



Davis School District

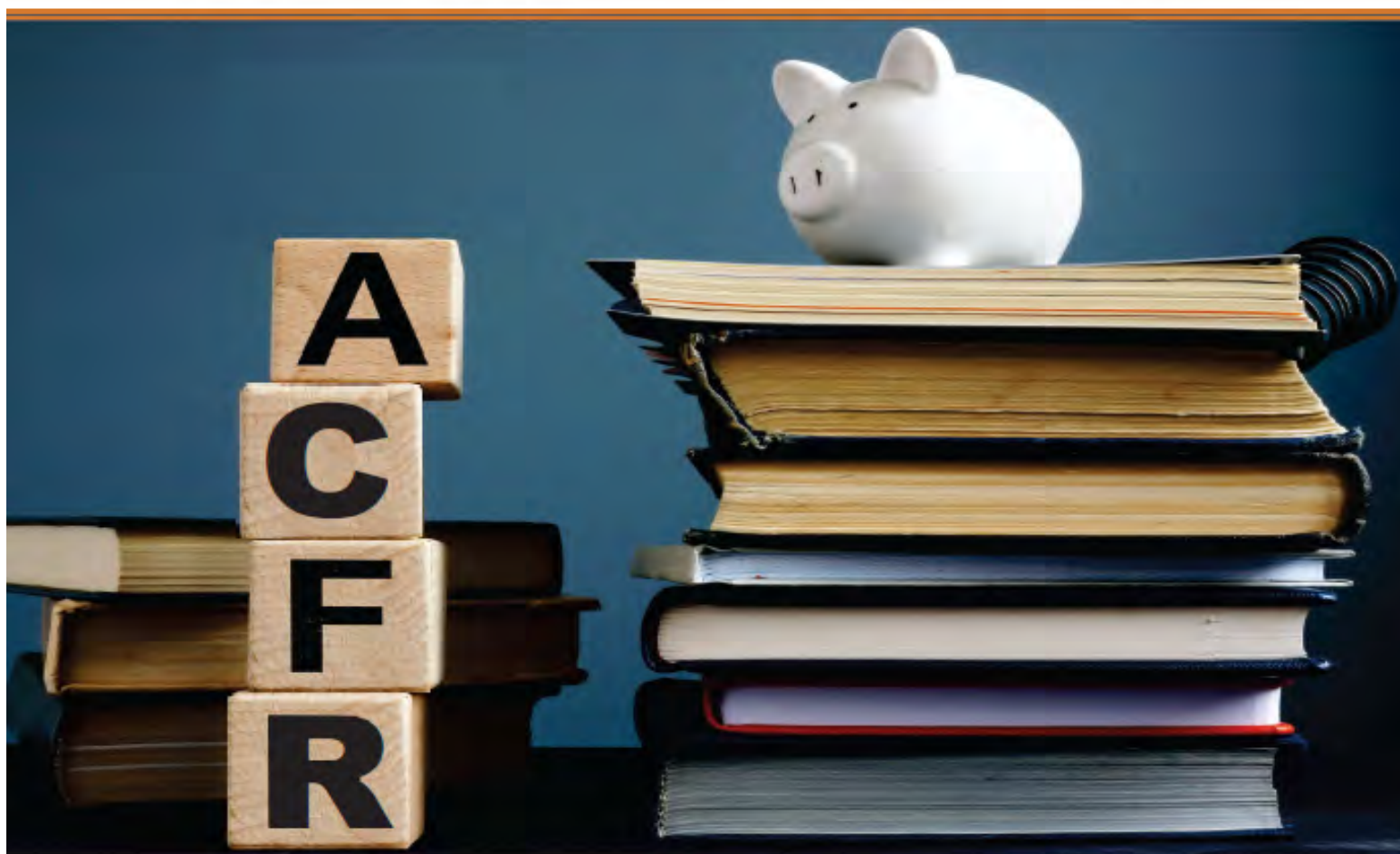
LEARNING FIRST

Utah

2021

Annual Comprehensive FINANCIAL REPORT

For fiscal year ended June 30, 2021



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Annual Comprehensive Financial Report

of the

DAVIS SCHOOL DISTRICT

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

For the Fiscal Year Ended June 30, 2021

**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

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INTRODUCTORY



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Davis School District

Established 1911

Reid P. Newey, Superintendent

Learning First!

November 16, 2021

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 annual comprehensive financial report (ACFR) of the Davis School District (District) for the fiscal year ended June 30, 2021.

Designed to meet the needs of a broad spectrum of readers of financial statements, this ACFR 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, 2021 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, 2021 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 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 2021, 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 72,540 students based on the October 1, 2021 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 2.5%, 4.0%, and 1.84%, respectively. For fiscal year 2022, the State increased per student funding by 5.9%. Current revenue projections for fiscal year 2022 are uncertain due to the effects of COVID-19. The District projects student growth of approximately 1,000 in 2021-22 and approximately 250 in 2022-23.

The District continues to monitor budgets and evaluate District programs. For the 2021-22 school year, the Board raised the voted leeway tax rate above the certified rate. After a five year hold-harmless period, the Board must achieve a minimum tax rate to maintain full State equalization funding.

The District's taxing authority rests with property taxes on residential and commercial property within the District. For 2021, the District's taxable property values increased 13%. This is compared to an increase of 6.9% in 2020. Local taxation accounts for only 20% of general fund revenues, and 29% of all governmental fund revenues.

Economic and residential expansion continues primarily in the Northwest corner of the district. Plans have been completed for the West Davis Corridor which will begin construction in late 2021/early 2022. This major access will further incentivize both commercial and residential growth in that section of the District. In the next bond election, the school board will likely plan for 2 new elementary schools and one junior high school in this area. District-wide, the average age of schools is approximately 37.3 years; however, in the northwest, the average age is only 27.1, demonstrating the recent growth in this section of the county.

Long-term financial planning. State revenue projections are uncertain for 2022 due to COVID-19 but currently appear positive. 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 did see a decline in student enrollment in FY21 due to COVID-19 but is already seeing many of those students returning for the 2021-22 school year. The District projects an additional 2,000 to 3,000 students over the next five years measured from October 2021 to October 2026. The state 2022 fiscal year school finance program is designed to provide every Utah school district with a basic operation program of \$3,809 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 school replacements and 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, 2020. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

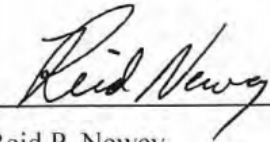
In order to be awarded a Certificate of Achievement for Excellence, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles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

A Certificate of Achievement is valid for a period of one year. *This is the thirty-eighth 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 Associated of School Business Officials (ASBO) Certificate for Excellence in Financial Reporting. This is the second 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,

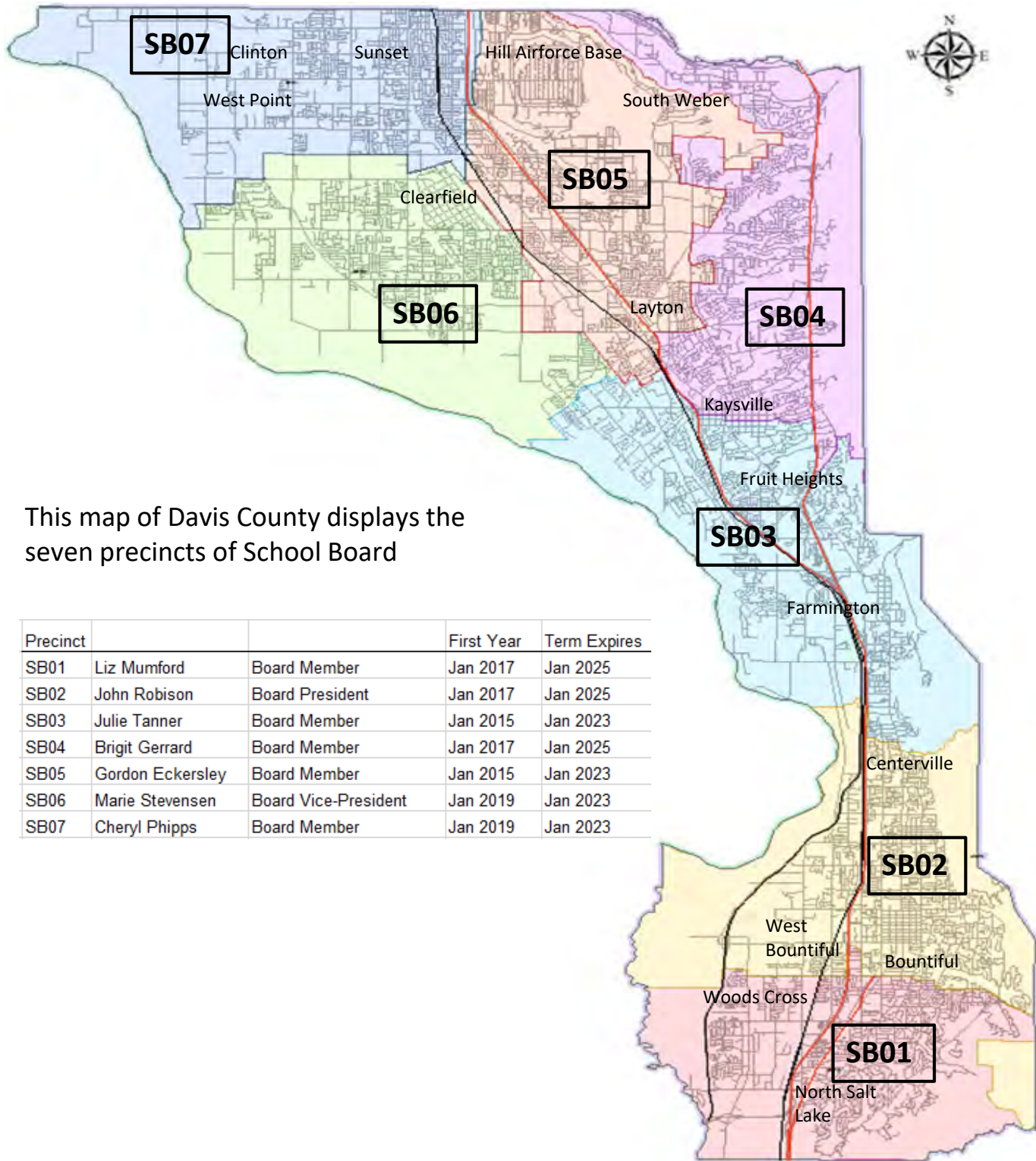


Reid P. Newey
Superintendent



Craig Carter
Business Administrator

DAVIS SCHOOL DISTRICT
School Board Precinct Boundaries
 Year Ended June 30, 2021



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

Precinct			First Year	Term Expires
SB01	Liz Mumford	Board Member	Jan 2017	Jan 2025
SB02	John Robison	Board President	Jan 2017	Jan 2025
SB03	Julie Tanner	Board Member	Jan 2015	Jan 2023
SB04	Brigit Gerrard	Board Member	Jan 2017	Jan 2025
SB05	Gordon Eckersley	Board Member	Jan 2015	Jan 2023
SB06	Marie Stevensen	Board Vice-President	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, 2021

Elected Officials

<u>Members of the Board of Education</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
Liz Mumford Precinct 1	January 2021	January 2025	January 2017
John Robison Precinct 2	January 2021	January 2025	January 2017
Julie Tanner Precinct 3	January 2019	January 2023	January 2015
Brigit Gerrard Precinct 4	January 2021	January 2025	January 2017
Gordon Eckersley Precinct 5	January 2019	January 2023	January 2015
Marie Stevenson Precinct 6	January 2019	January 2023	January 2019
Cheryl Phipps 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

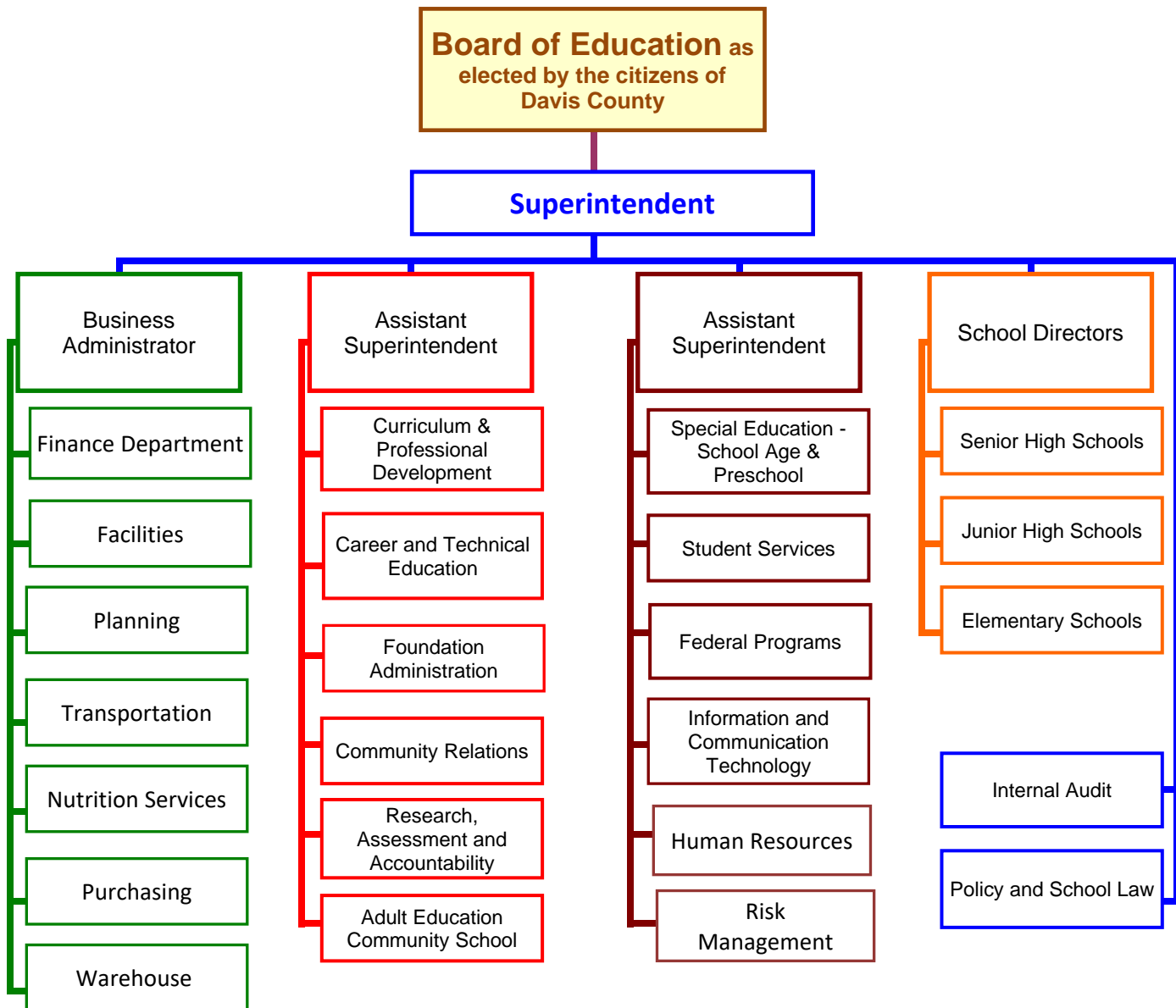
	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
Reid Newey Superintendent	July 2020	July 2022	December 2016
Craig Carter Business Administrator	July 2021	July 2023	January 2010

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

DAVIS SCHOOL DISTRICT

Organizational Chart

Year Ended June 30, 2021





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, 2020

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Davis School District

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

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



W. Edward Chabal

W. Edward Chabal
President

David J. Lewis

David J. Lewis
Executive Director

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.



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, 2021, 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, 2021, 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.

Emphasis of Matter – Restatement

As discussed in Note 1 to the financial statements, the 2020 financial statements have been restated to implement Government Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

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 16, 2021 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 16, 2021

Management's Discussion and Analysis

This section of Davis School District's (the District) annual comprehensive financial report presents management's discussion and analysis of the District's financial performance during the year ended June 30, 2021. 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 \$295.6 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 5.2% in 2021 to \$233.4 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 \$78.6 million less than the \$752.6 million generated in taxes and other revenues for governmental activities.
- The District completed construction on the rebuild of South Clearfield Elementary. This is the final bond project from the authorization passed by voters in November 2015 in the amount of \$298.0 million.
- 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, 2021, the District has committed \$31.0 million of the *General Fund* fund balance to economic stabilization. At June 30, 2021, the District has \$40.1 million of unassigned fund balance in the *General Fund*.
- During FY21, the District received two Federal grants to assist with the issues of COVID-19 in the amounts of \$18.0 million and \$42.0 million, respectively. The majority of these funds will be spent during the 2021-22 and 2022-23 school years for student learning remediation efforts.

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.

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 one proprietary fund type. *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 to account for the management of its retained risks. The internal service fund 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 basic proprietary fund financial statements can be found on pages 43 to 45 of this report.

- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The

accounting used for fiduciary funds is much like that used for proprietary funds. The District maintains one fiduciary fund for the Northern Utah Academy for Math, Engineering and Science (NUAMES) charter school.

The basic fiduciary fund financial statements can be found on pages 46 and 47 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 48 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 73 to 75 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 77 to 92 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 \$295.6 million at the close of the most recent fiscal year.

DAVIS SCHOOL DISTRICT'S Net Position June 30, 2021 and 2020 (in millions of dollars)

	Governmental Activities		Total Change
	2021	2020	2021-2020
Current and other assets	\$ 555.2	\$ 536.1	\$ 19.1
Capital assets	793.2	787.8	5.4
Total assets	1,348.4	1,323.9	24.5
Deferred outflows of resources	67.3	52.5	14.8
Current and other liabilities	94.3	94.1	0.2
Long-term liabilities outstanding	674.2	795.4	(121.2)
Total liabilities	768.5	889.5	(121.0)
Deferred inflows of resources	351.6	269.9	81.7
Net position:			
Net investment in capital assets	269.6	237.5	32.1
Restricted	77.2	75.6	1.6
Unrestricted	(51.2)	(96.1)	44.9
Total net position	\$ 295.6	\$ 217.0	\$ 78.6

The largest portion of the District's net position (\$269.6 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 (\$77.2 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 \$51.2 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, 2021, are as follows:

- Unrestricted net position increased by \$44.9 million during the current year. This increase primarily reflects a reduction in the District's proportional share of the Utah State Retirement Systems liability.
- Restricted net position increased by \$1.6 million during the current year. This increase resulted primarily from an increase in unspent property tax revenues restricted for debt offset by a reduction in funds restricted for capital projects.
- The District's total revenues increased 4.5% to \$752.6 million. Federal and state aid make up 64.4% of the District's revenues; property taxes generated 31.0% of the District's revenues.
- The total cost of all programs and services decreased by 1.6% to \$674.0 million. Instruction and support services represented 66.8% and 27.4%, respectively, of the District's expenses.

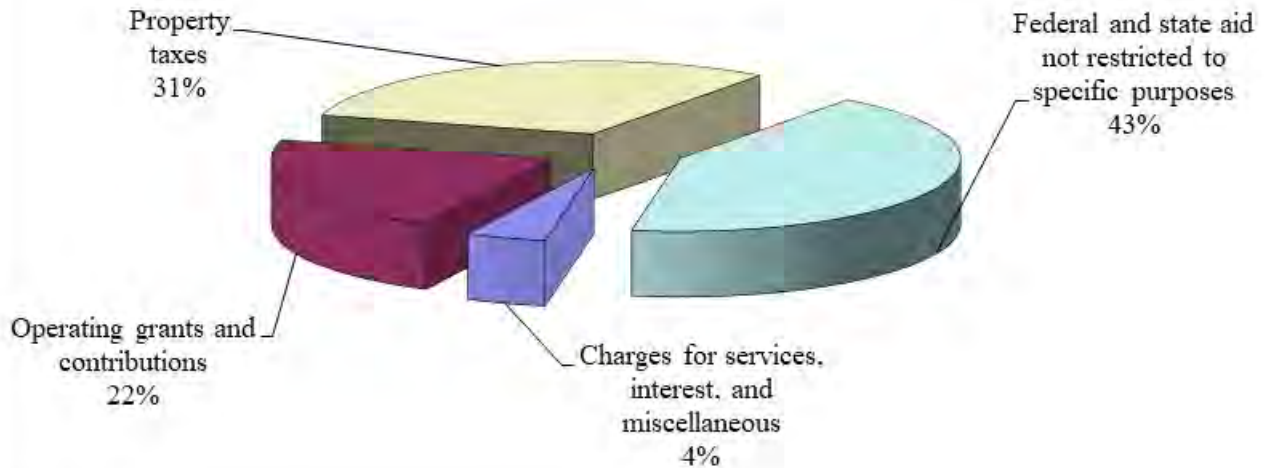
DAVIS SCHOOL DISTRICT'S Changes in Net Position
Years Ended June 30, 2021 and 2020
(in millions of dollars)

	Governmental Activities		Total Change
	2021	2020	2021-2020
Revenues:			
Program revenues:			
Charges for services	\$ 11.4	\$ 14.1	\$ (2.7)
Operating grants and contributions	163.7	135.0	28.7
General revenues:			
Property taxes	233.4	221.8	11.6
Federal and state aid not restricted to specific purposes	320.7	317.9	2.8
Interest	1.7	5.2	(3.5)
Miscellaneous	21.7	26.1	(4.4)
Total revenues	<u>752.6</u>	<u>720.1</u>	<u>32.5</u>
Expenses:			
Instruction	450.2	455.9	(5.7)
Support services:			
Student	23.8	21.9	1.9
Instructional staff	23.6	24.7	(1.1)
District administration	3.6	4.1	(0.5)
School administration	43.6	44.5	(0.9)
Business administration	19.8	19.6	0.2
Operation and maintenance of facilities	55.2	55.3	(0.1)
Student transportation	14.9	14.8	0.1
School food services	21.7	25.5	(3.8)
Interest on long-term liabilities	17.6	18.6	(1.0)
Total expenses	<u>674.0</u>	<u>684.9</u>	<u>(10.9)</u>
Changes in net position	<u>78.6</u>	<u>35.2</u>	<u>43.4</u>
Net position, beginning	<u>217.0</u>	<u>181.8</u>	<u>35.2</u>
Net position, ending	<u>\$ 295.6</u>	<u>\$ 217.0</u>	<u>\$ 78.6</u>

Governmental activities. The key elements of the increase in the District's net position for the year ended June 30, 2021 are as follows:

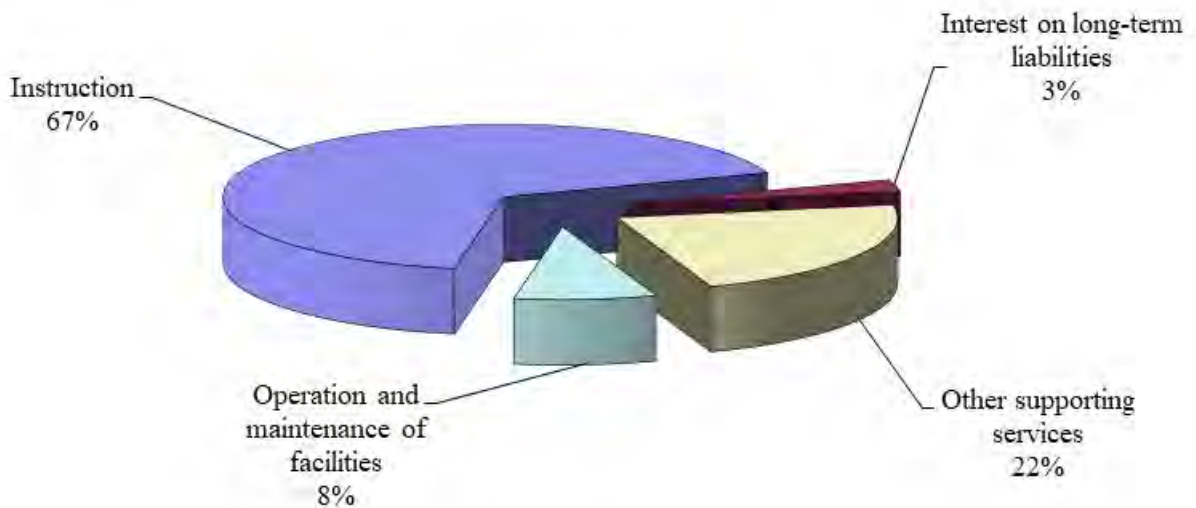
- Revenues increased \$32.5 million or 4.5% and continue to be primarily from federal and state aid and property taxes.
- Federal and state aid not restricted to specific purposes and operating grants and contributions increased by 7.0% or \$31.5 million. Total federal aid increased 38.4% to \$63.8 million primarily due to spending levels and COVID-19 grants. State aid is based primarily on weighted pupil units (WPU) 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 1.8% from \$3,531 (2020) to \$3,596 (2021).
- Tax revenues increased to \$233.4 million or by 5.2%. This increase was a result of the combination of an increase in the taxable value of property and new property growth in the Davis County.

**Davis School District
Revenues by Source- Governmental Activities
Year Ended June 30, 2021**



- Expenses for governmental activities decreased \$10.9 million or by 1.6%. This decrease was primarily the result of a reduction in pension expense from the change in the net pension liability.

**Davis School District
Expenses by Function - Governmental Activities
Year Ended June 30, 2021**



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 \$211.8 million, \$12.3 million less than the previous year. The *General Fund* and the *Debt Service Fund* had a \$9.2 million increase and a \$6.1 million increase in fund balance, respectively. The *Capital Projects Fund* saw a decrease of \$30.0 million due to construction projects during the year. In addition, the following changes in revenues and expenditures should be noted:

- Revenues for the *General Fund* totaled \$601.9 million, an increase of 6.7%, during the current fiscal year. This increase is primarily due to increased revenues from the State of Utah. State revenues were up 4.7% from the prior year in the *General Fund* due to increases in state appropriations for enrollment. Revenues for debt service were up 7.8% and capital projects were down 14.0%. The increase in debt service was a result of an increase in the taxable value of property. The decrease in capital projects revenue was the result of a reduction in interest earnings and State funding.
- Expenditures for the *General Fund* totaled \$592.7 million, an increase of 8.5% during the current fiscal year. Instruction represents 68.3% of *General Fund* expenditures. Capital project expenditures decreased 28.6% due to only one school being constructed during the fiscal year.
- *General Fund* salaries totaled \$360.6 million while the associated employee benefits of retirement, social security, and insurance (health and accident, industrial, and unemployment) added \$167.1 million to arrive at 89.1% 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, 2021, the District's combined governmental fund balance is \$211.8 million (\$8.8 million in nonspendable, \$84.1 million in restricted, \$51.3 million in committed, \$27.5 million in assigned, and \$40.1 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 increase of \$24.9 million or 4.4% in total *General Fund* expenditures.

During the year, final budgeted revenues were more than original budgetary estimates by \$24.9 million or 4.4%. The increase primarily reflects Federal COVID-19 grant expenditures.

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 \$0.9 million below final budgeted amounts. Additionally, revenues were \$9.3 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 \$39.6 million for capital assets, the majority being for the rebuild of South Clearfield Elementary school.

The District continues to enhance school and District facilities. The District is currently remodeling the District's transportation facility, a Career and Technical Education facility, and two schools, all of which will be completed in 2022.

Capital assets at June 30, 2021 and 2020 are outlined below:

DAVIS SCHOOL DISTRICT'S Capital Assets
June 30, 2021 and 2020
 (net of accumulated depreciation in millions of dollars)

	Governmental Activities		Total Change
	2021	2020	2021-2020
Land	\$ 59.7	\$ 57.6	\$ 2.1
Construction in progress	38.0	50.6	(12.6)
Buildings and improvements	679.0	663.9	15.1
Furniture and equipment	5.4	5.0	0.4
Transportation equipment	11.1	10.7	0.4
Total capital assets	<u>\$ 793.2</u>	<u>\$ 787.8</u>	<u>\$ 5.4</u>

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

Debt Administration. 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, 2021 is \$1,860.7 million. General obligation debt, net of unamortized premiums, at June 30, 2021 was \$538.1 million, resulting in a legal debt margin of \$1,322.5 million.

DAVIS SCHOOL DISTRICT'S Outstanding Debt
June 30, 2021 and 2020
Net of Accumulated Amortization
 (in millions of dollars)

	Governmental activities		Total Change
	2021	2020	2021-2020
Net general obligation bonds	<u>\$ 538.1</u>	<u>\$ 590.9</u>	<u>\$ (52.8)</u>

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 enrollment decreased in 2020-21 as a result of the COVID-19 pandemic. 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, 2017 and October 1, 2021 and shows total student growth of 1,519 students over the five-year period, a 2.1% increase.

DAVIS SCHOOL DISTRICT'S Student Enrollment Years Ended June 30, 2017 to 2021

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
October 1st enrollment	71,908	72,263	72,897	70,643	72,540	
Total enrollment change	887	355	634	(2,254)	1,897	1,519
Percentage change	1.2%	0.5%	0.9%	-3.1%	2.7%	2.1%

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 has helped 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.

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DAVIS SCHOOL DISTRICT

Statement of Net Position

June 30, 2021

	Governmental Activities
Assets:	
Cash and investments	\$ 287,025,320
Receivables:	
Property taxes	240,071,545
Other local	631,595
State of Utah	4,400,239
Federal government	12,174,557
Inventories	8,771,212
Net pension asset	2,087,893
Capital assets:	
Land and construction in progress	97,692,464
Other capital assets, net of accumulated depreciation	695,512,145
Total assets	<u>1,348,366,970</u>
Deferred outflows of resources:	
Deferred charges on refunding	5,202,798
Related to pensions	62,158,353
Total deferred outflows of resources	<u>67,361,151</u>
Liabilities:	
Accounts payable	28,211,994
Accrued interest	1,160,609
Accrued salaries and benefits	54,182,658
Unearned revenue:	
State of Utah	10,788,540
Noncurrent liabilities:	
Due or payable within one year	52,730,153
Due or payable after one year	621,441,262
Total liabilities	<u>768,515,216</u>
Deferred inflows of resources:	
Property taxes levied for future year	230,865,931
Related to pensions	120,738,216
Total deferred inflows of resources	<u>351,604,147</u>
Net position:	
Net investment in capital assets	269,655,845
Restricted for:	
Debt service	26,022,399
Capital projects	42,093,534
School food services	9,066,337
Unrestricted	(51,229,357)
Total net position	<u>\$ 295,608,758</u>

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

DAVIS SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2021

Activities/Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary government:				
Governmental activities:				
Instruction	\$ 450,137,605	\$ 9,949,091	\$ 112,148,065	\$ (328,040,449)
Supporting services:				
Students	23,805,768	-	7,601,963	(16,203,805)
Instructional staff	23,605,569	-	4,980,604	(18,624,965)
District administration	3,598,880	-	159,961	(3,438,919)
School administration	43,589,718	-	3,376,566	(40,213,152)
Central	19,841,989	-	3,592,728	(16,249,261)
Operation and maintenance of facilities	55,183,499	269,657	2,085,952	(52,827,890)
Student transportation	14,940,301	-	8,823,630	(6,116,671)
School food services	21,725,001	1,170,072	20,944,918	389,989
Interest on long-term liabilities	17,581,979	-	-	(17,581,979)
Total primary government	<u>\$ 674,010,309</u>	<u>\$ 11,388,820</u>	<u>\$ 163,714,389</u>	<u>(498,907,100)</u>
General revenues:				
Property taxes levied for:				
Basic				47,755,393
Voted local				25,300,871
Board local				57,358,224
Debt service				75,821,440
Capital outlay				17,643,570
Pass-through taxes				9,553,685
Federal and state revenue not restricted to specific purposes				320,656,013
Earnings on investments				1,709,876
Miscellaneous				21,698,861
Total general revenues				<u>577,497,933</u>
Change in net position				78,590,833
Net position - beginning				<u>217,017,925</u>
Net position - ending				<u>\$ 295,608,758</u>

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

DAVIS SCHOOL DISTRICT

Balance Sheet Governmental Funds

June 30, 2021

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 150,473,165	\$ 24,114,094	\$ 59,594,984	\$ 22,649,093	\$ 256,831,336
Receivables:					
Property taxes	150,917,979	61,772,716	16,446,404	10,934,446	240,071,545
Other local	-	-	-	34,247	34,247
State of Utah	3,937,525	-	-	462,714	4,400,239
Federal government	11,754,787	-	-	419,770	12,174,557
Inventories	6,432,735	-	-	2,338,477	8,771,212
Total assets	<u>\$ 323,516,191</u>	<u>\$ 85,886,810</u>	<u>\$ 76,041,388</u>	<u>\$ 36,838,747</u>	<u>\$ 522,283,136</u>
Liabilities:					
Accounts payable	\$ 2,320,234	\$ -	\$ 8,827,018	\$ 355,615	\$ 11,502,867
Accrued salaries and benefits	54,182,658	-	-	-	54,182,658
Unearned revenue:					
State of Utah	10,788,540	-	-	-	10,788,540
Total liabilities	<u>67,291,432</u>	<u>-</u>	<u>8,827,018</u>	<u>355,615</u>	<u>76,474,065</u>
Deferred inflows of resources:					
Unavailable property tax revenue	1,722,426	1,001,110	233,034	142,221	3,098,791
Property taxes levied for future year	145,637,868	58,703,802	15,732,036	10,792,225	230,865,931
Total deferred inflows of resources	<u>147,360,294</u>	<u>59,704,912</u>	<u>15,965,070</u>	<u>10,934,446</u>	<u>233,964,722</u>
Fund balances:					
Nonspendable:					
Inventories	6,432,735	-	-	2,338,477	8,771,212
Restricted for:					
Debt service	-	26,181,898	-	-	26,181,898
Capital projects	-	-	51,249,300	-	51,249,300
School food services	-	-	-	6,727,860	6,727,860
Committed to:					
Workers compensation	1,500,000	-	-	-	1,500,000
Termination benefits	6,000,000	-	-	-	6,000,000
Schools	-	-	-	12,757,922	12,757,922
Economic stabilization	31,000,000	-	-	-	31,000,000
Assigned to:					
Foundation	-	-	-	3,724,427	3,724,427
Programs	10,000,000	-	-	-	10,000,000
Textbooks	3,000,000	-	-	-	3,000,000
Employee compensation	9,000,000	-	-	-	9,000,000
Schools	325,000	-	-	-	325,000
Medical insurance	1,500,000	-	-	-	1,500,000
Unassigned	40,106,730	-	-	-	40,106,730
Total fund balances	<u>108,864,465</u>	<u>26,181,898</u>	<u>51,249,300</u>	<u>25,548,686</u>	<u>211,844,349</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 323,516,191</u>	<u>\$ 85,886,810</u>	<u>\$ 76,041,388</u>	<u>\$ 36,838,747</u>	<u>\$ 522,283,136</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, 2021

