



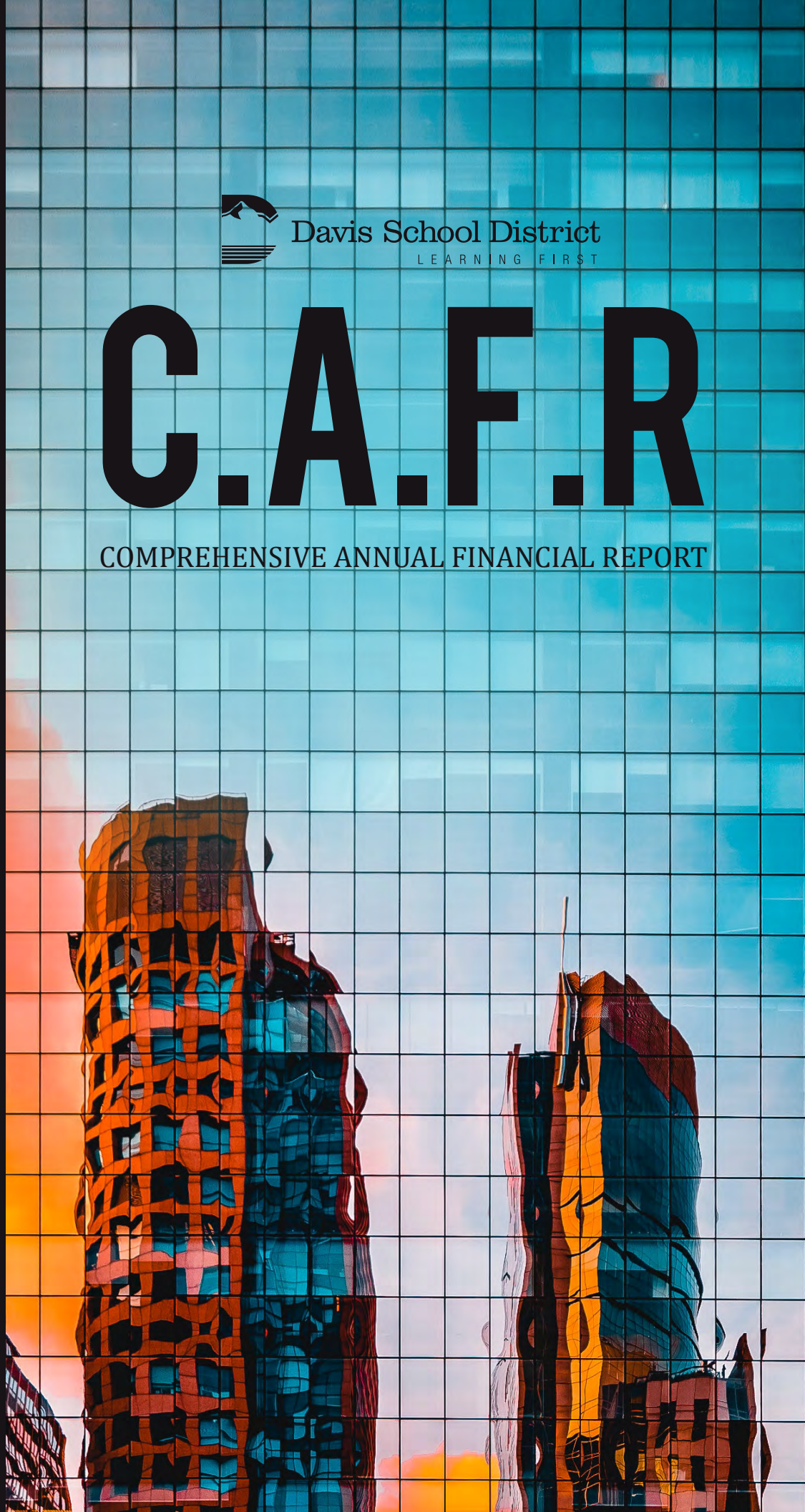
Davis School District  
LEARNING FIRST

# C.A.F.R

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR  
ENDING JUNE 30

# 2019



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# **Comprehensive Annual Financial Report**

**of the**

## **DAVIS SCHOOL DISTRICT**

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

**For the Fiscal Year Ended June 30, 2019**

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

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

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# SECTION 1

INTRODUCTORY

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November 14, 2019

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

State law requires that school districts publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the Davis School District (District) for the fiscal year ended June 30, 2019.

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

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

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

**Independent audits.** Squire & Company, PC, a firm of licensed certified public accountants, has audited the District’s financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2019 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion, and that the District’s financial statements for the fiscal year ended June 30, 2019 are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

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

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

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

The major purpose of the District is to provide public education for those who reside within the boundaries of the District. To accomplish this purpose, as of fall 2019, the District operates nine traditional high schools, seventeen junior high schools, and 62 elementary schools. The District also offers three special purpose programs: Pioneer Adult Rehabilitation Center (a community rehabilitation program serving persons with disabilities), the Family Enrichment Center (providing preschool and Head Start programs), and Farmington Bay (a youth correctional facility). In addition, the District operates two alternative schools, Mountain High and the Renaissance Academy. The District serves 72,897 students based on the October 1, 2019 enrollment report.

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

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

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

If the District does not exceed the certified tax rate, a public hearing is held prior to June 22 at which time the budget is legally adopted by resolution of the Board after obtaining taxpayer input. If the District exceeds the certified tax rate the budget is adopted in August after required advertisement of proposed tax rate increases and a public hearing. The level by which expenditures may not exceed appropriations has been interpreted by the State Superintendent of Public Instruction to be the total budgeted expenditures of a given fund.

**Economic condition and outlook.** The economic outlook of the District is tied to and dependent on the economic condition and outlook of the state of Utah since state aid provides approximately 70% of general fund revenues. Utah's economy maintained moderate growth over the last three years increasing funding for the weighted pupil unit by 3.0%, 4.0%, and 2.5%, respectively. For fiscal year 2020, the State increased the weighted pupil unit funding by 4.0%. Current revenue projections for fiscal year 2021 appear positive as well. The District projects student growth of over 800 in 2019-20 and approximately 500 in 2020-21 as well.

The District continues to monitor budgets and evaluate District programs. For the 2019-20 school year, the Board increased taxes above the certified rate to generate an additional \$7.6 million dollars for teacher salaries.

The District's taxing authority rests with property taxes on residential and commercial property within the District. For 2019, the District's taxable property values increased 8.5%. This is compared to an increase of 10.2% in 2018. Local taxation accounts for only 20% of general fund revenues, and 29% of all governmental fund revenues.

**Long-term financial planning.** State revenue projections appear to be increasing for fiscal year 2020. These funds will be utilized to offset district expenditures for state retirement and health insurance as well as employee compensation increases. The District actively examines all revenue and expenditure categories and programs to identify budget reductions. The driving force is to meet the demands of an ever changing budget without significant impact to our students and classrooms.

Dealing with the challenges and demands of budgets is further complicated by the fact that the student population of the District and the state of Utah is continuing to grow. The District projects moderate student growth and expects net migration into the County to remain positive. The District projects an additional 1,800 to 2,000 students over the next five years measured from October 2019 to October 2024. The state 2020 fiscal year school finance program is designed to provide every Utah school district with a basic operation program of \$3,532 per weighted pupil unit (WPU). Current budget projections indicate a moderate increase in the value of the WPU for 2021.

