

**PARK CITY SCHOOL DISTRICT**

**Financial Statements**

Year Ended June 30, 2019

# PARK CITY SCHOOL DISTRICT

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## **FINANCIAL SECTION**



## Independent Auditor's Report

Board of Education  
Park City School District

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Park City School District (the District) as of and for the year ended June 30, 2019, 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, each major fund, and the aggregate remaining fund information of Park City School District as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the *general fund* for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

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

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

### ***Combining and Individual Fund Statements and Schedules 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 combining and individual fund statements and schedules and other information, 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 combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information has 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 it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2019, 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 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 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.

A handwritten signature in black ink that reads "Agui & Company, PC". The signature is written in a cursive, flowing style.

Orem, Utah  
October 4, 2019

## Management's Discussion and Analysis

This section of our financial report of Park City School District (the District) presents management's discussion and analysis of our financial performance during the year ended June 30, 2019.

### Financial Highlights

- We are dependent on revenues generated by property taxes. Property tax revenues increased by 18.5% in 2019 to \$72.5 million as a result of a combination of an increase in the taxable value of property and an increase in the overall tax rate. \$8.9 million of our property taxes were contributed to other governments, of which \$6.2 million represents a recapture of our basic levy paid to the Utah State Board of Education.
- Our total net position was \$120.1 million at the close of the most recent fiscal year, most of which is invested in capital assets or restricted for capital outlay.
- During the year, expenses were \$3.1 million more than the \$87.8 million generated in taxes and other revenues for governmental activities.
- Our student enrollment decreased by 36 students to a total of 4,780 students as of October 1, 2018 for the 2018-2019 school year.

### Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to our basic financial statements. Our basic financial statements comprise three components: a) government-wide financial statements, b) fund financial statements, and c) notes to the basic financial statements. This report also contains 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 consolidated broad overview of our finances, in a manner like a private-sector business.

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

The *statement of activities* presents information showing how our net position 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 (such as, uncollected taxes and pension benefits).

Our government-wide financial statements are reported as *governmental activities*. Our basic services are included here, such as instruction, various supporting services, nutrition services, and community services. Property taxes and state and federal grants finance most of these activities.

The government-wide financial statements include not only the District but also the Park City Education Foundation (the Foundation), a legally separate entity for which we are financially accountable. The Foundation is reported as one of our special revenue funds. The Foundation exclusively benefits us and our students. We finance most of the administrative costs of the Foundation.



The government-wide financial statements can be found on pages 12 and 13 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. We, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All our funds are grouped into two categories: governmental 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 our 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 our 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.

We maintain six 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* and the *capital projects fund*, each of which are major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the governmental funds is provided in the *combining and individual statements and schedules* section of this report.

We adopt an annual budget for our *general fund*. A budgetary comparison statement has been provided for our *general fund* to demonstrate compliance with this budget.

The basic governmental fund financial statements and reconciliations can be found on pages 14 through 18 of this report.

#### ***Proprietary Fund***

We maintain one proprietary fund type. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among our various functions. We use one internal service fund (the *self-insurance fund*) to account for employee health and accident and dental benefits and health care reimbursements provided as a service to all our other funds. This internal service fund is included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 19 through 21 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 22 through 42 of this report.

### ***Additional Information***

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning our proportional share of the unfunded obligation of the defined benefit pension plans administered by Utah Retirement Systems and its progress in funding obligations to provide pension benefits to our employees. This required supplementary information and related notes can be found on pages 43 to 45 of this report.

The individual and combining statements and schedules referred to earlier in connection with governmental funds are presented as supplementary information on pages 46 through 54 of this report.

To provide comparative data, selected financial, tax, and demographic information is provided as other information. This other information can be found on pages 55 through 61 of this report.

### **Government-Wide Financial Analysis**

#### ***Net Position***

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In our case, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$120.1 million at the close of the most recent fiscal year.

**PARK CITY SCHOOL DISTRICT'S Net Position**  
**June 30, 2019 and 2018**  
(in millions of dollars)

	<b>Governmental activities</b>		<b>Total change</b>
	<b>2019</b>	<b>2018</b>	<b>2019-2018</b>
Current and other assets	\$ 139.4	\$ 126.4	\$ 13.0
Capital assets	97.1	98.6	(1.5)
Total assets	236.5	225.0	11.5
Deferred outflows of resources	15.6	14.0	1.6
Current and other liabilities	9.5	8.0	1.5
Long-term liabilities outstanding	40.9	26.3	14.6
Total liabilities	50.4	34.3	16.1
Deferred inflows of resources	81.6	81.5	0.1
Net position:			
Net investment in capital assets	96.9	98.6	(1.7)
Restricted	23.0	23.2	(0.2)
Unrestricted	0.2	1.4	(1.2)
Total net position	\$ 120.1	\$ 123.2	\$ (3.1)

The largest portion of our net position (\$96.9 million or 80.7%) reflects our investment in capital assets (e.g., land, buildings and improvements, and equipment and buses, net of accumulated depreciation and related debt). We use these capital assets to provide services to students; consequently, these assets are *not* available for future spending.

An additional portion of our net position (\$23.0 million or 19.2%) represents resources that are subject to external restrictions on how they may be used. Most of the restricted balance is for capital outlay. Restricted net position decreased by \$0.2 million during the year ended June 30, 2019. Restricted fund balances represent net resources subject to constraints that are imposed by external entities or by law.

The remaining net position (\$0.2 million) is unrestricted. This balance is net of our proportionate share of the unfunded obligation of the defined benefit pension plans administered by Utah Retirement Systems. Unrestricted net position decreased by \$1.2 million during the year ended June 30, 2019. This net decrease reflects an increase in salaries and related benefits.

### ***Changes in Net Position***

Our total net position decreased by \$3.1 million during the current year. The following discussion and analysis on governmental activities focuses on this decrease:

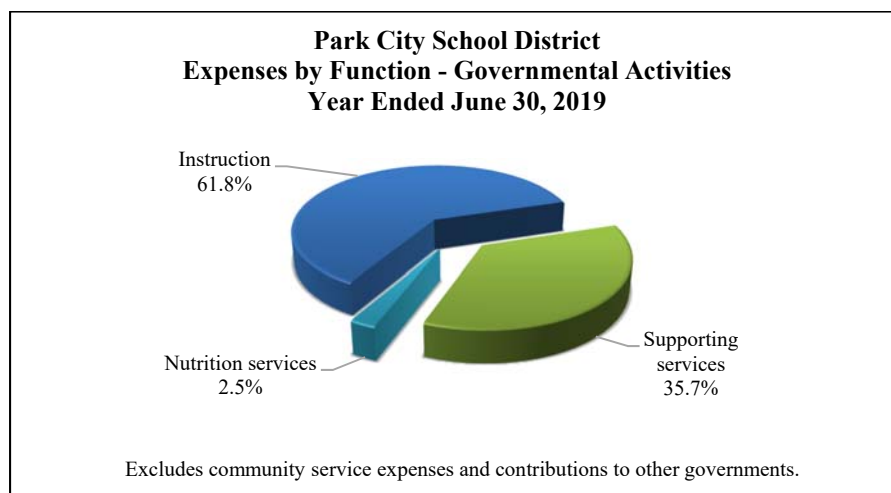
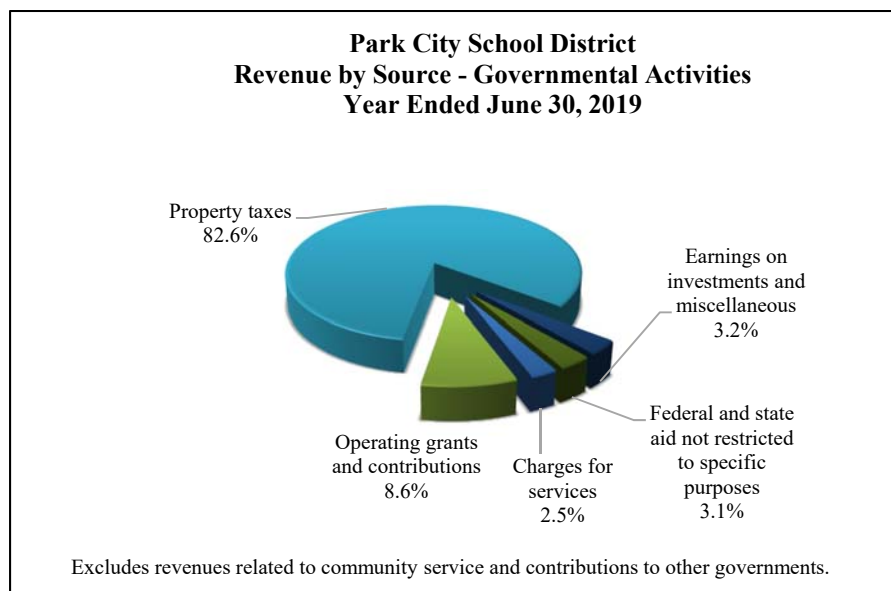
**PARK CITY SCHOOL DISTRICT'S Changes in Net Position**  
**Years Ended June 30, 2019 and 2018**  
(in millions of dollars)

	<b>Governmental activities</b>		<b>Total change</b>
	<b>2019</b>	<b>2018</b>	<b>2019-2018</b>
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 3.8	\$ 3.7	\$ 0.1
Operating grants and contributions	6.6	6.2	0.4
General revenues:			
Property taxes	72.5	61.2	11.3
Federal and state aid not restricted to specific purposes	2.4	1.8	0.6
Earnings on investments	1.6	1.0	0.6
Miscellaneous	0.9	0.8	0.1
Total revenues	<u>87.8</u>	<u>74.7</u>	<u>13.1</u>
<b>Expenses:</b>			
Instruction	49.4	44.5	4.9
Supporting services:			
Students	5.2	4.5	0.7
Instructional staff	4.8	4.0	0.8
Executive administration	1.0	0.9	0.1
School administration	3.9	3.2	0.7
Central	4.7	3.5	1.2
Operation and maintenance of facilities	6.1	5.1	1.0
Student transportation	2.8	2.6	0.2
Nutrition services	2.0	1.8	0.2
Community services	2.1	1.8	0.3
Contributions to other governments	8.9	6.1	2.8
Total expenses	<u>90.9</u>	<u>78.0</u>	<u>12.9</u>
Change in net position	(3.1)	(3.3)	0.2
<b>Net position - beginning</b>	<u>123.2</u>	<u>126.5</u>	<u>(3.3)</u>
<b>Net position - ending</b>	<u>\$ 120.1</u>	<u>\$ 123.2</u>	<u>\$ (3.1)</u>

We are dependent on revenues generated by property taxes. Property tax revenues increased by 18.5% in 2019 to \$72.5 million as a result of a combination of an increase in the taxable value of property and an increase in the overall tax rate. \$8.9 million of our property taxes were contributed to other governments.

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 us one WPU. Certain students receive a weighting greater than one. The state guarantees that if taxes collected from the basic levy do not provide money equal to the WPU, the state will make up the difference with state funding. The value of the WPU increased by 2.5% during the year ended June 30, 2019 (\$3,395 during 2019 as compared to \$3,311 in 2018). The combination of an increase in the value of the WPU and a decrease in student membership resulted in an increase of state WPU-based program revenue of \$0.2 million compared to the prior year. However, taxes collected from the basic levy exceeded the state guarantee by \$6.2 million. Consequently, we received no state WPU funding in 2019 and were required to pay the excess to the state.



Overall revenue from other state appropriations (both restricted and unrestricted) totaled \$5.6 million in 2019, an increase of 33.6% from the prior year.

Federal aid is received through the state primarily for students eligible to participate in child nutrition, special education, and economically disadvantaged programs. Overall revenue from federal programs totaled \$1.7 million in 2019, somewhat less than the amount that was received in the prior year.

Our total expenses increased by \$12.9 million to a total of \$90.9 million during 2019 as compared to the prior year. This increase is primarily from increases in salaries and benefits and the recapture of the basic levy.

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

As noted earlier, we use fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of our governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing our financing requirements. As we completed the year, our governmental funds reported a combined fund balance of \$39.1 million, \$1.3 million less than the previous year. Included in this year's change in the combined fund balance is a decrease in the fund balance of the *general fund* of \$0.7 million; this year's change also includes a decrease in the fund balance of the capital projects funds of \$0.3 million and a decrease in the fund balances of the nonmajor other governmental funds of \$0.3 million. These decreases resulted primarily from increases in salaries and related benefits and an increase in capital outlay. In addition, the following other changes in fund balances should be noted:

- Expenditures for general purposes (excluding community service expenditures and contributions to other governments) totaled \$66.7 million, an increase of 9.3% during the current fiscal year. This compares to a 11.1% increase in 2018. Instruction represents 58.7% of *general fund* expenditures (excluding community service expenditures and contributions to other governments).
- *General fund* salaries totaled \$37.8 million while the associated employee benefits of retirement, social security, and insurance added \$20.1 million to arrive at 86.9% of total *general fund* expenditures (excluding community service expenditures and contributions to other governments).