Total fund balances for governmental funds	\$	211,844,349
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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	\$ 59,745,201	
Construction in progress	37,947,263	
Buildings and improvements, net of \$492,123,063 accumulated depreciation	679,015,166	
Furniture and equipment, net of \$19,053,204 accumulated depreciation	5,397,034	
Transportation equipment, net of \$24,515,462 accumulated depreciation	<u>11,099,945</u>	793,204,609

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.		3,098,791
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The net pension asset is not an available resource and therefore is not reported in the governmental funds.		2,087,893
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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.		(1,160,609)
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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:		14,082,205
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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	(504,010,000)	
Deferred charges on refunding	5,202,798	
Unamortized premiums	(34,130,362)	
Accrued vacation	(7,204,637)	
Accrued sick leave	(3,518,424)	
Accrued personal leave	(2,054,335)	
Early retirement payable	(11,887,619)	
Net pension liability	(111,366,038)	
Deferred outflows of resources related to pensions	62,158,353	
Deferred inflows of resources related to pensions	<u>(120,738,216)</u>	(727,548,480)

Total net position - governmental activities	\$	<u>295,608,758</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

Governmental Funds

Year Ended June 30, 2021

	Major Governmental Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 130,152,432	\$ 75,647,421	\$ 17,608,858	\$ 9,569,270	\$ 232,977,981
Earnings on investments	384,235	-	381,359	944,282	1,709,876
Other local	10,353,457	-	4,012,223	17,586,141	31,951,821
School lunch sales	-	-	-	534,328	534,328
State of Utah	413,973,147	-	2,421,068	4,227,244	420,621,459
Federal government	47,024,269	7,000	-	16,717,674	63,748,943
Total revenues	601,887,540	75,654,421	24,423,508	49,578,939	751,544,408
Expenditures:					
Current:					
Instruction	404,827,865	-	-	25,177,320	430,005,185
Supporting services:					
Students	25,169,180	-	-	-	25,169,180
Instructional staff	25,158,932	-	-	-	25,158,932
District administration	3,614,428	-	-	-	3,614,428
School administration	45,231,000	-	-	-	45,231,000
Central	20,053,962	-	-	-	20,053,962
Operation and maintenance of facilities	54,462,365	-	-	-	54,462,365
Student transportation	14,204,789	-	-	-	14,204,789
School food services	-	-	-	22,007,915	22,007,915
Capital outlay	-	-	55,023,703	-	55,023,703
Debt service:					
Bond principal	-	49,780,000	-	-	49,780,000
Bond interest	-	19,771,178	-	-	19,771,178
Bond issuance costs	-	86,900	-	-	86,900
Fees and miscellaneous charges	-	8,100	-	-	8,100
Total expenditures	592,722,521	69,646,178	55,023,703	47,185,235	764,577,637
Excess (deficiency) of revenues over (under) expenditures	9,165,019	6,008,243	(30,600,195)	2,393,704	(13,033,229)
Other financing sources (uses):					
Refunding bonds issued	-	30,035,000	-	-	30,035,000
Refunded bonds escrow payment	-	(29,948,100)	-	-	(29,948,100)
Proceeds from sale of capital assets	-	-	653,303	-	653,303
Total other financing sources (uses)	-	86,900	653,303	-	740,203
Net change in fund balances	9,165,019	6,095,143	(29,946,892)	2,393,704	(12,293,026)
Fund balances - beginning	99,699,446	20,086,755	81,196,192	23,154,982	224,137,375
Fund balances - ending	\$ 108,864,465	\$ 26,181,898	\$ 51,249,300	\$ 25,548,686	\$ 211,844,349

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, 2021

Net change in fund balances-total governmental funds	\$	(12,293,026)
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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	\$ 39,629,738	
Gain on sale of capital assets	601,532	
Proceeds from sale of capital assets	(653,303)	
Depreciation expense	(34,193,708)	5,384,259

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	(30,035,000)	
Amortization of deferred amounts on refunding	(578,965)	
Amortization of bond premiums	2,624,131	
Repayment of bond principal	49,780,000	
Refunded bonds escrow payment	29,948,100	
Interest expense - general obligation bonds	152,133	51,890,399

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.		455,202
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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	(757,938)	
Accrued sick and personal leave	(314,894)	
Early retirement payable	(258,627)	
Pension expense	31,620,371	30,288,912

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:		2,865,087
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Change in net position of governmental activities	\$	78,590,833
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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, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 121,309,400	\$ 128,018,500	\$ 130,152,432	\$ 2,133,932
Earnings on investments	2,545,600	306,300	384,235	77,935
Other local	8,719,000	10,421,000	10,353,457	(67,543)
State of Utah	404,292,400	406,778,300	413,973,147	7,194,847
Federal government	30,917,800	47,120,900	47,024,269	(96,631)
Total revenues	567,784,200	592,645,000	601,887,540	9,242,540
Expenditures:				
Current:				
Instruction	384,788,800	405,809,000	404,827,865	981,135
Supporting services:				
Students	21,918,300	25,410,000	25,169,180	240,820
Instructional staff	26,059,300	25,429,000	25,158,932	270,068
District administration	3,564,300	3,795,000	3,614,428	180,572
School administration	45,005,400	45,378,000	45,231,000	147,000
Central	19,202,300	19,928,000	20,053,962	(125,962)
Operation and maintenance of facilities	54,355,900	52,800,000	54,462,365	(1,662,365)
Student transportation	12,889,900	14,096,000	14,204,789	(108,789)
Total expenditures	567,784,200	592,645,000	592,722,521	(77,521)
Excess of revenues over expenditures / net change in fund balances	-	-	9,165,019	9,165,019
Fund balances - beginning	99,699,446	99,699,446	99,699,446	-
Fund balances - ending	\$ 99,699,446	\$ 99,699,446	\$ 108,864,465	\$ 9,165,019

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

DAVIS SCHOOL DISTRICT

Statement of Fund Net Position
Proprietary Fund
June 30, 2021

	Governmental Activities- Internal Service Fund Self Insurance
Assets:	
Current assets:	
Cash and investments	\$ 30,193,984
Accounts receivable	<u>597,348</u>
Total current assets	30,791,332
Liabilities:	
Current liabilities:	
Claims payable	<u>16,709,127</u>
Net position:	
Unrestricted	<u><u>\$ 14,082,205</u></u>

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

DAVIS SCHOOL DISTRICT

Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
Year Ended June 30, 2021

	Governmental Activities- Internal Service Fund Self Insurance
Operating revenues:	
Charges for services	\$ 76,032,484
Total operating revenues	<u>76,032,484</u>
Operating expenses:	
Other	<u>73,167,397</u>
Total operating expenses	<u>73,167,397</u>
Operating income / change in net position	<u>2,865,087</u>
Net position - beginning	<u>11,217,118</u>
Net position - ending	<u><u>\$ 14,082,205</u></u>

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

DAVIS SCHOOL DISTRICT

Statement of Fund Cash Flows Proprietary Fund Year Ended June 30, 2021

	Governmental Activities- Internal Service Fund Self Insurance
Cash flows from operating activities:	
Receipts from interfund services provided	\$ 75,435,136
Payments to suppliers	(71,902,681)
Net cash provided by operating activities	3,532,455
Net change in cash and cash equivalents	3,532,455
Cash and cash equivalents - beginning	26,661,529
Cash and cash equivalents - ending (displayed as cash and investments on the statements of fund net position)	\$ 30,193,984
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 2,865,087
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Accounts receivable	(597,348)
Claims payable	1,264,716
Total adjustments	667,368
Net cash provided by operating activities	\$ 3,532,455
Noncash investing, capital, and financing activities:	None

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

DAVIS SCHOOL DISTRICT
Statement of Fiduciary Net Position
Custodial Fund
June 30, 2021

	NUAMES Charter School
Assets:	
Cash and investments	\$ 5,506,978
Accounts receivable	21,583
Total assets	<u>5,528,561</u>
Liabilities:	
Accounts payable	1,014,672
Unearned revenue	464,068
Total liabilities	<u>1,478,740</u>
Net position:	
Restricted for individuals, organizations, and other governments	<u><u>\$ 4,049,821</u></u>

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

DAVIS SCHOOL DISTRICT

Statement of Changes in Fiduciary Net Position Custodial Fund

Year Ended June 30, 2021

	<u>NUAMES Charter School</u>
Additions:	
Deposits from individuals, organizations, and other governments	<u>10,513,857</u>
Deductions:	
Payments to individuals, organizations, and other governments	<u>10,132,892</u>
Change in net position	<u>380,965</u>
Net position - beginning, as restated	<u>3,668,856</u>
Net position - ending	<u><u>\$ 4,049,821</u></u>

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements

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 District. 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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

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

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.

Additionally, the District reports following fund types:

- 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.
- The *custodial fund* (a fiduciary fund) accounts for resources held by the District as a custodian for individuals, organizations, and other governments. In 2021, the District adopted Government Accounting Standards Board Statement No. 84, *Fiduciary Activities*. The new standard establishes standards of accounting and financial reporting for fiduciary activities, including custodial activities. Custodial funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The District's custodial fund includes resources held for the *Northern Utah Academy for Math, Engineering and Science (NUAMES)*. The impact of adopting this standard is a restatement of beginning net position in the custodial fund of \$3,668,856.

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

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 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 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, 2021, 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).

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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 60 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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. 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

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*

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

resources for District programs, textbooks, employee compensation, schools, and the Foundation, as well as, for future medical insurance costs.

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, 2021, as shown on the financial statements, is as follows:

Carrying amount of deposits	\$ 7,493,115
Carrying amount of investments	285,039,183
Total cash and investments	<u>\$ 292,532,298</u>
Governmental funds cash and investments	\$ 256,831,336
Internal service fund cash and investments	30,193,984
Cash and investments - government-wide	287,025,320
Cash and investments custodial fund	5,506,978
Total cash and investments	<u>\$ 292,532,298</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, 2021, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Davis School District	\$ 5,350,182	\$ 11,736,633	\$ 250,000
Davis School District Foundation, a component unit of the District	2,142,933	2,142,933	-
Total deposits	<u>\$ 7,493,115</u>	<u>\$ 13,879,566</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, 2021, 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; money market mutual funds; first-tier commercial paper; and certificates of deposit. 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, 2021, the District has \$276,500,607 invested in the Utah Public Treasurers' Investment Fund; the PTIF is not rated. The District has \$250,006 invested in government agencies rated AA+ and AAA or higher by Standard & Poor's and Moody's Investors Service, respectively. The District also has \$6,159,546 invested in corporate bonds rated BBB- and Baa3 or higher by Standard & Poor's and Moody's Investors Service, Inc., respectively. The Davis has \$488,890 invested in certificates of deposits that are unrated. The Foundation has \$160,482 invested in government agencies rated A or higher by Standard & Poor's. The Foundation has \$251,385 invested in corporate bonds rated BBB+ or higher by Standard & Poor's. The Foundation has \$305,555 invested in certificates of deposit that are unrated. The Foundation has \$315,312 invested in equity securities that are unrated. The Foundation has \$607,400 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	Less Than 1	1-5	5-10	More Than 10
Davis School District:					
Utah Public Treasurers'					
Investment Fund (PTIF)	\$ 276,500,607	\$ 276,500,607	\$ -	\$ -	\$ -
Government agencies	250,006	-	250,006	-	-
Corporate bonds	6,159,546	3,114,381	3,045,165	-	-
Certificates of deposit	488,890	-	488,890	-	-
Total District	283,399,049	279,614,988	3,784,061	-	-
Davis School District Foundation, a component unit of the District:					
Government agencies	160,482	-	61,905	-	98,577
Corporate bonds	251,385	-	251,385	-	-
Certificates of deposit	305,555	76,335	229,220	-	-
Equity securities	315,312	315,312	-	-	-
Mutual funds	607,400	607,400	-	-	-
Total Foundation	1,640,134	999,047	542,510	-	98,577
Total investments	\$ 285,039,183	\$ 280,614,035	\$ 4,326,571	\$ -	\$ 98,577

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
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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. 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 and Foundation categorizes their 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 and Foundation have the following recurring fair value measurements as of June 30, 2021:

- Public Treasurers' Investment Fund position of \$276,500,607 is valued at the District's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).
- Government agencies securities of \$410,488 are valued using quoted market prices (Level 1 inputs).
- Corporate bonds of \$6,410,931 are valued using a matrix pricing model (Level 2 inputs).
- Certificates of deposit of \$794,445 are valued at the original amount deposited at the financial institution plus interest earned on the certificate through the end of the fiscal year (Level 2 inputs)
- Equity securities of \$315,312 are valued using quoted market prices (Level 1 inputs).
- Mutual funds of \$607,400 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.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
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As of June 30, 2021, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2021 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.

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, 2021, incremental taxes levied by the District for the redevelopment agencies totaling \$7,190,356 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 2021, the amount collected by the county and paid directly to the state was \$2,378,914; 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, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 57,560,321	\$ 2,201,906	\$ (17,026)	\$ 59,745,201
Construction in progress	50,562,100	33,114,901	(45,729,738)	37,947,263
Total capital assets, not being depreciated	108,122,421	35,316,807	(45,746,764)	97,692,464
Capital assets, being depreciated:				
Buildings and improvements	1,125,408,491	45,729,738	-	1,171,138,229
Furniture and equipment	23,031,428	1,609,212	(190,402)	24,450,238
Transportation equipment	34,688,474	2,703,719	(1,776,786)	35,615,407
Total capital assets, being depreciated	1,183,128,393	50,042,669	(1,967,188)	1,231,203,874
Accumulated depreciation for:				
Buildings and improvements	(461,546,757)	(30,576,306)	-	(492,123,063)
Furniture and equipment	(17,975,110)	(1,268,496)	190,402	(19,053,204)
Transportation equipment	(23,908,597)	(2,348,906)	1,742,041	(24,515,462)
Total accumulated depreciation	(503,430,464)	(34,193,708)	1,932,443	(535,691,729)
Total capital assets, being depreciated, net	679,697,929	15,848,961	(34,745)	695,512,145
Governmental activities capital assets, net	<u>\$ 787,820,350</u>	<u>\$ 51,165,768</u>	<u>\$ (45,781,509)</u>	<u>\$ 793,204,609</u>

For the year ended June 30, 2021, depreciation expense was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 27,184,548
Supporting services:	
Students	281,676
Instructional staff	94,472
District administration	35,823
School administration	1,493,461
Business administration	993,463
Operation and maintenance of facilities	2,572,851
Student transportation	1,245,717
School food services	291,697
Total depreciation expense, governmental activities	<u>\$ 34,193,708</u>

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

The District is obligated at June 30, 2021 under construction commitments as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
CTE Center Remodel	\$ 8,504,204	\$ 4,360,144	\$ 4,144,060
S. Clearfield Elem. Rebuild 2015 Bond	31,152,122	27,491,986	3,660,136
F-2 Office Remodel	10,374,591	5,739,243	4,635,348
Sunset Jr. Remodel 2015 Bond	3,757,800	355,890	3,401,910
	<u>\$ 53,788,717</u>	<u>\$ 37,947,263</u>	<u>\$ 15,841,454</u>

General obligation school building bonds and the capital fund balance 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

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.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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.

