



Davis School District

LEARNING FIRST

Utah

C.A.F.R.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

2020

for fiscal year  
ended June 30  
2020



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# **Comprehensive Annual Financial Report**

**of the**

## **DAVIS SCHOOL DISTRICT**

**45 East State Street  
Farmington, Utah 84025**

**For the Fiscal Year Ended June 30, 2020**

**John Robison, President of the Board  
Reid Newey, Superintendent  
Craig Carter, Business Administrator**

**Prepared by:  
Timothy Leffel, CPA  
Steven Snow  
Nathan Lee**

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# DAVIS SCHOOL DISTRICT

## Table of Contents Year Ended June 30, 2020

	Page
Title Page	3
Table of Contents	5-7
<b>INTRODUCTORY SECTION:</b>	
Letter of Transmittal	11-14
School Board Precinct Boundaries	15
List of Elected and Appointed Officials	16
Organizational Chart	17
GFOA Certificate of Achievement for Excellence in Financial Reporting	18
Model for Public Education	19
<b>FINANCIAL SECTION:</b>	
<b>Independent Auditor's Report</b>	23-25
<b>Management's Discussion and Analysis</b>	26-35
<b>Basic Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Position	36
Statement of Activities	37
Fund Financial Statements:	
Balance Sheet - Governmental Funds	38
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	39
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	40
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	41
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	42
Statements of Fund Net Position - Proprietary Funds	43
Statements of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	44
Statements of Fund Cash Flows - Proprietary Funds	45
Notes to the Basic Financial Statements	46-69
<b>Required Supplementary Information:</b>	
Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) – Utah Retirement Systems	70
Schedules of District Contributions – Utah Retirement Systems	71

# DAVIS SCHOOL DISTRICT

## Table of Contents Year Ended June 30, 2020

Page

### FINANCIAL SECTION (Continued):

#### Individual Fund Statements and Schedules:

Comparative Balance Sheets - General Fund	75
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	76
Comparative Balance Sheets - Debt Service Fund	77
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Fund	78
Comparative Balance Sheets - Capital Projects Fund	79
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Capital Projects Fund	80
Combining Balance Sheet - Nonmajor Governmental Funds	81
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	82
Comparative Balance Sheets - School Food Services Fund - Nonmajor Special Revenue Fund	83
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - School Food Services Fund - Nonmajor Special Revenue Fund	84
Comparative Balance Sheets - Student Activities Fund - Nonmajor Special Revenue Fund	85
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Student Activities Fund - Nonmajor Special Revenue Fund	86
Comparative Balance Sheets - District Foundation Fund - Nonmajor Special Revenue Fund	87
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - District Foundation Fund - Nonmajor Special Revenue Fund	88
Comparative Balance Sheets - Pass-Through Taxes Fund - Nonmajor Special Revenue Fund	89
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Pass-Through Taxes Fund - Nonmajor Special Revenue Fund	90

### STATISTICAL SECTION:

Net Position by Component	94
Expenses, Program Revenue, and Net (Expense) Revenue	95
Fund Balances - Governmental Funds	96
Changes in Fund Balances - Governmental Funds	97
Assessed Value and Estimated Actual Value of Taxable Property	98
Direct and Overlapping Property Tax Rates	99
Principal Property Tax Payers	100

## DAVIS SCHOOL DISTRICT

### Table of Contents Year Ended June 30, 2020

Page

---

#### STATISTICAL SECTION (Continued):

Property Tax Levies and Collections	101
Ratios of Outstanding Debt	102
Overlapping and Underlying Governmental Activities Debt	103
General Obligation Legal Debt Limit and Debt Capacity	104
Schedule of Annual Debt Service Requirements	105
Debt Service Schedule of Outstanding General Obligation Bonds	106
Demographic and Economic Statistics	107
Labor Market Data	108
Principal Employers	109
District Facilities and Personnel Positions	110
Average Daily Membership and October Enrollment	111
Expenditures by Function - General Fund	112
Expenditures per ADM by Function - General Fund	113
Weighted Pupil Units (WPU's) - Regular WPU's and Other WPU's by Formula	114
Student Enrollment Projections	115
American College Test (ACT) Results	116
Advanced Placement Exams Attempted by Course	117

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# SECTION 1

## Introductory

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# Davis School District

Established 1911

Reid P. Newey, Superintendent

*Learning First!*

November 17, 2020

To President Robison, Members of the Board of Education, and the Citizens of the Davis School District:

State law requires that school districts publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the Davis School District (District) for the fiscal year ended June 30, 2020.

Designed to meet the needs of a broad spectrum of readers of financial statements, this CAFR is divided into three major sections:

- **Introductory section** – Introduces the reader to the report and includes this transmittal letter, a map of School Board precinct boundaries, the list of elected and appointed officials, the organization chart of the District, certificate of excellence in financial reporting, and the District's model for public education.
- **Financial section** – Consists of the independent auditor's report, management's discussion and analysis, the basic financial statements, and combining and individual fund statements and schedules.
- **Statistical section** – Contains substantial financial information, but presents tables that differ from financial statements in that they present non-accounting data, cover several years, and are designed to reflect social and economic data and financial and fiscal trends as well as the fiscal capacity of the District.

**Internal controls.** This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

**Independent audits.** Squire & Company, PC, a firm of licensed certified public accountants, has audited the District's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2020 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion, and that the District's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The District was also subject to and underwent a state compliance audit, the purpose of which is to examine general and major state program compliance with applicable state laws and regulations. These reports are available in the District’s separately issued Single Audit report.

**Management’s discussion and analysis.** GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management’s discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in connection with it. The District’s MD&A can be found immediately following the report of the independent auditors.

**District profile.** The District is located in the north central part of the state of Utah. The boundaries of the District are contiguous with those of Davis County, Utah. Davis County is largely an urban county with high concentrations of residential development. The District is a legally separate and fiscally independent entity enjoying all rights and privileges accorded political subdivisions in the state of Utah. Policymaking and legislative authority are vested in the Board of Education consisting of seven members. The Board is responsible for, among other things, developing policy, adopting the budget, levying taxes, incurring bonded debt, supervising committees, and hiring both the superintendent and business administrator. The superintendent and business administrator are responsible for carrying out the policies of the Board of Education and oversee the day-to-day operations of the District. The Board is elected on a non-partisan basis. Board members serve four-year staggered terms with no more than four board members elected every two years.

The major purpose of the District is to provide public education for those who reside within the boundaries of the District. To accomplish this purpose, as of fall 2020, the District operates nine traditional high schools, seventeen junior high schools, and 62 elementary schools. The District also offers two special purpose programs: the Family Enrichment Center (providing preschool and Head Start programs), and Farmington Bay (a youth correctional facility). In addition, the District operates two alternative schools, Mountain High and the Renaissance Academy. The District serves 70,643 students based on the October 1, 2020 enrollment report.

The District also operates the Davis School District Foundation (Foundation). The Foundation is a separate legal 501(c)(3) entity, and is reported as a special revenue fund in the District’s financial statements. The Foundation is a not-for-profit entity that solicits financial support of public education through local school communities and community business partners.

**Budgetary control.** The District adopts an annual budget for its funds. This budget acts as the financial operating plan for the entire year. Revisions may be implemented during the year authorizing a larger appropriation of available resources through a public hearing and approval from the Board.

All annual appropriations lapse at fiscal year end with the exception of those reported as a commitment of fund balance resources. During May of each year, the District superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1. This budget includes proposed expenditures and the means of financing them. Included also is a final budget for the current year ending June 30.

If the District does not exceed the certified tax rate, a public hearing is held prior to June 30 at which time the budget is legally adopted by resolution of the Board after obtaining taxpayer input. If the District exceeds the certified tax rate the budget is adopted in August after required advertisement of proposed tax rate increases and a public hearing. The level by which expenditures may not exceed appropriations has been interpreted by the State Superintendent of Public Instruction to be the total budgeted expenditures of a given fund.

**Economic condition and outlook.** The economic outlook of the District is tied to and dependent on the economic condition and outlook of the state of Utah since state aid provides approximately 70% of general fund

revenues. Utah's economy maintained moderate growth over the last three years increasing funding for the weighted pupil unit by 4.0%, 2.5%, and 4.0%, respectively. For fiscal year 2021, the State increased per student funding by 1.8%. Current revenue projections for fiscal year 2021 are uncertain due to the effects of COVID-19. The District projects student growth of approximately 250 in 2020-21 and approximately 500 in 2021-22.

The District continues to monitor budgets and evaluate District programs. For the 2020-21 school year, the Board maintained taxes at the certified rate which allows the District to generate the budgeted revenue from the prior year plus new growth.

The District's taxing authority rests with property taxes on residential and commercial property within the District. For 2020, the District's taxable property values increased 6.9%. This is compared to an increase of 8.5% in 2019. Local taxation accounts for only 20% of general fund revenues, and 29% of all governmental fund revenues.

**Long-term financial planning.** State revenue projections are uncertain for 2020 due to COVID-19. Any increased funding will be utilized to offset District expenditures for state retirement and health insurance as well as employee compensation increases. The District actively examines all revenue and expenditure categories and programs to identify budget reductions. The driving force is to meet the demands of an ever-changing budget without significant impact to our students and classrooms.

Dealing with the challenges and demands of budgets is further complicated by the fact that the student population of the District and the state of Utah is continuing to grow. The District projects moderate student growth and expects net migration into the County to remain positive. The District projects an additional 1,500 to 2,000 students over the next five years measured from October 2020 to October 2025. The state 2021 fiscal year school finance program is designed to provide every Utah school district with a basic operation program of \$3,596 per weighted pupil unit (WPU).

In response to continued student growth, the District went to the taxpayers on November 3, 2015 for a \$298.0 million bonding authorization. The authorization passed with 61.6% approval, which provided for facilities for student growth into 2021.

**Awards.** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement for Excellence, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

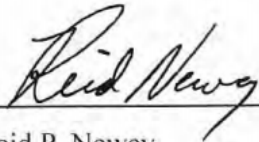
A Certificate of Achievement is valid for a period of one year. *This is the thirty-seventh year that the District has received this prestigious award.* We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

In addition to the GFOA award, the District was awarded the Association of School Business Officials (ASBO) Certificate for Excellence in Financial Reporting. This is the first year the District has applied for and received this award.

**Acknowledgments.** The efficient and dedicated staff of the business department accomplished the preparation of this report on a timely basis. We would like to express appreciation to all members of the department who assisted in the preparation of this report. Special appreciation is expressed to the District's Finance Department, who did most of the work in preparation of this report. We would also like to thank the members of the Board of

Education for their interest and support in conducting the financial affairs of the District in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Reid Newey", written over a horizontal line.

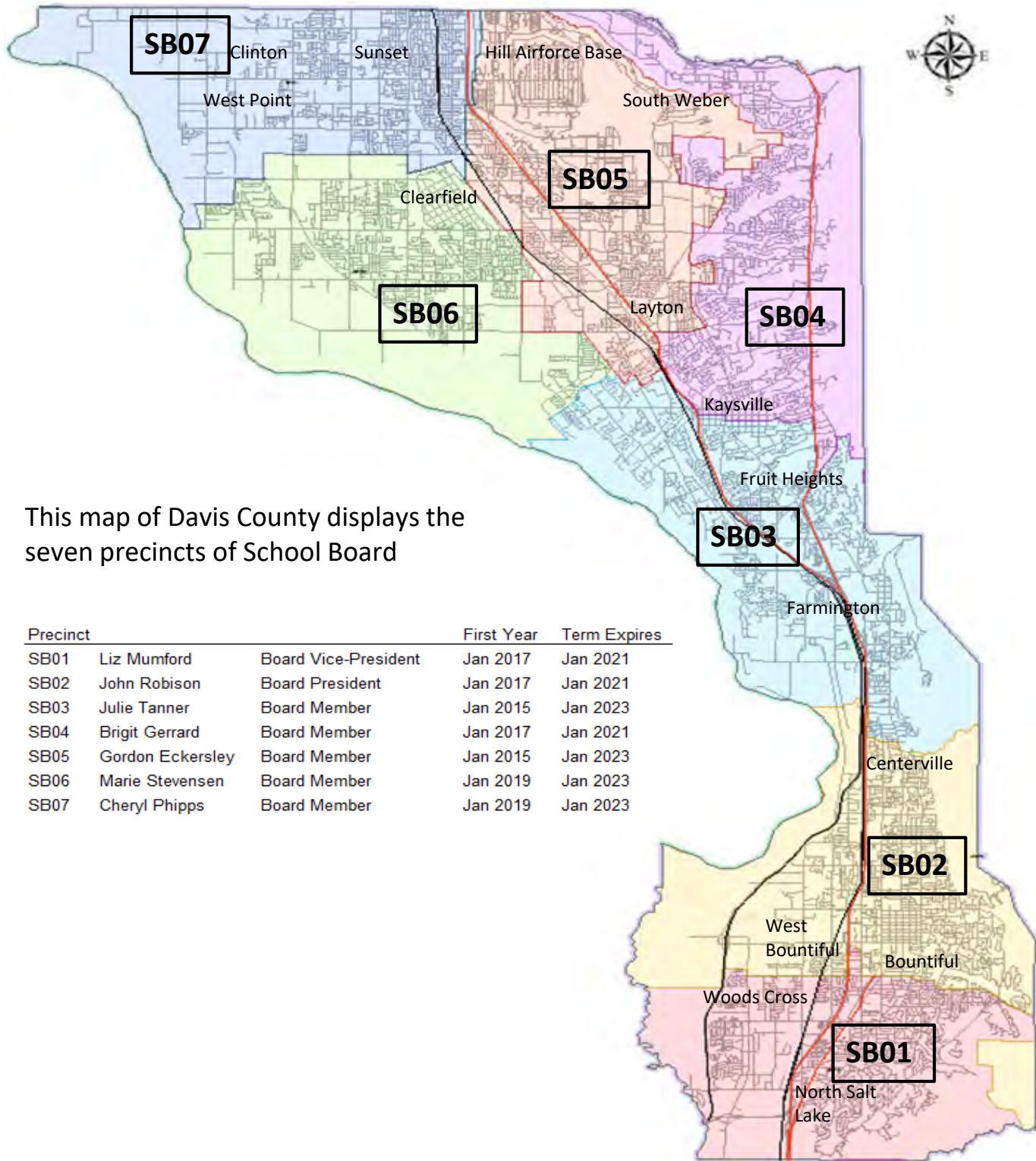
Reid P. Newey  
Superintendent

A handwritten signature in cursive script, appearing to read "Craig Carter", written over a horizontal line.

Craig Carter  
Business Administrator



**DAVIS SCHOOL DISTRICT**  
**School Board Precinct Boundaries**  
 Year Ended June 30, 2020



This map of Davis County displays the seven precincts of School Board

Precinct			First Year	Term Expires
SB01	Liz Mumford	Board Vice-President	Jan 2017	Jan 2021
SB02	John Robison	Board President	Jan 2017	Jan 2021
SB03	Julie Tanner	Board Member	Jan 2015	Jan 2023
SB04	Brigit Gerrard	Board Member	Jan 2017	Jan 2021
SB05	Gordon Eckersley	Board Member	Jan 2015	Jan 2023
SB06	Marie Stevensen	Board Member	Jan 2019	Jan 2023
SB07	Cheryl Phipps	Board Member	Jan 2019	Jan 2023

## DAVIS SCHOOL DISTRICT

### List of Elected and Appointed Officials Year Ended June 30, 2020

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#### Elected Officials

<u>Members of the Board of Education</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
<b>Liz Mumford</b> Precinct 1	January 2017	January 2021	January 2017
<b>John Robison</b> Precinct 2	January 2017	January 2021	January 2017
<b>Julie Tanner</b> Precinct 3	January 2019	January 2023	January 2015
<b>Brigit Gerrard</b> Precinct 4	January 2017	January 2021	January 2017
<b>Gordon Eckersley</b> Precinct 5	January 2019	January 2023	January 2015
<b>Marie Stevenson</b> Precinct 6	January 2019	January 2023	January 2019
<b>Cheryl Phipps</b> Precinct 7	January 2019	January 2023	January 2019

The term of office for a board member is four years, beginning in January following the November election.

#### Appointed Officials

	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
<b>Reid Newey</b> Superintendent	July 2020	July 2022	December 2016
<b>Craig Carter</b> Business Administrator	July 2019	July 2021	January 2010

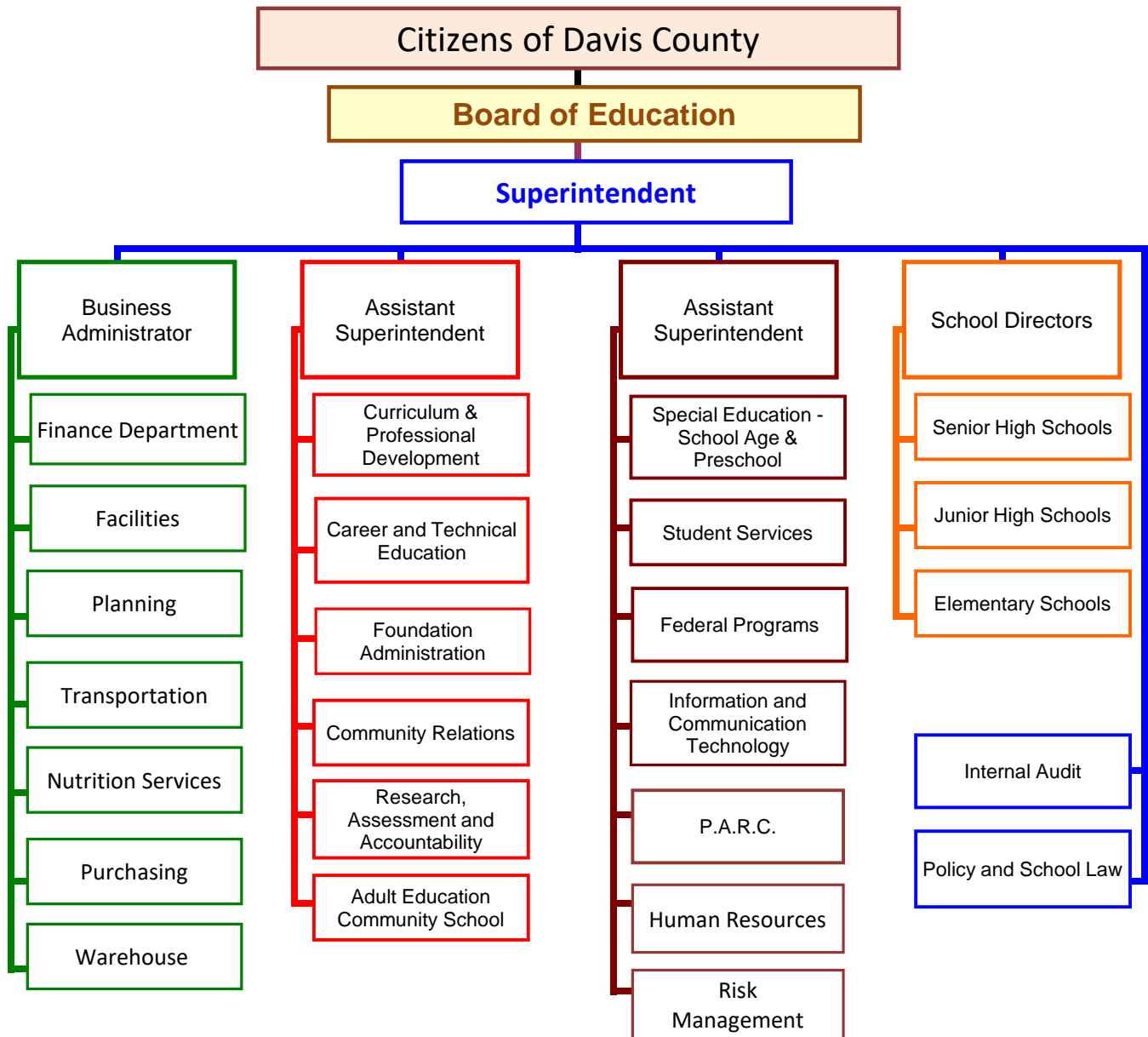
The term of office for the Superintendent and Business Administrator is two years.



# DAVIS SCHOOL DISTRICT

## Organizational Chart

Year Ended June 30, 2020





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Davis County School District  
Utah**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morrell*

Executive Director/CEO

# ***LEARNING FIRST!***

## **VISION**

Davis School District provides an environment where growth and learning flourish.

## **MISSION**

Educators, parents, and community members work together to create a successful educational experience for each student.

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# SECTION 2

**Financial**

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## Independent Auditor's Report

Board of Education  
Davis School District

### **Report on the Basic Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Davis School District (the District) as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Basic Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Davis School District as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the District's proportionate share of the net pension liability (asset) – Utah Retirement Systems, the schedules of District contributions – Utah Retirement Systems, and the related notes to the required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund statements and schedules and the introductory and statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Squire & Company, PC*

Orem, Utah  
November 17, 2020

## Management's Discussion and Analysis

This section of Davis School District's (the District) comprehensive annual financial report presents management's discussion and analysis of the District's financial performance during the year ended June 30, 2020. Please read it in conjunction with the transmittal letter found on pages 11 through 14 of this report and the District's financial statements, which follow this section.

### Financial Highlights

- The District's total net position was \$217.0 million at the close of the most recent fiscal year, most of which is invested in capital assets.
- The District is dependent on revenues generated by property taxes. Property tax revenues increased by 8.4% in 2020 to \$221.8 million as a result of an increase in the taxable value of property and an increase in the overall tax rate.
- During the year, expenses were \$35.2 million less than the \$720.1 million generated in taxes and other revenues for governmental activities.
- The District continued providing for its student growth by issuing \$55.2 million of general obligation bonds. The \$55.2 million is the final installment from the authorization passed by voters in November 2015 in the amount of \$298.0 million. A new elementary school in West Layton (cost of \$28.4 million) and a rebuild of West Bountiful Elementary were completed for the 2020-2021 school year. In addition, the District began a rebuild of South Clearfield Elementary.
- As directed by the District's School Board, the District has increased its fund balance commitment to economic stabilization in the *General Fund*. At June 30, 2020, the District has committed \$28.5 million of the *General Fund* fund balance to economic stabilization. At June 30, 2020, the District has \$31.2 million of unassigned fund balance in the *General Fund*.
- As of June 30, 2020, PARC (Pioneer Adult Rehab Center) is no longer part of Davis School District. PARC has moved its operations to a new entity.

### Overview of the Financial Statements

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

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the District, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and

expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected property taxes and earned but unpaid employee benefits).

The government-wide financial statements can be found on pages 36 to 37 of this report.

The government-wide financial statements of the District are divided into two categories:

- **Governmental activities.** Most of the District's basic services are included here, such as instruction, various supporting services and interest on long-term liabilities. Property taxes and state and federal grants finance most of these activities.
- **Business-type activities.** The District charges fees to students and customers and receives specific grants from various local, state, and federal agencies to help cover the costs of certain services it provides. The Pioneer Adult Rehabilitation Center is included here until its operations were transferred to another entity.

**Fund financial statements.** A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

- **Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the *General Fund*, the *Debt Service Fund*, and the *Capital Projects Fund*, each of which are considered to be major funds. Data from the other four governmental funds (*School Food Services Fund*, *Student Activities Fund*, *District Foundation Fund* and *Pass-Through Taxes Fund*) are combined into a single, aggregated presentation. Individual fund data for each of the governmental funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in the report.

The District adopts an annual budget for its *General Fund*. A budgetary comparison statement has been provided for the *General Fund* to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 38 to 42 of this report.

- **Proprietary funds.** The District maintains two proprietary fund types. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial

statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses one internal service fund, which is included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for its enterprise fund and for the internal service fund. The basic proprietary fund financial statements can be found on pages 43 to 45 of this report.

**Notes to the basic financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 46 to 69 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees. This required supplementary information can be found on pages 70 to 72 of this report.

Individual fund statements and schedules are presented immediately following the notes to the basic financial statements. Individual fund statements and schedules can be found on pages 75 to 90 of this report.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$217.0 million at the close of the most recent fiscal year.

#### DAVIS SCHOOL DISTRICT'S Net Position June 30, 2020 and 2019 (in millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Change
	2020	2019	2020	2019	2020	2019	2020-2019
Current and other assets	\$ 536.1	\$ 482.1	\$ -	\$ 6.6	\$ 536.1	\$ 488.7	\$ 47.4
Capital assets	787.8	759.8	-	1.6	787.8	761.4	26.4
Total assets	1,323.9	1,241.9	-	8.2	1,323.9	1,250.1	73.8
Deferred outflows of resources	52.5	119.6	-	0.4	52.5	120.0	(67.5)
Current and other liabilities	94.1	86.6	-	0.1	94.1	86.7	7.4
Long-term liabilities outstanding	795.4	889.8	-	1.1	795.4	890.9	(95.5)
Total liabilities	889.5	976.4	-	1.2	889.5	977.6	(88.1)
Deferred inflows of resources	269.9	203.3	-	-	269.9	203.3	66.6
Net position:							
Net investment in capital assets	237.5	218.7	-	1.6	237.5	220.3	17.2
Restricted	75.6	62.9	-	-	75.6	62.9	12.7
Unrestricted	(96.1)	(99.8)	-	5.8	(96.1)	(94.0)	(2.1)
Total net position	\$ 217.0	\$ 181.8	\$ -	\$ 7.4	\$ 217.0	\$ 189.2	\$ 27.8

The largest portion of the District's net position (\$237.5 million) reflects its investment in capital assets less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (\$75.6 million) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for school food services, debt service, and capital projects.

The remaining net position (a deficit of \$96.1 million) is unrestricted. This balance is net of the District's proportionate share of the unfunded obligation of the defined benefit pension plans administered by Utah Retirement Systems.