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

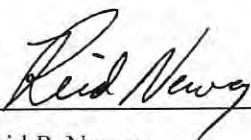
**Awards.** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

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

Respectfully submitted,

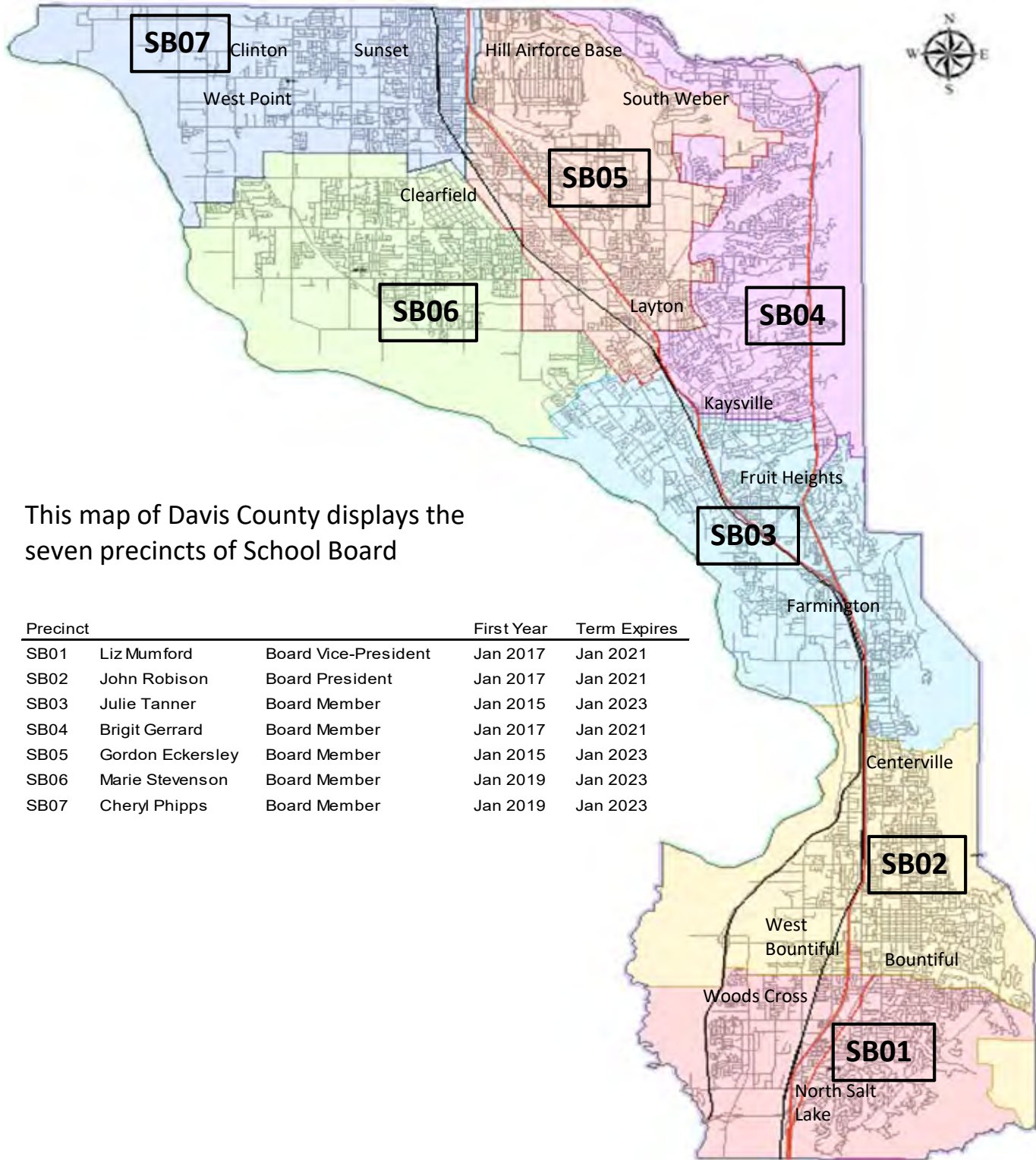
A handwritten signature in cursive script, reading "Reid Newey", written over a horizontal line.

Reid P. Newey  
Superintendent

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

Craig Carter  
Business Administrator

**DAVIS SCHOOL DISTRICT**  
**School Board Precinct Boundaries**  
 Year Ended June 30, 2019



## DAVIS SCHOOL DISTRICT

### List of Elected and Appointed Officials

Year Ended June 30, 2019

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#### Elected Officials

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

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

#### Appointed Officials

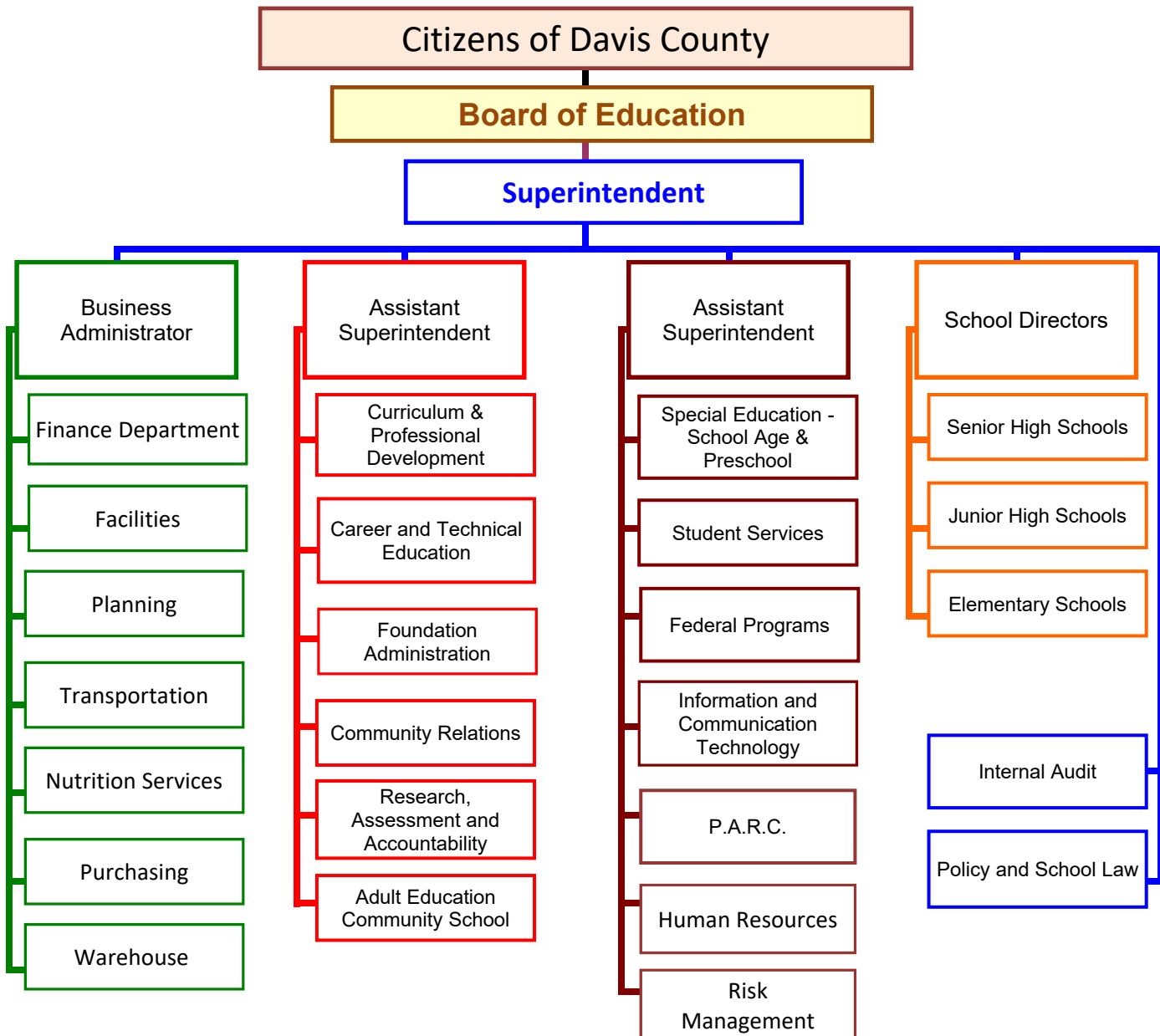
	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
<b>Reid Newey</b> Superintendent	June 2018	December 2020	December 2016
<b>Craig Carter</b> Business Administrator	July 2017	July 2021	January 2010

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

# DAVIS SCHOOL DISTRICT

## Organizational Chart

Year Ended June 30, 2019





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Davis County School District  
Utah**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO



# DAVIS SCHOOL DISTRICT STRATEGIC PLAN

## LEARNING FIRST!

### VISION

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

### MISSION

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

### OUR PLAN

#### CULTURE

*Davis School District promotes a healthy, respectful, and collaborative culture.*

- Teach and model personal accountability
  - Promote a growth mindset
  - Create an environment of respect
- Demonstrate exemplary customer service from all employees

#### STUDENT GROWTH & ACHIEVEMENT

*Davis School District provides an innovative, relevant, well-rounded education for each student.*

- Focus on individual student growth and achievement
  - Provide well-rounded curriculum including character and life skills
  - Encourage creative, evidence-based programs and teaching strategies
- Use technology to enhance and personalize student learning

#### PARENT & COMMUNITY CONNECTIONS

*Davis School District develops connections with parents and community.*

- Recognize parents as the student's first teacher
- Create multiple means of communication with all stakeholders
- Include parents as a vital part of the decision-making process
- Foster productive partnerships with business and community groups

#### PARENT & COMMUNITY CONNECTIONS

#### STUDENT GROWTH & ACHIEVEMENT



#### EMPOWERED EMPLOYEES

*Davis School District employees are valued, supported, and appreciated.*

- Attract, retain, recognize, and reward quality employees
- Ensure employees are provided opportunities for input and participation in the decision-making process
- Develop and support effective leadership across all employee groups
- Provide and encourage quality professional learning

#### FISCAL RESPONSIBILITY

*Davis School District provides for oversight and efficient use of public and private funds.*

- Provide internal and external oversight
- Provide ongoing training in fiscal management
  - Operate finances with transparency
  - Align fiscal resources with Board goals.