For the year ended June 30, 2021, 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	9.19%	9.94%	0.00%	0.89%	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.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
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For the year ended June 30, 2021, District and employee contributions to the plans were as follows:

	District Contributions *	Employee Contributions
Tier 1 Noncontributory System	\$ 45,851,205	\$ -
Tier 1 Contributory System	143,884	48,774
Tier 2 Contributory System	18,058,563	-
Tier 2 Defined Benefit Plan	1,991,759	-
401(k) Plan	5,966,380	4,925,274
457 Plan and other individual plans	-	1,430,680

* 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, 2021, the District reported a net pension liability of \$111,366,038 and a net pension asset of \$2,087,893 for the following plans:

	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	\$ -	\$ 110,595,792
Tier 1 Contributory System	2,087,893	-
Tier 2 Contributory System	-	770,246
Total	<u>\$ 2,087,893</u>	<u>\$ 111,366,038</u>

The net pension liability (asset) was measured as of December 31, 2020, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2020, rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability (asset) is equal to the ratio of actual contributions compared to the total of all employer contributions during the plan year. The following presents the District's proportion (percentage) of the collective net pension liability (asset) at December 31, 2020 and the change in its proportion since the prior measurement date for each plan:

	Proportionate Share 2020	Change
Tier 1 Noncontributory System	8.2960004%	0.2200837%
Tier 1 Contributory System	8.7786054%	0.1104385%
Tier 2 Contributory System	5.3553339%	0.3605296%

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

For the year ended June 30, 2021, the District recognized pension expense for the plans as follows:

	Pension Expense
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 27,584,713
Tier 1 Contributory System	(809,231)
Tier 2 Contributory System	7,540,220
Total	<u>\$ 34,315,702</u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	\$ 1,991,759
401(k) Plan	5,966,380
Total	<u>\$ 7,958,139</u>

At June 30, 2021, 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	\$ 12,129,190	\$ -	\$ 709,028	\$ 12,838,218
Changes of assumptions	10,432,150	-	974,268	11,406,418
Changes in proportion and differences between District contributions and proportionate share of contributions	4,111,725	-	1,210,596	5,322,321
Contributions subsequent to the measurement date	22,420,225	68,608	10,102,563	32,591,396
Total	<u>\$ 49,093,290</u>	<u>\$ 68,608</u>	<u>\$ 12,996,455</u>	<u>\$ 62,158,353</u>

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

At June 30, 2021, 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	\$ -	\$ -	\$ 352,698	\$ 352,698
Changes of assumptions	-	-	28,020	28,020
Net difference between projected and actual earnings on pension plan investments	111,322,526	4,111,471	2,251,435	117,685,432
Changes in proportion and differences between District contributions and proportionate share of contributions	2,672,066	-	-	2,672,066
Total	<u>\$ 113,994,592</u>	<u>\$ 4,111,471</u>	<u>\$ 2,632,153</u>	<u>\$ 120,738,216</u>

The \$32,591,396 reported as deferred outflows of resources related to pensions resulting from our contributions subsequent to the measurement date of December 31, 2020 will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2022. 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
2022	\$ (24,434,226)	\$ (1,306,876)	\$ (385,124)	\$ (26,126,226)
2023	(7,465,661)	(731,792)	(226,935)	(8,424,388)
2024	(36,955,617)	(1,447,137)	(523,677)	(38,926,431)
2025	(18,466,023)	(625,666)	(153,256)	(19,244,945)
2026	-	-	261,902	261,902
Thereafter	-	-	1,288,829	1,288,829

Actuarial Assumptions

The total pension liability in the January 1, 2020 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, 2020 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2017. Assumptions remained unchanged that affect measurement of the total pension liability (asset) since the prior measurement date.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
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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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity securities	37%	6.30%
Debt securities	20%	0.00%
Real assets	15%	6.19%
Private equity	12%	9.50%
Absolute return	16%	2.75%
Cash and cash equivalents	0%	0.00%
Total	<u>100%</u>	

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 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).

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
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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	\$ 354,545,093	\$ 110,595,792	\$ (93,379,144)
Tier 1 Contributory System	3,169,433	(2,087,893)	(6,594,345)
Tier 2 Contributory System	12,960,937	770,246	(8,555,310)
Total	<u>\$ 370,675,463</u>	<u>\$ 109,278,145</u>	<u>\$ (108,528,799)</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, 2021, the District reported payables of \$14,854,874 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 current unpaid claims and an estimate of claims incurred but not reported (IBNR) of \$16,709,127 as of June 30, 2021. 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, 2021 and 2020:

	2021	2020
Beginning accrued claim payable	\$ 15,444,411	\$ 15,433,280
Claims (including incurred but not reported)	73,167,397	69,663,775
Payment of claims and administrative costs	(71,902,681)	(69,652,644)
Ending accrued claims payable	<u>\$ 16,709,127</u>	<u>\$ 15,444,411</u>

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, 2021, the District paid worker's compensation claims in

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements

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the amount of \$1,101,613. 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, 2021 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 552,700,000	\$ -	\$ (78,335,000)	\$ 474,365,000	\$ 34,695,000
General obligation bonds (Direct placement)	-	30,035,000	(390,000)	29,645,000	6,150,000
Unamortized premiums	38,248,844	-	(4,118,482)	34,130,362	-
Total bonds payable, net	590,948,844	30,035,000	(82,843,482)	538,140,362	40,845,000
Accrued vacation	6,446,699	4,588,623	(3,830,685)	7,204,637	4,281,058
Accrued sick leave	3,333,351	707,223	(522,150)	3,518,424	551,141
Accrued personal leave	1,924,514	1,033,280	(903,459)	2,054,335	964,403
Early retirement payable	11,628,992	6,993,543	(6,734,916)	11,887,619	6,088,551
Net pension liability	181,144,594	(3,774,197)	(66,004,359)	111,366,038	-
Total governmental activity long-term liabilities	<u>\$ 795,426,994</u>	<u>\$ 39,583,472</u>	<u>\$ (160,839,051)</u>	<u>\$ 674,171,415</u>	<u>\$ 52,730,153</u>

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. Unspent bond proceeds amounted to \$9,388,800 as of June 30, 2021. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

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Notes to Basic Financial Statements

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The annual requirements to amortize all general obligation bonds outstanding (competitive and direct placements) as of June 30, 2021, including interest payments, are listed as follows:

Year Ending June 30,	Outstanding Bonds		Outstanding Bonds (Direct Placement)		Total
	Principal	Interest	Principal	Interest	
2022	\$ 34,695,000	\$ 17,250,649	\$ 6,150,000	\$ 353,338	\$ 58,448,987
2023	29,805,000	15,918,175	2,255,000	266,618	48,244,793
2024	31,085,000	14,612,950	2,265,000	253,088	48,216,038
2025	32,420,000	13,261,431	2,285,000	237,233	48,203,664
2026	33,755,000	11,908,381	2,300,000	217,810	48,181,191
2027-2031	162,215,000	40,877,544	11,910,000	691,530	215,694,074
2032-2036	115,595,000	16,591,606	2,480,000	39,680	134,706,286
2037-2040	34,795,000	1,927,613	-	-	36,722,613
Total	<u>\$ 474,365,000</u>	<u>\$ 132,348,350</u>	<u>\$ 29,645,000</u>	<u>\$ 2,059,295</u>	<u>\$ 638,417,645</u>

General obligation school building bonds payable at June 30, 2021 with their outstanding balances are comprised of the following individual issues:

Bond Series 2013A - GO Bonds - original issue of \$20,000,000 with interest rates ranging from 2.0% to 4.0%	\$ 16,695,000
Bond Series 2014 - GO Bonds - original issue of \$25,000,000 with interest rates ranging from 2.25% to 5.0%	23,565,000
Bond Series 2015A - GO Bonds - original issue of \$40,000,000 with interest rates ranging from 2.0% to 5.0%	31,355,000
Bond Series 2015B - GO Refunding Bonds - original issue of \$67,025,000 with interest rates ranging from 2.0% to 5.0%	47,585,000
Bond Series 2015C - GO Refunding Bonds - original issue of \$53,010,000 with interest rate of 1.72%	6,170,000
Bond Series 2016 - GO Bonds - original issue of \$68,500,000 with interest rates ranging from 2.0% to 3.375%	58,475,000
Bond Series 2017A - GO Bonds - original issue of \$80,000,000 with interest rates ranging from 3.0% to 5.0%	77,175,000
Bond Series 2017B - GO Refunding Bonds - original issue of \$36,805,000 with interest rate of 2% to 5%	34,125,000
Bond Series 2018 - GO Bonds - original issue of \$69,375,000 with interest rates ranging from 3.0% to 5.0%	65,475,000
Bond Series 2019 - GO Bonds - original issue of \$50,000,000 with interest rates ranging from 3.0% to 5.0%	37,575,000
Bond Series 2019B - GO Refunding Bonds - original issue of crossover \$43,565,000 with interest rates of 5%	37,120,000
Bond Series 2020A - GO Bonds - original issue of \$55,170,000 with interest rates ranging from 2.5% to 5.0%	39,050,000
Bond Series 2021A - (Direct Placement) GO Refunding Bonds - original issue of \$30,645,000 with interest rates ranging from 0.5% to 1.75%	29,645,000
	<u>\$ 504,010,000</u>

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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, 2021 is \$1,860,650,362 with general obligation debt outstanding, net of issuance premiums, of \$538,140,362 resulting in a legal debt margin of \$1,322,510,000.

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 March 2021, the District issued \$30,035,000 of general obligation 2021A refunding bonds in a direct placement to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments. These bonds refunded \$28,945,000 of the 2012A general obligation bonds. The refunded bonds were defeased and the District began to pay the debt service on the 2021A general obligation refunding bonds. The refunding was undertaken to reduce total debt service payments over the next eleven years by \$3,317,729 and resulted in an economic gain of \$2,839,081. The bonds have interest rates of .5% to 1.75% with a maturity of June 2032.

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, 2021 and 2020, the District's direct payments to retirees were \$4,462,844 and \$3,852,902, respectively, and payments of insurance premiums on behalf of retirees were \$2,272,072 and \$2,147,669, 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, 2021.

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.

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REQUIRED SUPPLEMENTARY INFORMATION



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

	District's Proportion of Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Tier 1 Noncontributory System:					
2020	8.2960004 %	\$ 110,595,792	\$ 207,317,804	53.35 %	94.3 %
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 %
Tier 1 Contributory System:					
2020	8.7786054 %	\$ (2,087,893)	\$ 846,632	(246.61)%	103.7 %
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 %
Tier 2 Contributory System:					
2020	5.3553339 %	\$ 770,246	\$ 85,788,475	0.90 %	98.3%
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 Seven Reporting (Fiscal) Years

	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Tier 1 Noncontributory System:					
2021	\$ 45,851,205	\$ 45,851,205	\$ -	\$ 208,607,737	21.98 %
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 %
Tier 1 Contributory System:					
2021	\$ 143,884	\$ 143,884	\$ -	\$ 812,907	17.70 %
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 %
Tier 2 Contributory System:					
2021	\$ 18,058,563	\$ 18,058,563	\$ -	\$ 94,504,683	19.11 %
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 %
Tier 2 Defined Contribution Plan:					
2021	\$ 1,991,759	\$ 1,991,759	\$ -	\$ 19,879,454	10.02 %
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

NOTE A – CHANGES IN ASSUMPTION – UTAH RETIREMENT SYSTEMS

Amounts reported in plan year 2020 reflect the following assumption changes adopted from the January 1, 2020 valuation:

- The payroll growth assumption decreased from 3.00% to 2.90%.
- Other assumptions that were modified: retirement rates, termination rates, disability rates, rate of salary increase, and pre and post retirement mortality tables.

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

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.

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 and used to augment the educational needs of teachers and students of the District.

Comparative Balance Sheets
General Fund
June 30, 2021
With Comparative Totals for 2020

	2021	2020
Assets:		
Cash and investments	\$ 150,473,165	\$ 136,605,686
Receivables:		
Property taxes	150,917,979	120,967,227
Other local	-	32,176
State of Utah	3,937,525	3,205,196
Federal government	11,754,787	11,325,435
Inventories	6,432,735	6,488,919
Total assets	<u>\$ 323,516,191</u>	<u>\$ 278,624,639</u>
Liabilities:		
Accounts payable	\$ 2,320,234	\$ 6,264,517
Accrued salaries and benefits	54,182,658	52,433,514
Unearned revenue:		
State of Utah	10,788,540	4,874,925
Total liabilities	<u>67,291,432</u>	<u>63,572,956</u>
Deferred Inflows of Resources:		
Unavailable property tax revenue	1,722,426	1,460,369
Property taxes levied for future year	145,637,868	113,891,868
Total deferred inflows of resources	<u>147,360,294</u>	<u>115,352,237</u>
Fund Balances:		
Nonspendable:		
Inventories	6,432,735	6,488,919
Committed to:		
Workers compensation	1,500,000	1,000,000
Termination benefits	6,000,000	4,500,000
Economic stabilization	31,000,000	28,500,000
Assigned to:		
Programs	10,000,000	8,700,000
Textbooks	3,000,000	2,500,000
Employee compensation	9,000,000	15,000,000
Schools	325,000	325,000
Medical insurance	1,500,000	1,500,000
Unassigned	40,106,730	31,185,527
Total fund balances	<u>108,864,465</u>	<u>99,699,446</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 323,516,191</u>	<u>\$ 278,624,639</u>

DAVIS SCHOOL DISTRICT

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

Year Ended June 30, 2021
With Comparative Totals for 2020

	2021			2020
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 128,018,500	\$ 130,152,432	\$ 2,133,932	\$ 123,087,742
Earnings on investments	306,300	384,235	77,935	3,153,748
Other local	10,421,000	10,353,457	(67,543)	10,292,214
State of Utah	406,778,300	413,973,147	7,194,847	395,594,943
Federal government	47,120,900	47,024,269	(96,631)	32,067,217
Total revenues	592,645,000	601,887,540	9,242,540	564,195,864
Expenditures:				
Current:				
Instruction	405,809,000	404,827,865	981,135	372,184,866
Supporting services:				
Students	25,410,000	25,169,180	240,820	21,011,360
Instructional staff	25,429,000	25,158,932	270,068	23,998,481
District administration	3,795,000	3,614,428	180,572	3,526,654
School administration	45,378,000	45,231,000	147,000	41,875,458
Central	19,928,000	20,053,962	(125,962)	18,198,535
Operation and maintenance of facilities	52,800,000	54,462,365	(1,662,365)	52,245,457
Student transportation	14,096,000	14,204,789	(108,789)	13,427,486
Total expenditures	592,645,000	592,722,521	(77,521)	546,468,297
Excess of revenues over expenditures / net change in fund balances	-	9,165,019	9,165,019	17,727,567
Fund balances - beginning	99,699,446	99,699,446	-	81,971,879
Fund balances - ending	\$ 99,699,446	\$ 108,864,465	\$ 9,165,019	\$ 99,699,446

DAVIS SCHOOL DISTRICT

Comparative Balance Sheets

Debt Service Fund

June 30, 2021

With Comparative Totals for 2020

	2021	2020
Assets:		
Cash and investments	\$ 24,114,094	\$ 16,907,160
Receivables - property taxes	61,772,716	70,203,614
Total assets	<u>\$ 85,886,810</u>	<u>\$ 87,110,774</u>
Liabilities:		
Accounts payable	\$ -	\$ 500
Deferred inflows of resources:		
Unavailable property tax revenue	1,001,110	827,092
Property taxes levied for future year	58,703,802	66,196,427
Total deferred inflows of resources	<u>59,704,912</u>	<u>67,023,519</u>
Fund balances:		
Restricted for:		
Debt service	<u>26,181,898</u>	<u>20,086,755</u>
Total deferred inflows of resources and fund balances	<u>\$ 85,886,810</u>	<u>\$ 87,110,774</u>

DAVIS SCHOOL DISTRICT

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

Year Ended June 30, 2021
With Comparative Totals for 2020

	2021			2020
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 70,016,300	\$ 75,647,421	\$ 5,631,121	\$ 69,711,729
Federal interest subsidy	976,880	7,000	(969,880)	442,190
Total revenues	70,993,180	75,654,421	4,661,241	70,153,919
Expenditures:				
Debt service:				
Bond principal	46,895,000	49,780,000	(2,885,000)	46,045,000
Bond interest	20,286,200	19,771,178	515,022	20,031,801
Bond issuance costs	-	86,900	(86,900)	257,695
Fees and miscellaneous charges	3,811,980	8,100	3,803,880	8,500
Total expenditures	70,993,180	69,646,178	1,347,002	66,342,996
Excess of revenues over expenditures	-	6,008,243	6,008,243	3,810,923
Other Financing Sources (Uses):				
Refunding bonds issued	-	30,035,000	(30,035,000)	43,565,000
Refunding bonds premiums	-	-	-	9,579,467
Refunded bonds escrow payment	-	(29,948,100)	29,948,100	(52,886,772)
Total other financing sources (uses)	-	86,900	(86,900)	257,695
Net change in fund balances	-	6,095,143	5,921,343	4,068,618
Fund balances - beginning	20,086,755	20,086,755	-	16,018,137
Fund balances - ending	\$ 20,086,755	\$ 26,181,898	\$ 5,921,343	\$ 20,086,755