Governmental funds report the differences between their assets, liabilities, and deferred inflows of resources as fund balance, which is divided into nonspendable, restricted, and unrestricted portions. *Nonspendable* includes endowments, inventories, and prepaid items that are not expected to be converted to cash. *Restricted* includes our net fund resources that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors. Restrictions include tax revenues levied for specific purposes. The unrestricted fund balance is, in turn, subdivided between committed, assigned, and unassigned portions. *Committed* balances reflect our self-imposed limitation on the use of otherwise available expendable financial resources in governmental funds. *Assigned* balances in the *general fund* and other governmental funds are those that do not meet the requirements of restricted or committed but that are intended to be used for specific purposes. *Unassigned* balances in the *general fund* are all other available net fund resources. At June 30, 2019, our combined governmental fund balance is \$39.1 million (\$0.4 million in nonspendable, \$22.7 million in restricted, \$4.3 million in committed, \$3.6 million in assigned, and \$8.1 million in unassigned fund balances).

### **General Fund Budgetary Highlights**

During the year, our budget was revised by our Board. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$0.8 million in total *general fund* revenues to reflect increased in state and federal revenues.

Actual expenditures were \$1.9 million less than final budgeted amounts. Actual revenues were \$1.8 million more than final budgeted amounts primarily due to positive variances in revenue from property taxes. Property tax collection rates exceeded expectations.

## **Capital Asset Administration**

### ***Capital Assets***

Our investment in capital assets for our governmental activities as of June 30, 2019 amounts to \$97.1 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, and equipment and buses. The total decrease in capital assets for the current year was \$1.5 million or 1.5%, primarily for depreciation expense.

Additions to capital assets in 2019 include security enhancements to elementary schools and the acquisition of a superintendent residence.

Capital assets at June 30, 2019 and 2018 are outlined below:

**PARK CITY SCHOOL DISTRICT'S Capital Assets**  
**June 30, 2019 and 2018**  
(net of accumulated depreciation, in millions of dollars)

	<b>Governmental activities</b>		<b>Total change</b>
	<b>2019</b>	<b>2018</b>	<b>2019-2018</b>
Land and construction in progress	\$ 6.2	\$ 6.1	\$ 0.1
Buildings and improvements	88.2	90.1	(1.9)
Equipment and buses	2.5	2.4	0.1
Lease assets	0.2	-	0.2
Total capital assets	<u>\$ 97.1</u>	<u>\$ 98.6</u>	<u>\$ (1.5)</u>

Refer to Note 5 to the basic financial statements for additional information on our capital assets.

### ***Debt Administration***

At June 30, 2019 and 2018, the outstanding balance of lease obligations is summarized below:

**PARK CITY SCHOOL DISTRICT'S Outstanding Debt**  
**June 30, 2019 and 2018**  
(in millions of dollars)

	<b>Governmental activities</b>		<b>Total change</b>
	<b>2019</b>	<b>2018</b>	<b>2019-2018</b>
Lease obligations	<u>\$ 0.2</u>	<u>\$ -</u>	<u>\$ 0.2</u>

In 2019, we entered into lease agreements totaling \$238,426 to finance the acquisition or use of equipment.

Refer to Note 8 to the basic financial statement for additional information on our long-term debt.

## Enrollment

We anticipate student membership to remain relatively constant for the foreseeable future. The following enrollment information is based on the annual October 1 count:

### **PARK CITY SCHOOL DISTRICT'S Enrollment October 1 Count**

<b>School Year</b>	<b>Enrollment</b>	<b>Change</b>
2019-20	4,794 *	0.29 %
2018-19	4,780	(0.75)%
2017-18	4,816	(1.53)%
2016-17	4,891	2.69 %
2015-16	4,763	0.51 %
2014-15	4,739	2.35 %
2013-14	4,630	4.73 %
2012-13	4,421	0.48 %
2011-12	4,400	1.13 %
2010-11	4,351	(4.65)%

\* Projected

Our enrollment for the 2018-2019 school year decreased by 36 students to a total of 4,780 students. Two public charter schools operate within the District's boundaries; the charter schools enrolled 705 students for the 2018-2019 school year.

## Contacting the District's Management

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of Park City School District's finances and to demonstrate our accountability for the money we receive. If you have questions about this report or need additional financial information, contact the Office of the Business Administrator, Park City School District, 2700 Kearns Blvd., Park City, UT 84060.

## **Basic Financial Statements**



**PARK CITY SCHOOL DISTRICT****Statement of Net Position**

June 30, 2019

	<b>Governmental Activities</b>
<b>Assets:</b>	
Cash and investments	\$ 55,621,498
Receivables:	
Property taxes	82,380,056
Local	393,826
State	233,685
Federal	505,891
Inventories and prepaid items	310,128
Capital assets:	
Land and construction in progress	6,176,369
Other capital assets, net of accumulated depreciation	90,922,924
Total assets	<u>236,544,377</u>
 <b>Deferred outflows of resources:</b>	
Related to pensions	<u>15,633,122</u>
 <b>Liabilities:</b>	
Accounts and contracts payable	2,016,695
Accrued payroll and related benefits	7,211,135
Unearned revenue:	
Local	101,220
State	204,163
Long-term liabilities:	
Portion due or payable within one year	2,760,886
Portion due or payable after one year	38,150,239
Total liabilities	<u>50,444,338</u>
 <b>Deferred inflows of resources:</b>	
Property taxes levied for future year	80,836,743
Related to pensions	757,406
Total deferred inflows of resources	<u>81,594,149</u>
 <b>Net position:</b>	
Net investment in capital assets	96,901,773
Restricted for:	
Capital outlay	21,859,502
Nutrition services	448,215
Scholarships	759,204
Unrestricted	170,318
Total net position	<u><u>\$ 120,139,012</u></u>

Refer to accompanying notes.

# PARK CITY SCHOOL DISTRICT

## Statement of Activities

Year Ended June 30, 2019

Activities / Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities
<b>Governmental activities:</b>				
Instruction	\$ 49,399,837	\$ 2,778,610	\$ 3,707,611	\$ (42,913,616)
Supporting services:				
Student	5,159,901	-	612,922	(4,546,979)
Instructional staff	4,790,973	-	280,541	(4,510,432)
Executive administration	1,042,963	-	-	(1,042,963)
School administration	3,890,780	-	-	(3,890,780)
Central	4,676,160	-	-	(4,676,160)
Operation and maintenance of facilities	6,096,846	20,577	2,780	(6,073,489)
Student transportation	2,809,513	560	1,062,143	(1,746,810)
Nutrition services	1,981,048	708,516	911,353	(361,179)
Community services	2,071,092	260,251	46,120	(1,764,721)
Contributions to other governments	8,937,744	-	-	(8,937,744)
Total school district	<u>\$ 90,856,857</u>	<u>\$ 3,768,514</u>	<u>\$ 6,623,470</u>	<u>(80,464,873)</u>
<b>General revenues:</b>				
Property taxes levied for:				
Basic				26,815,609
Board local				19,411,539
Voted local				18,188,258
Capital local				5,279,424
Park City Redevelopment Agency				2,137,616
Charter schools				619,025
Total property taxes				72,451,471
Federal and state aid not restricted to specific purposes				2,410,040
Earnings on investments				1,611,163
Miscellaneous				861,880
Total general revenues				<u>77,334,554</u>
Change in net position				(3,130,319)
<b>Net position – beginning</b>				<u>123,269,331</u>
<b>Net position – ending</b>				<u>\$ 120,139,012</u>

Refer to accompanying notes.

**PARK CITY SCHOOL DISTRICT**  
**Balance Sheet – Governmental Funds**  
June 30, 2019

	<b>Major Funds</b>		<b>Other</b>	<b>Total</b>
	<b>General</b>	<b>Capital Projects</b>	<b>Governmental Funds</b>	<b>Governmental Funds</b>
<b>Assets:</b>				
Cash and investments	\$ 20,411,347	\$ 23,093,210	\$ 3,414,289	\$ 46,918,846
Receivables:				
Property taxes	73,460,466	5,398,446	3,521,144	82,380,056
Local	216,924	2,157	174,745	393,826
State	158,387	-	75,298	233,685
Federal	491,501	-	14,390	505,891
Inventories and prepaid items	140,072	78,169	91,887	310,128
Due from other funds	431,365	-	-	431,365
Total assets	<u>\$ 95,310,062</u>	<u>\$ 28,571,982</u>	<u>\$ 7,291,753</u>	<u>\$ 131,173,797</u>
<b>Liabilities:</b>				
Accounts and contracts payable	\$ 414,097	\$ 1,418,027	\$ 86,089	\$ 1,918,213
Accrued payroll and related benefits	7,211,135	-	-	7,211,135
Unearned revenue:				
Local	-	-	101,220	101,220
State	204,163	-	-	204,163
Due to other funds	-	-	431,365	431,365
Total liabilities	<u>7,829,395</u>	<u>1,418,027</u>	<u>618,674</u>	<u>9,866,096</u>
<b>Deferred inflows of resources:</b>				
Unavailable other local revenue	-	-	158,745	158,745
Unavailable property taxes	1,122,839	82,481	54,013	1,259,333
Property taxes levied for future year	72,075,159	5,294,453	3,467,131	80,836,743
Total deferred inflows of resources	<u>73,197,998</u>	<u>5,376,934</u>	<u>3,679,889</u>	<u>82,254,821</u>
<b>Fund balances:</b>				
Nonspendable:				
Scholarship endowments	-	-	53,848	53,848
Inventories and prepaid items	140,072	78,169	91,887	310,128
Restricted for:				
Capital outlay	-	21,698,852	-	21,698,852
Nutrition services	-	-	388,884	388,884
Scholarships	-	-	546,611	546,611
Committed to:				
Economic stabilization	4,079,506	-	-	4,079,506
Food services program	250,000	-	-	250,000
Assigned to:				
Compensated absences	1,199,904	-	28,034	1,227,938
Students	-	-	588,235	588,235
Foundation	-	-	1,295,691	1,295,691
Basic levy recapture	500,000	-	-	500,000
Unassigned	8,113,187	-	-	8,113,187
Total fund balances	<u>14,282,669</u>	<u>21,777,021</u>	<u>2,993,190</u>	<u>39,052,880</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 95,310,062</u>	<u>\$ 28,571,982</u>	<u>\$ 7,291,753</u>	<u>\$ 131,173,797</u>

Refer to accompanying notes.

## PARK CITY SCHOOL DISTRICT

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

June 30, 2019

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<b>Total fund balances for governmental funds</b>	<b>\$ 39,052,880</b>
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Total net position reported for governmental activities in the statement of net position is different because:

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

Land	\$ 5,208,631	
Construction in progress	967,738	
Buildings and improvements, net of \$57,031,424 accumulated depreciation	88,218,996	
Equipment and buses, net of \$6,542,057 accumulated depreciation	2,483,995	
Lease assets – equipment and buses, net of \$54,718 accumulated amortization	219,933	
	<u>97,099,293</u>	

Some of our local revenue 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.