#### SAFETY & SECURITY

*Davis School District creates an environment where physical and emotional safety are paramount.*

- Provide safe and secure physical spaces
- Value stakeholder voices
- Foster a welcoming environment
- Establish and communicate safety protocols

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# SECTION 2

FINANCIAL

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## Independent Auditor's Report

Board of Education  
Davis School District

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Davis School District (the District) as of and for the year ended June 30, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Davis 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.

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Squire & Company, PC*

Orem, Utah  
November 14, 2019

## Management's Discussion and Analysis

This section of Davis School District's (District) comprehensive annual financial report presents management's discussion and analysis of the District's financial performance during the year ended June 30, 2019. Please read it in conjunction with the transmittal letter found on pages 11 through 14 of this report and the District's financial statements, which follow this section.

### Financial Highlights

- The District's total net position was \$189.2 million at the close of the most recent fiscal year, most of which is invested in capital assets.
- The District is dependent on revenues generated by property taxes. Property tax revenues increased by 9.0% in 2019 to \$204.6 million as a result of an increase in the taxable value of property and an increase in the overall tax rate.
- During the year, expenses were \$15.6 million less than the \$679.5 million generated in taxes and other revenues for governmental activities.
- The District continued providing for its student growth by issuing \$50.0 million of general obligation bonds. The \$50.0 million was issued from the authorization passed by voters in November 2015 in the amount of \$298.0 million. A new junior high school in West Layton (cost of \$40.0 million) was completed for the 2019-2020 school year. In addition, the District began a remodel of West Bountiful Elementary. A new elementary school in Layton (estimated cost of \$28.0 million) was started and is scheduled to open for the 2020-21 school year.
- As directed by the District's School Board, the District has increased its fund balance commitment to economic stabilization in the *General Fund*. At June 30, 2019, the District has committed \$28.0 million of the *General Fund* fund balance to economic stabilization. At June 30, 2019, the District has \$27.1 million of unassigned fund balance in the *General Fund*.

### Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected property taxes and earned but unpaid employee benefits).

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

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

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

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

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

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

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

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

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

- **Proprietary funds.** The District maintains two proprietary fund types. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses one internal service fund, which is included within *governmental activities* in the government-wide financial statements.

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

**Notes to the basic financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 46 to 68 of this report.

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

Individual fund statements and schedules are presented immediately following the notes to the basic financial statements. Individual fund statements and schedules can be found on pages 74 to 88 of this report.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$189.2 million at the close of the most recent fiscal year.

#### DAVIS SCHOOL DISTRICT'S Net Position June 30, 2019 and 2018 (in millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Change
	2019	2018	2019	2018	2019	2018	2019-2018
Current and other assets	\$ 482.1	\$ 449.3	\$ 6.6	\$ 5.2	\$ 488.7	\$ 454.5	\$ 34.2
Capital assets	759.8	734.9	1.6	1.8	761.4	736.7	24.7
Total assets	1,241.9	1,184.2	8.2	7.0	1,250.1	1,191.2	58.9
Deferred outflows of resources	119.6	120.3	0.4	0.5	120.0	120.8	(0.8)
Current and other liabilities	86.6	96.4	0.1	-	86.7	96.4	(9.7)
Long-term liabilities outstanding	889.8	768.4	1.1	0.9	890.9	769.3	121.6
Total liabilities	976.4	864.8	1.2	0.9	977.6	865.7	111.9
Deferred inflows of resources	203.3	273.5	-	0.4	203.3	273.9	(70.6)
Net position:							
Net investment in capital assets	218.7	200.4	1.6	1.8	220.3	202.2	18.1
Restricted	62.9	58.7	-	-	62.9	58.7	4.2
Unrestricted	(99.8)	(92.9)	5.8	4.4	(94.0)	(88.5)	(5.5)
Total net position	\$ 181.8	\$ 166.2	\$ 7.4	\$ 6.2	\$ 189.2	\$ 172.4	\$ 16.8

The largest portion of the District's net position (\$220.3 million) reflects its investment in capital assets less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (\$62.9 million) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for school food services, debt service, and capital projects.

The remaining net position (a deficit of \$94.0 million) is unrestricted. This balance is net of the District's proportionate share of the unfunded obligation of the defined benefit pension plans administered by Utah Retirement Systems.

The key elements of change in the District's net position for the year ended June 30, 2019 are as follows:

- Unrestricted net position decreased by \$5.5 million during the current year. This decrease reflects an increase in salaries and related benefits.
- Restricted net position increased by \$4.2 million during the current year. This increase resulted primarily from an increase in unspent property tax revenues restricted for debt service.
- The District's total revenues increased 5.5% to \$690.3 million. Federal and state aid makes up 43.6% of the District's revenues; property taxes generate 29.6% of the District's revenues.
- The total cost of all programs and services increased by 7.4% to \$673.5 million. Instruction and support services represented 65.1% and 26.8%, respectively, of the District's expenses.

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

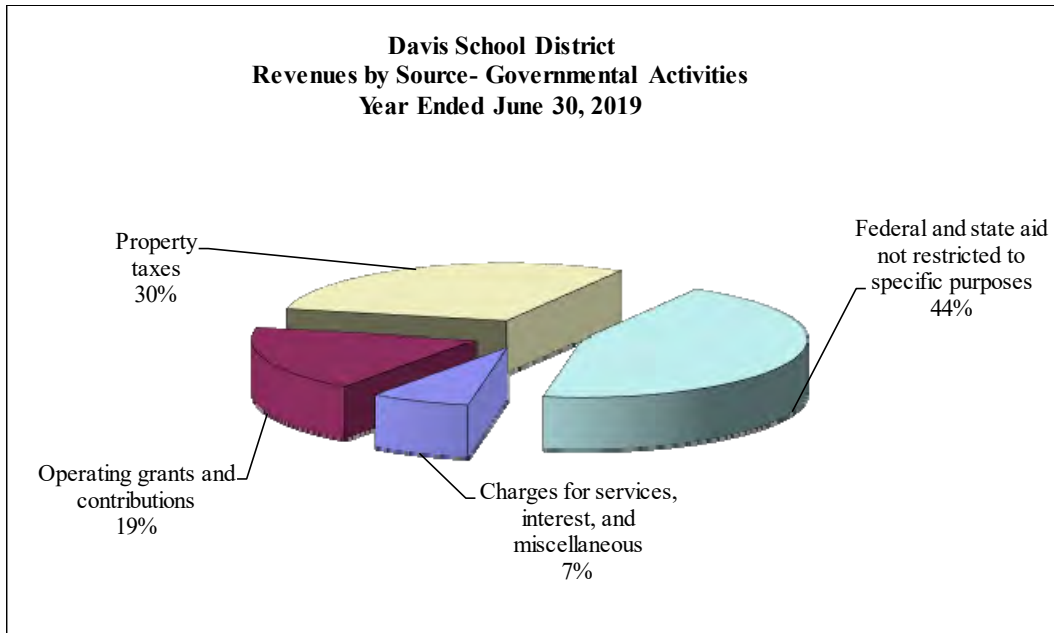
	Governmental Activities		Business-type Activities		Total		Total Change
	2019	2018	2019	2018	2019	2018	2019-2018
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 16.9	\$ 15.0	\$ 9.7	\$ 7.6	\$ 26.6	\$ 22.6	\$ 4.0
Operating grants and contributions	125.0	128.9	1.0	1.0	126.0	129.9	(3.9)
General revenues:							
Property taxes	204.6	187.7	-	-	204.6	187.7	16.9
Federal and state aid not restricted to specific purposes	301.2	287.4	-	-	301.2	287.4	13.8
Interest	6.8	4.0	0.1	0.1	6.9	4.1	2.8
Miscellaneous	25.0	22.7	-	-	25.0	22.7	2.3
Total revenues	<u>679.5</u>	<u>645.7</u>	<u>10.8</u>	<u>8.7</u>	<u>690.3</u>	<u>654.4</u>	<u>35.9</u>
<b>Expenses:</b>							
Instruction	438.6	407.2	-	-	438.6	407.2	31.4
Support services:							
Student	20.1	17.6	-	-	20.1	17.6	2.5
Instructional staff	23.9	21.8	-	-	23.9	21.8	2.1
District administration	3.2	2.9	-	-	3.2	2.9	0.3
School administration	43.1	37.9	-	-	43.1	37.9	5.2
Business administration	18.8	17.6	-	-	18.8	17.6	1.2
Operation and maintenance of facilities	56.4	52.5	-	-	56.4	52.5	3.9
Student transportation	14.5	18.0	-	-	14.5	18.0	(3.5)
School food service	26.1	25.2	-	-	26.1	25.2	0.9
Interest on long-term liabilities	19.2	17.5	-	-	19.2	17.5	1.7
Pioneer Adult Rehab Center	-	-	9.6	9.0	9.6	9.0	0.6
Total expenses	<u>663.9</u>	<u>618.2</u>	<u>9.6</u>	<u>9.0</u>	<u>673.5</u>	<u>627.2</u>	<u>46.3</u>
Changes in net position	15.6	27.5	1.2	(0.3)	16.8	27.2	(10.4)
Net position, beginning	<u>166.2</u>	<u>138.7</u>	<u>6.2</u>	<u>6.5</u>	<u>172.4</u>	<u>145.2</u>	<u>27.2</u>
Net position, ending	<u>\$ 181.8</u>	<u>\$ 166.2</u>	<u>\$ 7.4</u>	<u>\$ 6.2</u>	<u>\$ 189.2</u>	<u>\$ 172.4</u>	<u>\$ 16.8</u>