The key elements of change in the District's net position for the year ended June 30, 2020 are as follows:

- Unrestricted net position decreased by \$2.1 million during the current year. This decrease primarily reflects increased salary and related benefits and the allocation of PARC to another entity which had an unrestricted net position of \$6.5 million prior to the allocation.
- Restricted net position increased by \$12.7 million during the current year. This increase resulted primarily from an increase in unspent property tax revenues restricted for debt service and capital projects.
- The District's total revenues increased 5.6% to \$728.4 million. Federal and state aid make up 62.3% of the District's revenues; property taxes generated 30.5% of the District's revenues.
- The total cost of all programs and services increased by 3.1% to \$694.1 million. Instruction and support services represented 65.0% and 26.3%, respectively, of the District's expenses.

**DAVIS SCHOOL DISTRICT'S Changes in Net Position**  
**Years Ended June 30, 2020 and 2019**  
(in millions of dollars)

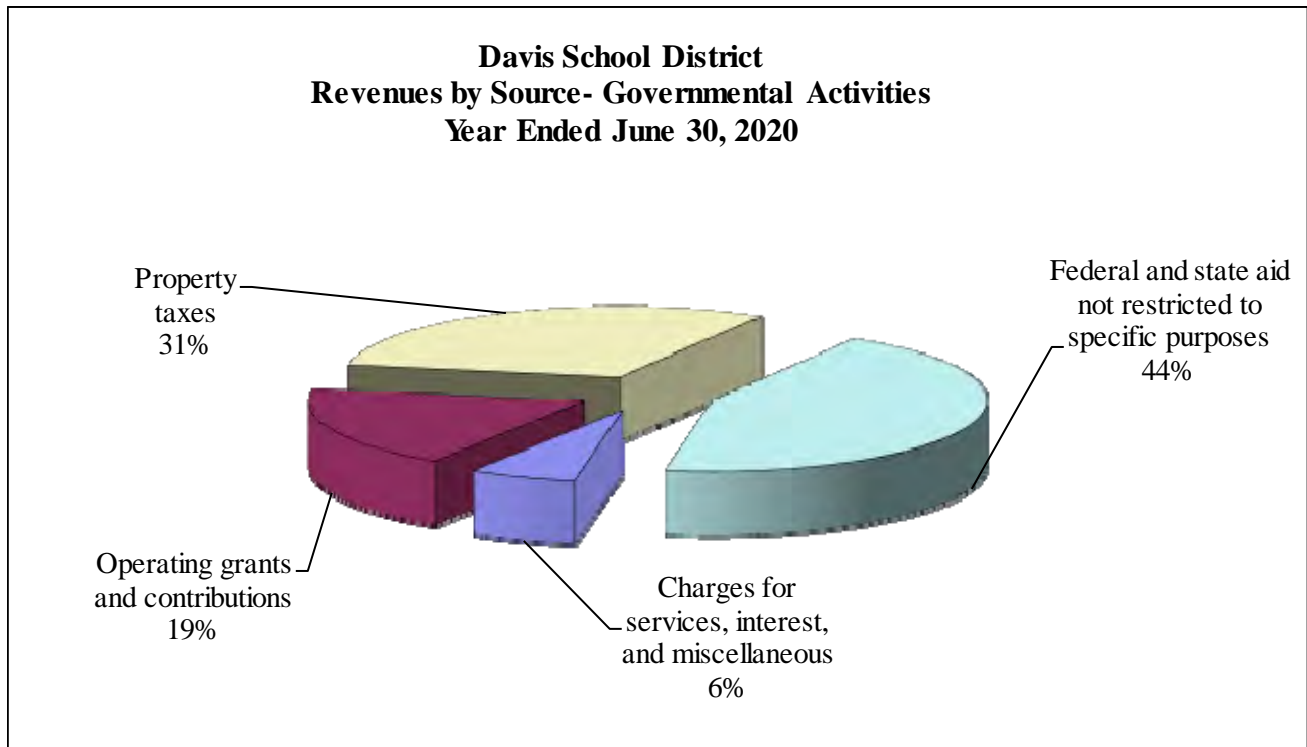
	Governmental Activities		Business-type Activities		Total		Total Change
	2020	2019	2020	2019	2020	2019	2020-2019
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 14.1	\$ 16.9	\$ 7.3	\$ 9.7	\$ 21.4	\$ 26.6	\$ (5.2)
Operating grants and contributions	135.0	125.0	0.9	1.0	135.9	126.0	9.9
General revenues:							
Property taxes	221.8	204.6	-	-	221.8	204.6	17.2
Federal and state aid not restricted to specific purposes	317.9	301.2	-	-	317.9	301.2	16.7
Interest	5.2	6.8	0.1	0.1	5.3	6.9	(1.6)
Miscellaneous	26.1	25.0	-	-	26.1	25.0	1.1
Total revenues	<u>720.1</u>	<u>679.5</u>	<u>8.3</u>	<u>10.8</u>	<u>728.4</u>	<u>690.3</u>	<u>38.1</u>
<b>Expenses:</b>							
Instruction	455.9	438.6	-	-	455.9	438.6	17.3
Support services:							
Student	21.9	20.1	-	-	21.9	20.1	1.8
Instructional staff	24.7	23.9	-	-	24.7	23.9	0.8
District administration	4.1	3.2	-	-	4.1	3.2	0.9
School administration	44.5	43.1	-	-	44.5	43.1	1.4
Business administration	19.6	18.8	-	-	19.6	18.8	0.8
Operation and maintenance of facilities	55.3	56.4	-	-	55.3	56.4	(1.1)
Student transportation	14.8	14.5	-	-	14.8	14.5	0.3
School food service	25.5	26.1	-	-	25.5	26.1	(0.6)
Interest on long-term liabilities	18.6	19.2	-	-	18.6	19.2	(0.6)
Pioneer Adult Rehab Center	-	-	9.2	9.6	9.2	9.6	(0.4)
Total expenses	<u>684.9</u>	<u>663.9</u>	<u>9.2</u>	<u>9.6</u>	<u>694.1</u>	<u>673.5</u>	<u>20.6</u>
Changes in net position	35.2	15.6	(0.9)	1.2	34.3	16.8	17.5
Net position, beginning	181.8	166.2	7.4	6.2	189.2	172.4	16.8
Allocated to other entity	-	-	(6.5)	-	(6.5)	-	(6.5)
Net position, ending	<u>\$ 217.0</u>	<u>\$ 181.8</u>	<u>\$ -</u>	<u>\$ 7.4</u>	<u>\$ 217.0</u>	<u>\$ 189.2</u>	<u>\$ 27.8</u>

The narrative that follows considers the operations of governmental and business-type activities separately.

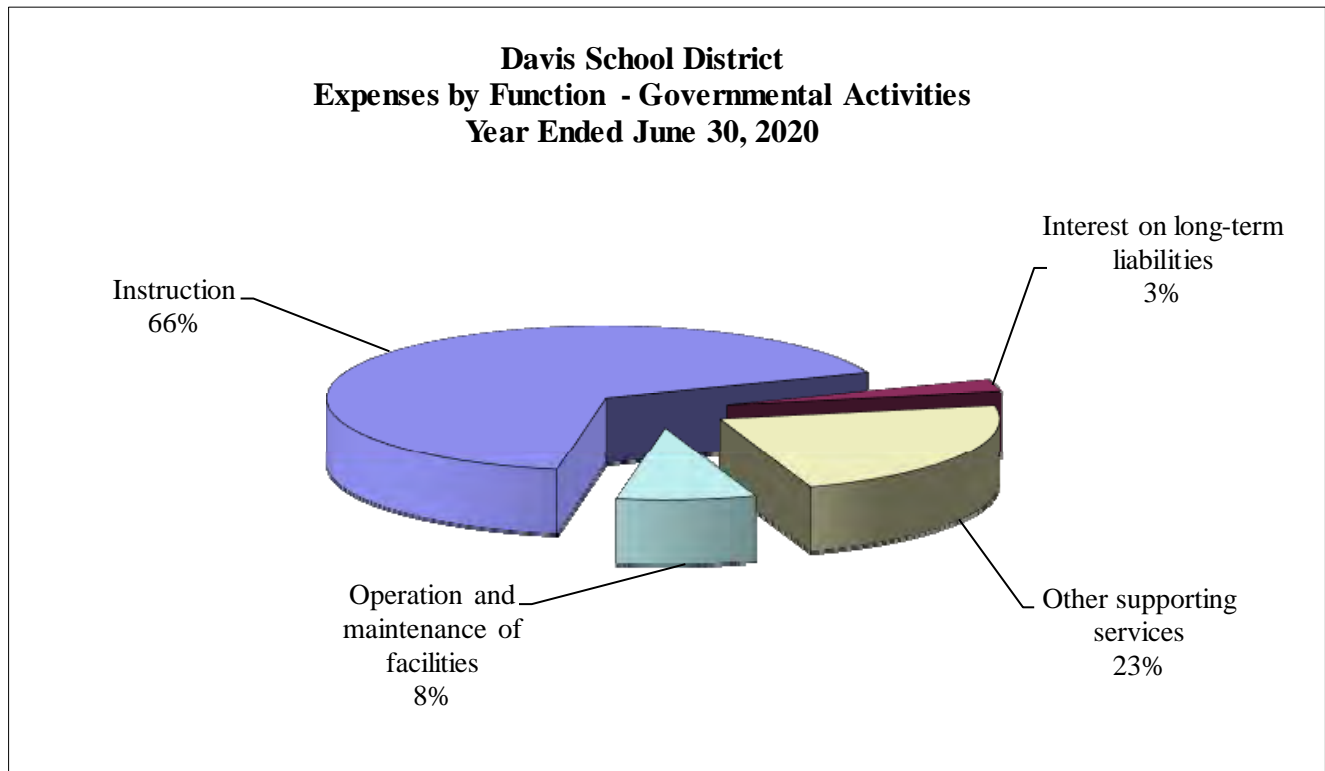
**Governmental activities.** The key elements of the increase in the District's net position for the year ended June 30, 2020 are as follows:

- Revenues increased \$40.6 million or 6.0% and continue to be primarily from federal and state aid and property taxes.
- Federal and state aid not restricted to specific purposes increased by 5.4% or \$16.7 million. Total federal aid increased 7.1% to \$46.2 million primarily due to spending levels. State aid is based primarily on weighted pupil units (WPUs) and other appropriations. If a student is in membership a full 180 days, the state awards the District one WPU. The state guarantees that if local taxes do not provide money equal to the amount generated by the WPU the state will make up the difference with state funding. The value of the WPU increased 4.0% from \$3,395 (2019) to \$3,531 (2020).

- Tax revenues increased to \$221.8 million or by 8.0%. This increase was a result of the combination of an increase in the taxable value of property and the school board raising the tax rate through the truth-in-taxation process.



- Expenses for governmental activities increased \$21.0 million or by 3.2%. This increase was primarily the result of increased personnel expenditures for instruction.



**Business-type activities.** The \$7.4 million decrease in the District's net position for the year ended June 30, 2020 was a result of the operations of the Pioneer Adult Rehabilitation Center being allocated to another entity (a \$6.5 million decrease).

- Overall revenues and expenses decreased \$2.5 million and \$0.4 million, respectively, due to a decrease in contract agreements.

### **Financial Analysis of the District's Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. As the District completed the year, its governmental funds reported a combined fund balance of \$224.1 million, \$35.7 million more than the previous year. The *General Fund* and the *Debt Service Fund* had a \$17.8 million increase and a \$4.1 million increase in fund balance, respectively. In addition, the following changes in revenues and expenditures should be noted:

- Revenues for the *General Fund* totaled \$564.2 million, an increase of 6.0%, during the current fiscal year. This increase is primarily due to increased revenues from the State of Utah. State revenues were up 6.2% from the prior year in the *General Fund* due to increases in state appropriations for enrollment growth. Revenues for debt service and capital projects were up 6.5% and 13.9%, respectively. The increase in debt service was a result of an increase in the taxable value of property and an increase in the tax levy to accommodate November 2020 bond principal payments. The increase in capital projects revenue was the result of an increase in state equalization funding.
- Expenditures for the *General Fund* totaled \$546.5 million, an increase of 4.8% during the current fiscal year. Instruction represents 68.1% of *General Fund* expenditures. Capital project expenditures increased 5.4% due to the completion of a new elementary school and a rebuild of West Bountiful Elementary.
- *General Fund* salaries totaled \$328.5 million while the associated employee benefits of retirement, social security, and insurance (health and accident, industrial, and unemployment) added \$156.2 million to arrive at 88.7% of total *General Fund* expenditures.

Governmental funds report the differences between their assets, deferred outflows of resources, liabilities, and deferred inflows of resources as fund balance, which is divided into nonspendable, restricted, and unrestricted portions. Nonspendable fund balance represents items such as inventories which are not resources that can be readily converted to cash. Restricted fund balance includes net fund resources of the District that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors. The unrestricted fund balance is, in turn, subdivided between committed, assigned, and unassigned portions. Committed balances reflect the District's self-imposed limitation on the use of otherwise available expendable financial resources in governmental funds. Assigned balances in the *General Fund* and in other governmental funds are those that do not meet the requirements of restricted or committed but are intended to be used for specific purposes. Unassigned balances in the *General Fund* are all other available net fund resources. At June 30, 2020, the District's combined governmental fund balance is \$224.1 million (\$8.6 million in nonspendable, \$108.2 million in restricted, \$45.5 million in committed, \$30.6 million in assigned, and \$31.2 million in unassigned fund balances).



## General Fund Budgetary Highlights

During the year, the Board revised the District's budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was a decrease of \$3.7 million or 0.7% in total *General Fund* expenditures.

During the year, final budgeted revenues were less than original budgetary estimates by \$3.7 million or 0.7%. The decrease primarily reflects small adjustments in property tax, State and Federal revenue.

In addition to these adjustments, the District maintained cost cutting measures to hold expenditures below the amended budget in order to build reserves for unanticipated future costs. Consequently, actual expenditures were \$10.4 million below final budgeted amounts. Additionally, revenues were \$7.3 million above final budgeted amounts primarily due to State funding allocations and higher property tax collections.

## Capital Asset and Debt Administration

**Capital Assets.** The *Capital Projects Fund* is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students within the District. The District spent \$61.2 million for capital assets. Major projects include the construction of a new elementary school in Layton and a rebuild of West Bountiful Elementary school.

The District continues to enhance school and District facilities. The District is currently rebuilding South Clearfield Elementary and remodeling the District's transportation facility, both of which will be completed in 2021.

Capital assets at June 30, 2020 and 2019 are outlined below:

### DAVIS SCHOOL DISTRICT'S Capital Assets

June 30, 2020 and 2019

(net of accumulated depreciation in millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Change
	2020	2019	2020	2019	2020	2019	2020-2019
Land	\$ 57.6	\$ 56.5	\$ -	\$ -	\$ 57.6	\$ 56.5	\$ 1.1
Construction in progress	50.6	61.4	-	-	50.6	61.4	(10.8)
Buildings and improvements	663.9	626.4	-	1.5	663.9	627.9	36.0
Furniture and equipment	5.0	4.6	-	0.1	5.0	4.7	0.3
Transportation equipment	10.7	10.9	-	-	10.7	10.9	(0.2)
Total capital assets	<u>\$ 787.8</u>	<u>\$ 759.8</u>	<u>\$ -</u>	<u>\$ 1.6</u>	<u>\$ 787.8</u>	<u>\$ 761.4</u>	<u>\$ 26.4</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

**Debt Administration.** On November 3, 2015, the registered voters of Davis County passed a bond authorization in the amount of \$298.0 million for general obligation school building bonds for new school construction, land acquisitions, renovation of existing school facilities, and related equipment and improvements. This debt authorization was sought to cope with the demands of student growth over the next five years, with student migration to the northwest portion of the county, and to help maintain the District's investment in its capital assets. The voter authorization passed with 61.6% in favor.

On April 30, 2020 the District issued \$55.2 million of this authorization for Sunburst Elementary in Layton and to continue the replacement of West Bountiful and South Clearfield Elementary schools.

The general obligation bonded debt of the District is limited by state law to 4.0% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2020 is \$1,756.3 million. General obligation debt, net of unamortized premiums, at June 30, 2020 was \$590.9 million, resulting in a legal debt margin of \$1,165.4 million.

**DAVIS SCHOOL DISTRICT'S Outstanding Debt**  
**June 30, 2020 and 2019**  
**Net of Accumulated Amortization**  
(in millions of dollars)

	Governmental activities		
	2020	2019	Total Change 2020-2019
Net general obligation bonds	\$ 590.9	\$ 577.9	\$ 13.0

Although it is not unusual for governments to have a 30-year bond payoff schedule, the District maintains an aggressive schedule to retire all of its general obligation bonds by 2040.

Additional information on the District's long-term debt can be found in Note 8 to the basic financial statements.

**Changing Enrollment within the District**

Student enrollment counts are officially taken on October 1 of each year. Student growth continues to be moderate as reflected in the October 2019 count. The District anticipated growth of approximately 250 students for the 2020-21 school year; however, due to a hybrid schedule adopted for student and teacher safety, the District saw a decline of 2,254. Most of the decline is in the elementary grades and is thought to be temporary until a full 5-day week is reestablished. The chart below reflects the counts taken between October 1, 2016 and October 1, 2020 and shows total student growth of 764 students over the five-year period, a 1.1% increase.

**DAVIS SCHOOL DISTRICT'S Student Enrollment**  
**Years Ended June 30, 2016 to 2020**

	2016	2017	2018	2019	2020	Total
October 1st enrollment	71,021	71,908	72,263	72,897	70,643	
Total enrollment change	1,142	887	355	634	(2,254)	764
Percentage change	1.6%	1.2%	0.5%	0.9%	-3.1%	1.1%

The District has ongoing planning efforts to analyze and accommodate the issues related to new growth. A bond authorization approved by voters on November 3, 2015 for \$298.0 million will help meet the ongoing needs of the District's 20-year capital plan and to provide continuous cash flows for the necessary capital projects. With bond proceeds, as well as ongoing capital funds from taxes, the District expects to meet the demands of projected student growth over both the short-term (5 years) as well as the long-term (20+ years) planning horizons.

## **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the Davis School District, Office of the Business Administrator, 45 East State Street (P.O. Box 588), Farmington, UT 84025.

# DAVIS SCHOOL DISTRICT

## Statement of Net Position

June 30, 2020

	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 294,118,085	\$ -	\$ 294,118,085
Receivables:			
Property taxes	217,544,304	-	217,544,304
Other local	99,279	-	99,279
State of Utah	3,881,694	-	3,881,694
Federal government	11,939,024	-	11,939,024
Inventories	8,567,528	-	8,567,528
Capital assets:			
Land and construction in progress	108,122,421	-	108,122,421
Other capital assets, net of accumulated depreciation	679,697,929	-	679,697,929
Total assets	1,323,970,264	-	1,323,970,264
<b>Deferred outflows of resources:</b>			
Deferred charge on refunding	6,273,013	-	6,273,013
Related to pensions	46,178,660	-	46,178,660
Total deferred outflows of resources	52,451,673	-	52,451,673
<b>Liabilities:</b>			
Accounts payable	35,500,293	-	35,500,293
Accrued interest	1,312,742	-	1,312,742
Accrued salaries and benefits	52,433,514	-	52,433,514
Unearned revenue:			
State of Utah	4,874,925	-	4,874,925
Noncurrent liabilities:			
Due or payable within one year	60,274,363	-	60,274,363
Due or payable after one year	735,152,631	-	735,152,631
Total liabilities	889,548,468	-	889,548,468
<b>Deferred inflows of resources:</b>			
Property taxes levied for future year	205,343,100	-	205,343,100
Related to pensions	64,512,445	-	64,512,445
Total deferred inflows of resources	269,855,545	-	269,855,545
<b>Net position:</b>			
Net investment in capital assets	237,477,296	-	237,477,296
Restricted for:			
Debt service	19,601,105	-	19,601,105
Capital projects	47,061,737	-	47,061,737
School food services	8,959,262	-	8,959,262
Unrestricted	(96,081,476)	-	(96,081,476)
Total net position	\$ 217,017,924	\$ -	\$ 217,017,924

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

**DAVIS SCHOOL DISTRICT**

**Statement of Activities**  
Year Ended June 30, 2020

Activities/Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-type Activities	
<b>Primary government:</b>						
<b>Governmental activities:</b>						
Instruction	\$ 455,948,346	\$ 6,930,472	\$ 90,703,485	\$ (358,314,389)		\$ (358,314,389)
Supporting services:						
Students	21,919,087	-	5,511,269	(16,407,818)		(16,407,818)
Instructional staff	24,718,994	-	5,045,544	(19,673,450)		(19,673,450)
District administration	4,130,873	-	134,065	(3,996,808)		(3,996,808)
School administration	44,514,433	-	2,216,465	(42,297,968)		(42,297,968)
Central	19,569,399	-	2,843,621	(16,725,778)		(16,725,778)
Operation and maintenance of facilities	55,286,476	164,912	1,324,188	(53,797,376)		(53,797,376)
Student transportation	14,789,155	-	8,756,834	(6,032,321)		(6,032,321)
School food service	25,520,122	6,992,988	18,479,499	(47,635)		(47,635)
Interest on long-term liabilities	18,596,281	-	-	(18,596,281)		(18,596,281)
Total governmental activities	684,993,166	14,088,372	135,014,969	(535,889,825)		(535,889,825)
<b>Business-type activities:</b>						
Pioneer Adult Rehabilitation Center	9,230,363	7,297,815	891,019	-	\$ (1,041,529)	(1,041,529)
Total primary government	<u>\$ 694,223,529</u>	<u>\$ 21,386,187</u>	<u>\$ 135,905,988</u>	<u>(535,889,825)</u>	<u>(1,041,529)</u>	<u>(536,931,354)</u>
<b>General revenues:</b>						
Property taxes levied for:						
Basic				45,077,416	-	45,077,416
Voted local				23,865,426	-	23,865,426
Board local				54,203,764	-	54,203,764
Debt service				69,721,833	-	69,721,833
Capital outlay				16,705,640	-	16,705,640
Incremental taxes				12,289,609	-	12,289,609
Federal and state revenue not restricted to specific purposes				317,915,726	-	317,915,726
Earnings on investments				5,172,269	115,657	5,287,926
Miscellaneous				26,118,251	-	26,118,251
Total general revenues				<u>571,069,934</u>	<u>115,657</u>	<u>571,185,591</u>
Change in net position				35,180,109	(925,872)	34,254,237
<b>Net position - beginning</b>				181,837,815	7,385,491	189,223,306
Allocated to other entity				-	(6,459,619)	(6,459,619)
<b>Net position - ending</b>				<u>\$ 217,017,924</u>	<u>\$ -</u>	<u>\$ 217,017,924</u>

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

# DAVIS SCHOOL DISTRICT

## Balance Sheet Governmental Funds June 30, 2020

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
<b>Assets:</b>					
Cash and investments	\$ 136,605,686	\$ 16,907,160	\$ 93,790,377	\$ 20,153,333	\$ 267,456,556
Receivables:					
Property taxes	120,967,227	70,203,614	16,369,752	10,003,711	217,544,304
Other local	32,176	-	-	67,103	99,279
State of Utah	3,205,196	-	-	676,498	3,881,694
Federal government	11,325,435	-	-	613,589	11,939,024
Inventories	6,488,919	-	-	2,078,609	8,567,528
Total assets	<u>\$ 278,624,639</u>	<u>\$ 87,110,774</u>	<u>\$ 110,160,129</u>	<u>\$ 33,592,843</u>	<u>\$ 509,488,385</u>
<b>Liabilities:</b>					
Accounts payable	\$ 6,264,517	\$ 500	\$ 13,356,715	\$ 434,150	\$ 20,055,882
Accrued salaries and benefits	52,433,514	-	-	-	52,433,514
Unearned revenue:					
State of Utah	4,874,925	-	-	-	4,874,925
Total liabilities	<u>63,572,956</u>	<u>500</u>	<u>13,356,715</u>	<u>434,150</u>	<u>77,364,321</u>
<b>Deferred inflows of resources:</b>					
Unavailable property tax revenue	1,460,369	827,092	198,322	157,806	2,643,589
Property taxes levied for future year	113,891,868	66,196,427	15,408,900	9,845,905	205,343,100
Total deferred inflows of resources	<u>115,352,237</u>	<u>67,023,519</u>	<u>15,607,222</u>	<u>10,003,711</u>	<u>207,986,689</u>
<b>Fund balances:</b>					
Nonspendable:					
Inventories	6,488,919	-	-	2,078,609	8,567,528
Restricted for:					
Debt service	-	20,086,755	-	-	20,086,755
Capital projects	-	-	81,196,192	-	81,196,192
School food services	-	-	-	6,880,653	6,880,653
Committed to:					
Workers compensation	1,000,000	-	-	-	1,000,000
Termination benefits	4,500,000	-	-	-	4,500,000
Schools	-	-	-	11,555,811	11,555,811
Economic stabilization	28,500,000	-	-	-	28,500,000
Assigned to:					
Foundation	-	-	-	2,639,909	2,639,909
Programs	8,700,000	-	-	-	8,700,000
Textbooks	2,500,000	-	-	-	2,500,000
Employee compensation	15,000,000	-	-	-	15,000,000
Schools	325,000	-	-	-	325,000
Medical insurance	1,500,000	-	-	-	1,500,000
Unassigned	31,185,527	-	-	-	31,185,527
Total fund balances	<u>99,699,446</u>	<u>20,086,755</u>	<u>81,196,192</u>	<u>23,154,982</u>	<u>224,137,375</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 278,624,639</u>	<u>\$ 87,110,774</u>	<u>\$ 110,160,129</u>	<u>\$ 33,592,843</u>	<u>\$ 509,488,385</u>

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

# DAVIS SCHOOL DISTRICT

## Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2020

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<b>Total fund balances for governmental funds</b>	<b>\$ 224,137,375</b>
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Total net position reported for governmental activities in the statement of net position is different because

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 57,560,321	
Construction in progress	50,562,100	
Buildings and improvements, net of \$460,651,980 accumulated depreciation	663,861,734	
Furniture and equipment, net of \$17,975,110 accumulated depreciation	5,056,318	
Transportation equipment, net of \$23,908,597 accumulated depreciation	<u>10,779,877</u>	787,820,350

Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds.	2,643,589
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Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.	(1,312,742)
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An internal service fund is used by management to charge the costs of self insurance to individual funds and programs. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. Internal service fund net position at year-end is:	11,217,118
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Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

Bonds payable	(552,700,000)	
Deferred charge on refunding	6,273,013	
Unamortized premiums	(38,248,844)	
Accrued vacation	(6,446,699)	
Accrued sick leave	(3,333,351)	
Accrued personal leave	(1,924,514)	
Early retirement payable	(11,628,992)	
Net pension liability	(181,144,594)	
Deferred outflows of resources related to pensions	46,178,660	
Deferred inflows of resources related to pensions	<u>(64,512,445)</u>	(807,487,766)

<b>Total net position - governmental activities</b>	<b>\$ 217,017,924</b>
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The notes to basic financial statements are an integral part of this statement.