Unavailable property taxes	1,259,333	
Unavailable other local revenue	158,745	
	<u>1,418,078</u>	

Long-term liabilities, including the net pension liability, are not due and payable in the current period and therefore are not reported in the funds. All liabilities – both current and long-term portions – are reported in the statement of net position. These and related balances at year end are:

Net pension liability	(36,930,421)	
Deferred outflows of resources related to pensions	15,633,122	
Deferred inflows of resources related to pensions	(757,406)	
Lease obligations	(197,520)	
Unpaid vacation	(283,627)	
Accrued sick leave	(944,310)	
	<u>(23,480,162)</u>	

Our internal service fund charges the cost of health care benefits to our other funds. The assets and liabilities of our internal service fund are included with governmental activities in the statement of net position. The net position of our internal service fund is:

	<u>6,048,923</u>
<b>Total net position of governmental activities</b>	<b><u>\$ 120,139,012</u></b>

**PARK CITY SCHOOL DISTRICT****Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds**

Year Ended June 30, 2019

	<b>Major Funds</b>		<b>Other</b>	<b>Total</b>
	<b>General</b>	<b>Capital Projects</b>	<b>Governmental Funds</b>	<b>Governmental Funds</b>
<b>Revenues:</b>				
Local:				
Property taxes	\$ 63,931,659	\$ 5,239,776	\$ 2,756,641	\$ 71,928,076
Earnings on investments	865,213	670,598	75,352	1,611,163
Other	3,075,057	240,086	4,267,450	7,582,593
State	5,144,564	-	262,781	5,407,345
Federal	1,256,404	-	648,572	1,904,976
Total revenues	<u>74,272,897</u>	<u>6,150,460</u>	<u>8,010,796</u>	<u>88,434,153</u>
<b>Expenditures:</b>				
Current:				
Instruction	39,147,787	-	3,987,907	43,135,694
Supporting services:				
Student	5,125,559	-	-	5,125,559
Instructional staff	4,734,101	-	-	4,734,101
General administration	986,234	-	-	986,234
School administration	3,712,270	-	-	3,712,270
Central	4,587,670	-	-	4,587,670
Operation and maintenance of facilities	5,911,871	-	-	5,911,871
Student transportation	2,518,372	-	-	2,518,372
Nutrition services	-	-	1,823,373	1,823,373
Community services	2,017,614	-	-	2,017,614
Contributions to other governments	6,181,103	-	2,756,641	8,937,744
Capital outlay	-	6,471,224	-	6,471,224
Total expenditures	<u>74,922,581</u>	<u>6,471,224</u>	<u>8,567,921</u>	<u>89,961,726</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(649,684)</u>	<u>(320,764)</u>	<u>(557,125)</u>	<u>(1,527,573)</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	-	14,688	-	14,688
Proceeds from leases	238,426	-	-	238,426
Transfers in	-	-	312,380	312,380
Transfers out	(312,380)	-	-	(312,380)
Total other financing sources (uses)	<u>(73,954)</u>	<u>14,688</u>	<u>312,380</u>	<u>253,114</u>
Net change in fund balances	<u>(723,638)</u>	<u>(306,076)</u>	<u>(244,745)</u>	<u>(1,274,459)</u>
<b>Fund balances – beginning</b>	<u>15,006,307</u>	<u>22,083,097</u>	<u>3,237,935</u>	<u>40,327,339</u>
<b>Fund balances – ending</b>	<u>\$ 14,282,669</u>	<u>\$ 21,777,021</u>	<u>\$ 2,993,190</u>	<u>\$ 39,052,880</u>

Refer to accompanying notes.

## PARK CITY 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, 2019

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<b>Net change in fund balances for governmental funds</b>	<b>\$ (1,274,459)</b>
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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, assets with an initial, individual cost of more than \$5,000 for land, equipment and buses and \$100,000 for buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 2,041,807	
Proceeds from sales of capital assets	(14,688)	
Gain on sale of capital assets	14,688	
Depreciation expense	<u>(3,514,898)</u>	(1,473,091)

Certain revenue sources are collected several months after our fiscal year end are not considered available revenues in the governmental funds and are, instead, counted as deferred inflows of resources at year end. They are, however, recorded as revenues in the statement of activities.

Property taxes	523,395	
Other local revenue	<u>43,790</u>	567,185

Debt is not due and payable in the current period and therefore is not reported in the funds. Debt is reported in the statement of net position. Repayment of debt is reported as an expenditure in the funds but is reported as a reduction of debt in the statement of net position.

Proceeds from leases	(238,426)	
Repayment of lease obligation	<u>40,906</u>	(197,520)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Pension expense	(1,844,864)	
Vacation and sick leave expense	<u>(187,442)</u>	(2,032,306)

Our internal service fund charges the cost of health care benefits to our other funds. The net revenue (expense) of our internal service fund is reported with governmental activities.

	<u>1,279,872</u>
<b>Change in net position of governmental activities</b>	<b><u>\$ (3,130,319)</u></b>

# **PARK CITY SCHOOL DISTRICT**

## **Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund**

Year Ended June 30, 2019

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Revenues:</b>				
Local:				
Property taxes	\$ 62,369,701	\$ 62,369,701	\$ 63,931,659	\$ 1,561,958
Earnings on investments	329,000	525,908	865,213	339,305
Other	2,982,439	3,169,474	3,075,057	(94,417)
State	4,795,859	5,158,246	5,144,564	(13,682)
Federal	1,195,904	1,237,195	1,256,404	19,209
Total revenues	<u>71,672,903</u>	<u>72,460,524</u>	<u>74,272,897</u>	<u>1,812,373</u>
<b>Expenditures:</b>				
Current:				
Instruction	41,347,240	40,300,808	39,147,787	1,153,021
Supporting services:				
Student	5,299,611	5,492,343	5,125,559	366,784
Instructional staff	4,651,855	5,223,322	4,734,101	489,221
Executive administration	1,194,963	1,021,849	986,234	35,615
School administration	3,793,013	3,745,474	3,712,270	33,204
Central	4,024,005	4,439,254	4,587,670	(148,416)
Operation and maintenance of facilities	5,294,753	5,590,565	5,911,871	(321,306)
Student transportation	2,605,728	2,587,498	2,518,372	69,126
Community services	2,086,991	2,205,051	2,017,614	187,437
Contributions to other governments	5,986,295	6,212,202	6,181,103	31,099
Total expenditures	<u>76,284,454</u>	<u>76,818,366</u>	<u>74,922,581</u>	<u>1,895,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,611,551)</u>	<u>(4,357,842)</u>	<u>(649,684)</u>	<u>3,708,158</u>
<b>Other financing sources (uses):</b>				
Proceeds from leases	-	-	238,426	238,426
Transfers out	<u>(382,886)</u>	<u>(375,000)</u>	<u>(312,380)</u>	<u>62,620</u>
Total other financing sources (uses)	<u>(382,886)</u>	<u>(375,000)</u>	<u>(73,954)</u>	<u>301,046</u>
Net change in fund balances	<u>(4,228,665)</u>	<u>(3,982,842)</u>	<u>(575,730)</u>	<u>3,407,112</u>
<b>Fund balances – beginning</b>	<u>12,092,733</u>	<u>15,006,307</u>	<u>15,006,307</u>	<u>-</u>
<b>Fund balances – ending</b>	<u>\$ 7,864,068</u>	<u>\$ 11,023,465</u>	<u>\$ 14,430,577</u>	<u>\$ 3,407,112</u>

**PARK CITY SCHOOL DISTRICT**  
**Statement of Fund Net Position – Proprietary Fund**  
June 30, 2019

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	<b>Governmental Activities – Internal Service Fund</b>
<b>Assets:</b>	
Cash and investments	\$ 8,702,652
<b>Liabilities:</b>	
Accounts payable	98,482
Medical claims payable	2,044,514
Health reimbursement accounts	510,733
Total liabilities	<u>2,653,729</u>
<b>Net position:</b>	
Unrestricted	<u>6,048,923</u>
Total net position	<u><u>\$ 6,048,923</u></u>



**PARK CITY SCHOOL DISTRICT****Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund**

Year Ended June 30, 2019

	<b>Governmental Activities – Internal Service Fund</b>
<b>Operating revenues:</b>	
Premiums charged to other funds	\$ 8,614,708
Refunds	190,810
Total operating revenues	<u>8,805,518</u>
<b>Operating expenses:</b>	
Medical claims	6,440,490
Administrative expenses	721,663
Contributions to health savings accounts	363,493
Total operating expenses	<u>7,525,646</u>
Total operating income / change in fund net position	1,279,872
<b>Net position – beginning</b>	<u>4,769,051</u>
<b>Net position – ending</b>	<u><u>\$ 6,048,923</u></u>

**PARK CITY SCHOOL DISTRICT**  
**Statement of Fund Cash Flows – Proprietary Fund**  
Year Ended June 30, 2019

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	<b>Governmental Activities – Internal Service Fund</b>
<b>Cash flows from operating activities:</b>	
Insurance premiums received	\$ 8,614,708
Refunds received	190,810
Medical claims paid	(6,197,872)
Administrative expenses paid	(721,663)
Contributions to health savings accounts	(363,493)
Healthcare reimbursements paid	(162,726)
Net cash provided by operating activities	1,359,764
<b>Cash and cash equivalents – beginning</b>	<b>7,342,888</b>
<b>Cash and cash equivalents – ending</b> (displayed as <i>cash and investments</i> on the statement of fund net position)	<b>\$ 8,702,652</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 1,279,872
Adjustments to reconcile operating income to net cash provided by operating activities:	
Decrease in accounts payable	84,862
Increase in medical claims payable	157,756
Decrease in health reimbursement accounts	(162,726)
Net cash provided by operating activities	<b>\$ 1,359,764</b>

## **PARK CITY SCHOOL DISTRICT**

### **Notes to Basic Financial Statements**

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#### **Note 1 – Summary of Significant Accounting Policies**

Our financial statements of Park City 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. Our more significant accounting policies are described below.

#### **Reporting Entity**

Our Board of Education, comprised of five elected individuals, is our primary governing authority. As required by GAAP, these financial statements present the District and its blended component unit, Park City Education Foundation (the Foundation), for which we are financially accountable. The Foundation exclusively benefits us and our students. Most of the administrative costs of the Foundation are financed by us. A blended component unit, although a legally separate entity, is in substance part of our operations.

#### **Government-Wide and Fund Financial Statements**

The *government-wide financial statements* (the statement of net position and the statement of activities) display information about the primary government (the District) and its component unit. These statements include the financial activities of the overall government. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. *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 our governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a function. Depreciation expense for capital assets that can specifically be identified with a function are included in our direct expenses. Depreciation expense for “shared” capital assets (for example, a school building is used primarily for instruction, school administration, operation and maintenance of facilities, and nutrition services) are ratably included in the direct expenses of the appropriate functions. Program revenues include a) fees and charges paid by students and other recipients of goods or services offered by a given function and b) grants and contributions that are restricted to meeting the operational or capital requirements of a function. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

The *fund financial statements* provide information about our funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

We report the following major governmental funds:

- The *general fund* is our primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- 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 our students.

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

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Additionally, we report the following proprietary fund:

- The *self-insurance fund* accounts for the risk management services associated with our self-insurance plan covering employee health and accident and dental claims and healthcare reimbursements. Premiums are charged to other funds to cover anticipated costs.

Classifications of expenditures/expenses are reported by function. The function describes the activity for which a service or material object is acquired. Our functions are classified into six broad areas: instruction, supporting services, nutrition services, community services, contributions to other governments, and capital outlay. Functions are further classified into subfunctions.

***Instruction***

Instruction includes the activities dealing directly with the interaction between teachers and students. This function includes teachers, aides, textbooks, and classroom supplies.

***Supporting Services***

Supporting services provide administrative, technical (such as guidance and curriculum development), and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, nutrition services, and community services rather than as entities within themselves.

- *Student.* Activities designed to assess and improve the well-being of students and to supplement the teaching process. This subfunction includes attendance, guidance, health, and therapy services.
- *Instructional staff.* Activities associated with assisting the instructional staff with the content and process of providing learning experiences for students. This subfunction includes improvement of instruction, instruction and curriculum development, instructional staff training, library and media, instruction-related technology, and academic student assessment services.
- *Executive administration.* Activities concerned with establishing and administering policy for operating the District. This subfunction includes Board of Education, superintendent, and community relation services.
- *School administration.* Activities concerned with overall administrative responsibility for a school. This subfunction includes principals, assistants, records, and clerical services.
- *Central.* Activities that support other administrative and instructional functions, including fiscal services, purchasing, printing, human resources, planning, and administrative information technology.
- *Operation and maintenance of facilities.* Activities concerned with keeping physical facilities open, comfortable, and safe for use and with keeping grounds, buildings, and equipment in effective working conditions and state of repair.
- *Student transportation.* Activities concerned with conveying students to and from school, as provided by state and federal law. These include trips between home and school and trips to school activities as well as vehicle acquisition, operation, and maintenance.

## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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#### ***Nutrition Services***

Nutrition services include activities concerned with providing food to students and staff in a school as part of the National School Lunch Program. Program revenues include federal and state reimbursements, federal donated commodities, and lunch sales.

#### ***Community Services***

Community services include activities concerned with providing services to the community. Examples of this function are offering after-school, operating a swimming pool, and providing other community recreation programs.

#### ***Contributions to Other Governments***

Contributions to other governments include required payments to other governments of property taxes levied by the District of a) incremental taxes to a redevelopment agency, b) excess basic levy collections to the state, and c) the charter school levy to the state.

#### ***Capital Outlay***

Capital outlay includes payments for the acquisition and improvement of sites, construction and remodel of facilities, and procurement of equipment.

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

The government-wide financial statements 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 we receive 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. We generally consider all revenues reported in the governmental funds to be available if the revenues are collected within thirty days after year-end. Expenditures generally are recorded when the related fund liability is incurred, except pension benefits, claims and judgments, 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.

Property taxes and interest associated with the current fiscal period are susceptible to accrual and have been recognized as revenues in the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered measurable and available only when we receive cash.