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

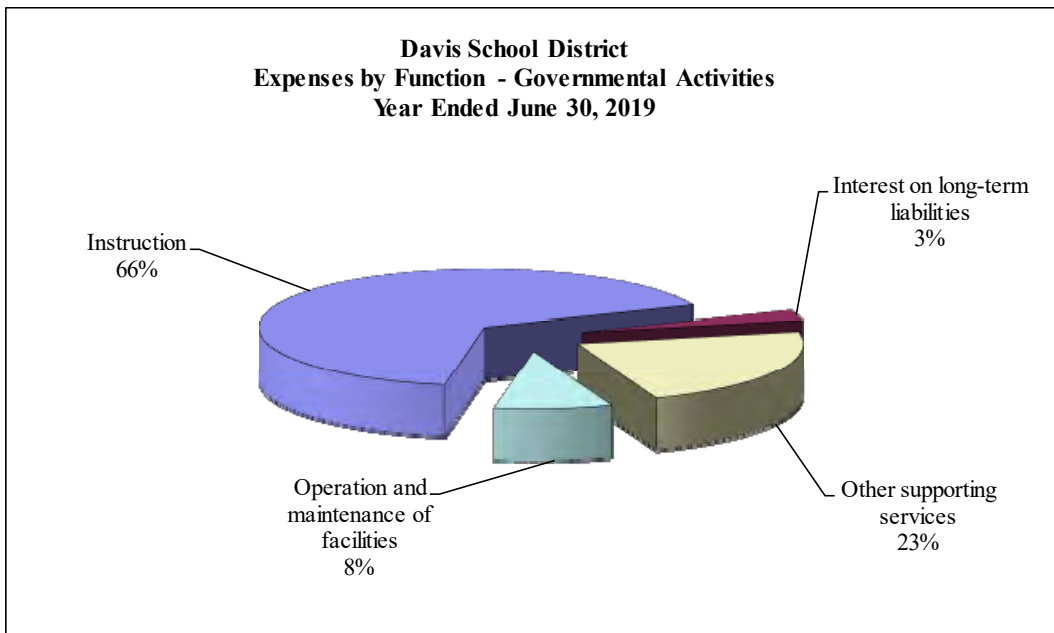
**Governmental activities.** The key elements of the increase in the District's net position for the year ended June 30, 2019 are as follows:

- Revenues increased \$33.8 million or 5.2% and continue to be primarily from federal and state aid and property taxes.
- Federal and state aid not restricted to specific purposes increased by 4.8% or \$13.8 million. Total federal aid decreased 4.0% to \$43.1 million primarily due to spending levels. State aid is based primarily on weighted pupil units (WPUs) and other appropriations. If a student is in membership a full 180 days, the state awards the District one WPU. The state guarantees that if local taxes do not provide money equal to the amount generated by the WPU the state will make up the difference with state funding. The value of the WPU increased 2.5% from \$3,311 (2018) to \$3,395 (2019).

- Tax revenues increased to \$204.6 million or by 9.0%. This increase was a result of the combination of an increase in the taxable value of property and an increase in the overall tax rate.



- Expenses for governmental activities increased \$45.7 million or by 7.4%. This increase was primarily the result of increased personnel expenditures for instruction.



**Business-type activities.** The \$1.2 million increase in the District's net position for the year ended June 30, 2019 was a result of the operations of the Pioneer Adult Rehabilitation Center.

- Overall revenues increased \$2.1 million and expenses increased \$0.6 million due to increased contract agreements.

### Financial Analysis of the District's Funds

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

**Governmental funds.** The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. As the District completed the year, its governmental funds reported a combined fund balance of \$188.5 million, \$25.8 million more than the previous year. The *General Fund* and the *Debt Service Fund* had a \$10.0 million increase and a \$9.7 million increase in fund balance, respectively. In addition, the following changes in revenues and expenditures should be noted:

- Revenues for the *General Fund* totaled \$531.7 million, an increase of 3.9%, during the current fiscal year. This increase is primarily due to increased revenues from the State of Utah. State revenues were up 3.4% from the prior year in the *General Fund* due to increases in state appropriations for enrollment growth. Revenues for debt service and capital projects were up 19.2% and 3.2%, respectively. The increase in debt service was a result of an increase in the taxable value of property and an increase in the tax levy to accommodate November 2019 principal payments. The increase in capital projects revenue was also a result of an increase in the taxable value of property.
- Expenditures for *General Fund* totaled \$521.6 million, an increase of 4.1% during the current fiscal year. Instruction represents 67.6% of *General Fund* expenditures. Capital project expenditures decreased 41.9% due to the completion of a new high school in West Farmington and major remodels of Viewmont and Woods Cross high schools in the prior year.
- *General Fund* salaries totaled \$311.9 million while the associated employee benefits of retirement, social security, and insurance (health and accident, industrial, and unemployment) added \$148.6 million to arrive at 88.3% of total *General Fund* expenditures.

Governmental funds report the differences between their assets, deferred outflows of resources, liabilities, and deferred inflows of resources as fund balance, which is divided into nonspendable, restricted, and unrestricted portions. Nonspendable fund balance represents items such as inventories which are not resources that can be readily converted to cash. Restricted fund balance includes net fund resources of the District that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors. The unrestricted fund balance is, in turn, subdivided between committed, assigned, and unassigned portions. Committed balances reflect the District's self-imposed limitation on the use of otherwise available expendable financial resources in governmental funds. Assigned balances in the *General Fund* and in other governmental funds are those that do not meet the requirements of restricted or committed but are intended to be used for specific purposes. Unassigned balances in the *General Fund* are all other available net fund resources. At June 30, 2019, the District's combined governmental fund balance is \$188.5 million (\$7.3 million in nonspendable, \$90.9 million in restricted, \$45.0 million in committed, \$18.0 million in assigned, and \$27.1 million in unassigned fund balances).

### **General Fund Budgetary Highlights**

During the year, the Board revised the District's budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$2.0 million or 0.4% in total *General Fund* expenditures.

During the year, final budgeted revenues were more than original budgetary estimates by \$2.0 million or 0.4%. The increase primarily reflects higher equalization funding and higher than anticipated interest revenue growth.

In addition to these adjustments, the District maintained cost cutting measures to hold expenditures below the amended budget in order to build reserves for unanticipated future costs. Consequently, actual expenditures were \$5.0 million below final budgeted amounts. Additionally, revenues were \$5.0 million above final budgeted amounts primarily due to State funding allocations.

## Capital Asset and Debt Administration

**Capital Assets.** The *Capital Projects Fund* is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students within the District. The District spent \$56.0 million for capital assets. Major projects include the construction of a new high school in Farmington and major remodels of Woods Cross and Viewmont high schools and a new Junior High School in West Layton.

The District continues to experience moderate growth in total students and a shift in student population to the northwest section of the District. The District's 17th junior high school was completed and opened in the fall of 2019. Other major projects include a replacement of West Bountiful Elementary and a major addition to Mountain High School.