DAVIS SCHOOL DISTRICT

Comparative Balance Sheets *Capital Projects Fund*

June 30, 2021

With Comparative Totals for 2020

	<u>2021</u>	<u>2020</u>
Assets:		
Cash and investments	\$ 59,594,984	\$ 93,790,377
Receivables:		
Property taxes	16,446,404	16,369,752
Total assets	<u>\$ 76,041,388</u>	<u>\$ 110,160,129</u>
 Liabilities:		
Accounts payable	\$ 8,827,018	\$ 13,356,715
 Deferred inflows of resources:		
Unavailable property tax revenue	233,034	198,322
Property taxes levied for future year	<u>15,732,036</u>	<u>15,408,900</u>
Total deferred inflows of resources	<u>15,965,070</u>	<u>15,607,222</u>
 Fund balances:		
Restricted for:		
Capital projects	<u>51,249,300</u>	<u>81,196,192</u>
Total fund balances	<u>51,249,300</u>	<u>81,196,192</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 76,041,388</u>	<u>\$ 110,160,129</u>

DAVIS SCHOOL DISTRICT

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

Capital Projects Fund

Year Ended June 30, 2021

With Comparative Totals for 2020

	2021			2020
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 16,900,000	\$ 17,608,858	\$ 708,858	\$ 16,715,619
Earnings on investments	1,100,000	381,359	(718,641)	1,142,588
Other local	5,000,000	4,012,223	(987,777)	4,216,428
State of Utah	2,345,000	2,421,068	76,068	6,346,846
Total revenues	25,345,000	24,423,508	(921,492)	28,421,481
Expenditures:				
Capital outlay:				
Buildings and improvements	61,645,000	52,414,100	9,230,900	70,334,013
Equipment	13,000,000	2,604,109	10,395,891	6,328,931
Other	700,000	5,494	694,506	416,163
Debt service:				
Bond issuance costs	-	-	-	250,801
Total expenditures	75,345,000	55,023,703	20,321,297	77,079,107
Excess (deficiency) of revenues over (under) expenditures	(50,000,000)	(30,600,195)	19,399,805	(48,657,626)
Other financing sources:				
General obligation bonds issued	-	-	-	55,170,000
General obligation bonds premiums	-	-	-	6,071,793
Proceeds from sale of capital assets	-	653,303	653,303	653,303
Total other financing sources	-	653,303	653,303	61,895,096
Net change in fund balances	(50,000,000)	(29,946,892)	20,053,108	13,237,470
Fund balances - beginning	81,196,192	81,196,192	-	67,958,722
Fund balances - ending	\$ 31,196,192	\$ 51,249,300	\$ 20,053,108	\$ 81,196,192

DAVIS SCHOOL DISTRICT

Combining Balance Sheet Nonmajor Governmental Funds

June 30, 2021

With Comparative Totals for 2020

	Special Revenue				Total Nonmajor Governmental Funds
	School Food Services	Student Activities Fund	District Foundation Fund	Pass-Through Taxes Fund	
Assets:					
Cash and investments	\$ 5,865,225	\$ 13,000,741	\$ 3,783,127	\$ -	\$ 22,649,093
Receivables:					
Property taxes	-	-	-	10,934,446	10,934,446
Other local	26,467	5,780	2,000	-	34,247
State of Utah	462,714	-	-	-	462,714
Federal government	419,770	-	-	-	419,770
Inventories	2,338,477	-	-	-	2,338,477
Total assets	<u>\$ 9,112,653</u>	<u>\$ 13,006,521</u>	<u>\$ 3,785,127</u>	<u>\$ 10,934,446</u>	<u>\$ 36,838,747</u>
Liabilities:					
Accounts payable	\$ 46,316	\$ 248,599	\$ 60,700	\$ -	\$ 355,615
Deferred inflows of resources:					
Unavailable property tax revenue	-	-	-	142,221	142,221
Property taxes levied for future year	-	-	-	10,792,225	10,792,225
Total deferred inflows of resources	-	-	-	10,934,446	10,934,446
Fund balances:					
Nonspendable:					
Inventories	2,338,477	-	-	-	2,338,477
Restricted for:					
School food services	6,727,860	-	-	-	6,727,860
Committed to:					
Schools	-	12,757,922	-	-	12,757,922
Assigned to:					
Foundation	-	-	3,724,427	-	3,724,427
Total fund balances	<u>9,066,337</u>	<u>12,757,922</u>	<u>3,724,427</u>	<u>-</u>	<u>25,548,686</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,112,653</u>	<u>\$ 13,006,521</u>	<u>\$ 3,785,127</u>	<u>\$ 10,934,446</u>	<u>\$ 36,838,747</u>

DAVIS SCHOOL DISTRICT

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue			Total
	School Food Services	Student Activities Fund	District Foundation Fund	Nonmajor Governmental Funds
Revenues:				
Local sources:				
Property taxes	\$ -	\$ -	\$ -	\$ 9,569,270
Earnings on investments	-	689,137	255,145	-
School lunch sales	534,328	-	-	-
Student fees	-	8,804,625	-	-
Other local	635,744	4,676,041	3,469,731	-
State of Utah	4,227,244	-	-	-
Federal government	16,717,674	-	-	-
Total revenues	22,114,990	14,169,803	3,724,876	9,569,270
Expenditures:				
Current:				
Food	8,151,310	-	-	-
Salaries and benefits	11,167,523	1,489,243	-	-
Indirect charges	1,542,205	-	-	-
Purchased services	-	998,009	12,746	-
Grants and awards	-	-	1,739,421	-
Supplies and equipment	-	10,480,440	888,191	-
Other	1,146,877	-	-	9,569,270
Total expenditures	22,007,915	12,967,692	2,640,358	9,569,270
Excess of revenues over expenditures / net change in fund balances	107,075	1,202,111	1,084,518	-
Fund balances - beginning	8,959,262	11,555,811	2,639,909	-
Fund balances - ending	\$ 9,066,337	\$ 12,757,922	\$ 3,724,427	\$ -

DAVIS SCHOOL DISTRICT

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

June 30, 2021

With Comparative Totals for 2020

	2021	2020
Assets:		
Cash and investments	\$ 5,865,225	\$ 5,669,117
Receivables:		
Other local	26,467	32,340
State of Utah	462,714	676,498
Federal government	419,770	613,589
Inventories	2,338,477	2,078,609
Total assets	<u>\$ 9,112,653</u>	<u>\$ 9,070,153</u>
Liabilities:		
Accounts payable	\$ 46,316	\$ 110,891
Fund balances:		
Nonspendable:		
Inventories	2,338,477	2,078,609
Restricted for:		
School food services	<u>6,727,860</u>	<u>6,880,653</u>
Total fund balances	<u>9,066,337</u>	<u>8,959,262</u>
Total liabilities and fund balances	<u>\$ 9,112,653</u>	<u>\$ 9,070,153</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, 2021

With Comparative Totals for 2020

	2021			2020
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
School lunch sales	\$ 575,000	\$ 534,328	\$ (40,672)	\$ 6,242,150
Other local	525,000	635,744	110,744	750,838
State of Utah	3,600,000	4,227,244	627,244	4,834,762
Federal sources:				
Federal government	17,800,000	15,073,825	(2,726,175)	11,642,973
Contributed food commodities	1,800,000	1,643,849	(156,151)	2,001,764
Total revenues	24,300,000	22,114,990	(2,185,010)	25,472,487
Expenditures:				
Current:				
Food	9,039,900	8,151,310	888,590	10,834,477
Salaries and benefits	11,431,600	11,167,523	264,077	11,285,946
Indirect charges	1,185,200	1,542,205	(357,005)	1,555,709
Other	3,682,000	1,146,877	2,535,123	1,661,935
Total expenditures	25,338,700	22,007,915	3,330,785	25,338,067
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(1,038,700)	107,075	1,145,775	134,420
Fund balances - beginning	8,959,262	8,959,262	-	8,824,842
Fund balances - ending	\$ 7,920,562	\$ 9,066,337	\$ 1,145,775	\$ 8,959,262

DAVIS SCHOOL DISTRICT

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

June 30, 2021
With Comparative Totals for 2020

	2021	2020
Assets:		
Cash and investments	\$ 13,000,741	\$ 11,839,482
Accounts receivable	5,780	34,763
Total assets	<u>\$ 13,006,521</u>	<u>\$ 11,874,245</u>
 Liabilities:		
Accounts payable	\$ 248,599	\$ 318,434
 Fund balances:		
Committed to:		
Schools	<u>12,757,922</u>	<u>11,555,811</u>
Total fund balances	<u>12,757,922</u>	<u>11,555,811</u>
Total liabilities and fund balances	<u>\$ 13,006,521</u>	<u>\$ 11,874,245</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, 2021

With Comparative Totals for 2020

	2021			2020
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Earnings on investments	\$ 700,000	\$ 689,137	\$ (10,863)	\$ 772,349
Student fees	13,000,000	8,804,625	(4,195,375)	12,726,430
Other local	3,500,000	4,676,041	1,176,041	2,645,536
Total revenues	17,200,000	14,169,803	(3,030,197)	16,144,315
Expenditures:				
Current:				
Salaries and benefits	1,882,800	1,489,243	393,557	1,573,662
Purchased services	2,717,200	998,009	1,719,191	1,904,620
Supplies and equipment	12,600,000	10,480,440	2,119,560	12,608,168
Total expenditures	17,200,000	12,967,692	4,232,308	16,086,450
Excess of revenues over expenditures / net change in fund balances	-	1,202,111	1,202,111	57,865
Fund balances - beginning	11,555,811	11,555,811	-	11,497,946
Fund balances - ending	\$ 11,555,811	\$ 12,757,922	\$ 1,202,111	\$ 11,555,811

DAVIS SCHOOL DISTRICT

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

June 30, 2021
With Comparative Totals for 2020

	2021	2020
Assets:		
Cash and investments	\$ 3,783,127	\$ 2,644,734
Other local receivable	2,000	-
Total assets	<u>\$ 3,785,127</u>	<u>\$ 2,644,734</u>
 Liabilities:		
Accounts payable	\$ 60,700	\$ 4,825
 Fund balances:		
Assigned to:		
Foundation	<u>3,724,427</u>	<u>2,639,909</u>
Total fund balances	<u>3,724,427</u>	<u>2,639,909</u>
Total liabilities and fund balances	<u>\$ 3,785,127</u>	<u>\$ 2,644,734</u>

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, 2021

With Comparative Totals for 2020

	2021			2020
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Earnings on investments	\$ 24,000	\$ 255,145	\$ 231,145	\$ 103,584
Other local	2,813,000	3,469,731	656,731	2,834,749
Total revenues	<u>2,837,000</u>	<u>3,724,876</u>	<u>887,876</u>	<u>2,938,333</u>
Expenditures:				
Current:				
Purchased services	10,100	12,746	(2,646)	10,119
Grants and awards	2,179,700	1,739,421	440,279	1,795,747
Supplies and equipment	647,200	888,191	(240,991)	671,176
Total expenditures	<u>2,837,000</u>	<u>2,640,358</u>	<u>196,642</u>	<u>2,477,042</u>
Excess of revenues over expenditures / net change in fund balances	-	1,084,518	1,084,518	461,291
Fund balances - beginning	<u>2,639,909</u>	<u>2,639,909</u>	<u>-</u>	<u>2,178,618</u>
Fund balances - ending	<u>\$ 2,639,909</u>	<u>\$ 3,724,427</u>	<u>\$ 1,084,518</u>	<u>\$ 2,639,909</u>

DAVIS SCHOOL DISTRICT

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

June 30, 2021
With Comparative Totals for 2020

	2021	2020
Assets:		
Receivables - property taxes	\$ 10,934,446	\$ 10,003,711
Deferred inflows of resources:		
Unavailable property tax revenue	\$ 142,221	\$ 157,806
Property taxes levied for future year	10,792,225	9,845,905
Total deferred inflows of resources	10,934,446	10,003,711
Fund balances	-	-
Total deferred inflows of resources and fund balances	\$ 10,934,446	\$ 10,003,711

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, 2021

With Comparative Totals for 2020

	2021			2020
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 14,000,000	\$ 9,569,270	\$ (4,430,730)	\$ 12,276,214
Expenditures:				
Current:				
Other	14,000,000	9,569,270	4,430,730	12,276,214
Excess of revenues over expenditures / net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	96-99
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	100-103
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	104-108
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	109-112
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	113-120

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, 2012 to 2021
(accrual basis of accounting)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities:										
Net investment in capital assets	\$ 269,655,845	\$ 237,477,296	\$ 218,078,080	\$ 200,404,848	\$ 186,641,372	\$ 185,028,083	\$ 178,471,364	\$ 175,357,204	\$ 173,328,822	\$ 173,064,860
Restricted	77,182,270	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
Unrestricted	(21,229,357)	(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
Total governmental activities net position	325,608,758	217,017,924	181,216,016	166,241,044	138,683,380	106,598,130	82,724,061	240,737,072	226,747,496	221,808,475
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
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
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
Primary government:										
Net investment in capital assets	269,655,845	237,477,296	219,718,432	202,178,286	188,547,896	186,950,288	180,418,550	177,407,774	175,499,293	175,371,313
Restricted	77,182,270	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
Unrestricted	(21,229,357)	(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
Total primary government net position	\$ 325,608,758	\$ 217,017,924	\$ 188,601,507	\$ 172,423,602	\$ 145,232,466	\$ 115,644,799	\$ 92,231,832	\$ 248,867,340	\$ 233,993,062	\$ 228,421,078

Note: As of June 30, 2020 PARC (Pioneer Adult Rehabilitation Center) is no longer part of Davis School District. PARC has moved its operations to a new entity.

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, 2012 to 2021
(accrual basis of accounting)