#### **Budgetary Data**

We operate 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

## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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basis of accounting for all governmental funds, except for the Foundation, which operates within its own budget. A budget for the *self-insurance fund* is not required. All annual appropriations lapse at fiscal year-end except for 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, our business administrator prepares a proposed annual budget (for the fiscal year beginning July 1) for all applicable funds. The budget is presented to our Board of Education by our 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 22 at which time the budget is legally adopted by resolution of our Board after obtaining taxpayer input. If the District exceeds the certified tax rate, the budget is adopted by August when data is available to set the rates.
- Once adopted, the budget can be amended by subsequent Board action. Our Board upon recommendation of our superintendent can approve reductions in appropriations but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with state law, interim adjustments may be made by administrative budget reallocation from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2019 have been included in the final budget approved by our 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 us for the purpose of increasing earnings through investment activities and providing efficient management of temporary investments. The pool's investments are reported at fair value at year-end. 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**

We consider cash and cash equivalents in proprietary funds to be cash on hand, demand deposits, and short-term investments with maturities of three months or less from the date we acquired the investments, including investments in the Public Treasurers' Investment Fund (PTIF).

#### **Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as either "due to/from other funds."

## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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#### **Inventories and Prepaid Items**

Inventories are valued at cost or, if donated, at acquisition value when received, stated at the lower of average cost or market. Inventories of governmental funds are recorded as expenditures when consumed. Donated food commodities are recorded 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.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenses/expenditures when consumed.

#### **Capital Assets**

Capital assets, which include land, construction in progress, buildings and improvements, and equipment and buses, are reported in the government-wide financial statements. We define capital assets as assets with an initial, individual cost of more than \$5,000 for land, equipment and buses 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 estimated 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 assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Our buildings and improvements and equipment and buses are depreciated using the straight-line method over the estimated useful lives as indicated in the following chart:

<b>Assets</b>	<b>Years</b>
Buildings	50
Athletic field improvements	20
Musical instruments	20
Kitchen equipment	15
Maintenance equipment	15
School buses and vehicles	10
Copiers	7
Computer equipment and software	5

#### **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 URS's fiduciary net position have been determined on the same basis as they are reported by 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.

#### **Vacation and Sick Leave**

Under terms of association agreements, employees are granted vacation leave in amounts varying with tenure. Under Board policy, we provide a sick leave incentive to our employees; this benefit is available to our employees when they separate from the District. The benefit is up to 25% (based on years of service within the District) of the amount of unused sick leave days allowed to be accumulated using the daily rate of pay at the time of separation. We record expenditures in the governmental funds for vacation and sick pay benefits when paid. An expense and related liability are recorded in the government-wide

## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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financial statements as these benefits are earned. The liability will be paid by the fund in which the employee worked.

#### **Long-Term Obligations**

In the government-wide and proprietary fund financial statements, long-term obligations are reported as liabilities in the statement of net position and include net pension liability, lease obligations, unpaid vacation, accrued sick leave, medical claims payable, and health reimbursement accounts.

In the fund financial statements, governmental funds usually recognize expenditures when paid; long-term obligations are not reported as liabilities in the governmental funds.

#### **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: investment in capital assets (capital assets net of accumulated depreciation and capital-related debt), 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.

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 we are bound to honor them. We first determine and report nonspendable 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. Net fund resources related to endowments, inventories, and prepaid items are classified as nonspendable.



## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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#### ***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 (capital outlay), remaining amounts for nutrition services held in other governmental funds (*food services fund*), and unspent expendable donations for scholarships held in other governmental funds (*Park City Education Foundation*).

#### ***Committed***

This category includes amounts that can only be used for specific purposes established by formal action of a government's highest level of decision-making authority. Our Board is our highest level of decision-making authority 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. Committed fund balance also incorporates contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

#### ***Economic Stabilization***

As defined in state law as an "undistributed reserve," we maintain for economic stabilization up to 5% of *general fund* budgeted expenditures. 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 as 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 our Board filed with the Utah State Board of Education and the Utah State Auditor.

#### ***Food Services Program***

Beginning in 2017, our Board committed to support the food services program for three years from the *general fund* of \$190,000 per year. At June 30, 2019, the *general fund* reports \$250,000 committed fund balance for amounts not yet transferred to the *food services fund*.

#### ***Assigned***

This category includes resources held in the governmental funds to be used by us for specific purposes but do not meet the criteria to be classified as committed. Our Board has authorized our business administrator to assign fund balances. Our 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. We have assigned amounts in the *general fund* that we intend to be used for specific purposes but are neither restricted nor committed. Also, residual balances in other governmental funds are classified as assigned fund balances.

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

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***Unassigned***

Residual balances in the *general fund* are classified as unassigned.

**Net Position/Fund Balance Flow Assumption**

Sometimes we 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 applied.

***Net Position***

It is our policy to consider restricted net position to have been depleted before unrestricted net position.

***Fund Balance***

It is our 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, 2019 as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 4,881,851
Carrying amount of investments	<u>50,739,647</u>
Total cash and investments	<u><u>\$ 55,621,498</u></u>
Governmental funds cash and investments	\$ 46,918,846
Internal service fund cash and investments	<u>8,702,652</u>
Total cash and investments	<u><u>\$ 55,621,498</u></u>

We comply 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. Our funds are deposited in qualified depositories as defined by the Act. The Act also authorizes us 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. We consider the rules of the Council to be necessary and enough for adequate protection of our uninsured bank deposits.

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

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**Deposits**

At June 30, 2019, the District and Foundation have the following deposits with financial institutions:

	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>Amount Insured</u>
Park City School District	\$ 3,681,227	\$ 4,305,759	\$ 260,259
Park City Education Foundation	1,200,624	1,216,794	500,000
	<u>\$ 4,881,851</u>	<u>\$ 5,522,553</u>	<u>\$ 760,259</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. We do not have a formal deposit policy for custodial credit risk. At June 30, 2019, the uninsured amount of the District's and Foundation's bank deposits was uncollateralized nor is it required to be collateralized by state law.

**Investments**

At June 30, 2019, the District and Foundation have the following investments:

<u>Investment Type</u>	<u>Fair Value</u>
Park City School District:	
Utah Public Treasurers' Investment Fund (PTIF)	\$ 49,439,443
Park City Education Foundation:	
U.S. Treasury bond ETF	654,163
Common stock ETF	<u>646,041</u>
Total investments	<u>\$ 50,739,647</u>

We invest with the PTIF. The PTIF is an external local government investment pool managed by the Utah State Treasurer. The PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the state. Participants in the PTIF share proportionally in the income, costs, gains, and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which consists of debt securities held by the state or in the state's name by the state's custodial banks, including investment-grade corporate bonds and notes, 94.0%; money market mutual funds, 3.4%; first-tier commercial paper, 2.5%; and certificates of deposit, 0.1%. The portfolio has a weighted average maturity of 48 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.

The Foundation invests through a broker in three exchange-traded funds (ETFs): a U.S. Treasury bond ETF and two common stock ETFs. An ETF is a marketable security that tracks an index or bonds. An ETF owns the underlying assets (shares of stocks or bonds) and divides ownership of those assets into shares. Shareholders indirectly own these assets and are entitled to a portion of the earnings. ETF shares

## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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are traded on public stock exchanges. The U.S. Treasury bond ETF invests only in U.S. Treasury bonds with maturities from one to three years. This fund has a AAA credit rating and a weighted average maturity of two years. The common stock ETFs seek to provide investment results that correspond to developed equities based in Europe, Australia, and the Far East or the S&P 500 Index (composed of five hundred selected stocks, all of which are listed on national stock exchanges and spans over 25 separate industry groups).

#### ***Interest Rate Risk***

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. We manage our 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 endowments, the Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, and fixed-rate securities from 270 days to 15 months. In addition, variable-rate securities may not have a remaining term to final maturity exceeding three years. The Foundation can also invest private funds in fixed-income securities with a dollar-weighted average maturity not to exceed ten years.

#### ***Credit Risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Our policy for reducing our 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.

#### ***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. Our 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 our total portfolio with a single 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 an industry. Also, for the Foundation's investments in private funds, no more than 75% may be invested in equity securities and no more than 5% in collateralized mortgage obligations.

#### ***Custodial credit risk***

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Our policy for managing this risk is to comply with the Act and related rules. 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**

We, as well as the Foundation, categorize our 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

## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

We have the following recurring fair value measurements as of June 30, 2019:

- Public Treasurers' Investment Fund of \$49,439,443 is valued at our position in the PTIF multiplied by the published fair value factor (Level 2 inputs).

The Foundation has the following recurring fair value measurements as of June 30, 2019:

- U.S. Treasury bond exchange-traded fund of \$654,163 is valued using quoted market prices (Level 2 inputs).
- Common stock exchange-traded fund of \$646,041 is valued at quoted market prices (Level 2 inputs).

#### **Note 4 – Property Taxes**

##### **District Property Tax Revenue**

Our property tax revenue is collected and distributed by the Summit County treasurer as our agent. State statutes establish the process by which taxes are levied and collected. The county assessor is required to assess real property as of January 1 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.

Motor vehicles are assessed 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 the same proportion in which revenue collected from property tax is distributed. We recognize motor vehicle fees as property tax revenue when collected.

As of June 30, 2019, our property taxes receivable includes uncollected taxes assessed as of January 1, 2019 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.

##### **Contributions to Other Governments**

We are required to allocate to other governments some of the property taxes we levy as follows:

##### ***Incremental Taxes for Park City Redevelopment Agency***

In addition to property taxes we levy for our own purposes, we levy property taxes for Park City Redevelopment Agency (the Agency), a legally separate governmental entity which is reported as a component unit of Park City Municipal Corporation. The incremental taxes are administered in accordance with the Community Development and Renewal Agencies Act (*Utah Code 17C-1*). Collections of these taxes are forwarded directly by Summit County to the Agency.

## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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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 Agency. Project completion dates range from 2021 to 2031.

In 2019, incremental taxes levied by us for the Agency totaling \$2,137,616 were recorded in the other governmental funds (*pass-through taxes fund*).

As part of a mitigation agreement between the us and the Agency, the Agency paid us \$749,810 during the year ended June 30, 2019. Of the amount paid, the agreement requires us to allocate 61% to general purposes and 39% for capital outlay.

#### ***Basic Levy Recapture (and Basic Levy Incremental Tax) to the State***

The state guarantees a contribution to a school district's basic program when the amount generated by weighted pupil units exceeds the amount of tax revenue produced by the basic levy. When a school district produces tax revenue from the basic levy in excess of what is to be applied to the amount generated by weighted pupil units, the excess is paid (or recaptured) to the state. Per *Utah Code 53F-2-301.5*, the state added an incremental rate to the basic levy. We pay this incremental tax to the state to fund certain state programs. We are not eligible to participate in these state programs even though we are required to levy the incremental tax. In 2019, combined basic levy recapture and basic levy incremental tax of \$6,181,013 was paid to the state from our *general fund*.

#### ***Charter School Levy to the State***

Per *Utah Code 53F-2-703*, a portion of our 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 our boundaries. In 2019, the amount collected by the County and paid directly to the state was \$619,025; we report this amount in our *pass-through taxes fund*.

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

**Note 5 – Capital Assets**

Capital asset activity for the year ended June 30, 2019 is as follows:

	<b>Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance</b>
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 4,928,568	\$ 280,063	\$ -	\$ 5,208,631
Construction in progress	1,149,444	349,477	(531,183)	967,738
Total capital assets, not being depreciated	6,078,012	629,540	(531,183)	6,176,369
Capital assets, being depreciated:				
Buildings and improvements	144,150,623	1,099,797	-	145,250,420
Equipment and buses	8,639,474	569,002	(182,424)	9,026,052
Lease assets - equipment and buses	-	274,651	-	274,651
Total capital assets, being depreciated	152,790,097	1,943,450	(182,424)	154,551,123
Accumulated depreciation for:				
Buildings and improvements	(54,081,252)	(2,950,172)	-	(57,031,424)
Equipment and buses	(6,214,473)	(510,008)	182,424	(6,542,057)
Lease assets - equipment and buses	-	(54,718)	-	(54,718)
Total accumulated depreciation	(60,295,725)	(3,514,898)	182,424	(63,628,199)
Total capital assets, being depreciated, net	92,494,372	(1,571,448)	-	90,922,924
Governmental activities capital assets, net	<u>\$ 98,572,384</u>	<u>\$ (941,908)</u>	<u>\$ (531,183)</u>	<u>\$ 97,099,293</u>

For the year ended June 30, 2019, depreciation expense was charged to our functions as follows:

<b>Governmental activities:</b>	
Instruction	\$ 2,553,170
Supporting services:	
Student	348
General administration	47,096
School administration	142,220
Business	76,701
Operation and maintenance of facilities	187,917
Student transportation	310,027
Food services	159,416
Community services	38,003
Total depreciation expense, governmental activities	<u>\$ 3,514,898</u>

**Note 6 – State Retirement Plans**

**Description of Plans**

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

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

- *Public Employees Noncontributory Retirement System* (Tier 1 Noncontributory System)

## **PARK CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements**

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- *Tier 2 Public Employees Contributory Retirement System* (Tier 2 Contributory System)

Defined Contribution Plans (individual account plans):

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

Our 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 us as approved by the Utah State Retirement Board, b) the employee is a classified school employee whose employment normally requires an average of 20 hours or more per week regardless of benefits, c) the employee is a teacher who teaches half-time or more and receives benefits normally provided by the District as approved by the Utah State Retirement Board, or d) the employee is an appointed officer.