# DAVIS SCHOOL DISTRICT

## Statement of Revenues, Expenditures, and Changes in Fund Balances

### Governmental Funds

Year Ended June 30, 2020

	Major Governmental Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
<b>Revenues:</b>					
Property taxes	\$ 123,087,742	\$ 69,711,729	\$ 16,715,619	\$ 12,276,214	\$ 221,791,304
Earnings on investments	3,153,748	-	1,142,588	875,933	5,172,269
Other local	10,292,214	-	4,216,428	18,957,553	33,466,195
School lunch sales	-	-	-	6,242,150	6,242,150
State of Utah	395,594,943	-	6,346,846	4,834,762	406,776,551
Federal government	32,067,217	442,190	-	13,644,737	46,154,144
Total revenues	564,195,864	70,153,919	28,421,481	56,831,349	719,602,613
<b>Expenditures:</b>					
Current:					
Instruction	372,184,866	-	-	30,839,706	403,024,572
Supporting services:					
Students	21,011,360	-	-	-	21,011,360
Instructional staff	23,998,481	-	-	-	23,998,481
District administration	3,526,654	-	-	-	3,526,654
School administration	41,875,458	-	-	-	41,875,458
Central	18,198,535	-	-	-	18,198,535
Operation and maintenance of facilities	52,245,457	-	-	-	52,245,457
Student transportation	13,427,486	-	-	-	13,427,486
School food service	-	-	-	25,338,067	25,338,067
Capital outlay	-	-	76,828,306	-	76,828,306
Debt service:					
Bond principal	-	46,045,000	-	-	46,045,000
Bond interest	-	20,031,801	-	-	20,031,801
Bond issuance costs	-	257,695	250,801	-	508,496
Fees and miscellaneous charges	-	8,500	-	-	8,500
Total expenditures	546,468,297	66,342,996	77,079,107	56,177,773	746,068,173
Excess (deficiency) of revenues over (under) expenditures	17,727,567	3,810,923	(48,657,626)	653,576	(26,465,560)
<b>Other financing sources (uses):</b>					
General obligation bonds issued	-	-	55,170,000	-	55,170,000
General obligation bonds premium	-	-	6,071,793	-	6,071,793
Refunding bonds issued	-	43,565,000	-	-	43,565,000
Refunding bonds premium	-	9,579,467	-	-	9,579,467
Refunded bonds escrow payment	-	(52,886,772)	-	-	(52,886,772)
Proceeds from sale of capital assets	-	-	653,303	-	653,303
Total other financing sources (uses)	-	257,695	61,895,096	-	62,152,791
Net change in fund balances	17,727,567	4,068,618	13,237,470	653,576	35,687,231
<b>Fund balances - beginning</b>	81,971,879	16,018,137	67,958,722	22,501,406	188,450,144
<b>Fund balances - ending</b>	\$ 99,699,446	\$ 20,086,755	\$ 81,196,192	\$ 23,154,982	\$ 224,137,375

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



# DAVIS SCHOOL DISTRICT

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended June 30, 2020

<b>Net change in fund balances-total governmental funds</b>	\$ 35,687,231
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, equipment with an initial, individual cost of more than \$5,000 and buildings and improvements with an initial, individual cost of more than \$100,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 61,309,838	
Loss on sale of capital assets	498,278	
Proceeds from sale of capital assets	(653,303)	
Depreciation expense	<u>(33,140,859)</u>	28,013,954

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

General obligation bond proceeds	(98,735,000)	
Bond premium	(15,651,260)	
Amortization of deferred amounts on refunding	(1,197,952)	
Amortization of bond premium	2,599,795	
Repayment of bond principal	46,045,000	
Refunded bonds escrow payment	52,886,772	
Interest expense - general obligation bonds	<u>42,177</u>	(14,010,468)

Property tax revenue is recognized when levied (claim to resources established) rather than when available. The portion not available soon enough to pay for the current period's expenditures is reported as deferred inflows of resources in the funds.	72,384
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In the statement of activities, certain operating expenses - compensated absences (vacation and sick and personal leave) and termination benefits (early retirement) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year, benefit obligations changed by the following amounts:

Accrued vacation	(706,687)	
Accrued sick and personal leave	(510,732)	
Early retirement payable	(957,832)	
Pension expense	<u>(16,389,497)</u>	(18,564,748)

An internal service fund is used by the District to charge the costs of health and dental insurance to individual funds. The assets and liabilities of this internal service fund are included with governmental activities in the statement of net position.

The change in net position of this internal service fund is:	<u>3,981,756</u>
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<b>Change in net position of governmental activities</b>	<u><u>\$ 35,180,109</u></u>
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The notes to basic financial statements are an integral part of this statement.

# DAVIS SCHOOL DISTRICT

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### General Fund

Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 121,674,485	\$ 120,427,600	\$ 123,087,742	\$ 2,660,142
Earnings on investments	2,856,000	2,545,600	3,153,748	608,148
Other local	9,717,864	8,719,000	10,292,214	1,573,214
State of Utah	395,067,551	394,251,300	395,594,943	1,343,643
Federal government	31,221,800	30,917,800	32,067,217	1,149,417
Total revenues	560,537,700	556,861,300	564,195,864	7,334,564
<b>Expenditures:</b>				
Current:				
Instruction	382,649,300	377,576,600	372,184,866	5,391,734
Supporting services:				
Students	21,236,600	21,163,400	21,011,360	152,040
Instructional staff	24,298,900	25,236,100	23,998,481	1,237,619
District administration	3,114,300	3,495,500	3,526,654	(31,154)
School administration	43,311,400	43,449,300	41,875,458	1,573,842
Central	18,345,800	18,602,800	18,198,535	404,265
Operation and maintenance of facilities	53,682,100	53,109,800	52,245,457	864,343
Student transportation	13,899,300	14,227,800	13,427,486	800,314
Total expenditures	560,537,700	556,861,300	546,468,297	10,393,003
Excess of revenues over expenditures / net change in fund balances	-	-	17,727,567	17,727,567
<b>Fund balances - beginning</b>	81,971,879	81,971,879	81,971,879	-
<b>Fund balances - ending</b>	\$ 81,971,879	\$ 81,971,879	\$ 99,699,446	\$ 17,727,567

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

**DAVIS SCHOOL DISTRICT**  
**Statements of Fund Net Position**  
**Proprietary Funds**  
June 30, 2020

	<u>Enterprise Fund Pioneer Adult Rehab Center</u>	<u>Governmental Activities- Internal Service Fund Self Insurance</u>
<b>Assets:</b>		
Current assets:		
Cash and investments	\$           -	\$   26,661,529
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable	<u>                  -</u>	<u>          15,444,411</u>
	.	
<b>Net position:</b>		
Unrestricted	<u><u>\$           -</u></u>	<u><u>\$   11,217,118</u></u>

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

**DAVIS SCHOOL DISTRICT**

**Statements of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds**

Year Ended June 30, 2020

	<b>Enterprise Fund Pioneer Adult Rehab Center</b>	<b>Governmental Activities- Internal Service Fund Self Insurance</b>
<b>Operating revenues:</b>		
Charges for services	\$ 6,898,159	\$ 73,645,531
Other local	399,656	-
Total operating revenues	<u>7,297,815</u>	<u>73,645,531</u>
<b>Operating expenses:</b>		
Salaries and benefits	6,799,066	-
Depreciation	135,138	-
Indirect charges	328,518	-
Other	1,967,641	69,663,775
Total operating expenses	<u>9,230,363</u>	<u>69,663,775</u>
Operating income (loss)	<u>(1,932,548)</u>	<u>3,981,756</u>
<b>Nonoperating income (expense):</b>		
Earnings on investments	115,657	-
State of Utah	891,019	-
Total nonoperating income (expense)	<u>1,006,676</u>	<u>-</u>
Income (loss) / change in net position	<u>(925,872)</u>	<u>3,981,756</u>
<b>Total net position - beginning</b>	7,385,491	7,235,362
Allocated to other entity	<u>(6,459,619)</u>	<u>-</u>
<b>Total net position - ending</b>	<u><u>\$ -</u></u>	<u><u>\$ 11,217,118</u></u>

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

# DAVIS SCHOOL DISTRICT

## Statements of Fund Cash Flows Proprietary Funds Year Ended June 30, 2020

	<u>Enterprise Fund Pioneer Adult Rehab Center</u>	<u>Governmental Activities- Internal Service Fund Self Insurance</u>
<b>Cash flows from operating activities:</b>		
Receipts from interfund services provided	\$ -	\$ 73,645,531
Receipts from customers	7,899,107	-
Payments to suppliers	(2,439,953)	(69,652,644)
Payments to employees	(6,783,595)	-
Net cash provided (used) by operating activities	<u>(1,324,441)</u>	<u>3,992,887</u>
<b>Cash flows from noncapital financing activities:</b>		
Allocation to other entity	(5,503,720)	-
Receipt of state subsidies	891,019	-
Net cash used by noncapital financing activities	<u>(4,612,701)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>		
Receipt of earnings on investments	<u>115,657</u>	<u>-</u>
Net change in cash and cash equivalents	(5,821,485)	3,992,887
<b>Cash and cash equivalents - beginning</b>	<u>5,821,485</u>	<u>22,668,642</u>
<b>Cash and cash equivalents - ending</b> (displayed as cash and investments on the statements of fund net position)	<u><u>\$ -</u></u>	<u><u>\$ 26,661,529</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (1,932,548)	\$ 3,981,756
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	135,138	-
Pension expense	104,368	-
Changes in operating assets and liabilities:		
Accounts receivable	601,292	-
Inventories	(29,293)	-
Accounts payable	(114,501)	11,131
Compensation liability	(88,897)	-
Total adjustments	<u>608,107</u>	<u>11,131</u>
Net cash provided (used) by operating activities	<u><u>\$ (1,324,441)</u></u>	<u><u>\$ 3,992,887</u></u>
Noncash investing, capital, and financing activities:		
Amounts allocated to other entity	<u><u>\$ 955,899</u></u>	<u><u>none</u></u>

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

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Davis School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

**Reporting Entity**

The Board of Education, comprised of seven elected individuals, is the primary governing authority for the District. As required by GAAP, these financial statements present the District and its blended component unit, Davis School District Foundation (the Foundation) for which the District is considered to be financially accountable. The Foundation exclusively services the District. The District makes all personnel decisions for the Foundation and pays for all operating costs of the Foundation. A blended component unit, although a legally separate entity, is in substance part of the District's operations.

**Government-Wide and Fund Financial Statements**

The *government-wide financial statements* (the statement of net position and the statement of changes in net position) display information about the primary government (the District) and its component unit. These statements include the financial activities of the overall government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions occur only when the elimination of such activity would distort the expenses and revenues reported by function. These statements distinguish between the *governmental* and *business-type activities* of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function. Depreciation expense for capital assets that can specifically be identified with a function are included in its direct expenses. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instruction, school administration, and operation and maintenance of facilities) are ratably included in the direct expenses of the appropriate functions. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Interest on general long-term liabilities is considered an indirect expense and is reported in the statement of activities as a separate line. Program revenues include 1) fees and charges paid by students and other recipients of goods or services offered by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

The *fund financial statements* provide information about the District's funds. Separate statements for each fund category (governmental and proprietary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The remaining governmental funds are reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses result from transactions directly associated with the fund's principal services.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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The District reports the following major governmental funds:

- The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Debt Service Fund* accounts for resources accumulated and payments made for principal and interest on general obligation school building bonds.
- The *Capital Projects Fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities, and procurement of equipment necessary for providing educational programs for all students within the District.

The District reports the *Pioneer Adult Rehabilitation Center Fund* (PARC) which accounts for revenues and expenses related to fostering independence for people with disabilities as a major enterprise fund. Effective June 30, 2020, PARC moved its operation under a different parent company and will no longer be reported as part of Davis School District.

Additionally, the District reports the *Self Insurance Fund* (an internal service fund) which accounts for employee benefits provided to other funds of the District on a cost-reimbursement basis.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The *government-wide* and *proprietary fund financial statements* are reported using the economic resources measurement focus and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District receives value without directly giving equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental fund financial statements* are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within thirty days after year-end. Property taxes and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, early retirement, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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**Budgetary Data**

The District operates within the budget requirements for school districts as specified by state law and as interpreted by the Utah State Superintendent of Public Instruction. Budgets are presented on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance commitment. The following procedures are used in establishing the budgetary data reflected in the financial statements.

- By June 1 of each year, the District business administrator prepares a proposed annual budget (for the fiscal year beginning July 1) for all applicable funds. The budget is presented to the Board of Education by the superintendent. This budget includes proposed expenditures and the means of financing them. Also included is a final budget for the current fiscal year ending June 30.
- Copies of the proposed budget are made available for public inspection and review by the District's patrons.
- If the District does not exceed the certified tax rate, a public hearing is held prior to June 30 at which the budget is legally adopted by resolution of the Board after obtaining taxpayer input. If the District exceeds the certified tax rate, the budget is adopted in August when additional data is available to set the rates.
- Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with Utah state law, interim adjustments may be made by administrative transfer of money from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2020, have been included in the final budget approved by the Board, as presented in the financial statements.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

**Deposits and Investments**

The cash balances of substantially all funds are pooled and invested by the District for the purpose of increasing earnings through investment activities and providing efficient management of temporary investments. Investments for the District, as well as for its component unit, are reported at fair value. Changes in the fair value of investments are recorded as investment earnings. Earnings on pooled funds are apportioned and paid or credited to the funds based on the average balance of each participating fund.

**Cash and Cash Equivalents**

The District considers cash and cash equivalents in proprietary funds to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, including investments in the Utah Public Treasurers' Investment Fund (PTIF).

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as either "due to/from other funds" (i.e., current portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."



**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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**Inventories**

Inventories are valued at cost or, if donated, at fair value when received, using the moving-average method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Donated food commodities are reported as revenue when received. Inventories reported in the governmental funds are equally offset by a nonspendable portion of fund balance, indicating that they are not expected to be converted to cash.

**Capital Assets**

Capital assets, which include land, buildings and improvements, furniture and equipment, and transportation equipment are reported in the government-wide financial statements and proprietary fund financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 for land, furniture and equipment, and transportation equipment and \$100,000 for buildings and improvements. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of the assets are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized. Buildings and improvements, furniture and equipment, and transportation equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building improvements and portable classrooms	20
Kitchen equipment appliances	15
Maintenance and CTE equipment	15
School buses	10
Furniture and office equipment	10
Heavy trucks	7
Audio visual equipment	6
Light trucks	6
Copiers, printers, etc	5
Miscellaneous equipment and accessories	5
Passenger cars and vans	5
Computer equipment and software	3

**Unearned Revenue**

Unearned revenue for the District represents amounts received on grants whose purpose restrictions have not been met. Revenue is recognized on restricted grants only when all restrictions on those funds are satisfied.

**Compensated Absences**

Under terms of association agreements, twelve-month or full-year employees earn vacation and sick leave in amounts varying with tenure and classification. Nine-month full-time employees earn sick leave and personal leave in amounts varying with tenure and classification. In the event of termination or death, an employee is reimbursed for the current value of accumulated vacation days to a maximum of 40 days, and is reimbursed for unused personal leave days at an appropriate substitute rate. Upon retirement, employees are compensated for accumulated sick leave at 21.5% of the current value. All vacation pay, personal leave pay, and an estimated potential amount for sick leave pay, are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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matured, for example, as a result of employee resignations and retirements. Compensated absences will be paid by the fund in which the employee worked (typically the *General Fund*).

**Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems (URS) and additions to/deductions from the URS's fiduciary net position have been determined on the same basis as they are reported by the URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

**Long-Term Obligations**

In the government-wide financial statements and the *Self Insurance Fund*, long-term debt and other long-term obligations are reported in the applicable statement of net position. Bond premiums and discounts, as well as refunding costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of unamortized bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**Deferred Outflows of Resources**

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

**Deferred Inflows of Resources**

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**Net Position/Fund Balances**

The residual of all other elements presented in a statement of net position is *net position* on the government-wide and proprietary fund financial statements and the residual of all other elements presented in a balance sheet on the governmental fund financial statements is *fund balance*.

Net position is divided into three components: net investment in capital assets (capital assets net of related debt less unspent bond proceeds), restricted, and unrestricted. Net position is reported as restricted when constraints are placed upon it by external parties or are imposed by constitutional provisions or enabling legislation.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the District is bound to honor them. The District first determines and reports non-spendable balances, then restricted, then committed, and so forth.

Fund balance classifications are summarized as follows:

*Nonspendable* – This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to prepaid items and inventories are classified as nonspendable.

*Restricted* – This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include the unspent tax revenue for specific purposes (debt service and capital projects) and amounts in other governmental funds (school food services).

*Committed* – This category includes amounts that can only be used for specific purposes established by formal action of the District’s highest level of decision-making authority. The Board of Education is the highest level of decision making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The Board of Education has resolved to commit fund balance amount in the governmental funds for the following purposes:

- Workers compensation claims.
- Employee benefit obligations for unpaid compensated absences including vacation, sick, and personal leave.
- Amounts held in other governmental fund resources for schools.
- As defined in Utah law as an “undistributed reserve,” the District maintains up to five percent of *General Fund* budgeted expenditures for economic stabilization. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). Also defined by state law, the commitment is not to be used “in the negotiation or settlement of contract salaries for school district employees” and the use of this reserve requires a written resolution adopted by a majority vote of the Board of Education filed with the Utah State Board of Education and the Office of the Utah State Auditor.

*Assigned* – This category includes amounts to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the business administrator to assign fund balances. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment. The District has assigned *General Fund* resources for District programs, schools, and the Foundation, as well as, for future medical insurance costs.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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*Unassigned* – Residual balances in the *General Fund* are classified as unassigned.

**Net Position/Fund Balance Flow Assumption**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report in each category of net position and fund balance, a flow assumption must be made about the order in which the resources are considered to be applied.

*Net position* – It is the District’s policy to consider restricted net position to have been depleted before unrestricted net position.

*Fund balance* – It is the District’s policy to consider restricted fund balance to have been depleted before using any components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2020, as shown on the financial statements, is as follows:

Carrying amount of deposits	\$ 17,017,291
Carrying amount of investments	<u>277,100,794</u>
Total cash and investments	<u><u>\$ 294,118,085</u></u>
Governmental funds cash and investments	\$ 267,456,556
Internal service fund cash and investments	<u>26,661,529</u>
Total cash and investments	<u><u>\$ 294,118,085</u></u>

The District complies with the State Money Management Act (*Utah Code* Title 51, Chapter 7) (the Act) and related Rules of the Money Management Council (the Council) in handling our depository and investing transactions. District funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the District to invest in the Utah Public Treasurers’ Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, first-tier commercial paper, banker’s acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the State of Utah.

The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The District considers the rules of the Council to be necessary and enough for adequate protection of our uninsured bank deposits.

Rules of the Council allow the Davis School District Foundation to invest private grants, contributions, and endowments in any deposit or investment authorized by the Act and certain investment funds, equity securities, fixed-income securities, and investment strategies with institutions that meet certain restrictions.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

**Deposits**

At June 30, 2020, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Davis School District	\$ 15,023,725	\$ 11,331,476	\$ 250,000
Davis School District Foundation, a component unit of the District	1,993,566	1,993,566	-
Total deposits	<u>\$ 17,017,291</u>	<u>\$ 13,325,042</u>	<u>\$ 250,000</u>

*Custodial Credit Risk* – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government’s deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk. At June 30, 2020, the uninsured amount of the District’s and Foundation’s pooled bank deposits was uncollateralized.

**Investments**

The District’s investments are with the PTIF, government agencies, and in corporate bonds. The Foundation invests private funds through a broker.

The District invests with the PTIF. The PTIF is an external local government investment pool managed by the Utah State Treasurer. The PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the state. Participants in the PTIF share proportionally in the income, costs, gains, and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which consists of debt securities held by the state or in the state’s name by the state’s custodial banks, including investment-grade corporate bonds and notes, 94.0%; money market mutual funds, 3.4%; first-tier commercial paper, 2.5%; and certificates of deposit, 0.1%. The portfolio has a weighted average maturity of less than 90 days. The majority of the PTIF’s corporate bonds and notes are variable-rate securities, which reset every three months to the prevailing market interest rates. The PTIF is not rated. The PTIF has no debt securities with more than 5% of its total investments in a single issuer. The reported value of the pool is the same as the fair value of the pool shares.

At June 30, 2020, the District has \$266,256,168 invested in the Utah Public Treasurers’ Investment Fund; the PTIF is not rated. The District has \$491,699 invested in government agencies rated AAA or higher by Moody’s Investors Service. The District also has \$8,962,732 invested in corporate bonds rated BBB- and Baa3 or higher by Standard & Poor’s and Moody’s Investors Service, Inc., respectively. The Davis School District Foundation has \$1,390,195 invested in mutual funds that are unrated.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

The District and the Foundation have the following investments summarized by investment type and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-5
Davis School District:			
Utah Public Treasurers' Investment Fund (PTIF)	\$ 266,256,168	\$ 266,256,168	\$ -
Government agencies	491,699	-	491,699
Corporate bonds	8,962,732	1,446,981	7,515,751
Total District	275,710,599	267,703,149	8,007,450
Davis School District Foundation, a component unit of the District:			
Mutual funds	1,390,195	-	-
Total Foundation	1,390,195	-	-
Total investments	\$ 277,100,794	\$ 267,703,149	\$ 8,007,450

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments to not exceed the period of availability of the funds invested. Except for endowments, the Act further limits the remaining term to maturity on all investments in commercial paper and bankers' acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity exceeding two years. The Foundation can invest private funds in fixed-income securities with a dollar-weighted average maturity not to exceed ten years. The District has no investment policy that would further limit its interest rate risk.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy for reducing its exposure to credit risk is to comply with the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service or by Standard & Poor's. The District has no investment policy that would further limit its investment choices.

*Concentration of Credit Risk* – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's policy for managing this risk is to comply with the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to 5% of the District's total portfolio with a single issuer. The District places no other limits on the amount it may invest in any one issuer. The Foundation can invest private funds in certain equity and fixed-income securities provided no more than 5% of all funds are invested in any one issuer and no more than 25% of all funds are invested in a particular industry. Also, for the Foundation's investments in private funds, no more than 75% may be invested in equity securities and no more than 5% in collateralized mortgage obligations.

*Custodial Credit Risk* – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's policy for managing this risk is to comply with the Act and related rules. The District places no other limit on the amount of investments to be held by counterparties. The Act requires the Foundation's public treasurer to have custody of all securities purchased or held or deposit these securities with a bank or trust company to be held in safekeeping by that custodian.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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The Foundation's investments held in a brokerage account are covered by Securities Investor Protection Corporation up to \$500,000.

**NOTE 3 – FAIR VALUE MEASUREMENTS**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2020:

- Government agencies securities of \$491,699 are valued using quoted market prices (Level 1 inputs).
- Corporate bonds of \$8,962,732 are valued using a matrix pricing model (Level 2 inputs).
- Public Treasurers' Investment Fund position of \$266,256,168 is valued at the District's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).

The Foundation has the following recurring fair value measurements as of June 30, 2020:

- Mutual funds of \$1,390,195 are valued using quoted market prices (Level 1 inputs).

**NOTE 4 – PROPERTY TAXES**

**District Property Tax Revenue**

The property tax revenue of the District is collected and distributed by the Davis County treasurer as an agent of the District. Utah statutes establish the process by which taxes are levied and collected. The county assessor is required to assess real property as of January 1 (the legal lien date) and complete the tax rolls by May 15. By July 21, the county auditor is to mail assessed value and tax notices to property owners. A taxpayer may then petition the County Board of Equalization between August 1 and August 15 for a revision of the assessed value. The county auditor makes approved changes in assessed value by November 1 and on this same date the county auditor is to deliver the completed assessment rolls to the county treasurer. Tax notices are mailed with a due date of November 30.

An annual uniform fee based on the value of motor vehicles is levied in lieu of an ad valorem tax on motor vehicles. This uniform fee was 1.5% of the fair market statewide value of the property, as established by the State Tax Commission. Legislation requires motor vehicles be subject to an "age-based" fee that is due each time a vehicle is registered. The revenues collected in each county from motor vehicle fees is distributed by the county to each taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed. The District recognizes motor vehicle fees as property tax revenue when collected.

As of June 30, 2020, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2020 or earlier. It is expected that all assessed taxes (including delinquencies plus accrued interest and penalties) will be collected within a five-year period, after which time the county treasurer may force sale of property to collect the delinquent portion.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**

*Continued*

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**Incremental Taxes**

In addition to property taxes the District levies for its own purposes, the District levies property taxes for redevelopment agencies (located within the boundaries of the District) in accordance with the Community Development and Renewal Agencies Act (Utah Code 17C-1). These taxes are forwarded directly by the county to the redevelopment agencies as these taxes are collected by the county.

Property tax revenue (or incremental taxes) from increased assessed values within project areas are earmarked to finance urban renewal, economic development, and community development projects managed by the redevelopment agencies for the duration of the projects.

During the year ended June 30, 2020, incremental taxes levied by the District for the redevelopment agencies totaling \$9,941,751 were recorded as revenue with an equivalent amount of expenditure for instruction in the other governmental funds (in the *Pass-Through Taxes Fund*).