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

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

	Governmental Activities		Business-type Activities		Total		Total Change
	2019	2018	2019	2018	2019	2018	2019-2018
Land	\$ 56.5	\$ 55.9	\$ -	\$ -	\$ 56.5	\$ 55.9	\$ 0.6
Construction in progress	61.4	172.2	-	-	61.4	172.2	(110.8)
Buildings and improvements	626.4	491.0	1.5	1.7	627.9	492.7	135.2
Furniture and equipment	4.6	4.0	0.1	0.1	4.7	4.1	0.6
Transportation equipment	10.9	11.8	-	-	10.9	11.8	(0.9)
Total capital assets	<u>\$ 759.8</u>	<u>\$ 734.9</u>	<u>\$ 1.6</u>	<u>\$ 1.8</u>	<u>\$ 761.4</u>	<u>\$ 736.7</u>	<u>\$ 24.7</u>

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

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

On April 11, 2019 the District issued \$50.0 million of this authorization for Junior High #17 in Layton and to continue the replacement of West Bountiful Elementary. The District will also begin construction on Elementary #62 in Layton.

The general obligation bonded debt of the District is limited by state law to 4.0% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2019 is \$1,600.1 million. General obligation debt, net of unamortized premiums, at June 30, 2019 was \$577.9 million, resulting in a legal debt margin of \$1,022.2 million.

**DAVIS SCHOOL DISTRICT'S Outstanding Debt**  
**June 30, 2019 and 2018**  
**Net of Accumulated Amortization**  
(in millions of dollars)

	Governmental activities		
	2019	2018	Total Change 2019-2018
Net general obligation bonds	\$ 577.9	\$ 561.5	\$ 16.4

Although it is not unusual for governments to have a 30-year bond payoff schedule, the District maintains an aggressive schedule to retire all of its general obligation bonds by 2039.

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

**Changing Enrollment within the District**

Student enrollment counts are officially taken on October 1 of each year. Student growth continues to be moderate as reflected in the October 2019 count. The District anticipated growth of approximately 400 students for the 2019-20 school year; however, actual growth was 634 students. Growth continues to be focused in the northwest section of the District. The chart below reflects the counts taken between October 1, 2015 and October 1, 2019 and shows total student growth of 3,758 students over the five-year period, a 5.4% increase.

**DAVIS SCHOOL DISTRICT'S Student Enrollment**  
**Years Ended June 30, 2015 to 2019**

	2015	2016	2017	2018	2019	Total
October 1st enrollment	69,879	71,021	71,908	72,263	72,897	
Total enrollment change	740	1,142	887	355	634	3,758
Percentage change	1.1%	1.6%	1.2%	0.5%	0.9%	5.4%

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

**Requests for Information**

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

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# DAVIS SCHOOL DISTRICT

## Statement of Net Position

June 30, 2019

	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 255,304,080	\$ 5,821,485	\$ 261,125,565
Receivables:			
Property taxes	207,021,040	-	207,021,040
Other local	386,827	625,455	1,012,282
State of Utah	3,862,175	-	3,862,175
Federal government	8,186,845	-	8,186,845
Inventories	7,349,021	146,313	7,495,334
Capital assets:			
Land and construction in progress	117,871,117	-	117,871,117
Other capital assets, net of accumulated depreciation	641,935,279	1,640,167	643,575,446
Total assets	1,241,916,384	8,233,420	1,250,149,804
<b>Deferred outflows of resources:</b>			
Deferred charge on refunding	7,282,935	-	7,282,935
Related to pensions	112,340,515	390,312	112,730,827
Total deferred outflows of resources	119,623,450	390,312	120,013,762
<b>Liabilities:</b>			
Accounts payable	32,848,438	123,101	32,971,539
Accrued interest	1,354,919	-	1,354,919
Accrued salaries and benefits	49,523,092	-	49,523,092
Unearned revenue:			
State of Utah	2,962,186	-	2,962,186
Noncurrent liabilities:			
Due or payable within one year	57,199,398	36,377	57,235,775
Due or payable after one year	832,557,658	1,062,492	833,620,150
Total liabilities	976,445,691	1,221,970	977,667,661
<b>Deferred inflows of resources:</b>			
Property taxes levied for future year	198,519,561	-	198,519,561
Related to pensions	4,736,766	16,458	4,753,224
Total deferred inflows of resources	203,256,327	16,458	203,272,785
<b>Net position:</b>			
Net investment in capital assets	218,699,880	1,640,167	220,340,047
Restricted for:			
Debt service	15,480,206	-	15,480,206
Capital projects	38,650,353	-	38,650,353
School food services	8,824,842	-	8,824,842
Unrestricted	(99,817,465)	5,745,137	(94,072,328)
Total net position	\$ 181,837,816	\$ 7,385,304	\$ 189,223,120

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

**DAVIS 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	Primary Government		Total
				Governmental Activities	Business-type Activities	
<b>Primary government:</b>						
<b>Governmental activities:</b>						
Instruction	\$ 438,381,018	\$ 7,925,829	\$ 85,634,307	\$ (344,820,882)		\$ (344,820,882)
Supporting services:						
Students	20,084,536	-	5,357,621	(14,726,915)		(14,726,915)
Instructional staff	23,947,889	-	4,839,110	(19,108,779)		(19,108,779)
District administration	3,396,717	-	120,722	(3,275,995)		(3,275,995)
School administration	43,094,742	-	1,971,460	(41,123,282)		(41,123,282)
Central	18,808,697	-	2,052,459	(16,756,238)		(16,756,238)
Operation and maintenance of facilities	56,418,687	330,225	1,002,413	(55,086,049)		(55,086,049)
Student transportation	14,527,938	-	8,261,802	(6,266,136)		(6,266,136)
School food service	26,116,859	8,673,759	15,809,906	(1,633,194)		(1,633,194)
Interest on long-term liabilities	19,170,017	-	-	(19,170,017)		(19,170,017)
Total governmental activities	663,947,100	16,929,813	125,049,800	(521,967,487)		(521,967,487)
<b>Business-type activities:</b>						
Pioneer Adult Rehabilitation Center	9,590,762	9,712,059	946,318	-	\$ 1,067,615	1,067,615
Total primary government	<u>\$ 673,537,862</u>	<u>\$ 26,641,872</u>	<u>\$ 125,996,118</u>	<u>(521,967,487)</u>	<u>1,067,615</u>	<u>(520,899,872)</u>
<b>General revenues:</b>						
Property taxes levied for:						
Basic				42,356,759	-	42,356,759
Voted local				23,723,683	-	23,723,683
Board local				45,874,319	-	45,874,319
Debt service				65,350,647	-	65,350,647
Capital outlay				16,629,549	-	16,629,549
Pass-through taxes				10,617,278	-	10,617,278
Federal and state revenue not restricted to specific purposes				301,156,982	-	301,156,982
Earnings on investments				6,845,936	135,131	6,981,067
Miscellaneous				25,009,102	-	25,009,102
Total general revenues				<u>537,564,255</u>	<u>135,131</u>	<u>537,699,386</u>
Change in net position				15,596,768	1,202,746	16,799,514
<b>Net position - beginning</b>				<u>166,241,048</u>	<u>6,182,558</u>	<u>172,423,606</u>
<b>Net position - ending</b>				<u>\$ 181,837,816</u>	<u>\$ 7,385,304</u>	<u>\$ 189,223,120</u>