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

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

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

#### **Benefits Provided**

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

Retirement benefits in the defined benefit pension plans are determined from 1.25% 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.



**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

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**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, 2019, required contribution rates for the plans were as follows:

	<b>Defined Benefit Plans Rates</b>		<b>District Rates for 401(k) Plan</b>	<b>Totals</b>
	<b>District Contribution *</b>	<b>Amortization of UAAL **</b>		
Tier 1 Noncontributory System	12.25%	9.94%	1.50%	23.69%
Tier 2 Contributory System	8.96%	9.94%	1.15%	20.05%
Tier 2 Defined Contribution Plan	0.08%	9.94%	10.00%	20.02%

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

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

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

For the year ended June 30, 2019, District and employee contributions to the plans were as follows:

	<b>District Contributions *</b>	<b>Employee Contributions</b>
Tier 1 Noncontributory System	\$ 5,459,127	\$ -
Tier 2 Contributory System	2,068,319	-
Tier 2 Defined Benefit Plan	236,436	-
401(k) Plan	798,975	1,066,829
457 Plan and other individual plans	-	258,714

\* 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, 2019, we reported a net pension asset of zero and a net pension liability of \$36,930,421 for the following plans:

	<b>Net Pension Asset</b>	<b>Net Pension Liability</b>
Tier 1 Noncontributory System	\$ -	\$ 36,569,142
Tier 2 Contributory System	-	361,279
Total	<u>\$ -</u>	<u>\$ 36,930,421</u>

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

The net pension liability (asset) was measured as of December 31, 2018, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2018, rolled-forward using generally accepted actuarial procedures. Our proportion of the net pension liability (asset) is equal to the ratio of our actual contributions compared to the total of all employer contributions during the plan year. The following presents our proportion (percentage) of the collective net pension liability (asset) at December 31, 2018 and the change in our proportion since the prior measurement date for each plan:

	<b>Proportionate Share</b>	
	<b>2018</b>	<b>Change</b>
Tier 1 Noncontributory System	0.9829048%	0.0561448 %
Tier 2 Contributory System	0.8435607%	0.1084896 %

For the year ended June 30, 2019, we recognized pension expense for the plans as follows:

	<b>Pension Expense</b>
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 8,660,257
Tier 2 Contributory System	934,144
Total	<u>\$ 9,594,401</u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	\$ 236,436
401(k) Plan	798,975
Total	<u>\$ 1,035,411</u>

At June 30, 2019, we reported deferred outflows of resources related to defined benefit pension plans from the following sources:

	<b>Deferred Outflows of Resources Related to Pensions</b>		
	<b>Tier 1 Noncontributory System</b>	<b>Tier 2 Contributory System</b>	<b>Total</b>
Differences between expected and actual experience	\$ 194,809	\$ 2,536	\$ 197,345
Changes of assumptions	3,719,567	90,552	3,810,119
Net difference between projected and actual earnings on pension plan investments	6,084,091	117,648	6,201,739
Changes in proportion and differences between District contributions and proportionate share of contributions	1,397,266	118,619	1,515,885
District contributions subsequent to the measurement date	2,723,910	1,184,124	3,908,034
Total	<u>\$ 14,119,643</u>	<u>\$ 1,513,479</u>	<u>\$ 15,633,122</u>

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

At June 30, 2019, we reported deferred inflows of resources related to defined benefit pension plans from the following sources:

	<b>Deferred Inflows of Resources Related to Pensions</b>		
	<b>Tier 1 Noncontributory System</b>	<b>Tier 2 Contributory System</b>	<b>Total</b>
Differences between expected and actual experience	\$ 513,106	\$ 74,668	\$ 587,774
Changes of assumptions	-	6,491	6,491
Changes in proportion and differences between District contributions and proportionate share of contributions	163,141	-	163,141
Total	<u>\$ 676,247</u>	<u>\$ 81,159</u>	<u>\$ 757,406</u>

The \$3,908,034 reported as deferred outflows of resources related to pensions resulting from our contributions subsequent to the measurement date of December 31, 2018 will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2020. 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:

<b>Year Ending June 30,</b>	<b>Tier 1 Noncontributory System</b>	<b>Tier 2 Contributory System</b>	<b>Total</b>
2020	\$ 4,726,836	\$ 41,286	\$ 4,768,122
2021	2,103,733	30,178	2,133,911
2022	1,007,481	33,016	1,040,497
2023	2,881,436	57,934	2,939,370
2024	-	11,191	11,191
Thereafter	-	74,591	74,591

**Actuarial Assumptions**

The total pension liability (asset) in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
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, 2018 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2016. Assumptions remained unchanged that affect measurement of the total pension liability (asset) since the prior measurement date.

The long-term expected rate of return on defined benefit pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

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:

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

**Discount Rate**

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

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

The following presents our proportionate share of the net pension liability (asset) calculated using the discount rate of 6.95%, as well as what our 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:

	<b>1% Decrease (5.95%)</b>	<b>Discount Rate (6.95%)</b>	<b>1% Increase (7.95%)</b>
District's proportionate share of the net pension liability (asset):			
Tier 1 Noncontributory System	\$ 65,731,610	\$ 36,569,142	\$ 12,171,096
Tier 2 Contributory System	1,447,353	361,279	(476,899)
Total	<u>\$ 67,178,963</u>	<u>\$ 36,930,421</u>	<u>\$ 11,694,197</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.

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

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**Payables to the Pension Plans**

At June 30, 2019, we reported payables of \$1,084,329 for contributions to defined benefit pension plans and \$317,412 for contributions to defined contribution plans.

**Note 7 – Risk Management**

Our *self-insurance fund*, an internal service fund, was established to pay self-insurance claims for health and accident and dental coverage and healthcare reimbursements for qualified District employees. We carry commercial insurance, which covers claims in excess of \$125,000. The fund collects premiums, as established by us and the plan administrator, from other District funds. We have recorded an estimate of claims incurred but not reported of \$2,044,514 as of June 30, 2019. 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, 2019 and 2018:

	<b>Medical Coverage</b>	
	<b>2019</b>	<b>2018</b>
Medical claims payable (beginning of year)	\$ 1,886,758	\$ 1,734,119
Medical claims (including incurred but not reported)	7,581,699	7,678,863
Payments of medical claims and administrative costs	(7,423,943)	(7,526,224)
Medical claims payable (end of year)	<u>\$ 2,044,514</u>	<u>\$ 1,886,758</u>

We have established and made contributions to health reimbursement accounts (HRA) for certain qualifying employees not participating in our health and accident plan. This benefit was closed to new entrants on August 31, 2017. The HRA balances are reduced by reimbursements paid up to the amount available in the HRA. Upon termination, any accumulated balance is forfeited to the District. The following table shows a history of accumulated balances in HRAs for the years ended June 30, 2019 and 2018:

	<b>Health Reimbursement Accounts</b>	
	<b>2019</b>	<b>2018</b>
Health reimbursement accounts (beginning of year)	\$ 673,459	\$ 1,035,719
Contributions to health reimbursement accounts	-	-
Forfeitures for terminated employees	-	(42,688)
Healthcare reimbursements paid	(162,726)	(319,572)
Health reimbursement accounts (end of year)	<u>\$ 510,733</u>	<u>\$ 673,459</u>

We also maintain insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$10,000,000 per occurrence through policies administered by the Utah State Risk Management Fund. We pay an annual premium to the Fund. We also insure our buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Utah State Risk Management Fund. This all-risk insurance coverage provides for repair or replacement of damaged property at a replacement cost basis subject to a deductible of \$1,000 per occurrence. We also maintain a public treasurer's fidelity bond with the Utah State Risk Management Fund.

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

Our employees are covered for workers compensation by the Utah School Boards Risk Management Mutual Insurance Association. We cover unemployment claims on a pay-as-you-go basis.

Settled claims (other than those related to health-care benefits) for the past three years have been insignificant.

**Note 8 – Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2019 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Portion Due or Payable Within One Year
Net pension liability	\$ 22,744,114	\$ 21,935,844	\$ (7,749,537)	\$ 36,930,421	\$ -
Lease obligation	-	238,426	(40,906)	197,520	45,242
Unpaid vacation	221,348	268,039	(205,760)	283,627	226,902
Accrued sick leave	819,147	185,509	(60,346)	944,310	188,862
Medical claims payable	1,886,758	7,581,699	(7,423,943)	2,044,514	2,044,514
Health reimbursement accounts	673,459	-	(162,726)	510,733	255,367
Total long term liabilities	<u>\$ 26,344,826</u>	<u>\$ 30,209,517</u>	<u>\$ (15,643,218)</u>	<u>\$ 40,911,125</u>	<u>\$ 2,760,886</u>

In 2019, we entered agreements to lease copiers and a vehicle. The unamortized value of the lease assets is \$219,933 at June 30, 2019. Future debt service requirements for the leases at June 30, 2019 will be as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 45,242	\$ 9,744	\$ 54,986
2021	47,787	7,209	54,996
2022	60,477	3,914	64,391
2023	44,014	1,202	45,216
Total	<u>\$ 197,520</u>	<u>\$ 22,069</u>	<u>\$ 219,589</u>

**Note 9 – Commitments**

We are obligated at June 30, 2019 under construction commitments totaling \$1,043,612, with costs to date of \$967,738 (refer to Note 5); costs to complete the construction projects will be financed with resources accumulated in the *capital projects fund*.

**Note 10 – Transfers and Interfund Balances**

We transferred \$312,380 from our *general fund* to our other governmental funds to cover \$182,380 of administrative costs incurred by the Park City Education Foundation and \$130,000 to subsidize food services.

Amounts due to and due from other funds at June 30, 2019 include \$431,365 due from other governmental funds (the *Park City Education Foundation fund*) to our *general fund* for personnel and other administrative costs.

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Basic Financial Statements**

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**Note 11 – Litigation and Compliance**

At certain times, claims or lawsuits are pending in which we are involved. Our legal counsel and insurance carriers estimate that our potential obligations resulting from such claims (other than health-care related claims disclosed in Note 7) or litigation would not significantly affect our financial statements.

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

All fund balances are positive at June 30, 2019.

Fund expenditures are within budgeted amounts during the year ended June 30, 2019.

### **Required Supplementary Information**



# **PARK CITY SCHOOL DISTRICT**

## **Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) –**

### **Utah Retirement Systems**

Last Five Plan (Calendar) Years

	<b>District's Proportion of Net Pension Liability (Asset)</b>	<b>District's Proportionate Share of the Net Pension Liability (Asset)</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
<b>Tier 1 Noncontributory System:</b>					
2018	0.9829048 %	\$ 36,569,142	\$ 24,941,777	146.62 %	84.1 %
2017	0.9267600 %	22,662,639	23,821,730	95.13 %	89.2 %
2016	0.8960120 %	29,039,004	23,880,531	121.60 %	84.9 %
2015	0.9162832 %	28,783,079	24,539,515	117.29 %	84.5 %
2014	0.9007547 %	22,631,720	24,778,611	91.34 %	87.2 %
<b>Tier 2 Contributory System:</b>					
2018	0.8435607 %	\$ 361,279	\$ 9,922,780	3.64 %	90.8 %
2017	0.7350711 %	64,809	7,214,233	0.90 %	97.4 %
2016	0.6041406 %	67,391	4,954,443	1.36 %	95.1 %
2015	0.5764658 %	(1,258)	3,722,327	(0.03)%	100.2 %
2014	0.5797030 %	(17,568)	2,836,017	(0.62)%	103.5 %

Refer to accompanying notes.