Expenses	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities:										
Instruction	\$ 450,137,605	\$ 455,948,346	\$ 439,258,677	\$ 407,166,170	\$ 387,976,967	\$ 366,385,053	\$ 326,885,284	\$ 323,998,904	\$ 323,396,042	\$ 321,957,585
Supporting services:										
Student	23,805,768	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
Instructional staff	23,605,569	24,718,994	23,947,889	21,771,252	21,131,799	20,349,554	17,728,205	17,902,356	17,103,095	16,766,753
District administration	3,598,880	3,172,504	3,172,504	2,911,698	2,830,987	3,064,420	2,938,948	2,449,838	2,980,232	2,580,567
School administration	43,589,718	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
Central	19,841,989	19,569,399	18,808,698	17,615,021	15,994,617	15,074,694	13,256,245	13,210,603	12,779,351	12,138,177
Operation and maintenance of facilities	55,183,499	55,286,476	56,418,687	52,507,282	45,090,934	44,891,036	41,033,443	41,999,125	41,608,600	40,874,660
Student transportation	14,940,301	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
School food service	21,725,001	25,520,122	26,116,859	25,159,895	23,891,856	18,562,809	21,796,126	24,206,081	23,289,137	23,662,972
Interest on long-term liabilities	17,581,979	18,396,281	19,170,017	17,546,012	16,099,119	14,182,733	16,265,030	16,085,726	17,299,497	16,129,644
Total governmental activities expenses	674,010,309	684,993,166	664,600,547	618,195,922	579,764,235	542,140,017	494,773,724	494,339,455	492,099,994	487,552,330
Business-type activities:										
Pioneer Adult Rehabilitation Center	-	9,230,363	9,590,575	9,069,798	10,130,337	11,235,889	13,826,446	12,911,819	9,005,112	7,507,772
Total business-type activities expenses	-	9,230,363	9,590,575	9,069,798	10,130,337	11,235,889	13,826,446	12,911,819	9,005,112	7,507,772
Total primary government expenses	\$ 674,010,309	\$ 694,223,529	\$ 674,191,122	\$ 627,265,720	\$ 589,894,572	\$ 553,375,906	\$ 508,600,170	\$ 507,251,274	\$ 501,105,106	\$ 495,060,102
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 9,949,091	\$ 6,930,472	\$ 7,925,829	\$ 6,232,304	\$ 5,896,445	\$ 6,509,349	\$ 6,347,013	\$ 6,002,732	\$ 5,573,818	\$ 5,615,784
Operation and maintenance of facilities	269,657	164,912	330,225	234,978	354,790	317,443	302,692	304,575	270,423	219,798
School food service	1,170,072	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
Operating grants and contributions	163,714,389	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
Total governmental activities program revenues	175,103,209	149,103,341	141,979,613	143,985,301	138,514,632	133,372,481	125,989,814	123,227,945	124,183,007	127,793,021
Business-type activities:										
Charges for services:										
Pioneer Adult Rehabilitation Center	-	7,287,815	9,712,059	7,567,108	7,467,276	9,983,709	14,460,197	12,998,486	8,875,291	7,291,473
Operating grants and contributions	-	891,019	946,318	1,025,597	957,532	732,755	731,952	786,804	748,256	844,109
Total business-type activities program revenues	-	8,188,834	10,658,377	8,592,705	8,424,808	10,725,964	15,192,149	13,785,290	9,623,527	8,135,582
Total primary government program revenues	\$ 175,103,209	\$ 157,292,175	\$ 152,637,990	\$ 152,577,806	\$ 146,939,440	\$ 144,038,445	\$ 141,181,963	\$ 137,013,235	\$ 133,806,534	\$ 135,928,603
Net (expense) revenue										
Governmental activities	\$ (498,907,100)	\$ (535,889,825)	\$ (522,620,934)	\$ (474,210,621)	\$ (441,249,603)	\$ (408,827,536)	\$ (368,783,910)	\$ (371,111,510)	\$ (367,916,987)	\$ (359,759,309)
Business-type activities	-	(1,041,529)	1,067,802	(477,293)	(1,705,529)	(509,925)	1,365,703	873,471	618,415	627,810
Total primary government net expense	\$ (498,907,100)	\$ (536,931,354)	\$ (521,553,132)	\$ (474,687,914)	\$ (442,955,132)	\$ (409,337,461)	\$ (367,418,207)	\$ (370,238,039)	\$ (367,298,572)	\$ (359,131,499)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for:										
General purposes	\$ 130,414,488	\$ 123,146,606	\$ 111,954,761	\$ 106,779,827	\$ 100,101,398	\$ 94,816,471	\$ 85,964,463	\$ 85,186,800	\$ 86,614,783	\$ 71,789,469
Transportation	-	-	-	-	-	-	-	-	-	3,813,543
Recreation	-	-	-	-	-	-	-	-	-	3,775,682
Debt service	75,821,440	69,721,833	65,350,647	54,462,817	50,008,667	48,146,166	46,572,252	42,773,677	41,971,606	40,390,346
Capital outlay	17,643,570	16,705,640	16,629,549	16,721,137	18,162,423	17,337,683	16,930,993	15,413,272	16,342,018	19,136,415
Federal and state revenue not restricted to specific purposes	320,656,013	317,915,726	301,156,982	287,384,030	265,470,952	246,318,610	227,240,368	221,985,012	210,949,940	206,430,844
Earnings on investments	1,709,876	5,172,269	6,845,936	4,026,286	2,346,999	1,326,808	669,366	559,816	714,479	1,523,932
Miscellaneous	31,252,546	38,407,860	35,658,028	32,393,188	29,593,138	24,755,867	24,765,168	19,182,509	18,632,517	18,618,204
Business-type activities:										
Earnings on investments	-	115,657	135,131	110,765	79,900	48,823	11,800	11,231	14,548	16,598
Total primary government general revenues	\$ 577,497,933	\$ 571,185,590	\$ 557,731,034	\$ 501,879,650	\$ 446,763,477	\$ 432,750,426	\$ 402,154,410	\$ 385,112,317	\$ 375,239,891	\$ 365,465,033
Change in Net Position										
Governmental activities	\$ 78,590,833	\$ 35,180,109	\$ 14,974,909	\$ 27,557,664	\$ 24,433,974	\$ 23,874,069	\$ 33,558,700	\$ 13,989,576	\$ 7,308,356	\$ 5,689,126
Business-type activities	-	(925,872)	1,202,933	(366,528)	(1,625,629)	(461,102)	1,377,503	884,702	632,963	644,408
Total primary government	\$ 78,590,833	\$ 34,254,237	\$ 16,177,902	\$ 27,191,136	\$ 22,808,345	\$ 23,412,967	\$ 34,736,203	\$ 14,874,278	\$ 7,941,319	\$ 6,333,534

Note: As of June 30, 2020 PARC (Pioneer Adult Rehabilitation Center) is no longer part of Davis School District. PARC has moved its operations to a new entity.

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, 2012 to 2021

(modified accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General fund:										
Nonspendable (inventories & prepaids)	\$ 6,432,735	\$ 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
Committed to workers compensation	1,500,000	1,000,000	1,000,000	500,000	500,000	500,000	500,000	500,000	300,000	300,000
Committed to termination benefits	6,000,000	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
Committed to economic stabilization	31,000,000	28,500,000	28,000,000	25,000,000	23,000,000	20,000,000	4,500,000	2,000,000	-	-
Assigned	23,825,000	28,025,000	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	40,106,730	31,185,527	27,108,282	20,954,371	15,947,138	11,625,750	18,497,093	16,485,230	14,548,294	13,411,677
Total fund balances	\$ 108,864,465	\$ 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
Debt service fund:										
Restricted for debt service	\$ 26,181,898	\$ 20,086,755	\$ 16,018,137	\$ 6,329,924	\$ 3,788,520	\$ 4,249,578	\$ 3,122,533	\$ -	\$ -	\$ 400,718
Total fund balances	\$ 26,181,898	\$ 20,086,755	\$ 16,018,137	\$ 6,329,924	\$ 3,788,520	\$ 4,249,578	\$ 3,122,533	\$ -	\$ -	\$ 400,718
Capital projects fund:										
Restricted for capital projects	\$ 51,249,300	\$ 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
Total fund balances	\$ 51,249,300	\$ 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
Other governmental funds										
Nonspendable (inventories & prepaids)	\$ 2,338,477	\$ 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
Restricted for school food services	6,727,860	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
Restricted for state multi-district program	-	-	-	-	-	-	-	-	47,949	1,473,724
Committed to schools	12,757,922	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
Assigned to Foundation	3,724,427	2,639,909	2,178,619	1,760,723	1,703,846	-	-	-	-	-
Total fund balances	\$ 25,548,686	\$ 23,154,982	\$ 22,501,407	\$ 23,289,648	\$ 22,958,854	\$ 18,926,901	\$ 16,727,629	\$ 14,509,889	\$ 13,784,014	\$ 15,250,197
Total Governmental Funds:										
Nonspendable (inventories & prepaids)	\$ 8,771,212	\$ 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
Restricted	84,159,058	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
Committed	51,257,922	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
Assigned	27,549,427	30,664,909	15,825,000	15,325,000	11,542,000	3,435,887	20,098,751	8,303,673	6,058,767	3,060,000
Unassigned	40,106,730	31,185,527	27,108,282	20,954,371	15,947,138	11,625,750	18,497,093	16,485,230	14,548,294	13,411,677
Total fund balances	\$ 211,844,349	\$ 224,137,375	\$ 186,271,526	\$ 160,927,415	\$ 176,488,584	\$ 148,443,449	\$ 138,008,698	\$ 93,642,092	\$ 81,017,197	\$ 87,300,001

DAVIS SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
Years Ended June 30, 2012 to 2021
(modified accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Property taxes	\$ 232,977,981	\$ 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
Earnings on investments	1,709,876	5,172,269	6,845,936	4,026,386	2,346,999	1,326,808	669,366	559,816	714,479	1,523,932
Other local sources	31,951,821	33,466,195	34,270,341	30,015,022	28,762,897	25,431,140	25,081,400	26,501,983	25,211,003	23,873,594
School lunch sales	534,328	6,242,150	7,698,899	7,635,337	7,646,736	7,593,773	7,558,576	7,588,551	7,222,390	7,969,119
State of Utah	420,621,459	406,776,551	383,125,083	371,384,393	343,080,856	319,977,439	296,587,236	287,951,706	275,349,590	275,995,143
Federal government	63,748,943	46,154,144	44,081,699	44,947,899	46,140,075	44,389,290	41,679,038	42,633,078	46,009,391	45,020,775
Total revenues	751,544,408	719,602,613	679,139,278	645,651,096	603,823,650	566,346,698	528,241,475	509,533,483	500,454,310	493,406,678
Expenditures:										
Current:										
Instruction	430,005,185	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
Supporting services:										
Students	25,169,180	21,011,360	19,104,242	17,708,229	16,015,062	15,573,759	14,694,917	14,705,541	14,738,515	14,514,691
Instructional staff	25,158,932	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
District administration	3,614,428	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
School administration	45,231,000	41,875,458	40,201,664	37,373,521	34,455,761	28,518,964	26,766,307	26,037,360	25,380,335	24,860,824
Central	20,053,962	18,198,535	17,108,744	16,935,865	15,079,440	12,960,814	12,561,013	12,284,036	11,754,227	11,754,227
Operation and maint of facilities	54,462,365	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
Student transportation	14,204,789	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
School food services	22,007,915	25,338,067	25,808,135	24,951,399	23,936,878	22,094,493	21,893,048	23,961,993	22,948,731	23,268,842
School outlay	55,023,703	77,079,107	73,118,420	125,801,248	99,556,365	78,653,608	39,718,863	36,786,986	41,399,708	58,224,251
Debt service:										
Tax anticipation note interest	-	-	-	-	-	-	-	-	-	622,548
Bond principal	49,780,000	46,045,000	36,755,000	34,550,000	34,865,000	33,230,000	26,975,000	26,495,000	29,635,000	28,935,000
Bond interest	19,771,178	20,031,801	19,635,007	18,360,825	16,660,115	14,949,568	17,468,199	17,544,525	18,544,696	17,774,694
Bond insurance costs	86,900	-	-	189,182	8,400	512,741	660,188	243,332	366,063	221,980
Capital lease payments	-	-	-	-	-	97,271	97,271	214,340	311,425	647,310
Fees and miscellaneous charges	8,100	8,500	8,300	7,501	-	36,400	7,400	7,750	4,800	15,550
Total expenditures	764,577,637	746,068,173	708,368,222	733,717,601	660,963,607	612,011,907	539,488,780	521,266,318	527,395,756	533,713,784
Excess (deficiency) of revenues over (under) expenditures	(13,033,229)	(26,466,560)	(29,228,944)	(88,066,505)	(57,139,957)	(45,665,209)	(11,247,305)	(11,732,835)	(26,941,446)	(40,307,106)
Other financing sources (uses):										
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
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
Refunding bond issued	30,035,000	43,565,000	-	36,805,000	-	120,035,000	-	-	20,550,000	-
Refunding bond premium	-	9,579,467	-	3,592,355	-	6,930,694	-	-	2,839,916	-
Refunded bond escrow payment	(29,948,100)	(52,886,772)	-	(40,208,173)	-	(126,452,953)	-	-	(23,243,841)	-
Capital leases	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	(95,035)	-	-	-
Proceeds from sale of capital assets	653,203	653,303	1,323	477,031	498,049	137,256	10,225	388,800	-	21,578
Total other financing sources (uses)	740,203	62,152,791	54,990,950	72,562,213	85,488,457	70,660,050	41,053,821	24,357,730	20,638,642	37,565,454
Net change in fund balances	(12,293,026)	35,687,231	25,762,006	(15,504,292)	28,348,500	24,994,841	29,806,516	12,624,895	(6,282,804)	(2,741,652)
Fund balances - beginning (as restated)	224,137,375	188,480,144	162,688,138	178,192,430	149,843,950	123,448,608	93,442,092	81,017,197	87,300,001	90,041,653
Fund balances - ending	<u>\$ 211,844,349</u>	<u>\$ 224,137,375</u>	<u>\$ 188,450,144</u>	<u>\$ 162,688,138</u>	<u>\$ 178,192,430</u>	<u>\$ 148,443,449</u>	<u>\$ 123,448,608</u>	<u>\$ 93,642,092</u>	<u>\$ 81,017,197</u>	<u>\$ 87,300,001</u>
Debt service	69,646,178	66,342,996	56,398,307	53,087,508	51,533,515	48,825,980	45,208,058	44,504,947	48,861,984	47,994,902
Noncapital expenditures	730,383,929	712,927,314	677,300,767	708,300,843	635,434,317	555,386,177	514,271,468	497,805,464	502,601,352	499,517,501
Debt service as a percentage of noncapital expenditures	9.5%	9.3%	8.3%	7.5%	8.1%	8.8%	8.8%	8.9%	9.7%	9.6%

Note: Beginning in FY2011, School Food Services was reclassified as a governmental activity rather than a business-type activity. As a result of this change, the beginning fund balance was increased by \$2,717,390. Prior years have not been restated.

* Note: Beginning FY2008, the Student Activities Fund was reclassified from an agency fund to a special revenue fund. As a result of this change, the beginning net position balance was increased by \$6,892,772. Prior years have not been restated.

** Note: The beginning fund balances for FY2011 were restated for prior period adjustment in the General Fund and added the fund balance in School Food Services.

DAVIS SCHOOL DISTRICT

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Tax Years December 31, 2011 through 2020

Tax Year	Residential	Commercial & Industrial	Agriculture	Personal	Total Taxable		Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
					Assessed	Value			
2020	\$ 18,800,650,460	\$ 6,889,525,804	\$ 215,864,640	\$ 2,474,101,778	\$ 28,380,142,682		0.007670	\$ 45,098,354,733	62.9%
2019	17,729,980,985	6,631,773,284	177,542,274	2,326,866,557	26,866,163,100		0.007679	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		0.008127	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		0.007846	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	128,848,651	1,718,928,896	18,010,803,256		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		0.008861	25,595,666,942	61.3%

* Source: Davis County ACFR

DAVIS SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates Last Ten Tax Years December 31, 2011 through 2020 (rate per \$1 of assessed value)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Davis School District direct rates:										
General	0.004420	0.004407	0.004833	0.004752	0.004833	0.005058	0.004752	0.005125	0.005317	0.004582
Capital outlay & debt service	0.003167	0.003185	0.003224	0.002988	0.003292	0.003497	0.003507	0.003585	0.003624	0.003812
Charter school levy	0.000083	0.000087	0.000070	0.000106	-	-	-	-	-	-
Tort liability	-	-	-	-	-	-	-	-	-	0.000067
Special transportation	-	-	-	-	-	-	-	-	-	0.000201
Recreation	-	-	-	-	-	-	-	-	-	0.000199
Total direct rate	0.007670	0.007679	0.008127	0.007846	0.008125	0.008555	0.008259	0.008710	0.008941	0.008861
Overlapping Rates: *										
County funds	0.001370	0.001409	0.001473	0.002210	0.002014	0.002153	0.002161	0.002331	0.002391	0.002383
County library	0.000319	0.000329	0.000349	0.000376	0.000342	0.000361	0.000361	0.000389	0.000396	0.000392
Average cities and towns	0.002118	0.001367	0.001380	0.001463	0.001455	0.001594	0.001558	0.001559	0.001584	0.001565
Miscellaneous taxing districts	0.000328	0.000332	0.000497	0.000524	0.000399	0.000422	0.000433	0.000454	0.000458	0.000437

* Source: Davis County ACFR

DAVIS SCHOOL DISTRICT

Principal Property Tax Payers Current Year and Nine Years Ago December 31, 2020 and 2011

Taxpayer	December 31, 2020				December 31, 2011			
	Taxable Value	Rank	Percent of District's Total Taxable Value		Taxable Value	Rank	Percent of District's Total Taxable Value	
Chevron US Inc., Chevron Pipeline & California Oil	\$ 559,015,062	1	1.97%		349,539,456	1	2.23%	
Woods Cross Refining Comp - LLC	332,353,790	2	1.17%		162,234,125	4	1.03%	
Pacificorp	252,544,240	3	0.89%		184,837,169	3	1.18%	
Freepoint Center Associates	236,594,031	4	0.83%		190,756,826	2	1.22%	
Questar Gas	188,275,299	5	0.66%		n/a	n/a	n/a	
Station Park Centercal LLC	188,006,824	6	0.66%		n/a	n/a	n/a	
Smith's Food King Properties	153,161,426	7	0.54%		67,849,389	8	0.43%	
Big West Oil	147,819,328	8	0.52%		84,858,191	6	0.54%	
ATK Aerospace	130,591,311	9	0.46%		n/a	n/a	n/a	
IHC Health Services	114,897,748	10	0.40%		n/a	n/a	n/a	
Layton Hills Mall CMBS LLC	n/a	n/a	n/a		96,117,439	5	0.61%	
Wal-Mart	n/a	n/a	n/a		79,145,396	7	0.50%	
Qwest Communications	n/a	n/a	n/a		69,766,532	9	0.44%	
Davis Hospital & Medical Center	n/a	n/a	n/a		65,773,148	10	0.42%	
Totals	\$ 2,303,259,059		8.10%		\$ 1,350,877,671		8.60%	

* Source: Davis County Clerk / Auditor's Office

DAVIS SCHOOL DISTRICT

Property Tax Levies and Collections Last Ten Tax Years December 31, 2011 through 2020

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
2020	\$ 208,985,972	\$ 204,266,577	97.74%	\$ -	\$ 204,266,577	97.74%
2019	201,177,733	196,952,867	97.90%	3,645,886	200,598,754	99.71%
2018	180,918,217	177,462,344	98.09%	2,873,426	180,335,770	99.68%
2017	170,886,005	151,891,258	88.88%	18,907,491	170,798,749	99.95%
2016	166,980,431	159,543,862	95.55%	7,436,400	166,980,262	100.00%
2015	160,846,154	153,067,636	95.16%	7,778,518	160,846,154	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%