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

**DAVIS SCHOOL DISTRICT**

**Balance Sheet  
Governmental Funds  
June 30, 2019**

	<b>Major Funds</b>			<b>Other</b>	<b>Total</b>
	<b>General</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Governmental Funds</b>	<b>Governmental Funds</b>
<b>Assets:</b>					
Cash and investments	\$ 115,863,362	\$ 14,021,692	\$ 83,212,109	\$ 19,538,275	\$ 232,635,438
Receivables:					
Property taxes	114,161,853	64,736,493	15,565,357	12,557,337	207,021,040
Other local	360,233	-	-	26,594	386,827
State of Utah	2,614,512	-	-	1,247,663	3,862,175
Federal government	8,064,115	-	-	122,730	8,186,845
Inventories	5,538,597	-	-	1,810,424	7,349,021
Total assets	<u>\$ 246,602,672</u>	<u>\$ 78,758,185</u>	<u>\$ 98,777,466</u>	<u>\$ 35,303,023</u>	<u>\$ 459,441,346</u>
<b>Liabilities:</b>					
Accounts payable	\$ 1,408,471	\$ -	\$ 15,762,407	\$ 244,280	\$ 17,415,158
Accrued salaries and benefits	49,523,092	-	-	-	49,523,092
Unearned revenue:					
State of Utah	2,962,186	-	-	-	2,962,186
Total liabilities	<u>53,893,749</u>	<u>-</u>	<u>15,762,407</u>	<u>244,280</u>	<u>69,900,436</u>
<b>Deferred inflows of resources:</b>					
Unavailable property tax revenue	1,401,505	816,988	208,301	144,411	2,571,205
Property taxes levied for future year	109,335,539	61,923,060	14,848,036	12,412,926	198,519,561
Total deferred inflows of resources	<u>110,737,044</u>	<u>62,740,048</u>	<u>15,056,337</u>	<u>12,557,337</u>	<u>201,090,766</u>
<b>Fund balances:</b>					
Nonspendable:					
Inventories	5,538,597	-	-	1,810,424	7,349,021
Restricted for:					
Debt service	-	16,018,137	-	-	16,018,137
Capital projects	-	-	67,958,722	-	67,958,722
School food services	-	-	-	7,014,418	7,014,418
Committed to:					
Workers compensation	1,000,000	-	-	-	1,000,000
Termination benefits	4,500,000	-	-	-	4,500,000
Schools	-	-	-	11,497,946	11,497,946
Economic stabilization	28,000,000	-	-	-	28,000,000
Assigned to:					
Foundation	-	-	-	2,178,618	2,178,618
Programs	6,500,000	-	-	-	6,500,000
Textbooks	2,500,000	-	-	-	2,500,000
Employee compensation	4,000,000	-	-	-	4,000,000
Schools	325,000	-	-	-	325,000
Medical insurance	2,500,000	-	-	-	2,500,000
Unassigned	27,108,282	-	-	-	27,108,282
Total fund balances	<u>81,971,879</u>	<u>16,018,137</u>	<u>67,958,722</u>	<u>22,501,406</u>	<u>188,450,144</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 246,602,672</u>	<u>\$ 78,758,185</u>	<u>\$ 98,777,466</u>	<u>\$ 35,303,023</u>	<u>\$ 459,441,346</u>

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

# DAVIS SCHOOL DISTRICT

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

June 30, 2019

<b>Total fund balances for governmental funds</b>	\$ 188,450,144
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.

Those assets consist of:

Land	\$	56,515,346		
Construction in progress		61,355,771		
Buildings and improvements, net of \$382,591,445 accumulated depreciation		626,413,493		
Furniture and equipment, net of \$15,886,203 accumulated depreciation		4,610,736		
Transportation equipment, net of \$22,106,074 accumulated depreciation		10,911,050		759,806,396

Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds.	2,571,205
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Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.	(1,354,919)
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An internal service fund is used by management to charge the costs of self insurance to individual funds and programs. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. Internal service fund net position at year-end is:	7,235,362
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Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

Bonds payable	(552,670,000)			
Deferred charge on refunding	7,282,935			
Unamortized premiums	(25,236,121)			
Accrued vacation	(5,740,012)			
Accrued sick leave	(3,142,592)			
Accrued personal leave	(1,604,541)			
Early retirement payable	(10,671,160)			
Net pension liability	(290,692,630)			
Deferred outflows of resources related to pensions	112,340,515			
Deferred inflows of resources related to pensions	(4,736,766)			(774,870,372)

<b>Total net position - governmental activities</b>	<b>\$ 181,837,816</b>
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The notes to basic financial statements are an integral part of this statement.

**DAVIS SCHOOL DISTRICT**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
Year Ended June 30, 2019

	<b>Major Governmental Funds</b>			<b>Other</b>	<b>Total</b>
	<b>General</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Governmental Funds</b>	<b>Governmental Funds</b>
<b>Revenues:</b>					
Property taxes	\$ 111,760,812	\$ 65,149,429	\$ 16,610,695	\$ 10,596,384	\$ 204,117,320
Earnings on investments	3,895,894	-	2,439,842	510,200	6,845,936
Other local	11,477,927	-	961,642	21,830,771	34,270,340
School lunch sales	-	-	-	7,698,899	7,698,899
State of Utah	373,443,987	-	4,936,681	4,744,415	383,125,083
Federal government	31,079,117	937,091	-	11,065,491	43,081,699
Total revenues	531,657,737	66,086,520	24,948,860	56,446,160	679,139,277
<b>Expenditures:</b>					
Current:					
Instruction	352,816,908	-	-	31,426,267	384,243,175
Supporting services:					
Students	19,104,242	-	-	-	19,104,242
Instructional staff	23,027,859	-	-	-	23,027,859
District administration	3,067,813	-	-	-	3,067,813
School administration	40,201,664	-	-	-	40,201,664
Central	17,108,743	-	-	-	17,108,743
Operation and maintenance of facilities	53,118,262	-	-	-	53,118,262
Student transportation	13,171,601	-	-	-	13,171,601
School food service	-	-	-	25,808,135	25,808,135
Capital outlay	-	-	72,894,207	-	72,894,207
Debt service:					
Bond principal	-	36,755,000	-	-	36,755,000
Bond interest	-	19,635,007	-	-	19,635,007
Bond issuance costs	-	-	224,213	-	224,213
Fees and miscellaneous charges	-	8,300	-	-	8,300
Total expenditures	521,617,092	56,398,307	73,118,420	57,234,402	708,368,221
Excess (deficiency) of revenues over (under) expenditures	10,040,645	9,688,213	(48,169,560)	(788,242)	(29,228,944)
<b>Other financing sources (uses):</b>					
General obligation bonds issued	-	-	50,000,000	-	50,000,000
General obligation bonds premium	-	-	4,989,627	-	4,989,627
Proceeds from sale of capital assets	-	-	1,323	-	1,323
Total other financing sources (uses)	-	-	54,990,950	-	54,990,950
Net change in fund balances	10,040,645	9,688,213	6,821,390	(788,242)	25,762,006
<b>Fund balances - beginning</b>	71,931,234	6,329,924	61,137,332	23,289,648	162,688,138
<b>Fund balances - ending</b>	\$ 81,971,879	\$ 16,018,137	\$ 67,958,722	\$ 22,501,406	\$ 188,450,144

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

# DAVIS SCHOOL DISTRICT

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2019

**Net change in fund balances-total governmental funds** \$ 25,762,006

Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlays	\$ 55,985,528	
Gain on sale of capital assets	(30,324)	
Proceeds from sale of capital assets	(1,323)	
Depreciation expense	<u>(31,067,455)</u>	24,886,426

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

General obligation bond proceeds	(50,000,000)	
Bond premium	(4,989,627)	
Amortization of deferred amounts on refunding	(1,256,429)	
Amortization of bond premium	1,807,317	
Repayment of bond principal	36,755,000	
Interest expense - general obligation bonds	<u>(77,598)</u>	(17,761,337)

Property tax revenue is recognized when levied (claim to resources established) rather than when available. The portion not available soon enough to pay for the current period's expenditures is reported as deferred inflows of resources in the funds. 434,915

In the statement of activities, certain operating expenses - compensated absences (vacation and sick and personal leave) and termination benefits (early retirement) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During the year, benefit obligations changed by the following amounts:

Accrued vacation	(172,569)	
Accrued sick and personal leave	(173,445)	
Early retirement payable	(1,030,363)	
Pension expense	<u>(14,326,659)</u>	(15,703,036)

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

	<u>(2,022,206)</u>
<b>Change in net position of governmental activities</b>	<b>\$ <u>15,596,768</u></b>

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

# DAVIS SCHOOL DISTRICT

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

Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
<b>Revenues:</b>				
Property taxes	\$ 102,137,600	\$ 111,558,853	\$ 111,760,812	\$ 201,959
Earnings on investments	2,419,500	2,800,000	3,895,894	1,095,894
Other local	9,211,500	9,527,256	11,477,927	1,950,671
State of Utah	380,345,000	371,532,391	373,443,987	1,911,596
Federal government	30,503,900	31,221,800	31,079,117	(142,683)
Total revenues	524,617,500	526,640,300	531,657,737	5,017,437
<b>Expenditures:</b>				
Current:				
Instruction	357,253,200	359,284,200	352,816,908	6,467,292
Supporting services:				
Students	18,992,500	19,018,200	19,104,242	(86,042)
Instructional staff	23,451,900	23,007,800	23,027,859	(20,059)
District administration	2,880,000	3,000,900	3,067,813	(66,913)
School administration	41,011,600	40,129,700	40,201,664	(71,964)
Central	17,667,900	17,398,100	17,108,743	289,357
Operation and maintenance of facilities	49,219,300	51,475,300	53,118,262	(1,642,962)
Student transportation	14,141,100	13,326,100	13,171,601	154,499
Total expenditures	524,617,500	526,640,300	521,617,092	5,023,208
Excess of revenues over expenditures / net change in fund balances	-	-	10,040,645	10,040,645
<b>Fund balances - beginning</b>	71,931,234	71,931,234	71,931,234	-
<b>Fund balances - ending</b>	\$ 71,931,234	\$ 71,931,234	\$ 81,971,879	\$ 10,040,645