**PARK CITY SCHOOL DISTRICT****Schedules of District Contributions – Utah Retirement Systems**Last Five Reporting (Fiscal) Years

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	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to the Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
<b>Tier 1 Noncontributory System:</b>					
2019	\$ 5,459,127	\$ 5,459,127	\$ -	\$ 24,881,095	21.94 %
2018	5,417,125	5,417,125	-	24,695,340	21.94 %
2017	5,137,730	5,137,730	-	23,482,993	21.88 %
2016	5,315,383	5,315,383	-	24,295,601	21.88 %
2015	5,313,716	5,313,716	-	24,617,692	21.58 %
<b>Tier 2 Contributory System:</b>					
2019	\$ 2,068,319	\$ 2,068,319	\$ -	\$ 11,005,686	18.79 %
2018	1,610,583	1,610,583	-	8,735,480	18.44 %
2017	1,075,785	1,075,785	-	5,893,766	18.25 %
2016	768,661	768,661	-	4,217,092	18.23 %
2015	588,177	588,177	-	3,244,261	18.13 %
<b>Tier 2 Defined Contribution Plan:</b>					
2019	\$ 236,436	\$ 236,436	\$ -	\$ 2,332,220	10.14 %
2018	210,172	210,172	-	2,073,778	10.13 %
2017	168,438	168,438	-	1,675,567	10.05 %
2016	148,591	148,591	-	1,468,700	10.12 %
2015	114,630	114,630	-	1,121,756	10.22 %

**PARK CITY SCHOOL DISTRICT**  
**Notes to the Required Supplementary Information**

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**Note A – Changes in Assumptions – Utah Retirement Systems**

Assumptions for plan year 2018 remain unchanged from the prior year.

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

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

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

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

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

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

**Note B – Schedules of the District's Proportional 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 our 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.

**Combining and Individual Fund  
Statements and Schedules**

**PARK CITY SCHOOL DISTRICT****Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –****General Fund**

Year Ended June 30, 2019 with Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local:				
Property taxes	\$ 62,369,701	\$ 63,931,659	\$ 1,561,958	\$ 53,441,044
Earnings on investments	525,908	865,213	339,305	525,908
Other	3,169,474	3,075,057	(94,417)	2,904,398
State	5,158,246	5,144,564	(13,682)	3,961,605
Federal	1,237,195	1,256,404	19,209	1,170,253
Total revenues	72,460,524	74,272,897	1,812,373	62,003,208
<b>Expenditures:</b>				
Current:				
Salaries	40,097,654	39,040,376	1,057,278	36,701,324
Employee benefits	20,446,489	20,146,149	300,340	18,892,432
Purchased professional services	1,757,998	1,535,928	222,070	839,900
Purchased property services	1,813,958	2,235,154	(421,196)	1,499,026
Other purchased services	1,162,157	1,089,284	72,873	822,384
Supplies	5,081,938	4,233,827	848,111	3,735,474
Equipment	210,867	392,580	(181,713)	282,080
Other objects	35,103	68,180	(33,077)	34,680
Contributions to other governments	6,212,202	6,181,103	31,099	3,398,532
Total expenditures	76,818,366	74,922,581	1,895,785	66,205,832
Excess (deficiency) of revenues over (under) expenditures	(4,357,842)	(649,684)	3,708,158	(4,202,624)
<b>Other financing sources (uses):</b>				
Proceeds from leases	-	238,426	238,426	-
Transfers out	(375,000)	(312,380)	62,620	(261,222)
Total other financing sources (uses)	(375,000)	(73,954)	301,046	(261,222)
Net change in fund balances	(4,732,842)	(723,638)	4,009,204	(4,463,846)
<b>Fund balances – beginning</b>	15,006,307	15,006,307	-	19,470,153
<b>Fund balances – ending</b>	\$ 10,273,465	\$ 14,282,669	\$ 4,009,204	\$ 15,006,307

**PARK CITY SCHOOL DISTRICT****Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –  
Capital Projects Fund**

Year Ended June 30, 2019 with Comparative Totals for 2018

	<b>2019</b>			<b>2018</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>Actual Amounts</b>
<b>Revenues:</b>				
Local:				
Property taxes	\$ 5,145,174	\$ 5,239,776	\$ 94,602	\$ 5,052,439
Earnings on investments	805,488	670,598	(134,890)	423,616
Other	285,605	240,086	(45,519)	262,566
Total revenues	6,236,267	6,150,460	(85,807)	5,738,621
<b>Expenditures:</b>				
Capital outlay:				
Purchased property services	6,003,392	3,878,352	2,125,040	3,220,539
Supplies	-	-	-	387
Equipment	3,340,793	2,592,872	747,921	2,148,501
Total expenditures	9,344,185	6,471,224	2,872,961	5,369,427
Excess (deficiency) of revenues over (under) expenditures	(3,107,918)	(320,764)	2,787,154	369,194
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	-	14,688	14,688	65,412
Net change in fund balances	(3,107,918)	(306,076)	2,801,842	434,606
<b>Fund balances – beginning</b>	22,083,097	22,083,097	-	21,648,491
<b>Fund balances – ending</b>	\$ 18,975,179	\$ 21,777,021	\$ 2,801,842	\$ 22,083,097

**PARK CITY SCHOOL DISTRICT**  
**Combining Balance Sheet – Nonmajor Governmental Funds**  
June 30, 2019

	<b>Special Revenue Funds</b>				<b>Total Nonmajor Governmental Funds</b>
	<b>Food Services</b>	<b>Student Activities</b>	<b>Pass-Through Taxes</b>	<b>Park City Education Foundation</b>	
<b>Assets:</b>					
Cash and investments	\$ 415,133	\$ 589,065	\$ -	\$ 2,410,091	\$ 3,414,289
Receivables:					
Property taxes	-	-	3,521,144	-	3,521,144
Local	-	-	-	174,745	174,745
State	75,298	-	-	-	75,298
Federal	14,390	-	-	-	14,390
Inventories and prepaid items	59,331	409	-	32,147	91,887
Total assets	<u>\$ 564,152</u>	<u>\$ 589,474</u>	<u>\$ 3,521,144</u>	<u>\$ 2,616,983</u>	<u>\$ 7,291,753</u>
<b>Liabilities:</b>					
Accounts payable	\$ 886	\$ 830	\$ -	\$ 84,373	\$ 86,089
Unearned revenue:					
Local	101,220	-	-	-	101,220
Due to other funds	-	-	-	431,365	431,365
Total liabilities	<u>102,106</u>	<u>830</u>	<u>-</u>	<u>515,738</u>	<u>618,674</u>
<b>Deferred inflows of resources:</b>					
Unavailable other local revenue	-	-	-	158,745	158,745
Unavailable property taxes	-	-	54,013	-	54,013
Property taxes levied for future year	-	-	3,467,131	-	3,467,131
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>3,521,144</u>	<u>158,745</u>	<u>3,679,889</u>
<b>Fund balances:</b>					
Nonspendable:					
Scholarship endowments	-	-	-	53,848	53,848
Inventories and prepaid items	59,331	409	-	32,147	91,887
Restricted for:					
Nutrition services	388,884	-	-	-	388,884
Scholarships	-	-	-	546,611	546,611
Assigned to:					
Compensated absences	13,831	-	-	14,203	28,034
Students	-	588,235	-	-	588,235
Foundation	-	-	-	1,295,691	1,295,691
Total fund balances	<u>462,046</u>	<u>588,644</u>	<u>-</u>	<u>1,942,500</u>	<u>2,993,190</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 564,152</u>	<u>\$ 589,474</u>	<u>\$ 3,521,144</u>	<u>\$ 2,616,983</u>	<u>\$ 7,291,753</u>

**PARK CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds**

Year Ended June 30, 2019

	<b>Special Revenue Funds</b>			<b>Total Nonmajor Governmental Funds</b>
	<b>Food Services</b>	<b>Student Activities</b>	<b>Pass-Through Taxes</b>	
<b>Revenues:</b>				
Local:				
Property taxes	\$ -	\$ -	\$ 2,756,641	\$ 2,756,641
Earnings on investments	8,711	-	-	75,352
Lunch sales	639,019	-	-	639,019
Other	69,497	1,704,097	-	3,628,431
State	262,781	-	-	262,781
Federal	648,572	-	-	648,572
Total revenues	1,628,580	1,704,097	2,756,641	8,010,796
<b>Expenditures:</b>				
Current:				
Instruction	-	1,768,278	-	3,987,907
Nutrition services	1,823,373	-	-	1,823,373
Contributions to other governments	-	-	2,756,641	2,756,641
Total expenditures	1,823,373	1,768,278	2,756,641	8,567,921
Excess (deficiency) of revenues over (under) expenditures	(194,793)	(64,181)	-	(557,125)
<b>Other financing sources (uses):</b>				
Transfers in	130,000	-	-	312,380
Net change in fund balances	(64,793)	(64,181)	-	(244,745)
<b>Fund balances – beginning</b>	526,839	652,825	-	3,237,935
<b>Fund balances – ending</b>	<u>\$ 462,046</u>	<u>\$ 588,644</u>	<u>\$ -</u>	<u>\$ 2,993,190</u>



**PARK CITY SCHOOL DISTRICT****Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –*****Food Services Fund***

Year Ended June 30, 2019 with Comparative Totals for 2018

	<b>2019</b>			<b>2018</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>Actual Amounts</b>
<b>Revenues:</b>				
Local:				
Earnings on investments	\$ 13,985	\$ 8,711	\$ (5,274)	\$ 9,526
Lunch sales	590,188	639,019	48,831	573,251
Vending	63,229	69,497	6,268	55,627
State	233,674	262,781	29,107	233,673
Federal	662,376	648,572	(13,804)	682,030
Total revenues	<u>1,549,467</u>	<u>1,619,869</u>	<u>70,402</u>	<u>1,544,581</u>
<b>Expenditures:</b>				
Current:				
Salaries	726,355	693,131	33,224	620,535
Employee benefits	430,123	434,729	(4,606)	328,088
Purchased professional services	2,000	7,236	(5,236)	7,642
Purchased property services	10,080	9,233	847	7,165
Other purchased services	52,347	58,415	(6,068)	45,574
Food and other supplies	716,940	592,079	124,861	585,914
Equipment	30,411	28,550	1,861	61,326
Total expenditures	<u>1,968,256</u>	<u>1,823,373</u>	<u>144,883</u>	<u>1,656,244</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(418,789)</u>	<u>(203,504)</u>	<u>215,285</u>	<u>(111,663)</u>
<b>Other financing sources (uses):</b>				
Transfers in	<u>190,000</u>	<u>130,000</u>	<u>(60,000)</u>	<u>-</u>
Net change in fund balances	<u>(228,789)</u>	<u>(73,504)</u>	<u>155,285</u>	<u>(111,663)</u>
<b>Fund balances – beginning</b>	<u>526,839</u>	<u>526,839</u>	<u>-</u>	<u>628,976</u>
<b>Fund balances – ending</b>	<u><u>\$ 298,050</u></u>	<u><u>\$ 453,335</u></u>	<u><u>\$ 155,285</u></u>	<u><u>\$ 517,313</u></u>

**PARK CITY SCHOOL DISTRICT****Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –*****Student Activities Fund***

Year Ended June 30, 2019 with Comparative Totals for 2018

	<b>2019</b>			<b>2018</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>Actual Amounts</b>
<b>Revenues:</b>				
Local:				
Other	\$ 1,375,067	\$ 1,704,097	\$ 329,030	\$ 1,843,282
<b>Expenditures:</b>				
Current:				
Salaries	61,698	49,666	12,032	86,487
Employee benefits	16,582	19,080	(2,498)	24,988
Other purchased services	41,811	43,402	(1,591)	70,686
Supplies	1,906,672	1,655,886	250,786	1,744,729
Other objects	1,129	244	885	195
Total expenditures	2,027,892	1,768,278	259,614	1,927,085
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(652,825)	(64,181)	588,644	(83,803)
<b>Fund balances – beginning</b>	652,825	652,825	-	736,628
<b>Fund balances – ending</b>	\$ -	\$ 588,644	\$ 588,644	\$ 652,825

**PARK CITY SCHOOL DISTRICT****Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –*****Pass-Through Taxes Fund***

Year Ended June 30, 2019 with Comparative Totals for 2018

	<b>2019</b>			<b>2018</b>
	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>Actual Amounts</b>
<b>Revenues:</b>				
Property taxes	\$ 2,749,106	\$ 2,756,641	\$ 7,535	\$ 2,749,940
<b>Expenditures:</b>				
Contributions to other governments	2,749,106	2,756,641	(7,535)	2,749,940
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	-	-	-	-
<b>Fund balances – beginning</b>	-	-	-	-
<b>Fund balances – ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PARK CITY SCHOOL DISTRICT**  
**Comparative Balance Sheets –**  
*Park City Education Foundation Fund*  
June 30, 2019 and 2018

	<b>2019</b>	<b>2018</b>
<b>Assets:</b>		
Cash and investments	\$ 2,410,091	\$ 2,523,663
Receivables:		
Local	174,745	114,955
Prepaid items	32,147	9,932
Total assets	<u>\$ 2,616,983</u>	<u>\$ 2,648,550</u>
<b>Liabilities:</b>		
Accounts payable	\$ 84,373	\$ 58,814
Due to other funds	431,365	416,510
Total liabilities	515,738	475,324
<b>Deferred inflows of resources:</b>		
Unavailable other local revenue	158,745	114,955
<b>Fund balances:</b>		
Nonspendable:		
Scholarship endowments	53,848	53,848
Prepaid items	32,147	9,932
Restricted for:		
Scholarships	546,611	430,865
Assigned to:		
Compensated absences	14,203	43,944
Foundation	1,295,691	1,519,682
Total fund balances	<u>1,942,500</u>	<u>2,058,271</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,616,983</u>	<u>\$ 2,648,550</u>