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, 2012 through 2021**

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
2021	\$ 538,140,362	1.90%	\$ 1,495	\$ 7,618	\$ -	\$ 538,140,362	1.90%	NA (1)	\$ 1,495	\$ 7,618
2020	590,948,844	2.20%	1,662	8,365	-	590,948,844	2.20%	3.43%	1,662	8,365
2019	577,906,123	2.36%	1,643	7,997	-	577,906,123	2.36%	3.55%	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

(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, 2021

Taxing Entity	2020 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
Overlapping:					
State of Utah	\$ 339,922,399,183	\$ 28,380,142,682	8.3%	\$ 2,452,055,000	\$ 203,520,565
Davis County	28,369,963,900	28,369,963,900	100.0%	523,755,000	523,755,000
Total overlapping					<u>727,275,565</u>
Underlying:					
WBWCD (2) (3)	73,531,532,382	28,378,263,326	38.6%	10,870,000	4,195,820
North Davis Sewer District	12,514,204,155	12,514,204,155	100.0%	13,675,000	13,675,000
South Davis Rec. District (4)	10,317,319,993	10,317,319,993	100.0%	6,890,000	6,890,000
Clearfield City (3)	2,224,217,193	2,224,217,193	100.0%	500,000	-
Farmington City	2,232,702,581	2,232,702,581	100.0%	5,415,000	5,415,000
Total underlying					<u>30,175,820</u>
Total overlapping and underlying general obligation debt					<u>\$ 757,451,385</u>
Total overlapping general obligation debt (excluding the State) (5)					<u>\$ 523,755,000</u>
Total direct general obligation bonded indebtedness					<u>538,140,362</u>
Total direct and overlapping debt (excluding the State) (5)					<u><u>\$ 1,061,895,362</u></u>

- (1) 2020 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 ACFR

DAVIS SCHOOL DISTRICT

**General Obligation Legal Debt Limit and Debt Capacity
Last Ten Years
December 31, 2012 through 2021**

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
2021	\$ 45,098,354,733	\$ 1,417,904,321	\$ 46,516,259,054	\$ 1,860,650,362	\$ 504,010,000	\$ 34,130,362	\$ 1,322,510,000	28.92%
2020	42,489,746,245	1,417,904,321	43,907,650,566	1,756,306,023	552,700,000	38,248,846	1,165,357,177	33.65%
2019	38,603,816,772	1,398,560,802	40,002,377,574	1,600,095,103	552,670,000	25,236,122	1,022,188,981	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%

DAVIS SCHOOL DISTRICT

Schedule of Annual Debt Service Requirements Years Ending June 30, 2022 to 2040

Year Ending June 30,	Principal	Interest	Total Payment
2022	\$ 40,845,000	\$ 17,603,987	\$ 58,448,987
2023	32,060,000	16,184,793	48,244,793
2024	33,350,000	14,866,038	48,216,038
2025	34,705,000	13,498,664	48,203,664
2026	36,055,000	12,126,191	48,181,191
2027	37,415,000	10,792,391	48,207,391
2028	38,685,000	9,507,266	48,192,266
2029	35,155,000	8,252,191	43,407,191
2030	33,470,000	7,091,401	40,561,401
2031	29,400,000	5,925,824	35,325,824
2032	26,360,000	4,981,055	31,341,055
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>\$ 504,010,000</u>	<u>\$ 134,407,645</u>	<u>\$ 638,417,645</u>

DAVIS SCHOOL DISTRICT

Debt Service Schedule of Outstanding General Obligation Bonds Year Ended June 30, 2021

PRINCIPAL

Year Ending June 30,	2013A	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	2019B	2020B	2021A	Total
	\$ 20,000,000	\$ 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	\$ 30,035,000	
2022	\$ 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	\$ 6,150,000	\$ 40,845,000
2023	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	2,255,000	32,060,000
2024	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	2,265,000	33,350,000
2025	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	2,285,000	34,705,000
2026	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	2,300,000	36,055,000
2027	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	2,325,000	37,415,000
2028	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	2,350,000	38,685,000
2029	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	2,380,000	35,155,000
2030	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	2,410,000	33,470,000
2031	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	2,445,000	29,400,000
2032	1,580,000	2,040,000	2,500,000	-	-	4,150,000	5,250,000	-	3,950,000	2,250,000	-	2,160,000	2,480,000	26,360,000
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	\$ 16,695,000	\$ 23,565,000	\$ 31,355,000	\$ 47,585,000	\$ 6,170,000	\$ 58,475,000	\$ 77,175,000	\$ 34,125,000	\$ 65,475,000	\$ 37,575,000	\$ 37,120,000	\$ 39,050,000	\$ 29,645,000	\$ 504,010,000

INTEREST

Year Ending June 30,	2013A	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	2019B	2020B	2021A	Total
2022	\$ 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	\$ 353,338	\$ 17,603,987
2023	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	266,618	16,184,793
2024	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	253,088	14,866,038
2025	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	237,233	13,498,664
2026	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	217,810	12,126,191
2027	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	194,810	10,792,391
2028	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	169,235	9,507,266
2029	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	141,035	8,252,191
2030	202,494	337,500	567,250	-	-	965,906	1,495,281	197,025	1,256,731	867,656	248,750	842,713	110,095	7,091,401
2031	156,088	277,656	474,850	-	-	848,156	1,335,219	101,400	1,145,731	766,406	-	743,963	76,355	5,925,824
2032	106,363	213,469	378,850	-	-	726,656	1,163,938	-	1,030,981	660,156	-	660,963	39,680	4,981,055
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	\$ 3,539,913	\$ 5,721,869	\$ 8,914,850	\$ 7,217,300	\$ 106,124	\$ 14,814,563	\$ 25,409,250	\$ 5,972,175	\$ 21,609,963	\$ 14,630,156	\$ 9,881,750	\$ 14,530,438	\$ 2,059,295	\$ 134,407,645

TOTAL PAYMENT

Year Ending June 30,	2010AB	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	2019B	2020B	2021A	Total
2022	\$ 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	\$ 6,503,338	\$ 58,448,987
2023	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	2,521,618	48,244,793
2024	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	2,518,088	48,216,038
2025	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	2,522,233	48,203,664
2026	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	2,517,810	48,181,191
2027	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	2,519,810	48,207,391
2028	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	2,519,235	48,192,266
2029	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	2,521,035	43,407,191
2030	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	2,520,095	40,561,401
2031	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	2,521,355	35,325,824
2032	1,686,363	2,253,469	2,878,850	-	-	4,876,656	6,413,938	-	4,980,981	2,910,156	-	2,820,963	2,519,680	31,341,055
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	\$ 20,234,913	\$ 29,286,869	\$ 40,269,850	\$ 54,802,300	\$ 6,276,124	\$ 73,289,563	\$ 102,584,250	\$ 40,097,175	\$ 87,084,963	\$ 52,205,156	\$ 47,001,750	\$ 53,580,438	\$ 31,704,295	\$ 638,417,645

DAVIS SCHOOL DISTRICT

Demographic and Economic Statistics Years Ended 2011 - 2020

Year Ended December 31,	County Population (1)	Personal Income	Per Capita Income	Births	Deaths	Unemployment Rate (3)	School District October 1 Enrollment
2020	359,925	N/A (2)	N/A (2)	4,827	2,201	4.1%	72,540
2019	355,481	17,213,456,463	48,423	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

Percentage Increase from 2011 to 2020:

27.7%	(2)	(2)	-10.4%	45.2%	-40.0%	13.3%
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(1) Davis County ACFR

(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, 2012 to 2021**

	2021 (1)	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total civilian work force	175,905	176,250	173,800	170,592	170,335	164,977	160,321	155,909	152,577	148,630
Employed	168,737	170,922	169,589	165,587	165,116	159,781	154,896	150,319	146,091	141,372
Unemployed	7,168	5,328	4,211	5,005	5,219	5,196	5,425	5,590	6,486	7,258
Unemployment rate	4.1%	3.0%	2.4%	2.9%	3.1%	3.1%	3.4%	3.6%	4.3%	4.9%
Total non-agricultural employment	134,124	133,114	133,376	130,275	126,380	121,365	118,683	114,300	113,178	108,006
Mining	212	188	93	131	128	134	157	196	174	180
Contract construction	10,801	10,228	11,129	10,808	10,303	10,018	9,260	8,365	7,615	7,163
Manufacturing	14,067	13,289	13,992	13,739	12,087	11,786	12,031	11,302	10,874	10,504
Trade, transportation and utilities	24,436	24,020	24,185	23,742	24,257	23,106	22,367	20,490	20,946	20,119
Information	1,276	1,302	1,218	1,210	1,364	1,327	1,410	1,338	1,509	1,410
Financial services	4,501	4,674	4,539	4,451	3,981	3,864	3,852	3,629	3,597	3,452
Professional and business services	17,047	16,962	16,131	15,375	15,182	14,723	15,253	14,803	14,474	13,137
Education and health services	12,752	13,486	12,487	12,527	11,815	11,318	12,686	13,498	12,933	12,147
Leisure and hospitality	12,326	13,060	14,455	14,174	13,655	13,018	12,832	11,287	11,662	10,425
Other services	3,821	3,700	3,699	3,765	3,630	3,619	3,470	3,229	3,166	2,939
Government	32,885	32,205	31,448	30,353	29,978	28,452	25,365	26,163	26,228	26,530

(1) Preliminary data through Mar 2021

(Source: Utah Department of Workforce Services)

DAVIS SCHOOL DISTRICT

**Capital Asset Information
Last Ten Fiscal Years**

	Fiscal Year Ended Jun 30,									
<u>Function</u>	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction	\$ 1,021,643,150	\$ 979,938,845	\$ 919,438,300	\$ 779,068,934	\$ 778,662,256	\$ 742,031,506	\$ 733,256,750	\$ 700,616,835	\$ 687,876,279	\$ 655,120,063
Student Support Services	10,427,628	10,427,628	9,783,193	7,388,980	7,388,980	7,388,980	7,239,128	6,991,447	6,991,447	6,664,167
Instructional Support	3,674,002	3,674,002	3,674,002	3,697,325	3,697,325	3,697,325	3,673,686	3,673,686	4,451,837	4,548,043
General Administration	1,140,861	1,147,427	1,141,892	1,141,892	1,141,892	1,141,892	1,141,892	1,135,326	1,047,303	1,047,303
School Administration	56,787,299	54,729,460	51,580,809	42,822,322	42,833,317	41,014,001	40,464,542	38,677,266	38,677,266	36,827,858
Central	32,325,859	31,783,263	32,035,456	26,923,556	27,013,408	28,737,334	26,518,557	26,091,248	22,287,090	22,109,421
Operations and Maintenance	79,684,574	76,287,877	72,527,925	59,137,833	59,051,361	56,341,772	55,973,232	53,535,531	53,173,791	50,947,481
Student Transportation	21,207,569	21,418,125	20,811,919	21,777,127	22,199,665	24,488,484	24,747,712	24,124,695	22,219,882	21,212,360
Total capital assets	\$ 1,226,890,943	\$ 1,179,406,627	\$ 1,110,993,497	\$ 941,957,968	\$ 941,988,203	\$ 904,841,294	\$ 893,015,499	\$ 854,846,035	\$ 836,724,895	\$ 798,476,695

Source: District records

DAVIS SCHOOL DISTRICT

Principal Employers Prior Year and Nine Years Ago

Business	2020			2011		
	Employees	Rank	Percent of County Employment	Employees	Rank	Percent of County Employment
Hill Air Force Base	10,000 - 14,999	1	8.9%	10,000 - 14,499	1	11.1%
Davis School District	7,000 - 9,999	2	5.9%	7,000 - 9,999	2	7.4%
Walmart Associates	2,000 - 2,999	3	1.2%	1,000 - 1,999	3	1.5%
Kroger Group Cooperative	2,000 - 2,999	4	1.8%	1,000 - 1,999	6	1.5%
Lifetime Products	1,000 - 1,999	5	1.2%	1,000 - 1,999	4	1.5%
ATK Space Systems	1,000 - 1,999	6	1.8%	1,000 - 1,999	7	0.7%
Progrexion Teleservices	1,000 - 1,999	7	1.2%	n/a - n/a	n/a	0.0%
Lagoon Corporation	1,000 - 1,999	8	0.6%	1,000 - 1,999	5	1.5%
ATK Launch Systems	1,000 - 1,999	9	1.2%	n/a - n/a	n/a	0.7%
Northrop Grumman	500 - 999	10	0.6%	n/a - n/a	n/a	0.0%
Utility Trailer & Manufacturing	500 - 999	n/a	0.6%	500 - 999	9	0.7%
Davis County	500 - 999	n/a	0.6%	500 - 999	8	0.7%
Davis Hospital and Medical Center	500 - 999	n/a	0.6%	500 - 999	10	0.7%
Totals	26,500 - 41,990		26.1%	23,500 - 37,990		28.0%

* Source: Utah Department of Workforce Services

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, 2012 to 2021

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Facilities Operated:										
Elementary Schools	62	62	62	62	62	62	60	59	59	59
Junior High Schools	17	17	16	16	16	16	16	16	16	16
High Schools	9	9	9	8	8	8	8	8	8	8
Special Purpose Schools	5	6	6	6	6	6	6	6	6	6
Total Number of School Buildings	93	94	93	92	92	92	90	89	89	89
Full-Time Equivalent Positions of the District:										
Administrators, Managers	59.0	59.0	56.0	58.0	61.0	58.0	59.0	57.0	58.0	57.0
School Principals	89.0	89.0	90.0	87.0	87.0	86.0	85.0	83.0	83.0	83.0
School Assistant Principals / Interns	114.5	111.0	110.4	104.0	103.0	98.5	93.5	95.5	91.5	90.5
Elementary Classroom Teachers	1,457.5	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
Secondary Classroom Teachers	1,333.3	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
Guidance Personnel	155.9	141.9	129.3	123.3	123.3	118.8	116.8	116.3	117.3	117.8
Special Education	604.3	633.3	620.0	610.6	579.3	562.3	547.2	549.0	544.0	541.1
Librarians / Media Specialists	79.1	79.8	79.7	78.5	78.6	77.4	77.0	75.0	75.5	76.2
Supervisors of Instruction	18.0	16.0	17.0	28.6	29.6	30.6	29.6	31.6	31.6	33.5
Other Professional Staff	263.3	260.6	249.2	237.4	236.5	229.3	217.0	180.8	176.3	168.9
Teacher Assistants	1,075.2	1,103.3	1,014.2	1,005.8	950.1	862.0	825.1	803.4	806.9	859.8
Secretarial	240.6	217.7	221.7	213.7	213.0	208.6	211.9	213.3	214.1	213.2
Office Assistants	262.2	194.6	173.3	173.5	171.5	163.9	163.4	160.9	162.1	173.7
Custodial	404.2	397.5	393.1	383.0	363.5	363.3	356.6	359.2	364.1	357.3
Maintenance	121.3	121.6	120.1	120.8	120.1	119.3	121.6	119.9	119.6	123.2
Nutrition Services	255.0	265.5	264.2	257.4	257.1	258.8	257.2	261.3	262.8	260.5
Transportation	178.2	179.5	188.3	196.4	196.7	202.9	213.5	221.3	216.0	211.7
Warehouse	35.3	35.3	34.6	34.9	35.6	37.1	32.9	33.2	33.6	35.9
Total number of District positions FTE	<u>6,745.8</u>	<u>6,668.8</u>	<u>6,494.0</u>	<u>6,425.3</u>	<u>6,274.0</u>	<u>6,103.4</u>	<u>5,989.4</u>	<u>5,963.2</u>	<u>5,960.5</u>	<u>5,968.7</u>

* Source: Davis School District records

DAVIS SCHOOL DISTRICT

Average Daily Membership and October Enrollment Years Ended June 30, 2012 to 2021

<u>Year Ended June 30,</u>	<u>Average Daily Membership</u>	<u>Annual Increase</u>	<u>October 1st Enrollment</u>	<u>Annual Increase</u>
2021	66,851	(1,868)	72,540	1,897
2020	68,719	985	70,643	(2,254)
2019	67,734	650	72,897	989
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

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, 2012 to 2021

Function	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction	\$404,827,865 68.30%	\$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%
Supporting services:										
Students	25,169,180 4.25%	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%
Instructional staff	25,158,932 4.24%	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%
District administration	3,614,428 0.61%	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%
School administration	45,231,000 7.63%	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%
Central	20,053,962 3.38%	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%
Operation & maintenance of facilities	54,462,365 9.19%	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%
Student transportation	14,204,789 2.40%	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%
Tax anticipation note interest	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	622,548 0.16%
Total Expenditures	\$592,722,521	\$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