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

# DAVIS SCHOOL DISTRICT

## Statements of Fund Net Position

### Proprietary Funds

June 30, 2019

	Enterprise Fund Pioneer Adult Rehab Center	Governmental Activities- Internal Service Fund Self Insurance
<b>Assets:</b>		
Current assets:		
Cash and investments	\$ 5,821,485	\$ 22,668,642
Receivables - other local	625,455	-
Inventories of supplies	146,313	-
Total current assets	6,593,253	22,668,642
Noncurrent assets:		
Capital assets:		
Buildings and improvements	3,660,322	-
Equipment	753,789	-
Accumulated depreciation	(2,773,944)	-
Net capital assets	1,640,167	-
Total assets	8,233,420	22,668,642
<b>Deferred outflows of resources:</b>		
Related to pensions	390,312	-
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable	123,101	15,433,280
Compensation liability	36,377	-
Total current liabilities	159,478	15,433,280
Noncurrent liabilities:		
Compensation liability	52,521	-
Net pension liability	1,009,971	-
Total noncurrent liabilities	1,062,492	-
Total liabilities	1,221,970	15,433,280
<b>Deferred inflows of resources:</b>		
Related to pensions	16,458	-
<b>Net position:</b>		
Net investment in capital assets	1,640,167	-
Unrestricted	5,745,137	7,235,362
Total net position	\$ 7,385,304	\$ 7,235,362

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

# DAVIS SCHOOL DISTRICT

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

Year Ended June 30, 2019

	<u>Enterprise Fund Pioneer Adult Rehab Center</u>	<u>Governmental Activities- Internal Service Fund Self Insurance</u>
<b>Operating revenues:</b>		
Charges for services	\$ 9,256,806	\$ 70,042,481
Other local	455,253	-
Total operating revenues	<u>9,712,059</u>	<u>70,042,481</u>
<b>Operating expenses:</b>		
Salaries and benefits	6,352,237	-
Depreciation	133,271	-
Indirect charges	275,568	-
Other	2,829,686	72,064,687
Total operating expenses	<u>9,590,762</u>	<u>72,064,687</u>
Operating income (loss)	<u>121,297</u>	<u>(2,022,206)</u>
<b>Nonoperating income (expense):</b>		
Earnings on investments	135,131	-
State of Utah	946,318	-
Total nonoperating income (expense)	<u>1,081,449</u>	<u>-</u>
Income (loss) / change in net position	<u>1,202,746</u>	<u>(2,022,206)</u>
<b>Total net position - beginning</b>	<u>6,182,558</u>	<u>9,257,568</u>
<b>Total net position - ending</b>	<u><u>\$ 7,385,304</u></u>	<u><u>\$ 7,235,362</u></u>

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

# DAVIS SCHOOL DISTRICT

## Statements of Fund Cash Flows Proprietary Funds Year Ended June 30, 2019

	<u>Enterprise Fund Pioneer Adult Rehab Center</u>	<u>Governmental Activities- Internal Service Fund Self Insurance</u>
<b>Cash flows from operating activities:</b>		
Receipts from interfund services provided	\$ -	\$ 70,042,481
Receipts from customers	9,751,718	-
Payments to suppliers	(3,082,622)	(70,767,442)
Payments to employees	(6,432,588)	-
Net cash provided (used) by operating activities	<u>236,508</u>	<u>(724,961)</u>
<b>Cash flows from noncapital financing activities:</b>		
Receipt of state subsidies	<u>946,318</u>	<u>-</u>
<b>Cash flows from investing activities:</b>		
Receipt of earnings on investments	<u>135,131</u>	<u>-</u>
Net change in cash and cash equivalents	1,317,957	(724,961)
<b>Cash and cash equivalents - beginning</b>	<u>4,503,528</u>	<u>23,393,603</u>
<b>Cash and cash equivalents - ending</b> (displayed as cash and investments on the statements of fund net position)	<u><u>\$ 5,821,485</u></u>	<u><u>\$ 22,668,642</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 121,297	\$ (2,022,206)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	133,271	-
Pension expense	(80,042)	-
Changes in operating assets and liabilities:		
Accounts receivable	39,659	-
Inventories	(64,551)	-
Accounts payable	87,183	1,297,245
Compensation liability	(309)	-
Total adjustments	<u>115,211</u>	<u>1,297,245</u>
Net cash provided (used) by operating activities	<u><u>\$ 236,508</u></u>	<u><u>\$ (724,961)</u></u>
Noncash investing, capital, and financing activities	<u>none</u>	<u>none</u>

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

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

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

***Reporting Entity***

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

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

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

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

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

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party

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

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receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses result from transactions directly associated with the fund's principal services.

The District reports the following major governmental funds:

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

The District reports the *Pioneer Adult Rehabilitation Center Fund* which accounts for revenues and expenses related to fostering independence for people with disabilities as a major enterprise fund.

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

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

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

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

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

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

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***Budgetary Data***

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

- By June 1 of each year, the District business administrator prepares a proposed annual budget (for the fiscal year beginning July 1) for all applicable funds. The budget is presented to the Board of Education by the superintendent. This budget includes proposed expenditures and the means of financing them. Also included is a final budget for the current fiscal year ending June 30.
- Copies of the proposed budget are made available for public inspection and review by the District's patrons.
- If the District does not exceed the certified tax rate, a public hearing is held prior to June 30 at which the budget is legally adopted by resolution of the Board after obtaining taxpayer input. If the District exceeds the certified tax rate, the budget is adopted in August when additional data is available to set the rates.
- Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with Utah state law, interim adjustments may be made by administrative transfer of money from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2019, have been included in the final budget approved by the Board, as presented in the financial statements.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

***Deposits and Investments***

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

***Cash and Cash Equivalents***

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

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

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***Receivables and Payables***

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

***Inventories***

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

***Capital Assets***

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

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

***Unearned Revenue***

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

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

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***Compensated Absences***

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

***Pensions***

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

***Long-Term Obligations***

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

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

***Deferred Outflows of Resources***

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

***Deferred Inflows of Resources***

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

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

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***Net Position/Fund Balances***

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

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

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

Fund balance classifications are summarized as follows:

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

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

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

- Workers compensation claims.
- Employee benefit obligations for unpaid compensated absences including vacation, sick, and personal leave.
- Amounts held in other governmental fund resources for schools.
- As defined in Utah law as an "undistributed reserve," the District maintains up to five percent of *General Fund* budgeted expenditures for economic stabilization. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). Also defined by state law, the commitment is

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
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not to be used “in the negotiation or settlement of contract salaries for school district employees” and the use of this reserve requires a written resolution adopted by a majority vote of the Board of Education filed with the Utah State Board of Education and the Office of the Utah State Auditor.

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

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

***Net Position/Fund Balance Flow Assumption***

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

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

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

**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	\$ 21,312,923
Carrying amount of investments	<u>239,812,464</u>
Total cash and investments	<u><u>\$ 261,125,565</u></u>
Governmental funds cash and investments	\$ 232,635,438
Enterprise fund cash and investments	5,821,485
Internal service fund cash and investments	<u>22,668,642</u>
Total cash and investments	<u><u>\$ 261,125,565</u></u>

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

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
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repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the State of Utah.

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

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

***Deposits***

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

	Carrying Amount	Bank Balance	Amount Insured
Davis School District	\$ 19,146,484	\$ 23,026,023	\$ 250,000
Davis School District Foundation, a component unit of the District	2,166,439	2,166,439	-
Total deposits	<u>\$ 21,312,923</u>	<u>\$ 25,192,462</u>	<u>\$ 250,000</u>

*Custodial Credit Risk* – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government’s deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk. At June 30, 2019, the uninsured amount of the District’s and Foundation’s pooled bank deposits was uncollateralized.