**PARK CITY SCHOOL DISTRICT****Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances –*****Park City Education Foundation Fund***

Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>Revenues:</b>		
Local:		
Earnings on investments	\$ 66,641	\$ 56,110
Other	<u>1,854,837</u>	<u>2,163,676</u>
Total revenues	<u>1,921,478</u>	<u>2,219,786</u>
<b>Expenditures:</b>		
Current:		
Salaries	358,153	456,004
Employee benefits	194,022	199,158
Other purchased services	2,380	1,928
Instructional grants and scholarships	1,289,488	1,296,488
Supplies	<u>375,586</u>	<u>341,854</u>
Total expenditures	<u>2,219,629</u>	<u>2,295,432</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(298,151)</u>	<u>(75,646)</u>
<b>Other financing sources (uses):</b>		
Transfers in	<u>182,380</u>	<u>261,222</u>
Net change in fund balances	(115,771)	185,576
<b>Fund balances – beginning</b>	<u>2,058,271</u>	<u>1,872,695</u>
<b>Fund balances – ending</b>	<u><u>\$ 1,942,500</u></u>	<u><u>\$ 2,058,271</u></u>

## **OTHER INFORMATION**

# **PARK CITY SCHOOL DISTRICT**

## **Comparative Statements of Net Position (Accrual Basis) – Governmental Activities**

Last Five Fiscal Years

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Assets:</b>					
Cash and investments	\$ 55,621,498	\$ 53,910,658	\$ 59,209,117	\$ 57,794,712	\$ 51,800,487
Receivables:					
Property taxes	82,380,056	71,093,961	59,957,002	60,050,209	60,095,675
Other governments	1,133,402	1,114,094	1,308,806	780,198	950,514
Inventories and prepaid items	310,128	360,991	52,573	119,399	51,515
Net pension asset	-	-	-	1,258	17,568
Capital assets:					
Land and construction in progress	6,176,369	6,078,012	5,174,771	4,928,568	4,928,568
Other capital assets, net of accumulated depreciation	90,922,924	92,494,372	94,501,482	97,055,896	100,104,150
Total assets	<u>236,544,377</u>	<u>225,052,088</u>	<u>220,203,751</u>	<u>220,730,240</u>	<u>217,948,477</u>
<b>Deferred outflows of resources:</b>					
Related to pensions	<u>15,633,122</u>	<u>13,977,342</u>	<u>12,170,576</u>	<u>11,102,953</u>	<u>3,468,187</u>
<b>Liabilities:</b>					
Accounts and contracts payable	2,016,695	896,399	2,945,082	3,446,679	1,522,940
Accrued payroll and related benefits	7,211,135	6,763,503	5,927,921	5,595,832	5,646,255
Unearned revenue	305,383	275,163	253,450	382,168	516,993
Noncurrent liabilities:					
Portion due or payable within one year	2,760,886	2,564,395	2,578,653	2,722,001	2,294,396
Portion due or payable after one year	<u>38,150,239</u>	<u>23,780,431</u>	<u>30,518,931</u>	<u>30,544,574</u>	<u>23,785,040</u>
Total liabilities	<u>50,444,338</u>	<u>34,279,891</u>	<u>42,224,037</u>	<u>42,691,254</u>	<u>33,765,624</u>
<b>Deferred inflows of resources:</b>					
Property taxes levied for future year	80,836,743	70,037,139	59,581,310	59,628,969	59,653,204
Related to pensions	<u>757,406</u>	<u>11,443,069</u>	<u>4,029,223</u>	<u>2,839,926</u>	<u>2,132,988</u>
Total deferred inflow of resources	<u>81,594,149</u>	<u>81,480,208</u>	<u>63,610,533</u>	<u>62,468,895</u>	<u>61,786,192</u>
<b>Net position:</b>					
Net investment in capital assets	96,901,773	98,572,384	99,676,253	101,984,464	105,032,718
Restricted for:					
Capital outlay	21,859,502	22,136,419	21,714,421	21,729,757	21,097,567
Nutrition services	448,215	513,881	611,959	381,558	389,194
Foundation	759,204	599,668	522,476	219,015	244,112
Unrestricted	<u>170,318</u>	<u>1,446,979</u>	<u>4,014,648</u>	<u>2,358,250</u>	<u>(898,743)</u>
Total net position	<u>\$ 120,139,012</u>	<u>\$ 123,269,331</u>	<u>\$ 126,539,757</u>	<u>\$ 126,673,044</u>	<u>\$ 125,864,848</u>

# **PARK CITY SCHOOL DISTRICT**

## **Comparative Statements of Activities (Accrual Basis) – Governmental Activities**

Last Five Fiscal Years

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Expenses:</b>					
Instruction	\$ 49,399,837	\$ 44,511,959	\$ 43,903,218	\$ 42,253,598	\$ 38,509,648
Supporting services:					
Student	5,159,901	4,517,928	2,736,234	2,474,259	2,288,158
Instructional staff	4,790,973	4,047,876	3,086,593	3,086,850	2,977,874
Executive administration	1,042,963	868,181	1,138,540	574,325	560,323
School administration	3,890,780	3,155,508	2,850,555	2,947,831	2,892,912
Central	4,676,160	3,465,128	3,169,395	2,992,336	2,848,976
Operation and maintenance of facilities	6,096,846	5,066,170	5,161,691	5,136,891	4,677,419
Student transportation	2,809,513	2,639,078	2,368,461	2,502,914	2,609,541
Nutrition services	1,981,048	1,774,614	1,613,107	1,655,328	1,635,069
Community services	2,071,092	1,794,031	1,597,440	1,793,806	3,535,186
Contributions to other governments	8,937,744	6,148,472	6,619,678	6,411,576	2,029,197
Interest on long-term liabilities	-	-	-	-	71,972
Total school district	<u>90,856,857</u>	<u>77,988,945</u>	<u>74,244,912</u>	<u>71,829,714</u>	<u>64,636,275</u>
<b>Program revenues:</b>					
Instruction	6,486,221	6,449,284	6,681,106	6,218,189	6,772,395
Supporting services:					
Student	612,922	553,659	273,566	301,090	197,246
Instructional staff	280,541	134,865	114,909	128,972	188,872
School administration	-	-	-	-	3,398
Operation and maintenance of facilities	23,357	13,435	26,806	9,500	7,427
Student transportation	1,062,703	819,130	905,289	889,784	806,603
Nutrition services	1,619,869	1,544,581	1,513,012	1,512,989	1,558,752
Community services	306,371	361,455	314,956	507,983	647,060
Total program revenues	<u>10,391,984</u>	<u>9,876,409</u>	<u>9,829,644</u>	<u>9,568,507</u>	<u>10,181,753</u>
Net (expense) revenue	<u>(80,464,873)</u>	<u>(68,112,536)</u>	<u>(64,415,268)</u>	<u>(62,261,207)</u>	<u>(54,454,522)</u>
<b>General revenues:</b>					
Property taxes levied for:					
General purposes	64,415,406	54,007,971	53,938,571	52,981,595	49,426,090
Debt service	-	-	-	-	3,478,349
Capital outlay	5,279,424	4,426,440	5,030,540	4,990,172	4,989,147
Park City Redevelopment Agency	2,137,616	2,058,720	1,886,023	1,962,976	1,911,673
Charter schools	619,025	691,220	-	-	-
Total property taxes	<u>72,451,471</u>	<u>61,184,351</u>	<u>60,855,134</u>	<u>59,934,743</u>	<u>59,805,259</u>
Federal and state aid not restricted to specific purposes	2,410,040	1,845,066	1,763,122	1,815,407	1,808,325
Earnings on investments	1,611,163	1,015,160	674,278	499,706	232,938
Miscellaneous	861,880	797,533	989,447	819,547	764,993
Total general revenues	<u>77,334,554</u>	<u>64,842,110</u>	<u>64,281,981</u>	<u>63,069,403</u>	<u>62,611,515</u>
Change in net position	(3,130,319)	(3,270,426)	(133,287)	808,196	8,156,993
<b>Net position - beginning</b>	<u>123,269,331</u>	<u>126,539,757</u>	<u>126,673,044</u>	<u>125,864,848</u>	<u>117,707,855</u>
<b>Net position - ending</b>	<u>\$ 120,139,012</u>	<u>\$ 123,269,331</u>	<u>\$ 126,539,757</u>	<u>\$ 126,673,044</u>	<u>125,864,848</u>



# **PARK CITY SCHOOL DISTRICT**

## **Comparative Balance Sheets (Modified Accrual Basis) – General Fund**

Last Five Fiscal Years

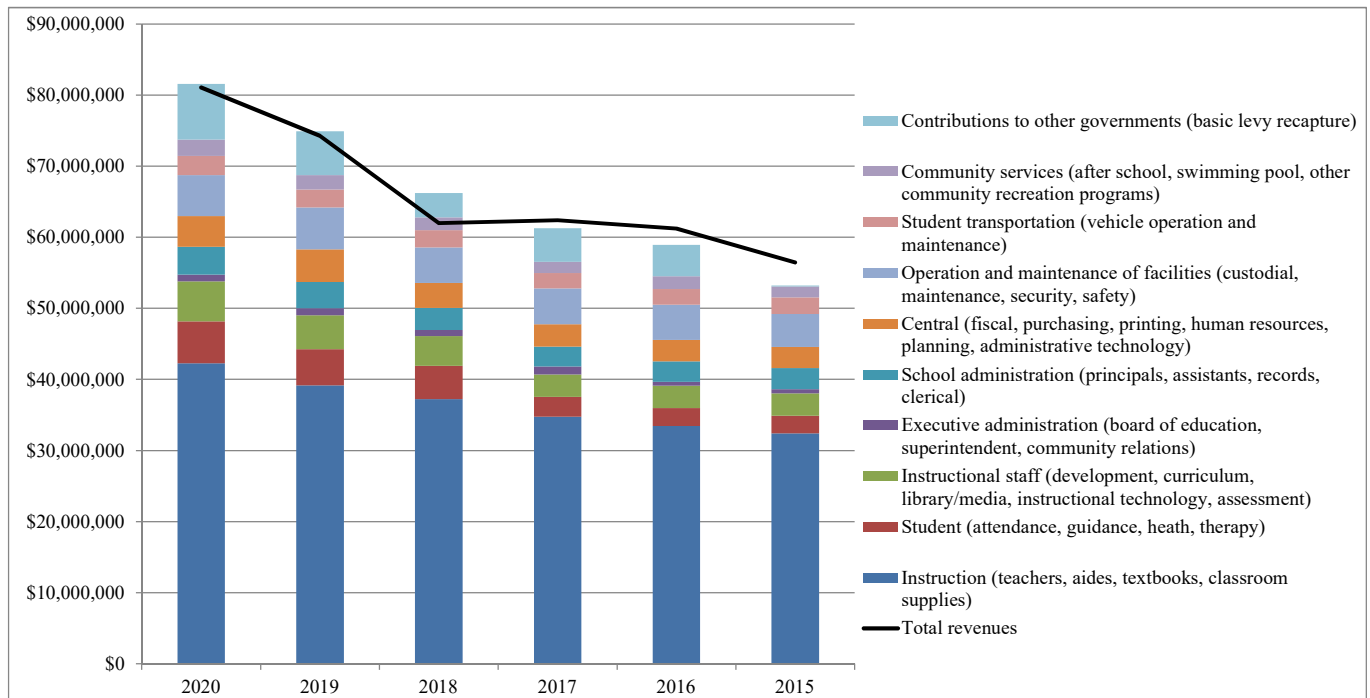
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Assets:</b>					
Cash and investments	\$ 20,411,347	\$ 20,654,313	\$ 25,333,380	\$ 25,482,817	\$ 22,338,184
Receivables:					
Property taxes	73,460,466	62,859,153	52,138,474	53,059,297	53,053,859
Local	216,924	233,194	217,179	65,865	142,298
State	158,387	54,364	79,585	43,635	207,750
Federal	491,501	604,866	677,903	540,664	454,137
Prepaid items	140,072	16,926	16,348	72,835	8,956
Due from other funds	431,365	416,510	478,181	276,448	414,792
Total assets	<u>\$ 95,310,062</u>	<u>\$ 84,839,326</u>	<u>\$ 78,941,050</u>	<u>\$ 79,541,561</u>	<u>\$ 76,619,976</u>
<b>Liabilities:</b>					
Accounts and contracts payable	\$ 414,097	\$ 330,286	\$ 849,068	\$ 1,476,609	\$ 376,540
Accrued payroll and related benefits	7,211,135	6,763,503	5,927,921	5,595,832	5,646,255
Unearned revenue:					
Local	-	1,000	34,738	100,075	242,532
State	204,163	172,233	131,145	206,513	204,306
Federal	-	-	992	-	-
Total liabilities	<u>7,829,395</u>	<u>7,267,022</u>	<u>6,943,864</u>	<u>7,379,029</u>	<u>6,469,633</u>
<b>Deferred inflows of resources:</b>					
Unavailable property taxes	1,122,839	650,596	697,060	715,803	820,345
Property taxes levied for future year	<u>72,075,159</u>	<u>61,915,401</u>	<u>51,829,973</u>	<u>52,699,028</u>	<u>52,693,764</u>
Total deferred inflows of resources	<u>73,197,998</u>	<u>62,565,997</u>	<u>52,527,033</u>	<u>53,414,831</u>	<u>53,514,109</u>
<b>Fund balances:</b>					
Nonspendable:					
Prepaid items	140,072	16,926	16,348	72,835	8,956
Committed to:					
Economic stabilization	4,079,506	3,816,486	3,432,024	3,156,478	2,729,314
Community services	-	-	-	-	503,940
Food services program	250,000	190,000	-	-	-
Assigned to:					
Compensated absences	1,199,904	981,942	945,765	975,235	912,158
Basic levy recapture	500,000	250,000	350,000	350,000	-
Unassigned	<u>8,113,187</u>	<u>9,750,953</u>	<u>14,726,016</u>	<u>14,193,153</u>	<u>12,481,866</u>
Total fund balances	<u>14,282,669</u>	<u>15,006,307</u>	<u>19,470,153</u>	<u>18,747,701</u>	<u>16,636,234</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 95,310,062</u>	<u>\$ 84,839,326</u>	<u>\$ 78,941,050</u>	<u>\$ 79,541,561</u>	<u>\$ 76,619,976</u>
Unassigned fund balance as a percent of general fund expenditures	10.8%	13.0%	22.2%	24.1%	23.5%