DAVIS SCHOOL DISTRICT

**Expenditures Per ADM by Function - General Fund
Last Ten Fiscal Years
Years Ended June 30, 2012 to 2021**

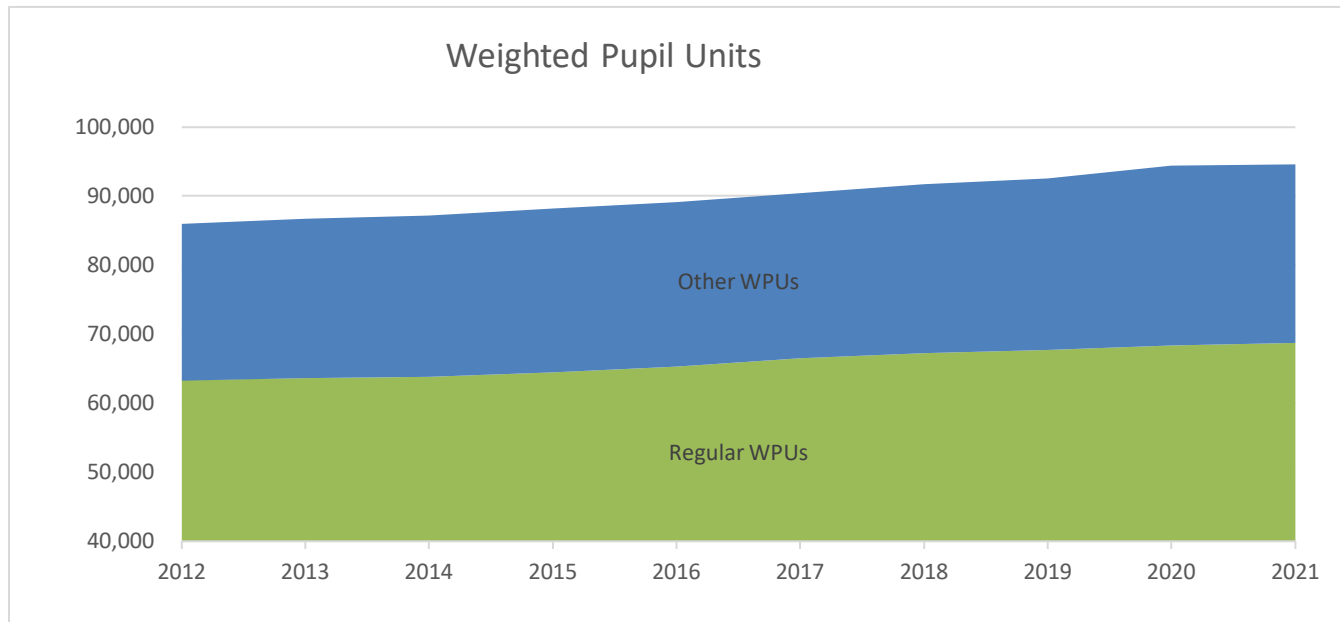
Function	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction	\$ 6,056	\$ 5,416	\$ 5,209	\$ 5,012	\$ 4,742	\$ 4,630	\$ 4,374	\$ 4,322	\$ 4,316	\$ 4,237
Supporting services:										
Students	376	306	282	264	241	238	228	230	232	230
Instructional staff	376	349	340	328	315	310	286	278	267	264
District administration	54	51	45	40	42	38	36	34	41	40
School administration	677	609	594	557	519	437	415	407	399	394
Central	300	265	253	252	227	219	201	196	193	186
Operation & maintenance of facilities	815	760	784	762	650	663	628	633	631	624
Student transportation	212	195	194	252	198	197	204	177	175	188
Tax anticipation note interest	-	-	-	-	-	-	-	-	-	10
Total expenditures per ADM	<u>\$ 8,866</u>	<u>\$ 7,952</u>	<u>\$ 7,701</u>	<u>\$ 7,469</u>	<u>\$ 6,934</u>	<u>\$ 6,732</u>	<u>\$ 6,370</u>	<u>\$ 6,277</u>	<u>\$ 6,253</u>	<u>\$ 6,175</u>

DAVIS SCHOOL DISTRICT

Weighted Pupil Units (WPU) Regular WPUs and Other by Formula Years Ended June 30, 2012 to 2021

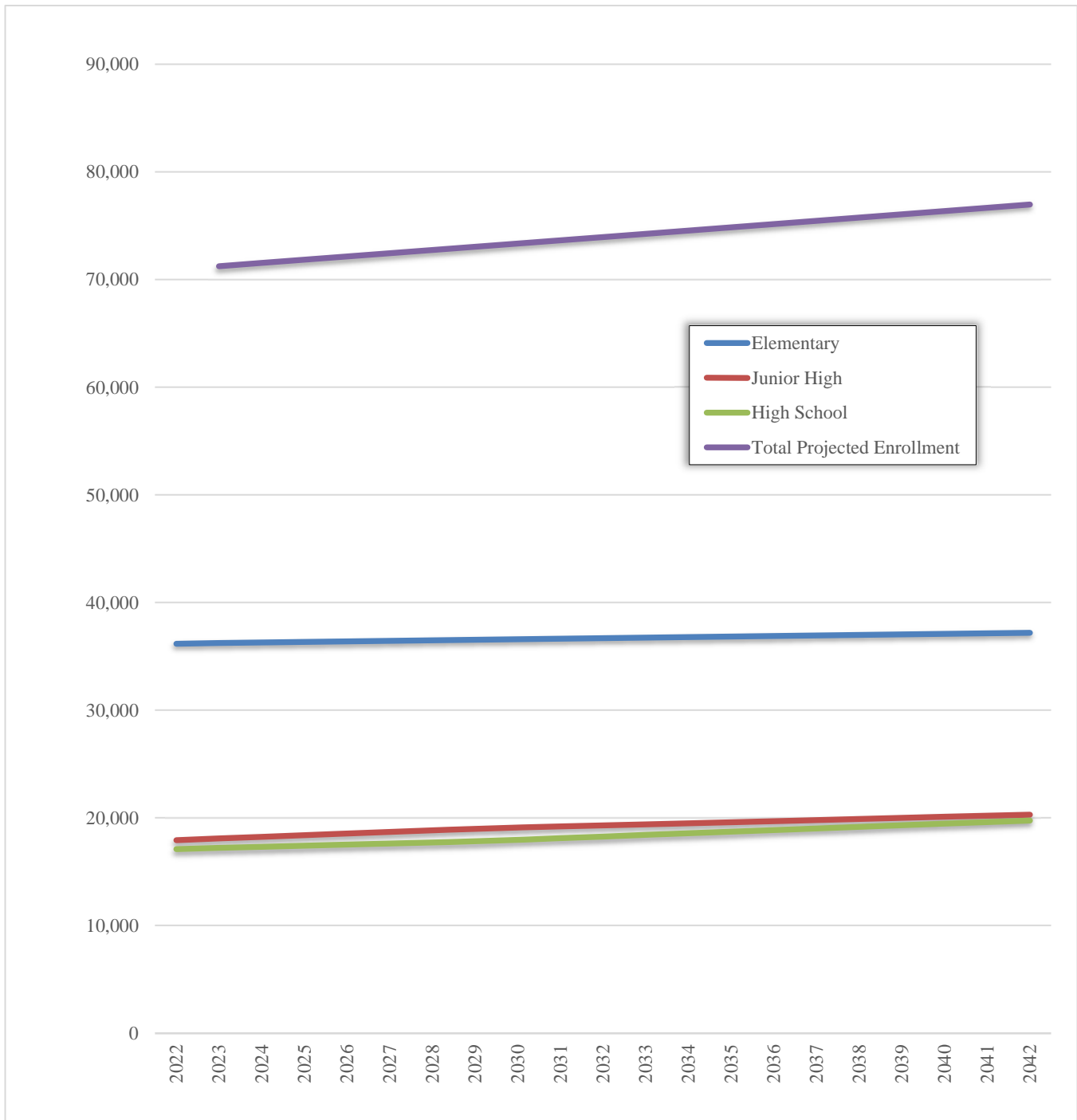
WPU TYPE	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Regular Grades K-12	68,714	68,347	67,689	67,196	66,495	65,249	64,494	63,809	63,613	63,300
Other WPUs by Formula										
Professional staff	6,468	6,449	6,495	6,448	6,382	6,318	6,332	6,247	6,308	6,267
Administrative Cost	-	-	-	-	-	-	-	-	-	-
Foreign Exch Students	-	35	31	30	30	34	38	39	32	34
Special Education	11,557	11,952	11,099	10,921	10,444	10,336	10,144	9,870	9,537	9,302
Career and Technical Ed	3,403	3,136	2,779	2,734	2,783	2,955	2,952	2,965	2,999	2,890
Class-Size Reduction	4,455	4,472	4,483	4,400	4,309	4,266	4,225	4,231	4,211	4,205
Total other WPUs	25,884	26,045	24,888	24,534	23,948	23,909	23,691	23,352	23,087	22,698
TOTAL ALL WPUs	94,598	94,392	92,577	91,729	90,443	89,158	88,185	87,161	86,700	85,998

* 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.

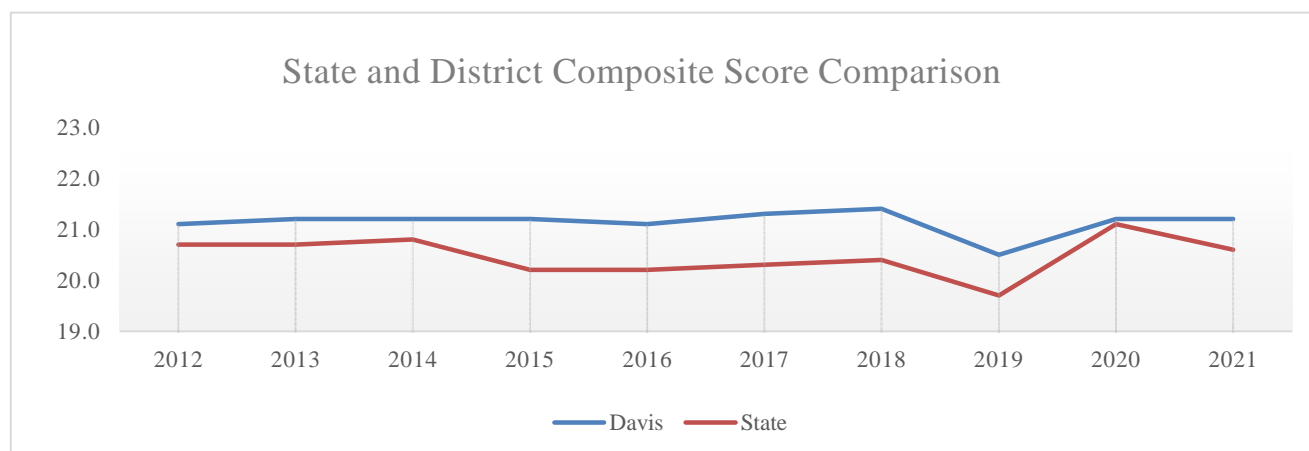
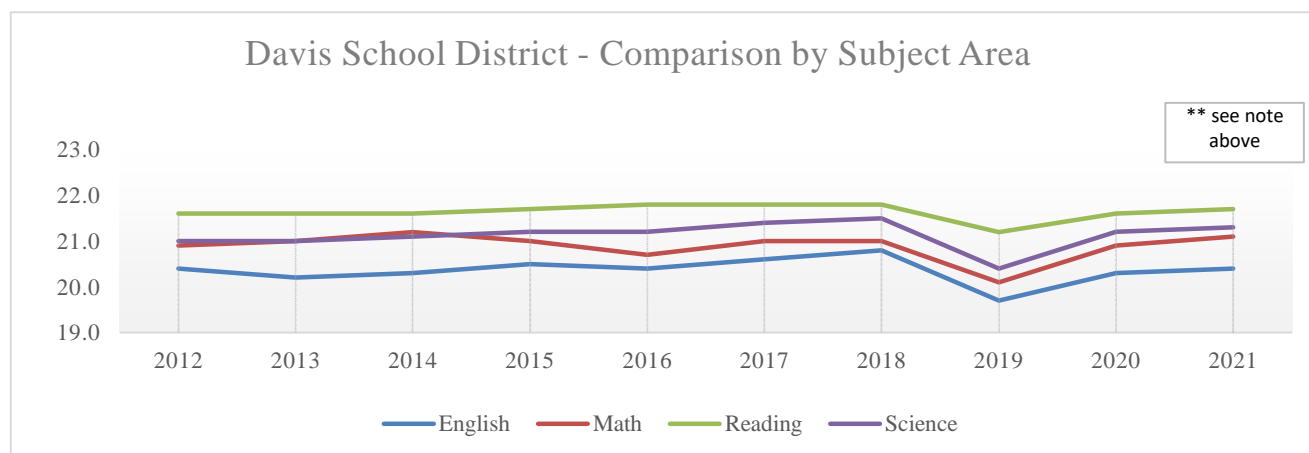
DAVIS SCHOOL DISTRICT

American College Test (ACT) Results Years Ended June 30, 2012 to 2021

AVERAGE SCORES on a 36 point scale

Year	English	Math	Reading	Science		Composite District	Composite State
2021	20.4	21.1	21.7	21.3	**	21.2	20.6
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

** - 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.



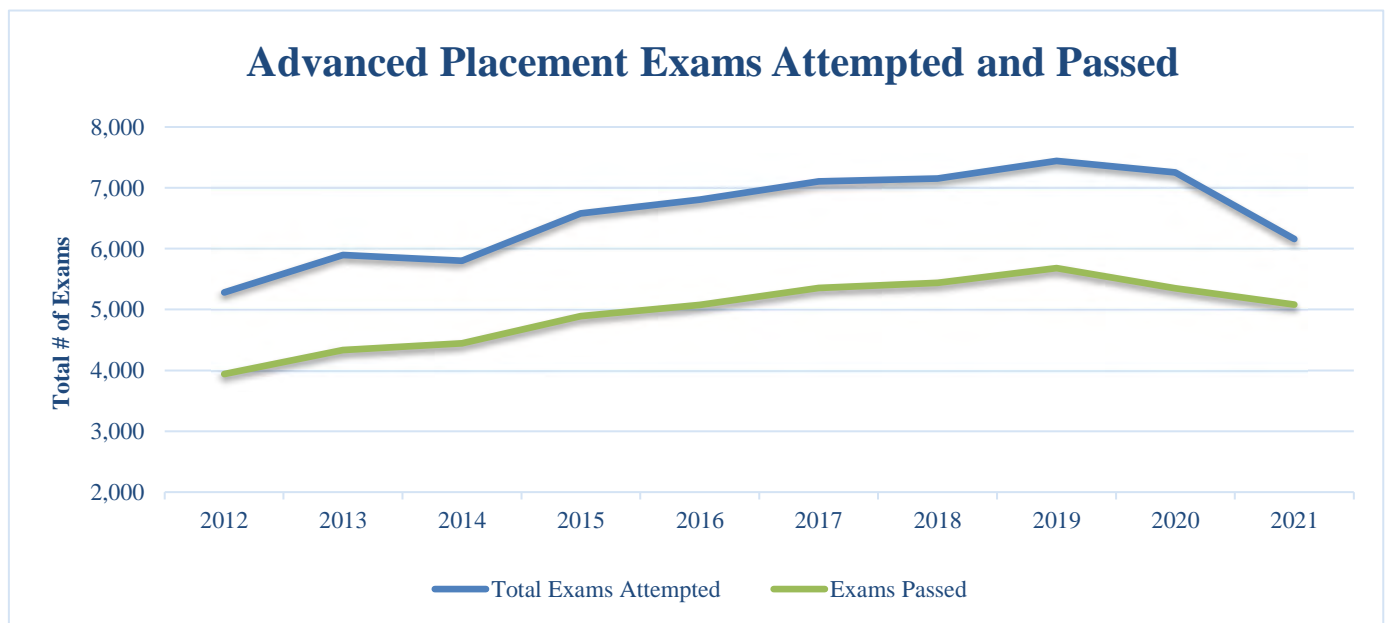
* Source: Davis School District and Utah State Office of Education records

DAVIS SCHOOL DISTRICT

Advanced Placement Exam Results Years Ended June 30, 2012 to 2021

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Mathematics	1,462	1,136	1,201	1,112	1,068	1,083	1,174	1,073	1,079	962
Computer Science	85	68	114	44	25	6	3	1	5	6
English	933	1,292	1,536	1,414	1,649	1,329	1,355	1,217	1,443	1,421
Science	771	932	1,105	931	782	767	736	582	562	415
Social Studies	2,173	3,189	2,966	3,092	3,116	3,190	2,891	2,657	2,469	2,199
Fine Arts	295	214	207	323	293	273	346	244	301	261
Foreign Languages	442	422	314	236	171	157	77	27	36	21
Total Exams Attempted	6,161	7,253	7,443	7,152	7,104	6,805	6,582	5,801	5,895	5,285
Exams Passed	5,080	5,350	5,681	5,439	5,357	5,075	4,890	4,445	4,335	3,942
PERCENTAGE PASSING	82.45%	73.76%	76.33%	76.05%	75.41%	74.58%	74.29%	76.62%	73.54%	74.59%



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