Per *Utah Code* 53F-2-703, a portion of the District's board local levy is paid to the statewide charter school levy account. The portion is based on the number of charter school students residing within the District's boundaries. In 2020, the amount collected by the county and paid directly to the state was \$2,334,463; this amount was reported in the District's *Pass-Through Taxes Fund*.



**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 56,515,346	\$ 1,200,000	\$ (155,025)	\$ 57,560,321
Construction in progress	61,355,771	50,523,945	(61,317,616)	50,562,100
Total capital assets, not being depreciated	117,871,117	51,723,945	(61,472,641)	108,122,421
Capital assets, being depreciated:				
Buildings and improvements	1,059,121,525	67,181,742	(894,776)	1,125,408,491
Furniture and equipment	21,837,941	1,650,216	(456,729)	23,031,428
Transportation equipment	33,021,969	2,071,551	(405,046)	34,688,474
Total capital assets, being depreciated	1,113,981,435	70,903,509	(1,756,551)	1,183,128,393
Accumulated depreciation for:				
Buildings and improvements	(432,708,032)	(29,733,501)	894,776	(461,546,757)
Furniture and equipment	(17,227,205)	(1,204,634)	456,729	(17,975,110)
Transportation equipment	(22,110,919)	(2,202,724)	405,046	(23,908,597)
Total accumulated depreciation	(472,046,156)	(33,140,859)	1,756,551	(503,430,464)
Total capital assets, being depreciated, net	641,935,279	37,762,650	-	679,697,929
Governmental activities capital assets, net	<u>\$ 759,806,396</u>	<u>\$ 89,486,595</u>	<u>\$ (61,472,641)</u>	<u>\$ 787,820,350</u>
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 3,660,322	\$ -	\$ (3,660,322)	\$ -
Furniture and equipment	753,789	-	(753,789)	-
Total capital assets, being depreciated	4,414,111	-	(4,414,111)	-
Accumulated depreciation for:				
Buildings and improvements	(2,116,295)	(94,714)	2,211,009	-
Furniture and equipment	(657,464)	(40,424)	697,888	-
Total accumulated depreciation	(2,773,759)	(135,138)	2,908,897	-
Business-type activity capital assets, net	<u>\$ 1,640,352</u>	<u>\$ (135,138)</u>	<u>\$ (1,505,214)</u>	<u>\$ -</u>

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

For the year ended June 30, 2020, depreciation expense was charged to functions of the District as follows:

**Governmental activities:**

Instruction	\$ 26,573,274
Supporting services:	
Students	283,884
Instructional staff	98,274
District administration	35,825
School administration	1,416,184
Business administration	888,751
Operation and maintenance of facilities	2,409,438
Student transportation	1,159,821
School food services	275,408
	<u>275,408</u>
Total depreciation expense, governmental activities	<u>\$ 33,140,859</u>

**Business-type activities:**

Pioneer Adult Rehabilitation Center	<u>\$ 135,138</u>
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The District is obligated at June 30, 2020 under construction commitments as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Sunburst Elementary 2015 Bond	\$ 25,132,524	\$ 20,906,155	\$ 4,226,369
S. Clearfield Elem. Rebuild 2015 Bond	30,026,796	9,570,108	20,456,688
W. Bountiful Elementary Rebuild 2015 Bond	28,089,563	19,729,947	8,359,616
Sunset Jr. Remodel 2015 Bond	3,757,800	355,890	3,401,910
	<u>\$ 87,006,683</u>	<u>\$ 50,562,100</u>	<u>\$ 36,444,583</u>

General obligation school building bonds will be used to finance the costs to complete these projects (See Note 8).

**NOTE 6 – RETIREMENT PLANS**

***Description of Plans***

Eligible employees of the District are provided with the following plans through the Utah Retirement Systems (URS) administered by the URS:

Defined Benefit Pension Plans (cost-sharing, multiple-employer plans):

- Public Employees Noncontributory Retirement System (Tier 1 Noncontributory System)
- Public Employees Contributory Retirement System (Tier 1 Contributory System)
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Contributory System) Defined

Defined Contribution Plans (individual account plans):

- 401(k) Plan (includes the Tier 2 Defined Contribution Plan)
- 457 Plan and other individual plans

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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District employees qualify for membership in the retirement systems if a) employment, contemplated to continue during a fiscal or calendar year, normally requires an average of 20 or more hours per week and the employee receives benefits normally provided by the District as approved by the Utah State Retirement Board, b) the employee is a classified school employee whose employment normally requires an average of 20 hours or more per week regardless of benefits, c) the employee is a teacher who teaches half-time or more and receives benefits normally provided by the District as approved by the Utah State Retirement Board, or d) the employee is an appointed officer.

The Tier 2 systems became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with URS, are members of the Tier 2 systems.

The plans are established and governed by the respective sections of Title 49 of the *Utah Code*. The plans are amended statutorily by the Utah State Legislature. Title 49 provides for the administration of the plans under the direction of the Utah State Retirement Board, whose members are appointed by the Governor.

The URS (a component unit of the State of Utah) issues a publicly available financial report that can be obtained at [www.urs.org](http://www.urs.org).

### **Benefits Provided**

The URS provides retirement, disability, and death benefits to participants in the plans.

Retirement benefits in the defined benefit pension plans are determined from 1.50% to 2.00% of the employee's highest 3 or 5 years of compensation times the employee's years of service depending on the pension plan; benefits are subject to cost-of-living adjustments up to 2.50% or 4.00%, limited to the actual Consumer Price Index increase for the year. Employees are eligible to retire based on years of service and age.

Defined contribution plans are available as supplemental plans to the basic retirement benefits of the defined benefit pension plans and as a primary retirement plan for some Tier 2 participants. Participants in the defined contribution plans are fully vested in employer and employee contributions at the time the contributions are made, except Tier 2 required contributions and associated earnings are vested during the first four years of employment. If an employee terminates prior to the vesting period, employer contributions and associated earnings for that employee are subject to forfeiture. Forfeitures are used to cover a portion of the plan's administrative expenses paid by participants. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

### **Contributions**

As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

For the year ended June 30, 2020, District required contribution rates for the plans were as follows:

	Defined Benefit Plans Rates			District Rates for 401(k) Plan	Totals
	District Contribution *	Amortization of UAAL **	Paid by District for Employee		
Tier 1 Noncontributory System	12.25%	9.94%	0.0%	1.50%	23.69%
Tier 1 Contributory System	5.45%	12.25%	6.00%	-	23.70%
Tier 2 Contributory System	9.05%	9.94%	0.00%	1.03%	20.02%
Tier 2 Defined Contribution Plan	0.08%	9.94%	0.00%	10.00%	20.02%

\* District contribution includes 0.08% of covered-employee payroll of the Tier 2 plans for death benefits.

\*\* Required contributions include an additional amount to finance any unfunded actuarial accrued liability in the Tier 1 plans.

Employees can make additional contributions to defined contribution plans subject to limitations.

For the year ended June 30, 2020, District and employee contributions to the plans were as follows:

	District Contributions *	Employee Contributions
Tier 1 Noncontributory System	\$ 44,593,815	\$ -
Tier 1 Contributory System	155,708	64,242
Tier 2 Contributory System	14,593,405	-
Tier 2 Defined Benefit Plan	1,512,314	-
401(k) Plan	5,351,977	4,332,076
457 Plan and other individual plans	-	1,165,152

\* A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans.

**Pension Assets and Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2020, the District reported a net pension liability of \$181,144,594 for the following plans:

	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	\$ -	\$ 179,422,790
Tier 1 Contributory System	-	598,435
Tier 2 Contributory System	-	1,123,369
Total	<u>\$ -</u>	<u>\$ 181,144,594</u>

# DAVIS SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### *Capital Projects Fund*

Year Ended June 30, 2020

With Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Property taxes	\$ 16,800,000	\$ 16,715,619	\$ (84,381)	\$ 16,610,695
Earnings on investments	2,000,000	1,142,588	(857,412)	2,439,842
Other local	4,000,000	4,216,428	216,428	961,642
State of Utah	5,697,300	6,346,846	649,546	4,936,681
Total revenues	28,497,300	28,421,481	(75,819)	24,948,860
<b>Expenditures:</b>				
Capital outlay:				
Buildings and improvements	112,840,400	70,334,013	42,506,387	67,397,775
Equipment	2,000,000	6,328,931	(4,328,931)	5,321,905
Other	390,500	416,163	(25,663)	398,740
Debt service:				
Bond issuance costs	-	250,801	(250,801)	-
Total expenditures	115,230,900	77,079,107	38,151,793	73,118,420
Excess (deficiency) of revenues over (under) expenditures	(86,733,600)	(48,657,626)	38,075,974	(48,169,560)
<b>Other financing sources:</b>				
General obligation bonds issued	55,170,000	55,170,000	-	50,000,000
General obligation bonds premium	6,071,800	6,071,793	(7)	4,989,627
Proceeds from sale of capital assets	491,800	653,303	161,503	1,323
Total other financing sources	61,733,600	61,895,096	161,496	54,990,950
Net change in fund balances	(25,000,000)	13,237,470	38,237,470	6,821,390
<b>Fund balances - beginning</b>	67,958,722	67,958,722	-	61,137,332
<b>Fund balances - ending</b>	\$ 42,958,722	\$ 81,196,192	\$ 38,237,470	\$ 67,958,722

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

The net pension liability (asset) was measured as of December 31, 2019, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2019, rolled-forward using generally accepted actuarial procedures. Our proportion of the net pension liability (asset) is equal to the ratio of our actual contributions compared to the total of all employer contributions during the plan year. The following presents our proportion (percentage) of the collective net pension liability (asset) at December 31, 2019 and the change in our proportion since the prior measurement date for each plan:

	Proportionate Share	
	2019	Change
Tier 1 Noncontributory System	8.0759167%	0.4036092%
Tier 1 Contributory System	8.6681669%	2.8732857%
Tier 2 Contributory System	4.9948043%	0.0011006%

For the year ended June 30, 2020, the District recognized pension expense for the plans as follows:

	Pension Expense
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 69,926,017
Tier 1 Contributory System	395,950
Tier 2 Contributory System	6,314,863
Total	<u>\$ 76,636,830</u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	\$ 1,512,314
401(k) Plan	5,351,977
Total	<u>\$ 6,864,291</u>

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

At June 30, 2020, the District reported deferred outflows of resources related to defined benefit pension plans from the following sources:

	Deferred Outflows of Resources Related to Pensions			
	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
Differences between expected and actual experience	\$ 2,789,367	\$ -	\$ 314,261	\$ 3,103,628
Changes of assumptions	10,400,454	-	479,675	10,880,129
Changes in proportion and differences between District contributions and proportionate share of contributions	1,129,368	-	832,167	1,961,535
Contributions subsequent to the measurement date	22,129,164	74,577	8,201,627	30,405,368
Total	<u>\$ 36,448,353</u>	<u>\$ 74,577</u>	<u>\$ 9,827,730</u>	<u>\$ 46,350,660</u>

At June 30, 2020, the District reported deferred inflows of resources related to defined benefit pension plans from the following sources:

	Deferred Inflows of Resources Related to Pensions			
	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
Differences between expected and actual experience	\$ 1,100,709	\$ -	\$ 385,537	\$ 1,486,246
Changes of assumptions	-		32,283	32,283
Net difference between projected and actual earnings on pension plan investments	55,548,310	2,384,228	863,528	58,796,066
Changes in proportion and differences between District contributions and proportionate share of contributions	4,438,137	-	-	4,438,137
Total	<u>\$ 61,087,156</u>	<u>\$ 2,384,228</u>	<u>\$ 1,281,348</u>	<u>\$ 64,752,732</u>

The \$30,405,368 reported as deferred outflows of resources related to pensions resulting from our contributions subsequent to the measurement date of December 31, 2019 will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

Year Ending June 30,	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
2021	\$ (9,171,872)	\$ (795,657)	\$ (120,558)	\$ (10,088,087)
2022	(16,443,064)	(672,641)	(103,750)	(17,219,455)
2023	96,552	(104,792)	43,789	35,549
2024	(21,249,583)	(811,138)	(232,978)	(22,293,699)
2025	-	-	112,508	112,508
Thereafter	-	-	645,744	645,744

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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**Actuarial Assumptions**

The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.25% to 9.75%, average, including inflation
Investment rate of return	6.95%, net of pension plan investment expense, including inflation

Mortality rates were based on actual experience and mortality tables, considering gender, occupation, and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2019 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2016. Assumptions remained unchanged that affect measurement of the total pension liability (asset) since the prior measurement date.

The long-term expected rate of return on defined benefit pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity securities	40%	6.15%
Debt securities	20%	0.40%
Real assets	15%	5.75%
Private equity	9%	9.95%
Absolute return	16%	2.85%
Cash and cash equivalents	0%	0.00%
Total	100%	

**Discount Rate**

The discount rate used to measure the total pension liability (asset) was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates, actuarially determined and certified by the Utah State Retirement Board. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and



**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.95%, as well as what its proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95%) or 1-percentage-point higher (7.95%) than the current rate:

	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
District's proportionate share of the net pension (asset) liability:			
Tier 1 Noncontributory System	\$ 404,756,967	\$ 179,422,790	\$ (9,464,235)
Tier 1 Contributory System	5,828,766	598,435	(3,885,575)
Tier 2 Contributory System	9,687,304	1,123,369	(5,494,980)
Total	<u>\$ 420,273,037</u>	<u>\$ 181,144,594</u>	<u>\$ (18,844,790)</u>

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

**Payables to the Pension Plans**

At June 30, 2020, the District reported payables of \$14,247,876 for contributions to defined benefit pension plans and defined contribution plans.

**NOTE 7 – RISK MANAGEMENT**

The *Self Insurance Fund*, an internal service fund, was established to pay self-insurance claims for health and dental coverage provided to qualified District employees. The District carries commercial insurance, which covers claims in excess of \$200,000. The fund collects premiums, established by the District and plan administrator, from other District funds. The District has recorded an estimate of claims incurred but not reported (IBNR) of \$15,444,411 as of June 30, 2020. This liability is based on experience and information provided by the plan administrator. The following table shows a history of accrued claims payable for the years ended June 30, 2020 and 2019:

	2020	2019
Beginning accrued claim payable	\$ 15,433,280	\$ 14,136,035
Claims (including incurred but not reported)	69,663,775	72,064,687
Payment of claims and administrative costs	(69,652,644)	(70,767,442)
Ending accrued claims payable	<u>\$ 15,444,411</u>	<u>\$ 15,433,280</u>

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**

*Continued*

Unemployment compensation is handled on a cost of benefits reimbursement basis with the state of Utah. The District is self-insured for worker's compensation claims up to \$250,000 per incident which are processed by a third party administrator. During the year ended June 30, 2020, the District paid worker's compensation claims in the amount of \$1,179,103. A co-insurance policy provides for individual worker's compensation claims in excess of \$250,000. The District has not established a liability for either claims outstanding or for the claims incurred but not reported (IBNR) because management believes the amount would be immaterial to the financial statements.

The District maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$10 million per occurrence through policies administered by the Utah State Risk Management Fund (Fund). The District also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Fund. Property physical damage is insured to replacement value with a \$1,000 deductible; automobile physical damage is insured to actual value with a \$1,000 deductible; other liability is limited to the lesser of \$10 million or the statutory limit. The Fund is a public entity risk pool operated by the State for the benefit of the State and local governments within the State. The District pays annual premiums to the Fund; the Fund obtains independent coverage for insured events, up to \$25 million per location. This is a pooled arrangement where the participants' pay experience rated annual premiums, which are designed to pay claims and build sufficient reserves so that the pool will be able to protect the participating entities with its own capital. The pool reinsures excess losses to preserve the capital base. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year. Insurance settlements have not exceeded insurance coverage for the past three years.

**NOTE 8 – LONG-TERM LIABILITIES**

Long-term liability activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 552,670,000	\$ 98,735,000	\$ (98,705,000)	\$ 552,700,000	\$ 49,390,000
Unamortized premiums	25,236,121	15,651,258	(2,638,535)	38,248,844	-
Total bonds payable, net	577,906,121	114,386,258	(101,343,535)	590,948,844	49,390,000
Accrued vacation	5,740,012	3,904,246	(3,197,559)	6,446,699	3,591,229
Accrued sick leave	3,142,592	660,089	(469,330)	3,333,351	497,819
Accrued personal leave	1,604,541	1,111,479	(791,506)	1,924,514	949,346
Early retirement payable	10,671,160	6,958,403	(6,000,571)	11,628,992	5,845,969
Net pension liability	290,692,630	(49,405,071)	(60,142,965)	181,144,594	-
Total governmental activity long-term liabilities	<u>\$ 889,757,056</u>	<u>\$ 77,615,404</u>	<u>\$ (171,945,466)</u>	<u>\$ 795,426,994</u>	<u>\$ 60,274,363</u>
<b>Business-type activities:</b>					
Accrued vacation	\$ 74,688	\$ 32,730	\$ (107,418)	\$ -	\$ -
Accrued sick leave	13,440	3,139	(16,579)	-	-
Accrued personal leave	770	37	(807)	-	-
Net pension liability	1,009,971	(337,774)	(672,197)	-	-
Total business-type activity long-term liabilities	<u>\$ 1,098,869</u>	<u>\$ (301,868)</u>	<u>\$ (797,001)</u>	<u>\$ -</u>	<u>\$ -</u>

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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**General Obligation Bonds**

The District issues general obligation bonds to provide funds for the construction of new facilities, acquisition of property, renovation and improvement of facilities, and procurement of other equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2020, including interest payments, are listed as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 49,390,000	\$ 20,212,112	\$ 69,602,112
2022	36,865,000	18,266,705	55,131,705
2023	32,060,000	16,847,431	48,907,431
2024	33,430,000	15,452,006	48,882,006
2025	34,860,000	14,006,688	48,866,688
2026-2030	182,670,000	49,202,888	231,872,888
2031-2035	128,205,000	20,969,344	149,174,344
2036-2040	<u>55,220,000</u>	<u>3,682,006</u>	<u>58,902,006</u>
Total	<u>\$ 552,700,000</u>	<u>\$ 158,639,181</u>	<u>\$ 711,339,181</u>

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

General obligation school building bonds payable at June 30, 2020 with their outstanding balances are comprised of the following individual issues:

Bond Series 2012 - GO Bonds - original issue of \$35,000,000 with interest rates ranging from 2.0% to 4.0%	\$ 31,030,000
Bond Series 2013A - GO Bond - original issue of \$20,000,000 with interest rates ranging from 2.0% to 4.0%	17,840,000
Bond Series 2014 - GO Bonds - original issue of \$25,000,000 with interest rates ranging from 2.25% to 5.0%	25,000,000
Bond Series 2015A - GO Bonds - original issue of \$40,000,000 with interest rates ranging from 2.0% to 5.0%	33,140,000
Bond Series 2015B - GO Refunding Bonds - original issue of \$67,025,000 with interest rates ranging from 2.0% to 5.0%	53,055,000
Bond Series 2015C - GO Refunding Bonds - original issue of \$53,010,000 with interest rate of 1.72%	16,710,000
Bond Series 2016 - GO Bonds - original issue of \$68,500,000 with interest rates ranging from 2.0% to 3.375%	61,700,000
Bond Series 2017A - GO Bonds - original issue of \$80,000,000 with interest rates ranging from 3.0% to 5.0%	77,675,000
Bond Series 2017B - GO Refunding Bonds - original issue of \$36,805,000 with interest rate of 2% to 5%	36,805,000
Bond Series 2018 - GO Bonds - original issue of \$69,375,000 with interest rates ranging from 3.0% to 5.0%	66,175,000
Bond Series 2019 - GO Bonds - original issue of \$50,000,000 with interest rates ranging from 3.0% to 5.0%	38,075,000
Bond Series 2019B - GO Bonds - original issue of \$43,565,000 with interest rates of 5%	40,325,000
Bond Series 2020A - GO Bonds - original issue of \$55,170,000 with interest rates ranging from 2.5% to 5.0%	55,170,000
	<u>\$ 552,700,000</u>

The general obligation bonded debt of the District is limited by state law to 4.0% of the fair market value of the total taxable property in Davis County. The legal debt limit at June 30, 2020 is \$1,756,306,023 with general obligation debt outstanding, net of issuance premiums, of \$590,948,844, resulting in a legal debt margin of \$1,165,357,179.

Payments on the general obligation bonds are made by the *Debt Service Fund* from property taxes and earnings on investments. The obligations under capital leases are paid by the *Capital Projects Fund*. Compensated absences, claims payable, and early retirement benefits will be paid by the fund in which the employee worked, including the *General Fund* and other governmental funds.

**Bond Issuance**

In September 2019, the District issued \$43,565,000 of crossover general obligation 2019B refunding bonds (with a premium of \$9,579,467) to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunding bonds until December 1, 2019 (the crossover date) and to refund \$52,660,000 of the 2010A general obligation bonds on the crossover date. On the crossover date, the refunded bonds were defeased and the District began to pay the debt service on the 2019B

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
*Continued*

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crossover general obligation refunding bonds. Both the 2010A general obligation bonds and the crossover general obligation 2019B refunding bonds, as well as the resources held in escrow (cash and investments with fiscal agent), were recorded by the District until the crossover date. The crossover refunding was undertaken to reduce debt service payments by \$9,095,000 and resulted in an economic gain of \$6,595,413. The bonds have interest rates of 5.0% with a maturity of June 2030.

In April 2020, the District issued \$55,170,000 of general obligation school building bonds. The bonds have interest rates ranging from 2.5% to 5.0% with a final maturity of June 2040.

**Early Retirement Payable**

The District provides an early retirement incentive program. Eligibility is restricted to those employees with a minimum of ten years of service in the District, and who meet the eligibility requirements for and will be receiving Utah Retirement System benefits. Eligible retirees will receive a contribution of 16% of their annual salary per year, for up to three consecutive years, into a qualified 401(a) and/or 403(b) plan, or until they become eligible to receive unreduced social security benefits, whichever occurs first. Employees who retire under the incentive program will continue to be enrolled in group medical and dental programs until they become eligible for Medicare, or for 10 consecutive years following retirement, whichever comes first. Enrollment is contingent upon the retiree contributing the same premium as required of active employees for the first 3 years and the full premium for the following 7 years. For the years ended June 30, 2020 and 2019, the District's direct payments to retirees were \$3,852,902 and \$3,426,036, respectively, and payments of insurance premiums on behalf of retirees were \$2,147,669 and \$2,196,987, respectively. Future retirement payments of employees who have elected early retirement are recognized on an accrual basis as an expense in the government-wide financial statements in the year of retirement. This liability is paid from the fund from which the employee retires.

**NOTE 9 – LITIGATION AND LEGAL COMPLIANCE**

There are lawsuits pending in which the District is involved. The District's legal counsel and insurance carriers estimate that the potential claims against the District, not covered by insurance, resulting from such litigation would not significantly affect the financial statements of the District.

All fund balances are positive at June 30, 2020. Fund expenditures are within budgeted amounts during the year ended June 30, 2020.

**NOTE 10 – GRANTS**

The District receives significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the District's independent auditors and other governmental auditors. Any disallowed claims resulting from such audits could become a liability of the *General Fund* or other applicable fund. Based on prior experience, District administration believes such disallowance, if any, would be insignificant.

**NOTE 11 – ALLOCATED TO OTHER ENTITY**

The District has sponsored and operated Pioneer Adult Rehabilitation Center (PARC) for several years. PARC has been reported as an enterprise fund of the District. Effective June 30, 2020, PARC chose to move its operations to another entity and separate themselves, financially and legally, from the District. During the year ended June 30, 2020, the District transferred \$6,459,619 in net position to the other entity consisting of \$5,503,720 in cash, \$1,505,214 in capital assets, net of accumulated depreciation, and a net (\$549,315) in liabilities and other assets.

**DAVIS SCHOOL DISTRICT**  
**Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) –**  
**Utah Retirement Systems**  
Last Six Plan (Calendar) Years

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	<b>District's Proportion of Net Pension Liability (Asset)</b>	<b>District's Proportionate Share of the Net Pension Liability (Asset)</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
<b>Tier 1 Noncontributory System:</b>					
2019	8.1759167 %	\$ 179,422,790	\$ 202,069,759	88.79 %	90.1 %
2018	7.6723075 %	285,449,516	206,443,337	138.27 %	84.1 %
2017	7.6525134 %	187,131,668	205,549,266	91.04 %	89.2 %
2016	7.4624207 %	241,850,854	204,451,285	118.29 %	84.9 %
2015	7.3414109 %	230,614,740	201,027,809	114.72 %	84.5 %
2014	7.4134528 %	186,265,127	207,180,521	89.90 %	87.2 %
<b>Tier 1 Contributory System:</b>					
2019	8.6681669 %	\$ 598,435	\$ 967,056	61.88 %	98.9 %
2018	5.7948812 %	4,114,389	1,124,634	365.84 %	91.4 %
2017	5.1517894 %	339,009	1,172,178	28.92 %	99.2 %
2016	5.2048370 %	2,852,030	1,395,246	204.41 %	93.4 %
2015	5.4310774 %	3,403,396	1,720,443	197.82 %	92.4 %
2014	5.2473969 %	575,369	1,924,123	29.90 %	98.7 %
<b>Tier 2 Contributory System:</b>					
2019	4.9948043 %	\$ 1,123,369	\$ 69,560,590	1.61 %	96.5 %
2018	4.9937037 %	2,138,696	58,736,946	3.64 %	90.8 %
2017	4.8680402 %	429,202	47,803,221	0.90 %	97.4 %
2016	7.3903033 %	489,735	36,003,896	1.36 %	95.1 %
2015	4.0722871 %	(8,890)	26,295,729	(0.03)%	100.2 %
2014	4.0284960 %	(122,081)	19,714,988	(0.62)%	103.5 %

**DAVIS SCHOOL DISTRICT**  
**Schedules of District Contributions – Utah Retirement Systems**  
Last Six Reporting (Fiscal) Years

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	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to the Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
<b>Tier 1 Noncontributory System:</b>					
2020	\$ 44,593,815	\$ 44,593,815	\$ -	\$ 203,101,805	21.96 %
2019	44,722,327	44,722,327	-	204,195,524	21.90 %
2018	45,159,337	45,159,337	-	205,977,365	21.92 %
2017	44,408,786	44,408,786	-	202,863,727	21.89 %
2016	44,466,708	44,466,708	-	203,305,674	21.87 %
2015	43,924,810	43,924,810	-	203,539,652	21.58 %
<b>Tier 1 Contributory System:</b>					
2020	\$ 155,708	\$ 155,708	\$ -	\$ 879,706	17.70 %
2019	189,512	189,512	-	1,070,688	17.70 %
2018	202,455	202,455	-	1,143,812	17.70 %
2017	216,832	216,832	-	1,225,041	17.70 %
2016	279,041	279,041	-	1,576,505	17.70 %
2015	323,810	323,810	-	1,858,776	17.42 %
<b>Tier 2 Contributory System:</b>					
2020	\$ 14,593,405	\$ 14,593,405	\$ -	\$ 76,935,704	18.97 %
2019	12,001,010	12,001,010	-	63,826,558	18.80 %
2018	9,857,397	9,857,397	-	53,538,967	18.41 %
2017	7,523,441	7,523,441	-	41,247,955	18.24 %
2016	5,662,572	5,662,572	-	31,044,581	18.24 %
2015	4,210,264	4,210,264	-	23,294,076	18.07 %
<b>Tier 2 Defined Contribution Plan:</b>					
2020	\$ 1,512,314	\$ 1,512,314	\$ -	\$ 15,093,309	10.02 %
2019	1,179,379	1,179,379	-	11,770,253	10.02 %
2018	890,338	890,338	-	8,886,308	10.02 %
2017	659,433	659,433	-	6,583,245	10.02 %
2016	497,744	497,744	-	4,965,692	10.02 %
2015	340,779	340,779	-	3,467,162	9.83 %

**DAVIS SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**

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**NOTE A – CHANGES IN ASSUMPTION – UTAH RETIREMENT SYSTEMS**

Assumptions for plan years 2019 and 2018 remain unchanged from the prior year.