# **PARK CITY SCHOOL DISTRICT**

## **Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances (Modified Accrual Basis) – General Fund**

Last Five Fiscal Years with Anticipated Budget for 2020

	<b>Anticipated Budget 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Revenues:</b>						
Local:						
Property taxes	\$ 70,744,840	\$ 63,931,659	\$ 53,441,044	\$ 53,988,820	\$ 53,026,849	\$ 47,571,866
Earnings on investments	526,288	865,213	525,908	343,803	220,872	120,776
Other	3,034,937	3,075,057	2,904,398	2,955,019	2,960,715	2,870,883
State	5,538,677	5,144,564	3,961,605	3,883,227	3,892,264	4,728,014
Federal	1,223,273	1,256,404	1,170,253	1,200,145	1,139,370	1,176,615
Total revenues	<u>81,068,015</u>	<u>74,272,897</u>	<u>62,003,208</u>	<u>62,371,014</u>	<u>61,240,070</u>	<u>56,468,154</u>
<b>Expenditures:</b>						
Current:						
Instruction	42,288,875	39,147,787	37,217,345	34,756,028	33,433,848	32,434,731
Supporting services:						
Student	5,897,695	5,125,559	4,680,945	2,800,881	2,524,099	2,447,605
Instructional staff	5,597,161	4,734,101	4,182,792	3,135,669	3,141,797	3,162,792
Executive administration	955,458	986,234	850,374	1,133,207	558,830	573,866
School administration	3,915,172	3,712,270	3,131,401	2,770,965	2,865,742	2,958,425
Central	4,309,915	4,587,670	3,529,221	3,183,306	3,012,737	2,969,018
Operation and maintenance of facilities	5,769,688	5,911,871	4,979,799	5,042,549	4,992,209	4,644,256
Student transportation	2,689,732	2,518,372	2,435,312	2,125,058	2,184,942	2,354,087
Community services	2,310,629	2,017,614	1,800,111	1,584,358	1,785,190	1,539,177
Contributions to other governments	7,855,797	6,181,103	3,398,532	4,733,655	4,448,600	117,524
Total expenditures	<u>81,590,122</u>	<u>74,922,581</u>	<u>66,205,832</u>	<u>61,265,676</u>	<u>58,947,994</u>	<u>53,201,481</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(522,107)</u>	<u>(649,684)</u>	<u>(4,202,624)</u>	<u>1,105,338</u>	<u>2,292,076</u>	<u>3,266,673</u>
<b>Other financing sources (uses):</b>						
Net transfers and other financing sources (uses)	(565,000)	(73,954)	(261,222)	(382,886)	(180,609)	486,253
Net change in fund balances	(1,087,107)	(723,638)	(4,463,846)	722,452	2,111,467	3,752,926
<b>Fund Balances – Beginning</b>	<u>10,273,446</u>	<u>15,006,307</u>	<u>19,470,153</u>	<u>18,747,701</u>	<u>16,636,234</u>	<u>12,883,308</u>
<b>Fund Balances – Ending</b>	<u>\$ 9,186,339</u>	<u>\$ 14,282,669</u>	<u>\$ 15,006,307</u>	<u>\$ 19,470,153</u>	<u>\$ 18,747,701</u>	<u>\$ 16,636,234</u>



The 2020 anticipated budget is from the proposed budget approved by the Board in August 2019.

**PARK CITY SCHOOL DISTRICT**

**Expenditures Per Student – General Fund \***

Last Five Fiscal Years with Anticipated Budget for 2020

	<b>Anticipated Budget 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Expenditures per student – general fund :</b>						
Instruction	\$ 8,821	\$ 8,190	\$ 7,728	\$ 7,106	\$ 7,019	\$ 6,844
Supporting services:						
Student	1,230	1,072	972	573	530	516
Instructional staff	1,168	990	869	641	660	667
Executive administration	199	206	177	232	117	121
School administration	817	777	650	567	602	624
Central	899	960	733	651	633	627
Operation and maintenance of facilities	1,204	1,237	1,034	1,031	1,048	980
Student transportation	561	527	506	434	459	497
Total expenditures per student – general fund *	<u>\$ 14,899</u>	<u>\$ 13,959</u>	<u>\$ 12,669</u>	<u>\$ 11,235</u>	<u>\$ 11,068</u>	<u>\$ 10,876</u>
<b>Student fall enrollment count</b>	4,794	4,780	4,816	4,891	4,763	4,739

\* In this schedule, community service expenditures and contributions to other governments have been excluded.  
Student fall enrollment count for the 2020 budget is projected.

**PARK CITY SCHOOL DISTRICT**  
**HISTORICAL SUMMARIES OF TAXABLE VALUES OF PROPERTY**

Last Five Tax (Calendar) Years

	<b>2018</b>		<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
	Taxable Value	% of TV	Taxable Value	Taxable Value	Taxable Value	Taxable Value
<b>Set by County Assessor-Locally Assessed</b>						
Real property:						
Primary residential	\$ 4,415,827,442	27.4 %	\$ 4,156,101,905	\$ 3,830,045,477	\$ 3,443,252,037	\$ 3,122,215,248
Other residential	9,767,069,332	60.5	8,335,624,542	7,774,700,795	7,220,873,340	6,612,872,484
Commercial and industrial	1,490,008,627	9.2	1,300,628,768	1,242,128,912	1,177,768,827	1,160,545,704
Agricultural and Farmland Assessment Act (FAA)	16,219,108	0.1	14,634,463	14,299,539	13,323,553	12,685,696
Unimproved non FAA	15,869,677	0.1	889,532,119	904,724,555	863,535,095	814,990,352
Total real property	<u>15,704,994,186</u>	<u>97.3</u>	<u>14,696,521,797</u>	<u>13,765,899,278</u>	<u>12,718,752,852</u>	<u>11,723,309,484</u>
Personal property	<u>206,088,550</u>	<u>1.3</u>	<u>194,029,604</u>	<u>194,919,398</u>	<u>172,475,032</u>	<u>176,634,304</u>
Fee in lieu (motor vehicles, etc.) estimate	<u>106,725,922</u>	<u>0.7</u>	<u>101,908,744</u>	<u>101,305,708</u>	<u>98,037,941</u>	<u>85,903,740</u>
Total locally assessed	<u>16,017,808,658</u>	<u>99.2</u>	<u>14,992,460,145</u>	<u>14,062,124,384</u>	<u>12,989,265,825</u>	<u>11,985,847,528</u>
<b>Set by State Tax Commission-Centrally Assessed</b>	<u>126,251,620</u>	<u>0.8</u>	<u>111,581,005</u>	<u>100,919,989</u>	<u>93,958,032</u>	<u>84,577,628</u>
Total taxable value	<u>\$ 16,144,060,278</u>	<u>100.0 %</u>	<u>\$ 15,104,041,150</u>	<u>\$ 14,163,044,373</u>	<u>\$ 13,083,223,857</u>	<u>\$ 12,070,425,156</u>
Total taxable value (less fee in lieu property)	<u>\$ 16,037,334,356</u>		<u>\$ 15,002,132,406</u>	<u>\$ 14,061,738,665</u>	<u>\$ 12,985,185,916</u>	<u>\$ 11,984,521,416</u>
Amounts include increases in taxable values within tax increment financing (TIF) districts located within the taxing area of Park City School District as follows:						
Redevelopment incremental taxable value	<u>\$ 554,741,827</u>		<u>\$ 549,037,775</u>	<u>\$ 478,210,726</u>	<u>\$ 453,479,903</u>	<u>\$ 413,623,548</u>

Source: Utah State Tax Commission.

# **PARK CITY SCHOOL DISTRICT**

## **Tax Rates and Collections**

Last Four Fiscal Years with Anticipated Budget for 2020

	<b>Anticipated Budget</b>		<b>2019</b>		<b>2018</b>		<b>2017</b>		<b>2016</b>	
	<b>2020</b>									
	<u>Tax Rate</u>	<u>Budget</u>	<u>Tax Rate</u>	<u>Collections</u>	<u>Tax Rate</u>	<u>Collections</u>	<u>Tax Rate</u>	<u>Collections</u>	<u>Tax Rate</u>	<u>Collections</u>
<b>General Fund:</b>										
Basic	0.001661	\$ 28,771,556	0.001666	\$ 26,614,228	0.001568	\$ 23,221,183	0.001675	\$ 23,393,784	0.001736	\$ 22,528,332
Board local	0.001388	24,045,191	0.001206	19,335,767	0.000834	12,351,063	0.000945	13,198,284	0.001018	13,210,738
Voted local	0.001035	17,928,093	0.001130	17,981,664	0.001161	17,193,746	0.001240	17,318,383	0.001323	17,168,769
Total general fund	0.004084	70,744,840	0.004002	63,931,659	0.003563	52,765,992	0.003860	53,910,451	0.004077	52,907,839
<b>Pass-Through Taxes Fund:</b>										
Incremental taxes	-	2,137,613	-	2,137,616	-	2,058,720	-	1,886,023	-	1,962,976
Charter school	0.000040	660,939	0.000039	619,025	0.000051	691,220	-	-	-	-
Total pass-through taxes fund	0.000040	2,798,552	0.000039	2,756,641	0.000051	2,749,940	-	1,886,023	-	1,962,976
<b>Capital Projects Fund:</b>										
Capital local	0.000300	5,196,548	0.000328	5,239,776	0.000337	4,990,777	0.000360	5,027,918	0.000384	4,983,226
Total tax rate / collections	0.004424	78,739,940	0.004369	71,928,076	0.003951	60,506,709	0.004220	60,824,392	0.004461	59,854,041
<b>Contributions to Other Governments:</b>										
Basic levy recapture		7,855,797		6,181,013		3,398,532		4,045,055		3,836,331
Park City Redevelopment Agency		2,137,613		2,137,616		2,058,720		1,886,023		1,962,976
Charter school levy		660,939		619,025		691,220		688,600		612,269
Total contributed		10,654,349		8,937,654		6,148,472		6,619,678		6,411,576
Net taxes retained by the District		\$ 68,085,591		\$ 62,990,422		\$ 54,358,237		\$ 54,204,714		\$ 53,442,465

### **Notes:**

Tax rates are levied for the calendar year. For example, calendar year 2019 tax rates apply to our fiscal year ended June 30, 2020.

Collections include current taxes, redemptions (delinquent taxes collected in the current year) and fees in lieu of taxes (primarily motor vehicle fees).

Collections may differ from tax revenue reported in the fund financial statements which use the modified accrual basis of accounting.

The 2020 budget reflects the rates and anticipated collections as approved by our Board in August 2019.