurance:** A term often used to describe the retention by an entity of a risk of loss arising out of ownership or from some other cause, instead of transferring that risk to an independent third party through the purchase of an insurance policy.

**Self-Insurance Fund:** The Self-Insurance fund is a nonmajor internal service fund that accounts for the costs of the District's self-funded medical insurance plans.

**SAGE (Student Assessment of Growth and Excellence):** A system of assessments, based on the Utah Core Standards, designed to measure student success and growth over the years.

**Special Revenue Fund:** A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**STEM:** Science, Technology, Engineering, and Math.

**Student Activity Fund:** A fund used to account for the monies specifically charged or received for a particular school's student related activities and fees.

**Student Enrollment:** the total number of students provided educational services by a district school or program on a specific date. In Utah, general student enrollment is measured on October 1 of each school year.

**Taxes:** Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit. The term includes licenses and permits. It does not include special assessments.

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

**Taxable Value:** The fair market value less any applicable reduction allowed for residential property.

**Tax Year:** Property taxes in Utah are assessed and collected on a calendar year basis. The tax year differs from the District's fiscal year which runs from July 1 to June 30.

**Teacher to Student (Pupil) Ratio:** The average number of students required to hire one teacher. Actual class sizes may vary widely according to subject, enrollment patterns, and other factors.

**Truth-in-Taxation:** The section of the law governing the adoption of property tax rates. A stipulation of the law requires an entity to advertise and hold a public hearing if it intends to exceed the certified tax rate.

**Unassigned Fund Balance:** The portion of fund balance in the General fund that is available for any purpose.

**Undistributed Reserve:** The part of the District's fund balance that is not specifically reserved for a particular purpose. Refer to "Economic Stabilization."

**Uniform Fee:** A tax levied on the value of fee-in-lieu property. The tax is uniform throughout the State.

**Uniform School Fund:** Monies allocated by the state legislature for operation of Utah's education system. Funding sources include sales tax, income tax, property tax, and other taxes earmarked for education.

**URS (Utah State Retirement System):** URS provides retirement and insurance benefits exclusively for Utah public employees. URS serves more than 200,000 members and about 470 public employers, including the State of Utah, its local governments, school districts, higher education, and more.



# Glossary of Terms

**USBE (Utah State Board of Education):** The governing body comprised of elected representatives that oversee local education agencies within Utah.

**Voted or Board Local Levy:** With an election, a school district may levy a voted leeway up to 0.002000 per dollar of taxable value as approved by a majority of the electors in the district. Up to the 0.002000 leeway ceiling, each school board of education may also levy a tax rate of up to 0.000400 per dollar of taxable value for class-size reduction. The voted or board leeway receives state support to provide an incentive for local school districts to seek additional funds and add to their educational programs.

**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.

**Weighted Pupil Unit (WPU):** An amount used to calculate how much state money each school district qualifies to receive in one school year. The dollar value of the WPU is established annually by the state legislature. The number of WPUs provided to each school district is based on number of students enrolled, number of handicapped students, and many other weighted factors.

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

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](mailto:budget@provo.edu). The web address is [provo.edu/business-finance](http://provo.edu/business-finance).

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



**Welcome • Educate • Inspire**



Welcome • Educate • Inspire

Provo City School District

280 W. 940 N.

Provo, UT 84604

[provo.edu](http://provo.edu)