Amounts reported in plan year 2017 reflect the following assumption changes adopted from the January 1, 2017 valuation:

- The investment return assumption was decreased from 7.20% to 6.95%.
- The inflation assumption decreased from 2.60% to 2.50%.
- The life expectancy assumption increased for most groups.
- The wage inflation assumption decreased from 3.35% to 3.25%.
- The payroll growth assumption decreased from 3.10% to 3.00%.

Amounts reported in plan year 2016 reflect the following assumption changes adopted from the January 1, 2016 valuation:

- The investment return assumption was decreased from 7.50% to 7.20%.
- The inflation assumption decreased from 2.75% to 2.60%.
- Both the payroll growth and wage inflation assumptions were decreased by 0.15%.

Amounts reported in plan year 2015 reflect the following assumption changes adopted from the January 1, 2015 valuation:

- The wage inflation assumption for all employee groups was decreased from 3.75% to 3.50%.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- Other assumptions that were modified: rate of salary increases, post retirement mortality, and certain demographics.

**NOTE B – SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) – UTAH RETIREMENT SYSTEMS**

These schedules only present information for the 2014 and subsequent measurement periods of the plans; prior-year information is not available.

**NOTE C – SCHEDULES OF DISTRICT CONTRIBUTIONS – UTAH RETIREMENT SYSTEMS**

These schedules only present information for the 2015 and subsequent reporting periods of the plans; prior-year information is not available.

Contributions as a percentage of covered payroll may be different than the Utah State Retirement Board certified rate due to rounding or other administrative issues. A portion of the required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability of the Tier 1 plans.



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## **Individual Fund Statements and Schedules**

**General Fund** – The General Fund is used to account for all financial resources applicable to the general operations of the District which are not required to be accounted for in another fund. Utah law defines the General Fund as the Maintenance and Operations Fund.

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources. Financing is provided by an annual property tax levy for general obligation debt as authorized by Utah Code 11-14.

**Capital Projects Fund** – The Capital Projects Fund is used to account for the resources used in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment for the education programs for all students within the District. Financing is provided by an annual property tax levy not to exceed 0.0024 as authorized by Utah Code 53 A-16-107. Also, state funds can be obtained by qualifying under guidelines established for districts determined to be in critical need for construction building aid.

**School Food Services Fund** – The School Food Services Fund is used 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. Government to help ensure that students receive low cost, nutritionally balanced meals.

**Student Activities Fund** – The Student Activities Fund is used to account for revenues and expenditures from school-based operations. The revenues comprise of interest earnings, gate receipts, fundraisers, and student fees. Expenditures support curricular and extra-curricular activities.

**Pass-Through Taxes Fund** – The Pass-Through Taxes Fund is used to account for property taxes levied by the District, but remitted directly to redevelopment agencies located within the boundaries of the District. Incremental taxes are levied as authorized by Utah Code 17C-1. Incremental taxes are recorded as revenue with an equivalent amount of expenditure representing the fact that these amounts are forwarded directly by the county to the redevelopment agencies and used at the agencies' discretion.

**District Foundation Fund** - The District Foundation fund is used to account for financial resources collected and spent by the District's 501(c)(3) foundation. Revenues are generated through donations from community members and businesses and used to augment the educational needs of teachers and students of the District.

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets

### General Fund

June 30, 2020

With Comparative Totals for 2019

	2020	2019
<b>Assets:</b>		
Cash and investments	\$ 136,605,686	\$ 115,863,362
Receivables:		
Property taxes	120,967,227	114,161,853
Other local	32,176	360,233
State of Utah	3,205,196	2,614,512
Federal government	11,325,435	8,064,115
Inventories	6,488,919	5,538,597
Total assets	<u>\$ 278,624,639</u>	<u>\$ 246,602,672</u>
<b>Liabilities:</b>		
Accounts payable	\$ 6,264,517	\$ 1,408,471
Accrued salaries and benefits	52,433,514	49,523,092
Unearned revenue:		
State of Utah	4,874,925	2,962,186
Total liabilities	<u>63,572,956</u>	<u>53,893,749</u>
<b>Deferred Inflows of Resources:</b>		
Unavailable property tax revenue	1,460,369	1,401,505
Property taxes levied for future year	113,891,868	109,335,539
Total deferred inflows of resources	<u>115,352,237</u>	<u>110,737,044</u>
<b>Fund Balances:</b>		
Nonspendable:		
Inventories	6,488,919	5,538,597
Committed to:		
Workers compensation	1,000,000	1,000,000
Termination benefits	4,500,000	4,500,000
Economic stabilization	28,500,000	28,000,000
Assigned to:		
Programs	8,700,000	6,500,000
Textbooks	2,500,000	2,500,000
Employee compensation	15,000,000	4,000,000
Schools	325,000	325,000
Medical insurance	1,500,000	2,500,000
Unassigned	31,185,527	27,108,282
Total fund balances	<u>99,699,446</u>	<u>81,971,879</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 278,624,639</u>	<u>\$ 246,602,672</u>

# DAVIS SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual *General Fund*

Year Ended June 30, 2020  
With Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 120,427,600	\$ 123,087,742	\$ 2,660,142	\$ 111,760,812
Earnings on investments	2,545,600	3,153,748	608,148	3,895,894
Other local	8,719,000	10,292,214	1,573,214	11,477,927
State of Utah	394,251,300	395,594,943	1,343,643	373,443,987
Federal government	30,917,800	32,067,217	1,149,417	31,079,117
Total revenues	556,861,300	564,195,864	7,334,564	531,657,737
<b>Expenditures:</b>				
Current:				
Instruction	377,576,600	372,184,866	5,391,734	352,816,908
Supporting services:				
Students	21,163,400	21,011,360	152,040	19,104,242
Instructional staff	25,236,100	23,998,481	1,237,619	23,027,859
District administration	3,495,500	3,526,654	(31,154)	3,067,813
School administration	43,449,300	41,875,458	1,573,842	40,201,664
Central	18,602,800	18,198,535	404,265	17,108,743
Operation and maintenance of facilities	53,109,800	52,245,457	864,343	53,118,262
Student transportation	14,227,800	13,427,486	800,314	13,171,601
Total expenditures	556,861,300	546,468,297	10,393,003	521,617,092
Excess of revenues over expenditures / net change in fund balances	-	17,727,567	17,727,567	10,040,645
<b>Fund balances - beginning</b>	81,971,879	81,971,879	-	71,931,234
<b>Fund balances - ending</b>	\$ 81,971,879	\$ 99,699,446	\$ 17,727,567	\$ 81,971,879

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets

### *Debt Service Fund*

June 30, 2020

With Comparative Totals for 2019

	<b>2020</b>	<b>2019</b>
<b>Assets:</b>		
Cash and investments	\$ 16,907,160	\$ 14,021,692
Receivables - property taxes	70,203,614	64,736,493
Total assets	<u>\$ 87,110,774</u>	<u>\$ 78,758,185</u>
<b>Liabilities:</b>		
Accounts payable	\$ 500	\$ -
<b>Deferred inflows of resources:</b>		
Unavailable property tax revenue	827,092	816,988
Property taxes levied for future year	66,196,427	61,923,060
Total deferred inflows of resources	<u>67,023,519</u>	<u>62,740,048</u>
<b>Fund balances:</b>		
Restricted for:		
Debt service	<u>20,086,755</u>	<u>16,018,137</u>
Total deferred inflows of resources and fund balances	<u>\$ 87,110,774</u>	<u>\$ 78,758,185</u>

# DAVIS SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual *Debt Service Fund*

Year Ended June 30, 2020  
With Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 70,016,300	\$ 69,711,729	\$ (304,571)	\$ 65,149,429
Federal interest subsidy	976,880	442,190	(534,690)	937,091
Total revenues	70,993,180	70,153,919	(839,261)	66,086,520
<b>Expenditures:</b>				
Debt service:				
Bond principal	46,895,000	46,045,000	850,000	36,755,000
Bond interest	20,286,200	20,031,801	254,399	19,635,007
Bond issuance costs	-	257,695	(257,695)	-
Fees and miscellaneous charges	3,811,980	8,500	3,803,480	8,300
Total expenditures	70,993,180	66,342,996	4,650,184	56,398,307
Excess of revenues over expenditures	-	3,810,923	3,810,923	9,688,213
<b>Other Financing Sources (Uses):</b>				
Refunding bonds issued	-	43,565,000	(43,565,000)	-
Refunding bonds premium	-	9,579,467	(9,579,467)	-
Refunding bonds escrow payment	-	(52,886,772)	52,886,772	-
Total other financing sources (uses)	-	257,695	(257,695)	-
Net change in fund balances	-	4,068,618	3,553,228	9,688,213
<b>Fund balances - beginning</b>	16,018,137	16,018,137	-	6,329,924
<b>Fund balances - ending</b>	\$ 16,018,137	\$ 20,086,755	\$ 3,553,228	\$ 16,018,137

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets *Capital Projects Fund*

June 30, 2020

With Comparative Totals for 2019

	<b>2020</b>	<b>2019</b>
<b>Assets:</b>		
Cash and investments	\$ 93,790,377	\$ 83,212,109
Receivables:		
Property taxes	16,369,752	15,565,357
Total assets	<u>\$ 110,160,129</u>	<u>\$ 98,777,466</u>
<b>Liabilities:</b>		
Accounts payable	\$ 13,356,715	\$ 15,762,407
<b>Deferred inflows of resources:</b>		
Unavailable property tax revenue	198,322	208,301
Property taxes levied for future year	15,408,900	14,848,036
Total deferred inflows of resources	<u>15,607,222</u>	<u>15,056,337</u>
<b>Fund balances:</b>		
Restricted for:		
Capital projects	81,196,192	67,958,722
Total fund balances	<u>81,196,192</u>	<u>67,958,722</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 110,160,129</u>	<u>\$ 98,777,466</u>

# DAVIS SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### *Capital Projects Fund*

Year Ended June 30, 2020

With Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Property taxes	\$ 16,800,000	\$ 16,715,619	\$ (84,381)	\$ 16,610,695
Earnings on investments	2,000,000	1,142,588	(857,412)	2,439,842
Other local	4,000,000	4,216,428	216,428	961,642
State of Utah	5,697,300	6,346,846	649,546	4,936,681
Total revenues	28,497,300	28,421,481	(75,819)	24,948,860
<b>Expenditures:</b>				
Capital outlay:				
Buildings and improvements	112,840,400	70,334,013	42,506,387	67,397,775
Equipment	2,000,000	6,328,931	(4,328,931)	5,321,905
Other	390,500	416,163	(25,663)	398,740
Debt service:				
Bond issuance costs	-	250,801	(250,801)	-
Total expenditures	115,230,900	77,079,107	38,151,793	73,118,420
Excess (deficiency) of revenues over (under) expenditures	(86,733,600)	(48,657,626)	38,075,974	(48,169,560)
<b>Other financing sources:</b>				
General obligation bonds issued	55,170,000	55,170,000	-	50,000,000
General obligation bonds premium	6,071,800	6,071,793	(7)	4,989,627
Proceeds from sale of capital assets	491,800	653,303	161,503	1,323
Total other financing sources	61,733,600	61,895,096	161,496	54,990,950
Net change in fund balances	(25,000,000)	13,237,470	38,237,470	6,821,390
<b>Fund balances - beginning</b>	67,958,722	67,958,722	-	61,137,332
<b>Fund balances - ending</b>	\$ 42,958,722	\$ 81,196,192	\$ 38,237,470	\$ 67,958,722



# DAVIS SCHOOL DISTRICT

## Combining Balance Sheet Nonmajor Governmental Funds

June 30, 2020

With Comparative Totals for 2019

	Special Revenue				Total
	School Food Services	Student Activities Fund	District Foundation Fund	Pass-Through Taxes Fund	Nonmajor Governmental Funds
<b>Assets:</b>					
Cash and investments	\$ 5,669,117	\$ 11,839,482	\$ 2,644,734	\$ -	\$ 20,153,333
Receivables:					
Property taxes	-	-	-	10,003,711	10,003,711
Other local	32,340	34,763	-	-	67,103
State of Utah	676,498	-	-	-	676,498
Federal government	613,589	-	-	-	613,589
Inventories	2,078,609	-	-	-	2,078,609
Total assets	<u>\$ 9,070,153</u>	<u>\$ 11,874,245</u>	<u>\$ 2,644,734</u>	<u>\$ 10,003,711</u>	<u>\$ 33,592,843</u>
<b>Liabilities:</b>					
Accounts payable	\$ 110,891	\$ 318,434	\$ 4,825	\$ -	\$ 434,150
<b>Deferred inflows of resources:</b>					
Unavailable property tax revenue	-	-	-	157,806	157,806
Property taxes levied for future year	-	-	-	9,845,905	9,845,905
Total deferred inflows of resources	-	-	-	10,003,711	10,003,711
<b>Fund balances:</b>					
Nonspendable:					
Inventories	2,078,609	-	-	-	2,078,609
Restricted for:					
School food services	6,880,653	-	-	-	6,880,653
Committed to:					
Schools	-	11,555,811	-	-	11,555,811
Assigned to:					
Foundation	-	-	2,639,909	-	2,639,909
Total fund balances	<u>8,959,262</u>	<u>11,555,811</u>	<u>2,639,909</u>	<u>-</u>	<u>23,154,982</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,070,153</u>	<u>\$ 11,874,245</u>	<u>\$ 2,644,734</u>	<u>\$ 10,003,711</u>	<u>\$ 33,592,843</u>

# DAVIS SCHOOL DISTRICT

## Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds Year Ended June 30, 2020

	Special Revenue				Total
	School Food Services	Student Activities Fund	District Foundation Fund	Pass-Through Taxes Fund	Nonmajor Governmental Funds
<b>Revenues:</b>					
Local sources:					
Property taxes	\$ -	\$ -	\$ -	\$ 12,276,214	\$ 12,276,214
Earnings on investments	-	772,349	103,584	-	875,933
School lunch sales	6,242,150	-	-	-	6,242,150
Student fees	-	12,726,430	-	-	12,726,430
Other local	750,838	2,645,536	2,834,749	-	6,231,123
State of Utah	4,834,762	-	-	-	4,834,762
Federal government	13,644,737	-	-	-	13,644,737
Total revenues	25,472,487	16,144,315	2,938,333	12,276,214	56,831,349
<b>Expenditures:</b>					
Current:					
Food	10,834,477	-	-	-	10,834,477
Salaries and benefits	11,285,946	1,573,662	-	-	12,859,608
Indirect charges	1,555,709	-	-	-	1,555,709
Purchased services	-	1,904,620	10,119	-	1,914,739
Grants and awards	-	-	1,795,747	-	1,795,747
Supplies and equipment	-	12,608,168	671,176	-	13,279,344
Other	1,661,935	-	-	12,276,214	13,938,149
Total expenditures	25,338,067	16,086,450	2,477,042	12,276,214	56,177,773
Excess of revenues over expenditures / net change in fund balances	134,420	57,865	461,291	-	653,576
<b>Fund balances - beginning</b>	8,824,842	11,497,946	2,178,618	-	22,501,406
<b>Fund balances - ending</b>	\$ 8,959,262	\$ 11,555,811	\$ 2,639,909	\$ -	\$ 23,154,982

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets *School Food Services Fund* *Nonmajor Special Revenue Fund*

June 30, 2020

With Comparative Totals for 2019

	2020	2019
<b>Assets:</b>		
Cash and investments	\$ 5,669,117	\$ 5,713,419
Receivables:		
Other local	32,340	26,594
State of Utah	676,498	1,247,663
Federal government	613,589	122,730
Inventories	2,078,609	1,810,424
Total assets	<u>\$ 9,070,153</u>	<u>\$ 8,920,830</u>
<b>Liabilities:</b>		
Accounts payable	\$ 110,891	\$ 95,988
<b>Fund balances:</b>		
Nonspendable:		
Inventories	2,078,609	1,810,424
Restricted for:		
School food services	6,880,653	7,014,418
Total fund balances	<u>8,959,262</u>	<u>8,824,842</u>
Total liabilities and fund balances	<u>\$ 9,070,153</u>	<u>\$ 8,920,830</u>

# DAVIS SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### *School Food Services Fund*

### *Nonmajor Special Revenue Fund*

Year Ended June 30, 2020

With Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
School lunch sales	\$ 7,688,700	\$ 6,242,150	\$ (1,446,550)	\$ 7,698,899
Other local	750,000	750,838	838	974,860
State of Utah	5,400,000	4,834,762	(565,238)	4,744,415
Federal sources:				
Federal government	9,700,000	11,642,973	1,942,973	9,295,398
Contributed food commodities	1,800,000	2,001,764	201,764	1,770,093
Total revenues	<u>25,338,700</u>	<u>25,472,487</u>	<u>133,787</u>	<u>24,483,665</u>
<b>Expenditures:</b>				
Current:				
Food	9,039,900	10,834,477	(1,794,577)	11,210,317
Salaries and benefits	11,431,600	11,285,946	145,654	10,977,190
Indirect charges	1,185,200	1,555,709	(370,509)	765,502
Other	3,682,000	1,661,935	2,020,065	2,855,126
Total expenditures	<u>25,338,700</u>	<u>25,338,067</u>	<u>633</u>	<u>25,808,135</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	-	134,420	134,420	(1,324,470)
<b>Fund balances - beginning</b>	<u>8,824,842</u>	<u>8,824,842</u>	<u>-</u>	<u>10,149,312</u>
<b>Fund balances - ending</b>	<u>\$ 8,824,842</u>	<u>\$ 8,959,262</u>	<u>\$ 134,420</u>	<u>\$ 8,824,842</u>

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets *Student Activities Fund* *Nonmajor Special Revenue Fund*

June 30, 2020  
With Comparative Totals for 2019

	<b>2020</b>	<b>2019</b>
<b>Assets:</b>		
Cash and investments	\$ 11,839,482	\$ 11,640,836
Accounts receivable	34,763	-
Total assets	<u>\$ 11,874,245</u>	<u>\$ 11,640,836</u>
<b>Liabilities:</b>		
Accounts payable	\$ 318,434	\$ 142,890
<b>Fund balances:</b>		
Committed to:		
Schools	<u>11,555,811</u>	<u>11,497,946</u>
Total fund balances	<u>11,555,811</u>	<u>11,497,946</u>
Total liabilities and fund balances	<u>\$ 11,874,245</u>	<u>\$ 11,640,836</u>

# DAVIS SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### *Student Activities Fund*

### *Nonmajor Special Revenue Fund*

Year Ended June 30, 2020

With Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Earnings on investments	\$ 772,400	\$ 772,349	\$ (51)	\$ 478,070
Student fees	15,500,000	12,726,430	(2,773,570)	14,910,636
Other local	3,500,000	2,645,536	(854,464)	3,223,138
Total revenues	<u>19,772,400</u>	<u>16,144,315</u>	<u>(3,628,085)</u>	<u>18,611,844</u>
<b>Expenditures:</b>				
Current:				
Salaries and benefits	1,880,000	1,573,662	306,338	1,771,654
Purchased services	2,484,800	1,904,620	580,180	2,485,738
Supplies and equipment	15,407,600	12,608,168	2,799,432	14,236,119
Total expenditures	<u>19,772,400</u>	<u>16,086,450</u>	<u>3,685,950</u>	<u>18,493,511</u>
Excess of revenues over expenditures / net change in fund balances	-	57,865	57,865	118,333
<b>Fund balances - beginning</b>	<u>11,497,946</u>	<u>11,497,946</u>	<u>-</u>	<u>11,379,613</u>
<b>Fund balances - ending</b>	<u>\$ 11,497,946</u>	<u>\$ 11,555,811</u>	<u>\$ 57,865</u>	<u>\$ 11,497,946</u>

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets *District Foundation Fund* *Nonmajor Special Revenue Fund*

June 30, 2020

With Comparative Totals for 2019

	<b>2020</b>	<b>2019</b>
<b>Assets:</b>		
Cash and investments	\$ 2,644,734	\$ 2,184,020
<b>Liabilities:</b>		
Accounts payable	\$ 4,825	\$ 5,401
<b>Fund balances:</b>		
Assigned to:		
Foundation	2,639,909	2,178,618
Total fund balances	2,639,909	2,178,618
Total liabilities and fund balances	\$ 2,644,734	\$ 2,184,019

# DAVIS SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### *District Foundation Fund*

### *Nonmajor Special Revenue Fund*

Year Ended June 30, 2020

With Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Earnings on investments	\$ 24,000	\$ 103,584	\$ 79,584	\$ 32,130
Other local	2,813,000	2,834,749	21,749	2,722,137
Total revenues	2,837,000	2,938,333	101,333	2,754,267
<b>Expenditures:</b>				
Current:				
Purchased services	10,100	10,119	(19)	13,395
Grants and awards	2,179,700	1,795,747	383,953	1,830,098
Supplies and equipment	647,200	671,176	(23,976)	492,879
Total expenditures	2,837,000	2,477,042	359,958	2,336,372
Excess of revenues over expenditures / net change in fund balances	-	461,291	461,291	417,895
<b>Fund balances - beginning</b>	2,178,618	2,178,618	-	1,760,723
<b>Fund balances - ending</b>	<u>\$ 2,178,618</u>	<u>\$ 2,639,909</u>	<u>\$ 461,291</u>	<u>\$ 2,178,618</u>



# DAVIS SCHOOL DISTRICT

## **Balance Sheet** ***Pass-Through Taxes Fund*** ***Nonmajor Special Revenue Fund***

June 30, 2020  
With Comparative Totals for 2019

	<b>2020</b>	<b>2019</b>
<b>Assets:</b>		
Receivables - property taxes	\$ 10,003,711	\$ 12,557,337
<b>Deferred inflows of resources:</b>		
Unavailable property tax revenue	\$ 157,806	\$ 144,411
Property taxes levied for future year	9,845,905	12,412,926
Total deferred inflows of resources	10,003,711	12,557,337
<b>Fund balances</b>	-	-
Total deferred inflows of resources and fund balances	\$ 10,003,711	\$ 12,557,337

# DAVIS SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### *Pass-Through Taxes Fund*

### *Nonmajor Special Revenue Fund*

Year Ended June 30, 2020

With Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 14,000,000	\$ 12,276,214	\$ (1,723,786)	\$ 10,596,384
<b>Expenditures:</b>				
Current:				
Other	14,000,000	12,276,214	1,723,786	10,596,384
Excess of revenues over expenditures / net change in fund balances	-	-	-	-
<b>Fund balances - beginning</b>	-	-	-	-
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# SECTION 3

**Statistical**

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# STATISTICAL SECTION

This part of the Davis School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	94-97
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	98-101
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	102-106
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	107-110
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	111-117

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

# DAVIS SCHOOL DISTRICT

## Net Position by Component Last Ten Fiscal Years June 30, 2011 to 2020 (accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities:										
Net investment in capital assets	\$ 237,477,297	\$ 218,078,080	\$ 200,404,848	\$ 186,641,372	\$ 185,028,083	\$ 178,471,364	\$ 175,357,204	\$ 173,328,822	\$ 173,064,860	\$ 174,860,195
Restricted	75,622,104	62,955,401	58,720,137	61,927,219	51,683,936	44,438,605	36,478,004	30,448,647	30,840,222	29,696,408
Unrestricted	(96,081,476)	(99,817,465)	(92,883,941)	(109,885,211)	(130,113,889)	(140,185,908)	28,901,864	22,970,027	17,903,393	11,562,746
Total governmental activities net position	217,017,925	181,216,016	166,241,044	138,683,380	106,598,130	82,724,061	240,737,072	226,747,496	221,808,475	216,119,349
Business-type activities:										
Net investment in capital assets	-	1,640,352	1,773,438	1,906,524	1,922,205	1,947,186	2,050,570	2,170,471	2,306,453	2,471,868
Unrestricted	-	5,745,139	4,409,120	4,642,562	7,124,464	7,560,585	6,079,698	5,075,095	4,306,150	3,496,327
Total business-type activities net position	-	7,385,491	6,182,558	6,549,086	9,046,669	9,507,771	8,130,268	7,245,566	6,612,603	5,968,195
Primary government:										
Net investment in capital assets	237,477,297	219,718,432	202,178,286	188,547,896	186,950,288	180,418,550	177,407,774	175,499,293	175,371,313	177,332,063
Restricted	75,622,104	62,955,401	58,720,137	61,927,219	51,683,936	44,438,605	36,478,004	30,448,647	30,840,222	29,696,408
Unrestricted	(96,081,476)	(94,072,326)	(88,474,821)	(105,242,649)	(122,989,425)	(132,625,323)	34,981,562	28,045,122	22,209,543	15,059,073
Total primary government net position	\$ 217,017,925	\$ 188,601,507	\$ 172,423,602	\$ 145,232,466	\$ 115,644,799	\$ 92,231,832	\$ 248,867,340	\$ 233,993,062	\$ 228,421,078	\$ 222,087,544

Note: Beginning in FY2015, The District implemented GASB Statements 68 and 71, recording its proportional share of net pension liabilities.

Note: Beginning in FY2013, the District implemented GASB 65. As a result, the beginning net position was decreased by \$2,369,335. Prior years have not been restated.

# DAVIS SCHOOL DISTRICT

## Expenses, Program Revenue, and Net (Expense) Revenue Last Ten Fiscal Years Years Ended June 30, 2011 to 2020 (accrual basis of accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Expenses</b>										
Governmental activities:										
Instruction	\$ 455,948,346	\$ 438,605,231	\$ 406,694,108	\$ 387,976,967	\$ 366,385,053	\$ 326,885,284	\$ 323,998,904	\$ 323,396,042	\$ 321,957,585	\$ 312,117,909
Supporting services:										
Student	21,919,087	20,084,536	17,614,204	16,319,254	15,761,163	14,178,453	14,871,912	14,908,145	14,678,910	14,411,550
Instructional staff	24,718,994	23,947,889	21,131,799	20,349,554	17,728,205	17,902,556	17,103,095	16,766,753	16,766,753	17,203,966
District administration	41,130,873	31,72,504	3,883,761	2,830,987	3,054,420	2,958,948	2,449,838	2,980,232	2,580,567	2,563,461
School administration	44,514,433	43,094,742	37,856,767	35,805,440	29,552,403	26,500,999	26,981,069	26,300,594	25,766,865	25,410,359
Central	19,569,399	18,808,697	17,615,021	15,994,617	15,074,694	13,256,245	13,210,603	12,779,351	12,138,177	11,127,059
Operation and maintenance of facilities	55,286,476	56,418,687	52,507,281	45,990,934	44,891,036	41,033,443	41,999,125	41,608,600	40,874,660	39,985,531
Student transportation	14,789,155	14,527,938	18,047,620	14,623,262	14,326,152	14,170,991	12,633,841	12,435,361	12,996,197	12,034,150
School food service	25,520,122	26,116,859	23,159,895	22,891,856	18,562,809	21,796,126	24,206,081	23,289,137	23,662,972	22,300,697
Interest on long-term liabilities	18,596,280	19,170,017	17,546,012	16,099,119	14,182,733	16,265,030	17,299,437	16,129,644	17,752,462	17,752,462
Total governmental activities expenses	684,993,165	663,947,100	618,195,921	579,764,235	542,140,017	494,773,724	494,339,455	492,099,894	487,552,330	474,907,144
Business-type activities:										
Pioneer Adult Rehabilitation Center	9,230,363	9,590,762	9,069,798	10,130,337	11,235,889	13,826,446	12,911,819	9,005,112	7,507,772	9,099,860
Total business-type activities expenses	9,230,363	9,590,762	9,069,798	10,130,337	11,235,889	13,826,446	12,911,819	9,005,112	7,507,772	9,099,860
Total primary government expenses	\$ 694,223,528	\$ 673,537,862	\$ 627,265,719	\$ 589,894,572	\$ 553,375,906	\$ 508,600,170	\$ 507,251,274	\$ 501,105,106	\$ 495,060,102	\$ 483,998,004
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Instruction	\$ 630,472	\$ 7,925,829	\$ 6,232,304	\$ 5,896,445	\$ 6,509,349	\$ 6,347,013	\$ 6,002,732	\$ 5,573,818	\$ 5,615,784	\$ 5,121,667
Operation and maintenance of facilities	164,912	330,225	234,978	354,790	317,443	302,692	304,575	270,423	219,798	277,254
School food service	6,992,988	8,673,759	8,569,757	8,513,417	8,440,270	8,314,193	8,320,866	7,929,725	8,443,228	8,464,384
Operating grants and contributions	135,014,969	125,049,800	128,948,262	123,749,980	118,045,419	111,025,916	108,599,772	110,409,041	113,514,211	125,074,921
Total governmental activities program revenues	149,103,341	141,979,615	143,985,301	138,514,632	133,312,481	125,989,314	123,227,945	124,183,007	127,793,021	138,938,226
Business-type activities:										
Charges for services:										
Pioneer Adult Rehabilitation Center	7,297,815	9,712,059	7,567,108	7,467,276	9,993,209	14,460,197	12,998,486	8,875,291	7,291,473	8,868,745
Operating grants and contributions	891,019	946,318	1,025,397	957,532	732,755	731,952	786,804	748,236	844,109	858,656
Total business-type activities program revenues	8,188,834	10,658,377	8,592,505	8,424,808	10,725,964	15,192,149	13,785,290	9,623,527	8,135,582	9,727,401
Total primary government program revenues	\$ 157,292,175	\$ 152,637,992	\$ 152,577,806	\$ 146,939,440	\$ 144,038,445	\$ 141,181,463	\$ 137,013,235	\$ 133,806,534	\$ 135,928,603	\$ 148,665,627
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (535,889,824)	\$ (521,967,487)	\$ (474,210,620)	\$ (441,249,603)	\$ (408,827,536)	\$ (368,783,910)	\$ (371,111,510)	\$ (367,916,987)	\$ (359,759,309)	\$ (335,968,918)
Business-type activities	(1,041,529)	1,067,615	(477,293)	(1,705,529)	(509,925)	1,365,103	873,471	618,415	627,810	636,541
Total primary government net expense	\$ (536,931,353)	\$ (520,899,872)	\$ (474,687,913)	\$ (442,955,132)	\$ (409,337,461)	\$ (367,418,807)	\$ (370,238,039)	\$ (367,298,572)	\$ (359,131,499)	\$ (335,332,377)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for:										
General purposes	\$ 123,146,605	\$ 111,954,761	\$ 106,779,829	\$ 100,101,398	\$ 94,816,471	\$ 85,964,463	\$ 85,186,800	\$ 86,614,783	\$ 71,789,469	\$ 69,968,472
Transportation	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-
Debt service	69,721,833	65,350,647	54,462,817	50,008,667	48,146,166	46,572,252	42,773,677	41,971,606	40,360,346	43,590,844
Capital outlay	16,705,640	16,629,549	16,722,137	18,162,423	17,337,683	16,930,993	15,413,272	16,342,018	19,136,415	12,339,103
Miscellaneous	12,276,214	10,617,278	9,763,113	7,471,295	6,860,325	6,599,320	-	-	-	-
Federal and state revenue not restricted to specific purposes	317,915,726	30,115,563	287,384,030	265,470,952	246,318,610	227,240,368	221,985,012	210,949,940	206,430,844	193,513,053
Earnings on investments	5,172,269	6,845,936	4,026,286	2,346,999	1,326,808	669,566	539,816	714,479	1,523,932	1,208,598
Business-type activities:										
Miscellaneous	26,131,646	25,009,102	22,630,075	22,121,843	17,895,542	18,165,848	19,182,309	18,632,517	18,618,204	16,022,937
Earnings on investments	115,657	135,131	110,765	79,900	48,823	11,800	11,231	14,548	16,598	13,092
Total primary government general revenues	\$ 571,185,590	\$ 537,699,386	\$ 501,879,052	\$ 465,763,477	\$ 432,750,428	\$ 402,154,410	\$ 385,123,317	\$ 375,239,891	\$ 365,465,033	\$ 343,795,102
<b>Change in Net Position</b>										
Governmental activities	\$ 35,180,109	\$ 15,596,768	\$ 27,557,667	\$ 24,433,974	\$ 23,874,069	\$ 33,358,700	\$ 13,989,576	\$ 7,308,356	\$ 5,689,126	\$ 7,813,092
Business-type activities	(925,872)	1,202,746	(366,528)	(1,625,629)	(461,102)	1,377,918	884,702	632,963	644,408	649,633
Total primary government	\$ 34,254,237	\$ 16,799,514	\$ 27,191,139	\$ 22,808,345	\$ 23,412,967	\$ 34,736,618	\$ 14,874,278	\$ 7,941,319	\$ 6,333,534	\$ 8,462,725

Note: Beginning FY2015, the District implemented GASB Statements 68 and 71, restating and decreasing beginning net position by \$191,371,711. Incremental taxes were first reported in 2015 with an equal amount reported expenditures, as community service expenditures.

Note: Beginning in FY2013, the District implemented GASB Statement No. 65. As a result, the beginning net position was decreased by \$2,369,335. Prior years have not been restated.

**DAVIS SCHOOL DISTRICT**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**Years Ended June 30, 2011 to 2020**  
*(modified accrual basis of accounting)*

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>General fund:</b>										
Nonspendable (inventories & prepaids)	\$ 6,488,919	\$ 5,538,597	\$ 5,651,863	\$ 5,568,408	\$ 6,002,494	\$ 5,671,302	\$ 1,232,892	\$ 1,467,658	\$ 1,563,781	\$ 1,524,352
Committed to workers compensation	1,000,000	1,000,000	500,000	500,000	500,000	500,000	500,000	300,000	300,000	300,000
Committed to termination benefits	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,000,000	4,000,000	4,000,000
Committed to economic stabilization	28,500,000	28,000,000	25,000,000	23,000,000	20,000,000	4,500,000	2,000,000	-	-	-
Assigned	27,925,000	15,825,000	15,325,000	11,542,000	3,435,887	5,538,661	8,303,673	6,058,767	3,060,000	-
Unassigned	31,285,527	27,108,282	20,954,371	15,947,138	11,625,750	18,497,093	16,485,230	14,548,294	13,411,677	12,119,413
Total fund balances	\$ 99,699,446	\$ 81,971,879	\$ 71,931,234	\$ 61,057,546	\$ 46,064,131	\$ 39,207,056	\$ 33,021,795	\$ 26,374,719	\$ 22,335,458	\$ 17,943,765
<b>Debt service fund:</b>										
Restricted for debt service	\$ 20,086,755	\$ 16,018,137	\$ 6,329,924	\$ 3,788,520	\$ 4,249,578	\$ 3,122,533	\$ -	\$ -	\$ 400,718	\$ 6,545,393
Total fund balances	\$ 20,086,755	\$ 16,018,137	\$ 6,329,924	\$ 3,788,520	\$ 4,249,578	\$ 3,122,533	\$ -	\$ -	\$ 400,718	\$ 6,545,393
<b>Capital projects fund:</b>										
Restricted for capital projects	\$ 81,196,192	\$ 67,958,722	\$ 61,137,332	\$ 90,387,510	\$ 79,202,839	\$ 64,391,390	\$ 46,110,408	\$ 40,858,464	\$ 49,313,628	\$ 51,396,420
Total fund balances	\$ 81,196,192	\$ 67,958,722	\$ 61,137,332	\$ 90,387,510	\$ 79,202,839	\$ 64,391,390	\$ 46,110,408	\$ 40,858,464	\$ 49,313,628	\$ 51,396,420
<b>Other governmental funds</b>										
Nonspendable (inventory & prepaids)	\$ 2,078,609	\$ 1,810,424	\$ 1,419,246	\$ 1,591,777	\$ 1,586,119	\$ 1,190,751	\$ 1,062,785	\$ 1,587,032	\$ 2,080,190	\$ 2,419,282
Restricted for school food services	6,880,653	7,014,418	8,730,066	8,700,460	6,838,302	4,938,127	3,357,185	2,627,844	2,067,359	1,526,308
Restricted for state multi-district program	-	-	-	-	-	-	-	47,949	1,473,724	1,266,314
Committed to schools	11,555,811	11,497,946	11,379,613	10,962,771	10,502,480	10,598,751	10,089,919	9,521,189	9,628,924	8,944,171
Assigned to District Foundation	2,639,909	2,178,618	1,760,723	1,703,846	-	-	-	-	-	-
Total fund balances	\$ 23,154,982	\$ 22,501,406	\$ 23,289,648	\$ 22,958,854	\$ 18,926,901	\$ 16,727,629	\$ 14,509,889	\$ 13,784,014	\$ 15,250,197	\$ 14,156,075
<b>Total governmental funds:</b>										
Nonspendable (inventories & prepaids)	\$ 8,567,528	\$ 7,349,021	\$ 7,071,109	\$ 7,160,185	\$ 7,588,613	\$ 6,862,053	\$ 2,295,677	\$ 3,054,690	\$ 3,643,971	\$ 3,943,634
Restricted	108,163,600	90,991,277	76,197,322	102,876,490	90,290,719	72,452,050	49,467,593	43,534,257	53,255,429	60,734,435
Committed	45,555,811	44,997,946	41,379,613	38,962,771	35,502,480	20,098,751	17,089,919	13,821,189	13,928,924	13,244,171
Assigned	30,564,909	18,003,618	17,085,723	13,245,846	3,435,887	5,538,661	8,303,673	6,058,767	3,060,000	-
Unassigned	31,285,527	27,108,282	20,954,371	15,947,138	11,625,750	18,497,093	16,485,230	14,548,294	13,411,677	12,119,413
Total fund balances	\$ 224,137,375	\$ 188,450,144	\$ 162,688,138	\$ 178,192,430	\$ 148,443,449	\$ 123,448,608	\$ 93,642,092	\$ 81,017,197	\$ 87,300,001	\$ 90,041,653

\*\*\* Note: Beginning in FY2017, the District implemented GASB Statement No. 80. The District Foundation was changed from a component unit to a special revenue fund. As a result of this change, the beginning fund balance was increased by \$1,400,481.



# **DAVIS SCHOOL DISTRICT** **Changes in Fund Balances - Governmental Funds** **Last Ten Fiscal Years** **Years Ended June 30, 2011 to 2020** **(modified accrual basis of accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Revenues:</b>										
Property taxes	\$ 221,791,304	\$ 204,117,320	\$ 187,642,159	\$ 175,846,086	\$ 167,630,513	\$ 156,139,109	\$ 144,298,349	\$ 145,947,457	\$ 139,024,115	\$ 133,065,138
Interest	5,172,269	6,845,936	4,026,286	2,346,999	1,326,808	669,366	559,816	714,479	1,523,932	1,203,598
Other local sources	33,466,195	34,270,340	30,015,022	28,762,897	25,431,575	25,608,140	26,501,983	25,211,003	23,873,594	21,828,606
School lunch sales	6,242,150	7,698,899	7,635,337	7,646,736	7,538,773	7,558,576	7,588,551	7,222,390	7,969,119	8,069,906
State of Utah	406,776,551	383,125,083	371,384,393	343,080,856	319,974,739	296,587,246	287,951,706	275,349,590	275,995,143	256,306,648
Federal government	46,154,144	43,081,699	44,947,899	46,140,076	44,389,290	41,679,038	42,633,078	46,009,391	45,020,775	62,281,326
Total revenues	719,602,613	679,139,277	645,651,096	603,823,650	566,346,698	528,241,475	509,533,483	500,454,310	493,406,678	482,755,222
<b>Expenditures:</b>										
Current:										
Instruction	403,024,572	384,243,175	365,081,401	340,732,811	325,166,810	303,792,266	290,924,478	290,960,045	282,501,091	265,400,084
Supporting services:										
Students	21,011,360	19,104,242	17,708,229	16,015,062	15,573,759	14,694,917	14,703,541	14,738,515	14,514,691	14,254,115
Instructional staff	23,998,481	23,027,859	22,001,747	20,886,518	20,244,708	18,445,968	17,802,062	16,995,074	16,651,193	17,104,002
District administration	3,526,654	3,067,813	2,711,466	2,772,126	2,505,646	2,325,792	2,171,447	2,583,855	2,550,252	2,553,577
School administration	41,875,458	40,201,664	37,375,321	34,455,761	28,518,964	26,766,307	26,037,360	25,380,335	24,860,824	24,543,982
Central	18,198,535	17,108,743	16,935,865	15,079,440	14,277,804	12,960,814	12,561,013	12,284,036	11,754,227	10,739,697
Operation and maint of facilities	52,245,457	53,118,262	51,134,507	43,193,068	43,268,575	40,514,129	40,479,639	40,108,854	39,348,007	38,414,026
Student transportation	13,427,486	13,171,601	16,928,910	13,142,063	12,881,560	13,168,618	11,332,852	11,134,619	11,823,524	10,863,057
School food service	25,338,067	25,808,135	24,951,399	23,596,878	22,094,493	21,893,048	23,961,993	22,948,731	23,268,842	36,066,132
Capital outlay	77,079,107	72,894,207	125,801,248	99,556,365	78,653,608	39,718,863	36,786,986	41,399,708	58,224,251	59,333,018
Debt service:										
Tax anticipation note interest	-	-	-	-	-	-	-	-	622,548	655,188
Bond principal	46,045,000	36,755,000	34,530,000	34,865,000	33,230,000	26,975,000	26,495,000	29,635,000	28,935,000	27,725,000
Bond interest	20,031,801	19,635,007	18,360,825	16,660,115	14,949,568	17,468,199	17,544,696	17,774,694	17,124,320	17,124,320
Bond issuance costs	257,695	224,113	189,182	8,400	512,741	660,188	243,332	366,063	221,980	470,822
Capital lease payments	-	-	-	-	97,271	97,271	214,340	311,425	647,310	1,565,081
Fees and miscellaneous charges	8,500	8,300	7,501	-	36,400	7,750	7,750	4,800	15,350	14,255
Total expenditures	746,068,173	708,368,121	733,717,601	660,963,607	612,011,907	539,488,780	521,266,318	527,395,756	533,713,784	526,826,356
under expenditures	(26,465,560)	(29,228,844)	(88,066,505)	(57,139,957)	(45,665,209)	(11,247,305)	(11,732,835)	(26,941,446)	(40,307,106)	(44,071,134)
<b>Other financing sources (uses):</b>										
General obligation bonds issued	55,170,000	50,000,000	69,375,000	80,000,000	68,500,000	40,000,000	25,000,000	20,000,000	35,000,000	45,000,000
General obligation bonds premium	6,071,793	4,989,627	2,521,000	4,990,408	1,510,053	1,138,631	468,930	512,567	2,543,576	569,687
Refunding bond issued	43,565,000	-	36,805,000	-	120,035,000	-	-	20,550,000	-	39,410,000
Refunding bond premium	9,579,467	-	3,592,355	-	6,930,694	-	-	2,839,916	-	5,511,216
Payment to refunded bond escrow agent	(52,886,772)	-	(40,208,173)	-	(126,452,953)	-	-	(23,243,841)	-	(44,700,377)
Transfer out	-	-	-	-	-	(95,035)	(1,500,000)	-	-	-
Proceeds from sale of capital assets	653,303	1,323	477,031	498,049	137,256	10,225	388,800	-	21,878	60,554
Total other financing sources (uses)	62,152,791	54,990,950	72,562,213	85,488,457	70,660,050	41,053,821	24,357,730	20,658,642	37,565,454	45,851,080
Net change in fund balances	35,687,231	25,762,106	(15,504,292)	28,348,500	24,994,841	29,806,516	12,624,895	(6,282,804)	(2,741,652)	1,779,946
<b>Fund balances - beginning (as restated)</b>	188,450,244	162,688,138	178,192,430	149,843,930	123,448,608	93,642,092	81,017,197	87,300,001	90,041,653	88,261,707
<b>Fund balances - ending</b>	<b>\$ 224,137,475</b>	<b>\$ 188,450,244</b>	<b>\$ 162,688,138</b>	<b>\$ 178,192,430</b>	<b>\$ 148,443,449</b>	<b>\$ 123,448,608</b>	<b>\$ 93,642,092</b>	<b>\$ 81,017,197</b>	<b>\$ 87,300,001</b>	<b>\$ 90,041,653</b>
Debt service	\$ 66,076,801	\$ 56,390,007	\$ 52,890,825	\$ 51,525,115	\$ 48,276,839	\$ 44,540,470	\$ 44,253,865	\$ 48,491,121	\$ 47,979,552	\$ 47,069,589
Noncapital expenditures	684,758,335	652,382,593	633,674,002	586,534,379	555,386,177	514,271,468	497,805,464	502,601,352	499,517,501	483,791,257
Debt service as a percentage of noncapital expenditures	9.6%	8.6%	8.3%	8.8%	8.7%	8.7%	8.9%	9.6%	9.6%	9.7%

## DAVIS SCHOOL DISTRICT

### Assessed Value and Estimated Actual Value of Taxable Property Last Ten Tax Years December 31, 2010 through 2019

Tax Year	Residential			Commercial & Industrial		Agriculture		Personal		Total Taxable Assessed Value		Total Direct Tax Rate		Estimated Actual Value		Assessed Value as a Percentage of Actual Value	
2019	\$	17,729,980,985	\$	6,631,773,284	\$	177,542,274	\$	2,326,866,557	\$	26,866,163,100		0.007721		\$	42,489,746,245		63.2%
2018		15,953,299,180		6,173,629,223		172,539,490		2,217,414,795		24,516,882,688		0.007631			38,603,816,772		63.5%
2017		14,481,985,166		5,538,002,128		190,558,209		2,461,629,632		22,672,175,135		0.007469			34,987,059,677		64.8%
2016		13,172,061,449		5,021,196,704		116,721,149		2,136,054,321		20,446,033,623		0.008125			31,623,889,734		64.7%
2015		12,137,403,230		4,633,378,279		124,107,984		1,982,261,211		18,877,150,704		0.008555			29,257,820,639		64.5%
2014		11,769,131,872		4,393,893,837		121,848,651		1,718,928,896		18,003,803,256		0.008259			28,052,491,146		64.2%
2013		10,574,438,844		4,151,940,907		115,058,346		1,621,119,209		16,462,557,306		0.008710			24,965,085,765		65.9%
2012		10,124,228,191		4,085,617,326		119,949,215		1,471,722,453		15,801,517,185		0.008941			24,023,945,974		65.8%
2011		10,127,751,543		3,993,246,252		117,895,470		1,441,813,546		15,680,706,811		0.007860			25,595,666,942		61.3%
2010		10,657,206,804		4,210,672,598		144,417,417		1,185,481,355		16,197,778,174		0.007118			25,058,738,383		64.6%

\* Source: Davis County CAFR

# DAVIS SCHOOL DISTRICT

## Direct and Overlapping Property Tax Rates Last Ten Tax Years December 31, 2010 through 2019 (rate per \$1 of assessed value)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Davis School District direct rates:										
General	0.004536	0.004407	0.004481	0.004833	0.005058	0.004752	0.005125	0.005317	0.004582	0.003593
Capital outlay & debt service	0.003185	0.003224	0.002988	0.003292	0.003497	0.003507	0.003585	0.003624	0.003812	0.003833
Tort liability	-	-	-	-	-	-	-	-	0.000067	0.000062
Special transportation	-	-	-	-	-	-	-	-	0.000201	0.000187
Recreation	-	-	-	-	-	-	-	-	0.000199	0.000185
Total direct rate	0.007721	0.007631	0.007469	0.008125	0.008555	0.008259	0.008710	0.008941	0.008861	0.007860
Overlapping Rates: *										
County funds	0.001409	0.001473	0.002210	0.002014	0.002153	0.002161	0.002331	0.002391	0.002383	0.002213
County library	0.000329	0.000349	0.000376	0.000342	0.000361	0.000361	0.000389	0.000396	0.000392	0.000363
Average cities and towns	0.001367	0.001380	0.001463	0.001455	0.001594	0.001558	0.001559	0.001584	0.001565	0.001414
Miscellaneous taxing districts	0.000332	0.000497	0.000524	0.000399	0.000422	0.000433	0.000454	0.000458	0.000437	0.000407

\* Source: Davis County CAFR

# DAVIS SCHOOL DISTRICT

## Principal Property Tax Payers Current Year and Nine Years Ago December 31, 2019 and 2010

Taxpayer	December 31, 2019			December 31, 2010		
	Taxable Value	Rank	Percent of District's Total Taxable Value	Taxable Value	Rank	Percent of District's Total Taxable Value
Woods Cross Refining Comp - LLC	\$ 548,164,438	1	2.04%	\$ 182,638,793	4	1.13%
Chevron U.S.A. Inc	493,004,084	2	1.84%	363,871,766	1	2.25%
Station Park Centereal LLC	256,920,139	3	0.96%	n/a	n/a	n/a
Pacificorp	244,905,629	4	0.91%	187,062,647	3	1.15%
Freeport Center	232,260,213	5	0.86%	190,840,190	2	1.18%
Smith's Food King Properties	167,540,561	6	0.62%	74,307,419	8	0.46%
Questar Gas	165,806,179	7	0.62%	n/a	n/a	n/a
ATK Aerospace	149,699,951	8	0.56%	n/a	n/a	n/a
Big West Oil	148,638,473	9	0.55%	90,312,917	6	0.56%
IHC Health Services	99,241,376	10	0.37%	n/a	n/a	n/a
Layton Hills Mall CMBS LLC	n/a	n/a	n/a	104,529,885	5	0.65%
Wal-Mart	n/a	n/a	n/a	83,138,397	7	0.51%
Qwest Communications	n/a	n/a	n/a	70,177,392	9	0.43%
Davis Hospital & Medical Center	n/a	n/a	n/a	62,744,142	10	0.39%
Totals	\$ 2,506,181,043		9.33%	\$ 1,409,623,548		8.71%

\* Source: Davis County Clerk / Auditor's Office

# DAVIS SCHOOL DISTRICT

## Property Tax Levies and Collections Last Ten Tax Years December 31, 2010 through 2019

Tax Year Ended December 31,	Property Taxes Levied For The Calendar Year	Property Taxes Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Property Tax Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 201,177,733	\$ 196,952,867	97.90%	\$ -	\$ 196,952,867	97.90%
2018	180,918,217	177,462,344	98.09%	2,577,944	180,040,289	99.51%
2017	170,886,005	151,891,258	88.88%	18,798,256	170,689,514	99.89%
2016	166,980,431	159,543,862	95.55%	7,357,991	166,901,853	99.95%
2015	160,846,154	153,067,636	95.16%	7,778,047	160,845,683	100.00%
2014	149,474,220	141,407,236	94.60%	8,066,984	149,474,220	100.00%
2013	138,006,512	129,788,061	94.04%	8,218,451	138,006,512	100.00%
2012	135,191,786	126,685,112	93.71%	8,506,675	135,191,786	100.00%
2011	132,718,042	123,390,184	92.97%	9,327,858	132,718,042	100.00%
2010	122,353,329	113,302,665	92.60%	9,050,664	122,353,329	100.00%

Source: Davis County Treasurer's Office (excludes fee-in-lieu and age-based collections on motor vehicles).

This schedule recognizes collections on a calendar year (tax year) cash basis, whereas property tax collections reported in the basic financial statements are on a fiscal year modified accrual basis of accounting.

**DAVIS SCHOOL DISTRICT**

**Ratios of Outstanding Debt  
Last Ten Fiscal Years  
December 31, 2011 through 2020**

Year Ended June 30,	Outstanding Net General Obligation Bonds (2)	Net General Bonded Debt As Percentage of Taxable Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Student	Capital Leases	Total Debt	Debt As Percentage of Taxable Value	Debt As Percentage of Total Personal Income	Debt Per Capita	Debt Per Student
2020	\$ 590,948,844	2.20%	\$ 1,662	\$ 8,365	\$ -	\$ 590,948,844	2.20%	NA (1)	\$ 1,662	\$ 8,365
2019	577,906,123	2.36%	1,643	7,997	-	577,906,123	2.36%	NA (1)	1,643	7,997
2018	561,478,811	2.48%	1,615	7,808	-	561,478,811	2.48%	3.66%	1,615	7,808
2017	523,689,501	2.56%	1,530	7,374	-	523,689,501	2.56%	3.70%	1,530	7,374
2016	475,741,445	2.52%	1,416	6,808	-	475,741,445	2.52%	3.54%	1,416	6,808
2015	432,179,325	2.40%	1,311	6,311	93,118	432,272,443	2.40%	3.38%	1,311	6,313
2014	419,864,750	2.55%	1,304	6,123	182,260	420,047,010	2.55%	3.40%	1,304	6,126
2013	422,952,209	2.68%	1,339	6,189	379,978	423,332,187	2.68%	3.61%	1,340	6,194
2012	432,398,920	2.76%	1,383	6,384	663,206	433,062,126	2.76%	3.99%	1,385	6,393
2011	425,467,324	2.63%	1,383	6,445	2,200,022	427,667,346	2.64%	4.11%	1,391	6,478

(1) Personal income data was not yet available.

(2) Presented net of original issuance discounts and premiums.

# DAVIS SCHOOL DISTRICT

## Overlapping and Underlying General Obligation Debt June 30, 2020

Taxing Entity	2019 Taxable Value (1)	District's Estimated Portion of Taxable Value	Estimated District's Percentage (7)	Entity's General Obligation Debt (6)	District's Estimated Portion of Debt
<b>Overlapping:</b>					
State of Utah	\$ 315,456,046,864	\$ 26,866,163,100	8.5%	\$ 2,003,625,000	\$ 170,308,125
Davis County	26,866,163,100	26,866,163,100	100.0%	543,575,000	543,575,000
Total overlapping					713,883,125
<b>Underlying:</b>					
WBWCD (2) (3)	63,389,124,507	26,864,353,067	42.4%	11,650,000	4,939,600
North Davis Sewer District	11,874,064,618	11,773,690,150	99.2%	17,115,000	16,978,080
South Davis Rec. District (4)	9,822,039,001	9,822,039,001	100.0%	7,875,000	7,875,000
Clearfield City (3)	2,132,784,705	2,132,784,705	100.0%	1,510,000	-
Farmington City	2,195,969,686	2,195,969,686	100.0%	6,083,000	6,083,000
Total underlying					35,875,680
Total overlapping and underlying general obligation debt					\$ 749,758,805
Total overlapping general obligation debt (excluding the State) (5)					\$ 543,575,000
Total direct general obligation bonded indebtedness					590,948,844
Total direct and overlapping debt (excluding the State) (5)					\$ 1,134,523,844

- (1) 2019 values are preliminary and subject to change. Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.
- (2) The Weber Basin Water Conservancy District ("WBWCD") covers all of Morgan County, most of Davis County and Weber County, and portions of Box Elder and Summit Counties. Principal and interest on WBWCD general obligation bonds are paid from sales of water. WBWCD's outstanding general obligation bonds are limited ad valorem tax bonds. By law, WBWCD may levy a tax rate of up to .000200 to pay, first, for any outstanding general obligation indebtedness, then for operation and maintenance expenses, and then for any other lawful purpose.
- (3) All or portions of these governmental entities' outstanding general obligation debt are supported by user fee revenues from water or sewer. The District's portion of overlapping general obligation debt has been reduced to the extent that such general obligation debt is supported by "user fee revenues".
- (4) South Davis Recreation District members are Bountiful, Centerville, North Salt Lake, Woods Cross, and West Bountiful.
- (5) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.
- (6) Governmental activities debt is limited to general obligation debt for these entities; information on other debt is not available.
- (7) Percentage based on total shared area of land in respective geographical boundaries.

\* Source: Davis County CAFR

**DAVIS SCHOOL DISTRICT**

**General Obligation Legal Debt Limit and Debt Capacity  
Last Ten Years  
December 31, 2011 through 2020**

Year Ended June 30,	Estimated Fair Market Value	Estimated Value from Uniform Fees	Estimated Fair Market Value for Debt Incurring Capacity	Debt Limit (4% of Fair Market Value)	General Obligation Debt	Debt Issuance Premiums	Additional Debt Capacity	Percentage of Debt To Debt Limit
2020	\$ 42,489,746,245	\$ 1,417,904,321	\$ 43,907,650,566	\$ 1,756,306,023	\$ 552,700,000	\$ 38,248,844	\$ 1,165,357,179	33.65%
2019	38,603,816,772	1,398,560,802	40,002,377,574	1,600,095,103	552,670,000	25,236,121	1,022,188,982	36.12%
2018	34,987,059,677	1,345,328,581	36,332,388,258	1,453,295,530	539,425,000	22,053,811	891,816,719	38.63%
2017	31,623,889,734	1,292,725,501	32,916,615,235	1,316,664,609	505,145,000	18,544,501	792,975,108	39.77%
2016	29,257,820,639	1,258,418,555	30,516,239,194	1,220,649,568	460,010,000	15,731,445	744,908,123	38.97%
2015	28,052,491,146	1,181,154,351	29,233,645,497	1,169,345,820	420,660,000	11,519,325	737,166,495	36.96%
2014	24,965,085,765	1,181,530,533	26,146,616,298	1,045,864,652	407,635,000	12,229,750	625,999,902	40.15%
2013	24,023,945,974	1,174,052,533	25,197,998,507	1,007,919,940	409,130,000	13,822,209	584,967,731	41.96%
2012	25,595,666,942	1,192,245,935	26,787,912,877	1,071,516,515	419,690,000	11,842,324	639,984,191	40.27%
2011	25,058,738,383	1,219,363,049	26,278,101,432	1,051,124,057	413,625,000	7,624,117	629,874,940	40.08%



# DAVIS SCHOOL DISTRICT

## Schedule of Annual Debt Service Requirements Years Ending June 30, 2021 to 2040

Year Ending June 30,	Principal	Interest	Total Payment
2021	\$ 49,390,000	\$ 20,212,112	\$ 69,602,112
2022	36,865,000	18,266,705	55,131,705
2023	32,060,000	16,847,431	48,907,431
2024	33,430,000	15,452,006	48,882,006
2025	34,860,000	14,006,688	48,866,688
2026	36,290,000	12,556,038	48,846,038
2027	37,730,000	11,143,838	48,873,838
2028	39,080,000	9,778,688	48,858,688
2029	35,600,000	8,469,463	44,069,463
2030	33,970,000	7,254,863	41,224,863
2031	29,950,000	6,035,725	35,985,725
2032	26,965,000	5,037,781	32,002,781
2033	24,685,000	4,113,700	28,798,700
2034	24,020,000	3,281,550	27,301,550
2035	22,585,000	2,500,588	25,085,588
2036	20,425,000	1,754,394	22,179,394
2037	16,225,000	1,076,519	17,301,519
2038	10,340,000	552,219	10,892,219
2039	5,480,000	226,688	5,706,688
2040	2,750,000	72,188	2,822,188
	<u>\$ 552,700,000</u>	<u>\$ 158,639,181</u>	<u>\$ 711,339,181</u>

# DAVIS SCHOOL DISTRICT

## Debt Service Schedule of Outstanding General Obligation Bonds Year Ended June 30, 2020

### PRINCIPAL

Year Ending June 30,	2012	2013A	2013B	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	2019B	2020B	Total
	\$ 35,000,000	\$ 20,000,000	\$ 20,550,000	\$ 25,000,000	\$ 40,000,000	\$ 67,025,000	\$ 53,010,000	\$ 68,500,000	\$ 80,000,000	\$ 36,805,000	\$ 69,375,000	\$ 50,000,000	\$ 43,565,000	\$ 55,170,000	
2021	\$ 2,085,000	\$ 1,145,000	\$ -	\$ 1,435,000	\$ 1,785,000	\$ 5,470,000	\$ 10,540,000	\$ 3,225,000	\$ 500,000	\$ 2,680,000	\$ 700,000	\$ 500,000	\$ 3,205,000	\$ 16,120,000	\$ 49,390,000
2022	2,170,000	1,190,000	-	1,480,000	1,820,000	5,605,000	6,170,000	3,300,000	3,450,000	2,800,000	2,800,000	1,375,000	3,365,000	1,340,000	36,865,000
2023	2,255,000	1,230,000	-	1,515,000	1,875,000	5,895,000	-	3,375,000	3,625,000	2,950,000	2,950,000	1,450,000	3,535,000	1,405,000	32,060,000
2024	2,345,000	1,255,000	-	1,590,000	1,920,000	6,185,000	-	3,425,000	3,825,000	3,075,000	3,100,000	1,525,000	3,710,000	1,475,000	33,430,000
2025	2,440,000	1,280,000	-	1,650,000	1,970,000	6,495,000	-	3,500,000	4,000,000	3,225,000	3,250,000	1,600,000	3,900,000	1,550,000	34,860,000
2026	2,535,000	1,320,000	-	1,700,000	2,030,000	6,735,000	-	3,575,000	4,200,000	3,400,000	3,400,000	1,675,000	4,095,000	1,625,000	36,290,000
2027	2,640,000	1,355,000	-	1,755,000	2,090,000	6,935,000	-	3,650,000	4,425,000	3,575,000	3,550,000	1,750,000	4,295,000	1,710,000	37,730,000
2028	2,745,000	1,400,000	-	1,805,000	2,155,000	7,145,000	-	3,725,000	4,625,000	3,650,000	3,675,000	1,850,000	4,510,000	1,795,000	39,080,000
2029	2,825,000	1,440,000	-	1,860,000	2,240,000	2,590,000	-	3,800,000	4,775,000	3,725,000	3,800,000	1,925,000	4,735,000	1,885,000	35,600,000
2030	2,910,000	1,485,000	-	1,915,000	2,310,000	-	-	3,925,000	4,925,000	3,825,000	3,700,000	2,025,000	4,975,000	1,975,000	33,970,000
2031	2,995,000	1,530,000	-	1,975,000	2,400,000	-	-	4,050,000	5,075,000	3,900,000	3,825,000	2,125,000	-	2,075,000	29,950,000
2032	3,085,000	1,580,000	-	2,040,000	2,500,000	-	-	4,150,000	5,250,000	-	3,950,000	2,250,000	-	2,160,000	26,965,000
2033	-	1,630,000	-	2,105,000	2,580,000	-	-	4,275,000	5,425,000	-	4,075,000	2,350,000	-	2,245,000	24,685,000
2034	-	-	-	2,175,000	2,685,000	-	-	4,425,000	5,600,000	-	4,375,000	2,425,000	-	2,335,000	24,020,000
2035	-	-	-	-	2,780,000	-	-	4,575,000	5,800,000	-	4,525,000	2,500,000	-	2,405,000	22,585,000
2036	-	-	-	-	-	-	-	4,725,000	5,975,000	-	4,675,000	2,575,000	-	2,475,000	20,425,000
2037	-	-	-	-	-	-	-	-	6,200,000	-	4,825,000	2,650,000	-	2,550,000	16,225,000
2038	-	-	-	-	-	-	-	-	-	-	5,000,000	2,725,000	-	2,615,000	10,340,000
2039	-	-	-	-	-	-	-	-	-	-	-	2,800,000	-	2,680,000	5,480,000
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	2,750,000	2,750,000
Total	\$ 31,030,000	\$ 17,840,000	\$ -	\$ 25,000,000	\$ 33,140,000	\$ 53,055,000	\$ 16,710,000	\$ 61,700,000	\$ 77,675,000	\$ 36,805,000	\$ 66,175,000	\$ 38,075,000	\$ 40,325,000	\$ 55,170,000	\$ 552,700,000

### INTEREST

Year Ending June 30,	2012	2013A	2013B	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	2019B	2020B	Total
2021	\$ 1,099,456	\$ 539,113	\$ -	\$ 816,300	\$ 1,091,325	\$ 1,955,600	\$ 287,412	\$ 1,649,281	\$ 2,978,531	\$ 1,344,725	\$ 2,398,981	\$ 1,550,156	\$ 2,016,250	\$ 2,484,981	\$ 20,212,112
2022	1,016,056	493,313	-	773,250	1,055,625	1,846,200	106,124	1,584,781	2,953,531	1,210,725	2,363,981	1,525,156	1,856,000	1,481,963	18,266,705
2023	929,256	457,613	-	739,950	1,001,025	1,565,950	-	1,518,781	2,781,031	1,070,725	2,223,981	1,456,406	1,687,750	1,414,963	16,847,431
2024	839,056	433,013	-	664,200	954,150	1,271,200	-	1,451,281	2,599,781	923,225	2,076,481	1,383,906	1,511,000	1,344,713	15,452,006
2025	745,256	406,344	-	600,600	906,150	961,950	-	1,382,781	2,408,531	769,475	1,921,481	1,307,656	1,325,500	1,270,963	14,006,688
2026	647,656	367,944	-	551,100	847,050	702,150	-	1,312,781	2,208,531	608,225	1,758,981	1,227,656	1,130,500	1,193,463	12,556,038
2027	546,256	328,344	-	500,100	786,150	500,100	-	1,241,281	1,998,531	438,225	1,622,981	1,143,906	925,750	1,112,213	11,143,838
2028	440,656	287,694	-	447,450	723,450	292,050	-	1,168,281	1,777,281	366,725	1,480,981	1,056,406	711,000	1,026,713	9,778,688
2029	358,306	245,694	-	393,300	637,250	77,700	-	1,075,156	1,638,531	286,425	1,370,731	963,906	485,500	936,963	8,469,463
2030	273,556	202,494	-	337,500	567,250	-	-	965,906	1,495,281	197,025	1,256,731	867,656	248,750	842,713	7,254,863
2031	186,256	156,088	-	277,656	474,850	-	-	848,156	1,335,219	101,400	1,145,731	766,406	-	743,963	6,035,725
2032	96,406	106,363	-	213,469	378,850	-	-	726,656	1,163,938	-	1,030,981	660,156	-	660,963	5,037,781
2033	-	55,013	-	147,169	294,475	-	-	602,156	980,188	-	912,481	547,656	-	574,563	4,113,700
2034	-	-	-	76,125	191,275	-	-	463,219	803,875	-	785,138	477,156	-	484,763	3,281,550
2035	-	-	-	-	97,300	-	-	313,875	621,875	-	648,419	404,406	-	414,713	2,500,588
2036	-	-	-	-	-	-	-	159,469	426,125	-	496,831	329,406	-	342,563	1,754,394
2037	-	-	-	-	-	-	-	-	217,000	-	339,050	252,156	-	268,313	1,076,519
2038	-	-	-	-	-	-	-	-	-	-	175,000	172,656	-	204,563	552,219
2039	-	-	-	-	-	-	-	-	-	-	-	87,500	-	139,188	226,688
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	72,188	72,188
Total	\$ 7,178,175	\$ 4,079,025	\$ -	\$ 6,538,169	\$ 10,006,175	\$ 9,172,900	\$ 393,536	\$ 16,463,844	\$ 28,387,781	\$ 7,316,900	\$ 24,008,944	\$ 16,180,313	\$ 11,898,000	\$ 17,015,419	\$ 158,639,181

### TOTAL PAYMENT

Year Ending June 30,	2012	2013A	2013B	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	2019B	2020B	Total
2021	\$ 3,184,456	\$ 1,684,113	\$ -	\$ 2,251,300	\$ 2,876,325	\$ 7,425,600	\$ 10,827,412	\$ 4,874,281	\$ 3,478,531	\$ 4,024,725	\$ 3,098,981	\$ 2,050,156	\$ 5,221,250	\$ 18,604,981	\$ 69,602,112
2022	3,186,056	1,683,313	-	2,253,250	2,875,625	7,451,200	6,276,124	4,884,781	6,403,531	4,010,725	5,163,981	2,900,156	5,221,000	2,821,963	55,131,705
2023	3,184,256	1,687,613	-	2,254,950	2,876,025	7,460,950	-	4,893,781	6,406,031	4,020,725	5,173,981	2,906,406	5,222,750	2,819,963	48,907,431
2024	3,184,056	1,688,013	-	2,254,200	2,874,150	7,456,200	-	4,876,281	6,424,781	3,998,225	5,176,481	2,908,906	5,221,000	2,819,713	48,882,006
2025	3,185,256	1,686,344	-	2,250,600	2,876,150	7,456,950	-	4,882,781	6,408,531	3,994,475	5,171,481	2,907,656	5,225,500	2,820,963	48,866,688
2026	3,182,656	1,687,944	-	2,251,100	2,877,050	7,437,150	-	4,887,781	6,408,531	4,008,225	5,158,981	2,902,656	5,225,500	2,818,463	48,846,038
2027	3,186,256	1,683,344	-	2,255,100	2,876,150	7,435,100	-	4,891,281	6,423,531	4,013,225	5,172,981	2,893,906	5,220,750	2,822,213	48,873,838
2028	3,185,656	1,687,694	-	2,252,450	2,878,450	7,437,050	-	4,893,281	6,402,281	4,016,725	5,155,981	2,906,406	5,221,000	2,821,713	48,858,688
2029	3,183,306	1,685,694	-	2,253,300	2,877,250	2,667,700	-	4,875,156	6,413,531	4,011,425	5,170,731	2,888,906	5,220,500	2,821,963	44,069,463
2030	3,183,556	1,687,494	-	2,252,500	2,877,250	-	-	4,890,906	6,420,281	4,022,025	4,956,731	2,892,656	5,223,750	2,817,713	41,224,863
2031	3,181,256	1,686,088	-	2,252,656	2,874,850	-	-	4,898,156	6,410,219	4,001,400	4,970,731	2,891,406	-	2,818,963	35,985,725
2032	3,181,406	1,686,363	-	2,253,469	2,878,850	-	-	4,876,656	6,413,938	-	4,980,981	2,910,156	-	2,820,963	32,002,781
2033	-	1,685,013	-	2,252,169	2,874,475	-	-	4,877,156	6,405,188	-	4,987,481	2,897,656	-	2,819,563	28,798,700
2034	-	-	-	2,251,125	2,876,275	-	-	4,888,219	6,403,875	-	5,160,138	2,902,156	-	2,819,763	27,301,550
2035	-	-	-	-	2,877,300	-	-	4,888,875	6,421,875	-	5,173,419	2,904,406	-	2,819,713	25,085,588
2036	-	-	-	-	-	-	-	4,884,469	6,401,125	-	5,171,831	2,904,406	-	2,817,563	22,179,394
2037	-	-	-	-	-	-	-	-	6,417,000	-	5,164,050	2,902,156	-	2,818,313	17,301,519
2038	-	-	-	-	-	-	-	-	-	-	5,175,000	2,897,656	-	2,819,563	10,892,219
2039	-	-	-	-	-	-	-	-	-	-	-	2,887,500	-	2,819,188	5,706,688
2040	-	-	-	-	-	-	-	-	-	-	-	-	-	2,822,188	2,822,188
Total	\$ 38,208,175	\$ 21,919,025	\$ -	\$ 31,538,169	\$ 43,146,175	\$ 62,227,900	\$ 17,103,536	\$ 78,163,844	\$ 106,062,781	\$ 44,121,900	\$ 90,183,944	\$ 54,255,313	\$ 52,223,000	\$ 72,185,419	\$ 711,339,181

# DAVIS SCHOOL DISTRICT

## Demographic and Economic Statistics Years Ended 2010 - 2019

Year Ended December 31,	County Population (1)	Personal Income	Per Capita Income	Births	Deaths	Unemployment Rate (3)	School District October 1 Enrollment
2019	355,481	N/A (2)	N/A (2)	5,075	1,840	2.4%	70,643
2018	351,713	\$ 16,279,387,918	\$ 46,286	5,282	1,892	2.9%	72,263
2017	347,637	15,332,877,522	44,106	5,473	1,826	3.1%	71,908
2016	342,281	14,149,554,259	41,339	5,687	1,762	3.3%	71,021
2015	336,043	13,441,720,000	40,000	5,870	1,710	3.3%	69,879
2014	329,692	12,782,158,840	38,770	5,772	1,684	3.6%	68,478
2013	322,094	12,359,390,968	38,372	5,720	1,612	4.2%	68,571
2012	315,809	11,724,093,316	37,124	5,844	1,544	5.0%	68,342
2011	312,603	10,864,517,265	34,755	5,704	1,514	6.2%	67,736
2010	307,550	10,400,418,350	33,817	5,799	1,329	7.0%	66,019

Percentage Change from 2010 to 2019:

15.6%	(2)	(2)	-12.5%	38.4%	-65.7%	7.0%
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(1) Davis County CAFR

(2) Personal Income data was not yet available

(3) Utah Department of Workforce Services

# DAVIS SCHOOL DISTRICT

## Labor Market Data Davis County Years Ended June 30, 2011 to 2020

	2020 (1)	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total civilian work force	176,250	173,800	170,592	170,335	164,977	160,321	155,909	152,577	148,630	146,629
Employed	170,922	169,589	165,587	165,116	159,781	154,896	150,319	146,091	141,372	137,787
Unemployed	5,328	4,211	5,005	5,219	5,196	5,425	5,590	6,486	7,258	8,842
Unemployment rate	3.0%	2.4%	2.9%	3.1%	3.1%	3.4%	3.6%	4.3%	4.9%	6.0%
Total non-agricultural employment	133,114	133,376	130,275	126,380	121,365	118,683	114,300	113,178	108,006	101,239
Mining	188	93	131	128	134	157	196	174	180	139
Contract construction	10,228	11,129	10,808	10,303	10,018	9,260	8,365	7,615	7,163	6,331
Manufacturing	13,289	13,992	13,739	12,087	11,786	12,031	11,302	10,874	10,504	9,289
Trade, transportation and utilities	24,020	24,185	23,742	24,257	23,106	22,367	20,490	20,946	20,119	18,777
Information	1,302	1,218	1,210	1,364	1,327	1,410	1,338	1,509	1,410	1,297
Financial services	4,674	4,539	4,451	3,981	3,864	3,852	3,629	3,597	3,452	3,499
Professional and business services	16,962	16,131	15,375	15,182	14,723	15,253	14,803	14,474	13,137	12,096
Education and health services	13,486	12,487	12,527	11,815	11,318	12,686	13,498	12,933	12,147	11,496
Leisure and hospitality	13,060	14,455	14,174	13,655	13,018	12,832	11,287	11,662	10,425	8,840
Other services	3,700	3,699	3,765	3,630	3,619	3,470	3,229	3,166	2,939	2,790
Government	32,205	31,448	30,353	29,978	28,452	25,365	26,163	26,228	26,530	26,685

(1) Preliminary data through Mar 2020

(Source: Utah Department of Workforce Services)

# DAVIS SCHOOL DISTRICT

## Principal Employers Prior Year and Nine Years Ago

Business	2018			2010		
	Employees	Rank	Percent of County Employment	Employees	Rank	Percent of County Employment
Hill Air Force Base	10,000 - 14,999	1	8.8%	10,000 - 14,499	1	11.1%
Davis School District	7,000 - 9,999	2	5.9%	7,000 - 9,999	2	7.4%
ATK Space Systems / Alliant	2,000 - 2,999	3	1.9%	500 - 999	8	0.7%
Kroger Group Cooperative	2,000 - 2,999	4	1.8%	1,000 - 1,999	3	1.5%
Lifetime Products	1,000 - 1,999	5	1.2%	1,000 - 1,999	6	1.5%
Walmart	1,000 - 1,999	6	1.2%	1,000 - 1,999	4	1.5%
Ralcorp Frozen Bakery Products	1,000 - 1,999	7	1.2%	n/a - n/a	n/a	0.0%
Lagoon Inc	1,000 - 1,999	8	1.2%	500 - 99	5	1.5%
Utility Trailer & Manufacturing	500 - 999	9	1.2%	1,000 - 1,999	n/a	0.0%
Davis Hospital and Medical Center	500 - 999	10	0.6%	500 - 999	9	0.7%
Davis County	n/a	n/a	0.0%	1,000 - 1,999	7	1.5%
State of Utah (In Davis County)	n/a	n/a	0.0%	500 - 999	10	0.7%
<b>Totals</b>	<b>26,500 - 41,990</b>		<b>24.9%</b>	<b>23,500 - 37,990</b>		<b>28.1%</b>

\* Source: Utah Department of Workforce Services

Note: 2019 data was not available at the time this report was issued.

Number of employees is based upon an annual average

Note: Smith's Food and Drug / Distribution changed to Kroeger Group Cooperative

# DAVIS SCHOOL DISTRICT

## District Facilities and Personnel Positions Years Ended June 30, 2011 to 2020

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Facilities Operated:</b>										
Elementary Schools	62	62	62	62	62	60	59	59	59	59
Junior High Schools	17	16	16	16	16	16	16	16	16	15
High Schools	9	9	8	8	8	8	8	8	8	8
Special Purpose Schools	6	6	6	6	6	6	6	6	6	6
Total Number of School Buildings	94	93	92	92	92	90	89	89	89	88
<b>Full-Time Equivalent Positions of the District:</b>										
Administrators, Managers	59.0	56.0	58.0	61.0	58.0	59.0	57.0	58.0	57.0	57.0
School Principals	89.0	90.0	87.0	87.0	86.0	85.0	83.0	83.0	83.0	82.0
School Assistant Principals / Interns	111.0	110.4	104.0	103.0	98.5	93.5	95.5	91.5	90.5	85.5
Elementary Classroom Teachers	1,464.6	1,468.9	1,482.0	1,476.9	1,463.0	1,451.5	1,467.0	1,484.4	1,469.5	1,453.6
Secondary Classroom Teachers	1,298.5	1,264.0	1,230.5	1,191.4	1,163.9	1,130.6	1,135.6	1,119.7	1,095.9	1,078.7
Guidance Personnel	141.9	129.3	123.3	123.3	118.8	116.8	116.3	117.3	117.8	114.3
Special Education	633.3	620.0	610.6	579.3	562.3	547.2	549.0	544.0	541.1	537.4
Librarians / Media Specialists	79.8	79.7	78.5	78.6	77.4	77.0	75.0	75.5	76.2	74.4
Supervisors of Instruction	16.0	17.0	28.6	29.6	30.6	29.6	31.6	31.6	33.5	30.0
Other Professional Staff	260.6	249.2	237.4	236.5	229.3	217.0	180.8	176.3	168.9	176.1
Teacher Assistants	1,103.3	1,014.2	1,005.8	950.1	862.0	825.1	803.4	806.9	859.8	828.6
Secretarial	217.7	221.7	213.7	213.0	208.6	211.9	213.3	214.1	213.2	213.4
Office Assistants	194.6	173.3	173.5	171.5	163.9	163.4	160.9	162.1	173.7	173.5
Custodial	397.5	393.1	383.0	363.5	363.3	356.6	359.2	364.1	357.3	360.5
Maintenance	121.6	120.1	120.8	120.1	119.3	121.6	119.9	119.6	123.2	138.5
Nutrition Services	265.5	264.2	257.4	257.1	258.8	257.2	261.3	262.8	260.5	253.0
Transportation	179.5	188.3	196.4	196.7	202.9	213.5	221.3	216.0	211.7	211.3
Warehouse	35.3	34.6	34.9	35.6	37.1	32.9	33.2	33.6	35.9	35.9
Total number of District positions FTE	6,668.8	6,494.0	6,425.3	6,274.0	6,103.4	5,989.4	5,963.2	5,960.5	5,968.7	5,903.7

\* Source: Davis School District records

## DAVIS SCHOOL DISTRICT

### Average Daily Membership and October Enrollment Years Ended June 30, 2011 to 2020

<u>Year Ended June 30,</u>	<u>Average Daily Membership</u>	<u>Annual Increase</u>	<u>October 1st Enrollment</u>	<u>Annual Increase</u>
2020	68,719	985	72,897	634
2019	67,734	650	72,263	355
2018	67,084	676	71,908	887
2017	66,408	1,109	71,021	1,142
2016	65,299	750	69,879	740
2015	64,549	590	69,139	568
2014	63,959	347	68,571	229
2013	63,612	568	68,342	606
2012	63,044	1,339	67,736	1,717
2011	61,705	698	66,019	567

Average Daily Membership (ADM) equals total aggregate days of membership of all students divided by 180 days of school.

Enrollment is taken each October 1st for that school year, and is a headcount of all students, including all kindergarten students even though they are in membership for only half days.

\* Source: Davis School District records

**DAVIS SCHOOL DISTRICT**

**Expenditures by Function - General Fund**

**Last Ten Fiscal Years**

**Years Ended June 30, 2011 to 2020**

Function	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction	\$372,184,866 68.11%	\$352,816,908 67.64%	\$336,237,490 67.11%	\$314,917,995 68.40%	\$302,319,756 68.77%	\$282,326,073 68.66%	\$276,406,737 68.85%	\$274,541,223 69.02%	\$267,146,874 68.61%	\$265,400,085 69.02%
Supporting services:										
Students	21,011,360 3.84%	19,104,242 3.66%	17,708,229 3.53%	16,015,062 3.48%	15,573,759 3.54%	14,694,917 3.57%	14,703,541 3.66%	14,738,515 3.71%	14,514,691 3.73%	14,254,114 3.71%
Instructional staff	23,998,481 4.39%	23,027,859 4.41%	22,001,747 4.39%	20,886,518 4.54%	20,244,708 4.61%	18,445,968 4.49%	17,802,062 4.43%	16,995,074 4.27%	16,651,193 4.28%	17,104,002 4.45%
District administration	3,526,654 0.65%	3,067,813 0.59%	2,711,466 0.54%	2,772,126 0.60%	2,505,646 0.57%	2,325,792 0.57%	2,171,447 0.54%	2,583,855 0.65%	2,550,252 0.66%	2,553,577 0.66%
School administration	41,875,458 7.66%	40,201,664 7.71%	37,375,321 7.46%	34,455,761 7.48%	28,518,964 6.49%	26,766,307 6.51%	26,037,360 6.49%	25,380,335 6.38%	24,860,824 6.39%	24,543,982 6.38%
Central	18,198,535 3.33%	17,108,743 3.28%	16,935,865 3.38%	15,079,440 3.27%	14,277,804 3.25%	12,960,814 3.15%	12,561,013 3.13%	12,284,036 3.09%	11,754,227 3.02%	10,739,697 2.79%
Operation & maintenance of facilities	52,245,457 9.56%	53,118,262 10.18%	51,134,507 10.21%	43,193,068 9.38%	43,268,575 9.84%	40,514,129 9.85%	40,479,639 10.08%	40,108,854 10.08%	39,348,007 10.11%	38,414,026 9.99%
Student transportation	13,427,486 2.46%	13,171,601 2.53%	16,928,910 3.38%	13,142,063 2.85%	12,881,560 2.93%	13,168,618 3.20%	11,332,852 2.82%	11,134,619 2.80%	11,823,524 3.04%	10,863,058 2.83%
Tax anticipation note interest	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	622,548 0.16%	655,188 0.17%
Total expenditures	\$546,468,297	\$521,617,092	\$501,033,535	\$460,462,033	\$439,590,772	\$411,202,618	\$401,494,651	\$397,766,511	\$389,272,140	\$384,527,729



**DAVIS SCHOOL DISTRICT**

**Expenditures Per ADM by Function - General Fund  
Last Ten Fiscal Years  
Years Ended June 30, 2011 to 2020**

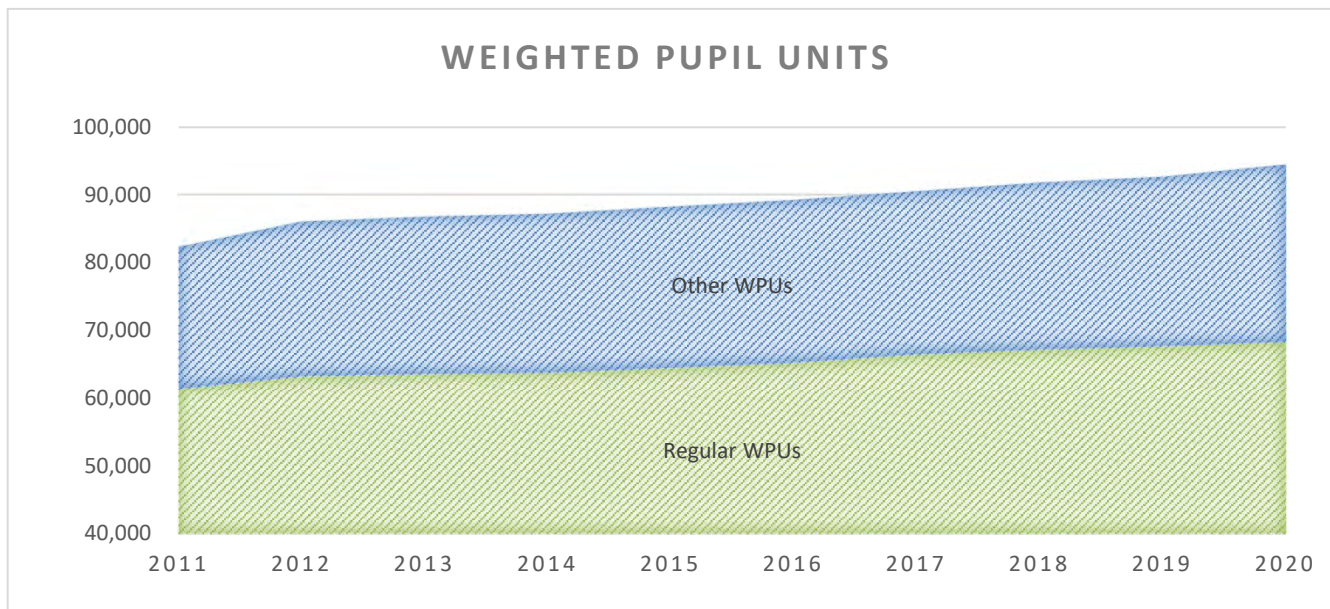
Function	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction	\$ 5,416	\$ 5,209	\$ 5,012	\$ 4,742	\$ 4,630	\$ 4,374	\$ 4,322	\$ 4,316	\$ 4,237	\$ 4,301
Supporting services:										
Students	306	282	264	241	238	228	230	232	230	231
Instructional staff	349	340	328	315	310	286	278	267	264	277
District administration	51	45	40	42	38	36	34	41	40	41
School administration	609	594	557	519	437	415	407	399	394	398
Central	265	253	252	227	219	201	196	193	186	174
Operation & maintenance of facilities	760	784	762	650	663	628	633	631	624	623
Student transportation	195	194	252	198	197	204	177	175	188	176
Tax anticipation note interest	-	-	-	-	-	-	-	-	10	11
Total expenditures per ADM	\$ 7,952	\$ 7,701	\$ 7,469	\$ 6,934	\$ 6,732	\$ 6,370	\$ 6,277	\$ 6,253	\$ 6,175	\$ 6,232

## DAVIS SCHOOL DISTRICT

### Weighted Pupil Units (WPU) Regular WPUs and Other by Formula Years Ended June 30, 2011 to 2020

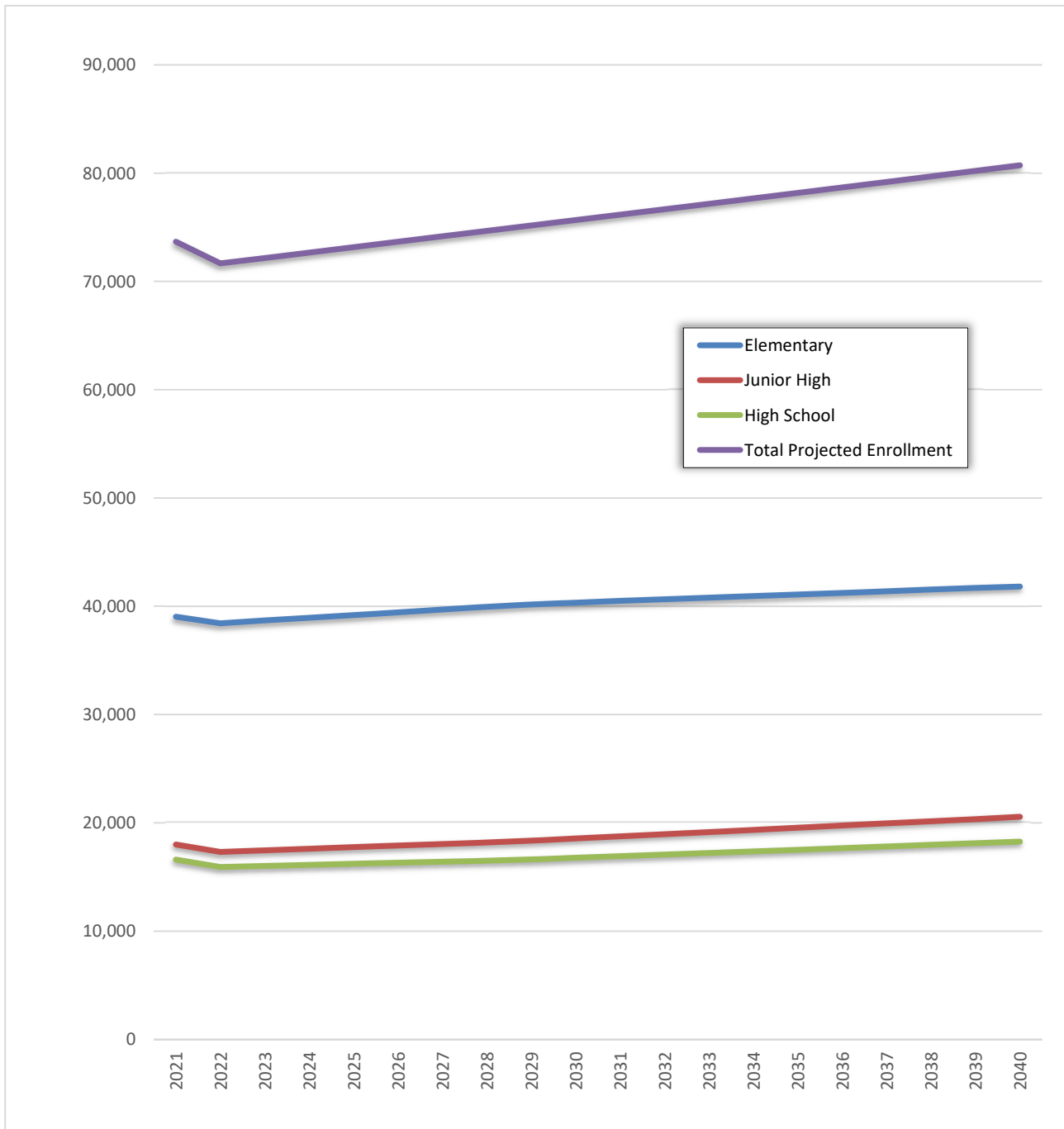
WPU TYPE	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Regular Grades K-12	68,347	67,689	67,196	66,495	65,249	64,494	63,809	63,613	63,300	61,390
<b>Other WPUs by Formula</b>										
Professional staff	6,449	6,495	6,448	6,382	6,318	6,332	6,247	6,308	6,267	4,914
Foreign Exch Students	35	31	30	30	34	38	39	32	34	34
Special Education	11,952	11,099	10,921	10,444	10,336	10,144	9,870	9,537	9,302	8,894
Career and Technical Ed	3,136	2,779	2,734	2,783	2,955	2,952	2,965	2,999	2,890	2,928
Class-Size Reduction	4,472	4,483	4,400	4,309	4,266	4,225	4,231	4,211	4,205	4,132
Total other WPUs	26,045	24,888	24,534	23,948	23,909	23,691	23,352	23,087	22,698	20,902
<b>TOTAL ALL WPUs</b>	<b>94,392</b>	<b>92,577</b>	<b>91,729</b>	<b>90,443</b>	<b>89,158</b>	<b>88,185</b>	<b>87,161</b>	<b>86,700</b>	<b>85,998</b>	<b>82,292</b>

\* Source: Utah State Office of Education final recipient report



## DAVIS SCHOOL DISTRICT

### Student Enrollment Projections Next Twenty Years



These projections are based upon the State of Utah's Economic and Demographic Projections, from the Governor's Office of Planning and Budget. Information pertaining to Davis County is extracted, then adjusted for local birth rates and "in" and "out" migration factors to arrive at the final estimate. In 2014, the local birth rate has been adjusted down by the State for the first time in twenty years.

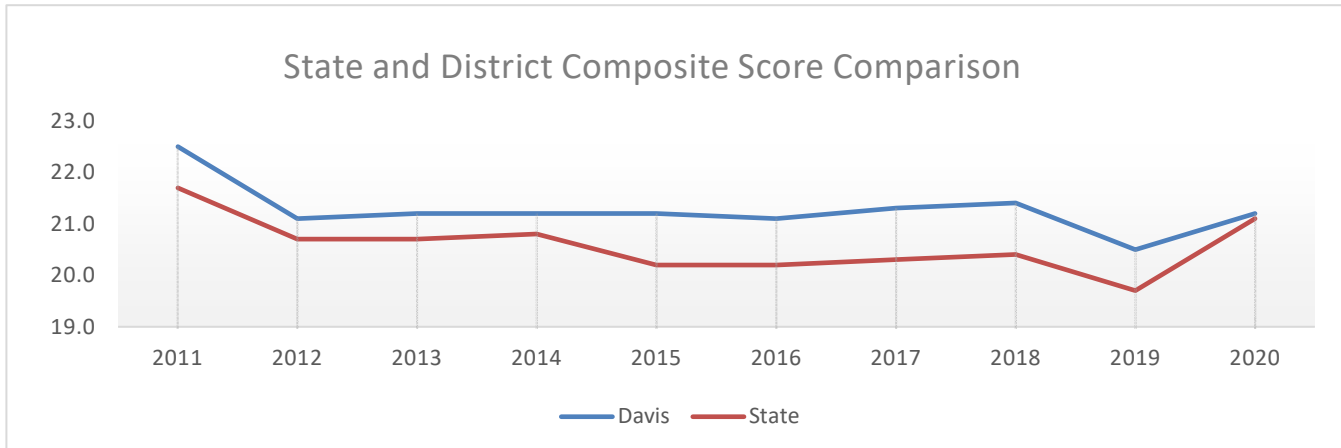
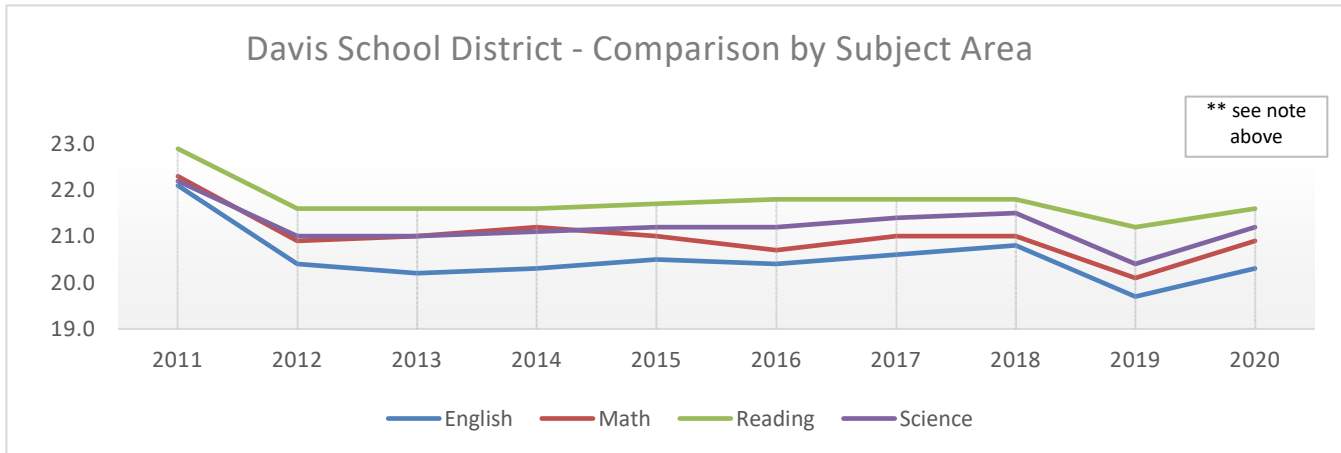
## DAVIS SCHOOL DISTRICT

### American College Test (ACT) Results Years Ended June 30, 2011 to 2020

AVERAGE SCORES on a 36 point scale

Year	English	Math	Reading	Science		Composite District	Composite State
2020	20.3	20.9	21.6	21.2	**	21.2	21.1
2019	19.7	20.1	21.2	20.4	**	20.5	19.7
2018	20.8	21.0	21.8	21.5	**	21.4	20.4
2017	20.6	21.0	21.8	21.4	**	21.3	20.3
2016	20.4	20.7	21.8	21.2	**	21.1	20.2
2015	20.5	21.0	21.7	21.2	**	21.2	20.2
2014	20.3	21.2	21.6	21.1	**	21.2	20.8
2013	20.2	21.0	21.6	21.0	**	21.2	20.7
2012	20.4	20.9	21.6	21.0	**	21.1	20.7
2011	22.1	22.3	22.9	22.2		22.5	21.7

\*\* - Beginning in 2012, Davis School District as well as 50% of other districts in Utah participated in a pilot program where all students took the ACT. In the past this test was optional and mostly taken by college bound students who were high performing.



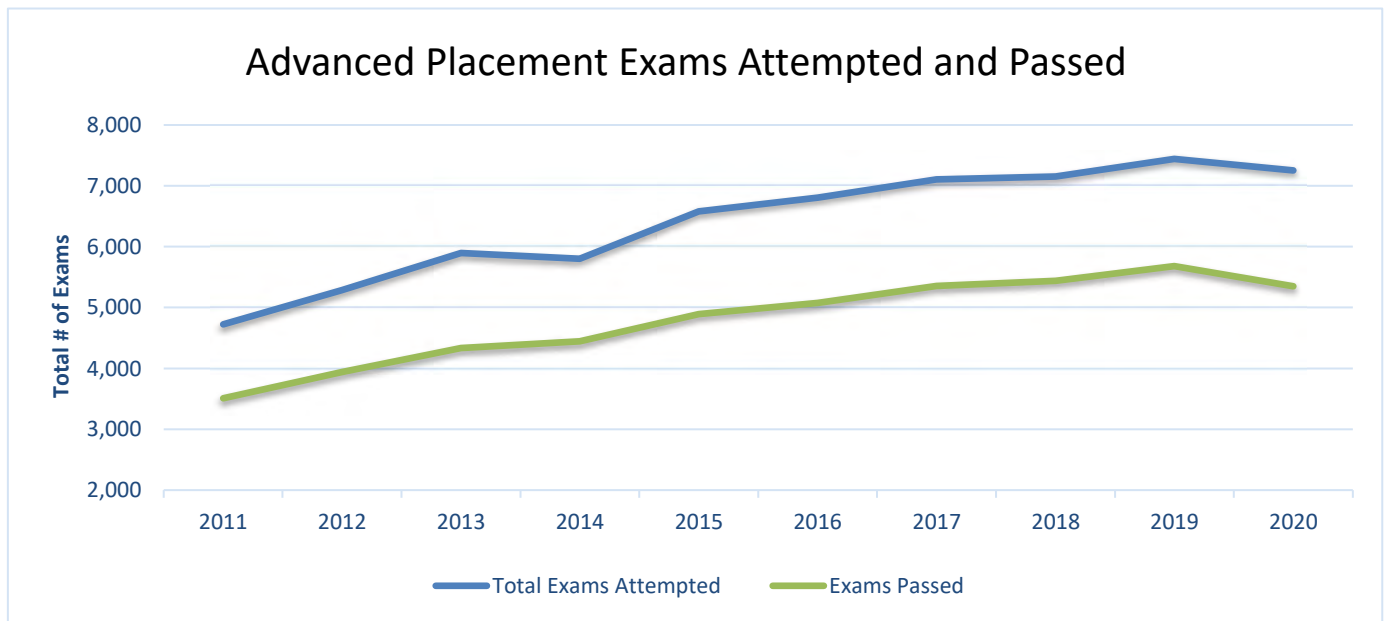
\* Source: Davis School District and Utah State Office of Education records

## DAVIS SCHOOL DISTRICT

### Advanced Placement Exam Results Years Ended June 30, 2011 to 2020

The score scale is 1-5. Scores of 3, 4, or 5 are "Passing".

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Mathematics	1,136	1,201	1,112	1,068	1,083	1,174	1,073	1,079	962	938
Computer Science	68	114	44	25	6	3	1	5	6	1
English	1,292	1,536	1,414	1,649	1,329	1,355	1,217	1,443	1,421	1,164
Science	932	1,105	931	782	767	736	582	562	415	447
Social Studies	3,189	2,966	3,092	3,116	3,190	2,891	2,657	2,469	2,199	1,925
Fine Arts	214	207	323	293	273	346	244	301	261	235
Foreign Languages	422	314	236	171	157	77	27	36	21	15
<b>Total Exams Attempted</b>	<b>7,253</b>	<b>7,443</b>	<b>7,152</b>	<b>7,104</b>	<b>6,805</b>	<b>6,582</b>	<b>5,801</b>	<b>5,895</b>	<b>5,285</b>	<b>4,725</b>
<b>Exams Passed</b>	<b>5,350</b>	<b>5,681</b>	<b>5,439</b>	<b>5,357</b>	<b>5,075</b>	<b>4,890</b>	<b>4,445</b>	<b>4,335</b>	<b>3,942</b>	<b>3,513</b>
<b>PERCENTAGE PASSING</b>	<b>73.76%</b>	<b>76.33%</b>	<b>76.05%</b>	<b>75.41%</b>	<b>74.58%</b>	<b>74.29%</b>	<b>76.62%</b>	<b>73.54%</b>	<b>74.59%</b>	<b>74.35%</b>



All District high schools offer advanced placement classes to college-bound students. These classes are college-level courses. One of the District's goals is to maximize the number of students who will successfully complete these courses and accumulate college credit.

\* Source: Davis School District records