***Investments***

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

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

At June 30, 2019, the District has \$229,082,304 invested in the Utah Public Treasurers’ Investment Fund; the PTIF is not rated. The District has \$6,585,164 invested in government agencies rated AA+ and Aaa or higher by Standard & Poor’s and Moody’s Investors Service, Inc., respectively. The District also has \$4,131,384 invested in corporate bonds rated BBB+ and Baa1 or higher by Standard & Poor’s and Moody’s

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

Investors Service, Inc., respectively. The Davis School District Foundation has \$14,592 invested in mutual funds that are unrated.

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

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-5
Davis School District:			
Utah Public Treasurers' Investment Fund (PTIF)	\$ 229,082,304	\$ 229,082,304	\$ -
Government agencies	6,584,184	1,945,586	4,638,598
Corporate bonds	4,131,384	1,708,174	2,423,210
Total District	239,797,872	232,736,064	7,061,808
Davis School District Foundation, a component unit of the District			
Mutual funds investing in:			
International stock	14,592	14,592	-
Total Foundation	14,592	14,592	-
Total investments	\$ 239,812,464	\$ 232,750,656	\$ 7,061,808

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

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

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

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
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*Custodial Credit Risk* – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District’s policy for managing this risk is to comply with the Act and related rules. The District places no other limit on the amount of investments to be held by counterparties. The Act requires the Foundation’s public treasurer to have custody of all securities purchased or held or deposit these securities with a bank or trust company to be held in safekeeping by that custodian. The Foundation’s investments held in a brokerage account are covered by Securities Investor Protection Corporation up to \$500,000.

**3. FAIR VALUE MEASUREMENTS**

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

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

- Government agencies securities of \$6,585,164 are valued using quoted market prices (Level 1 inputs).
- Corporate bonds of \$4,131,384 are valued using a matrix pricing model (Level 2 inputs).
- Public Treasurers’ Investment Fund position of \$229,082,304 is valued at the District’s position in the PTIF multiplied by the published fair value factor (Level 2 inputs).

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

- Mutual funds of \$14,592 are valued using quoted market prices (Level 1 inputs).

**4. PROPERTY TAXES**

***District Property Tax Revenue***

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

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

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
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As of June 30, 2019, property taxes receivable by the District 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.

***Incremental Taxes***

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

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

During the year ended June 30, 2019, incremental taxes levied by the District for the redevelopment agencies totaling \$8,716,028 were recorded as revenue with an equivalent amount of expenditure for instruction in the other governmental funds (in the *Pass-Through Taxes Fund*).

Per *Utah Code 53F-2-703*, a portion of the District's board local levy is paid to the statewide charter school levy account. The portion is based on the number of charter school students residing within the District's boundaries. In 2019, the amount collected by the County and paid directly to the State was \$1,880,356; this amount was reported in the District's *Pass-Through Taxes Fund*.

**DAVIS SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
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**5. CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 55,893,547	\$ 653,446	\$ (31,647)	\$ 56,515,346
Construction in progress	172,221,786	52,344,145	(163,210,160)	61,355,771
Total capital assets, not being depreciated	228,115,333	52,997,591	(163,241,807)	117,871,117
Capital assets, being depreciated:				
Buildings and improvements	895,911,365	163,210,160	-	1,059,121,525
Furniture and equipment	20,351,548	1,788,563	(302,170)	21,837,941
Transportation equipment	33,013,591	1,199,374	(1,190,996)	33,021,969
Total capital assets, being depreciated	949,276,504	166,198,097	(1,493,166)	1,113,981,435
Accumulated depreciation for:				
Buildings and improvements	(404,861,072)	(27,846,960)	-	(432,708,032)
Furniture and equipment	(16,386,621)	(1,142,754)	302,170	(17,227,205)
Transportation equipment	(21,224,174)	(2,077,741)	1,190,996	(22,110,919)
Total accumulated depreciation	(442,471,867)	(31,067,455)	1,493,166	(472,046,156)
Total capital assets, being depreciated, net	506,804,637	135,130,642	-	641,935,279
Governmental activity capital assets, net	<u>\$ 734,919,970</u>	<u>\$ 188,128,233</u>	<u>\$ (163,241,807)</u>	<u>\$ 759,806,396</u>
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 3,660,322	\$ -	\$ -	\$ 3,660,322
Furniture and equipment	753,789	-	-	753,789
Total capital assets, being depreciated	4,414,111	-	-	4,414,111
Accumulated depreciation for:				
Buildings and improvements	(2,021,167)	(95,127)	-	(2,116,294)
Furniture and equipment	(619,506)	(38,144)	-	(657,650)
Total accumulated depreciation	(2,640,673)	(133,271)	-	(2,773,944)
Business-type activity capital assets, net	<u>\$ 1,773,438</u>	<u>\$ (133,271)</u>	<u>\$ -</u>	<u>\$ 1,640,167</u>

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

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

**Governmental activities:**

Instruction	\$ 24,525,826
Supporting services:	
Students	269,836
Instructional staff	99,199
District administration	35,780
School administration	1,368,296
Central	1,102,965
Operation and maintenance of facilities	2,334,256
Student transportation	1,071,791
School food services	259,506
Total depreciation expense, governmental activities	<u><u>\$ 31,067,455</u></u>

**Business-type activities:**

Pioneer Adult Rehabilitation Center	<u><u>\$ 133,271</u></u>
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The District is obligated at June 30, 2019 under construction commitments as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Mountain High Addition	\$ 11,896,923	\$ 10,396,228	\$ 1,500,695
Layton Jr. High #17 2015 Bond	44,108,644	41,980,701	2,127,943
Elementary #63 2015 Bond	24,805,482	1,549,494	23,255,988
W. Bountiful El Re-Build 2015 Bond	22,626,608	7,131,676	15,494,932
Elementary #64 2015 Bond	157,672	157,672	-
Sunset Jr. Remodel 2015 Bond	140,000	140,000	-
	<u><u>\$ 103,735,329</u></u>	<u><u>\$ 61,355,771</u></u>	<u><u>\$ 42,379,558</u></u>

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

## 6. RETIREMENT PLANS

### *Description of Plans*

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

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

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

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

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Defined Contribution Plans (individual account plans):

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

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

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

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

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

***Benefits Provided***

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

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

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

***Contributions***

As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board.

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

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, District required contribution rates for the plans were as follows:

	Defined Benefit Plans Rates			District Rates for 401(k) Plan	Totals
	District Contribution *	Amortization of UAAL **	Paid by District for Employee		
Tier 1 Noncontributory System	12.25%	9.94%	0.0%	1.50%	23.69%
Tier 1 Contributory System	5.45%	12.25%	5.00%	-	22.70%
Tier 2 Contributory System	8.93%	9.94%	0.00%	1.15%	20.02%
Tier 2 Defined Contribution Plan	0.08%	9.94%	0.00%	10.00%	20.02%

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

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

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

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

	District Contributions *	Employee Contributions
Tier 1 Noncontributory System	\$ 44,722,327	\$ -
Tier 1 Contributory System	189,512	64,242
Tier 2 Contributory System	12,001,010	-
Tier 2 Defined Benefit Plan	1,179,379	-
401(k) Plan	5,028,243	4,035,781
457 Plan and other individual plans	-	1,083,419

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

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

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

At June 30, 2019, the District reported a net pension liability of \$291,702,601 for the following plans:

	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	\$ -	\$ 285,449,516
Tier 1 Contributory System	-	4,114,389
Tier 2 Contributory System	-	2,138,696
Total	<u>\$ -</u>	<u>\$ 291,702,601</u>

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:

	Proportionate Share	
	2018	Change
Tier 1 Noncontributory System	7.6723075%	0.0197941%
Tier 1 Contributory System	5.7948812%	0.6430918%
Tier 2 Contributory System	4.9937037%	0.1256635%

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

	Pension Expense
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 65,435,473
Tier 1 Contributory System	1,345,781
Tier 2 Contributory System	5,528,036
Total	<u>\$ 72,309,290</u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	\$ 1,179,379
401(k) Plan	5,028,243
Total	<u>\$ 6,207,622</u>

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

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

	Deferred Outflows of Resources Related to Pensions			
	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
Differences between expected and actual experience	\$ 1,520,627	\$ -	\$ 15,010	\$ 1,535,637
Changes of assumptions	29,034,006	-	536,051	29,570,057
Net difference between projected and actual earnings on pension plan investments	47,490,886	1,356,507	696,455	49,543,848
Changes in proportion and differences between District contributions and proportionate share of contributions	2,841,697	-	665,470	3,507,167
Contributions subsequent to the measurement date	21,840,829	90,038	6,643,250	28,574,117
Total	<u>\$ 102,728,045</u>	<u>\$ 1,446,545</u>	<u>\$ 8,556,236</u>	<u>\$ 112,730,826</u>

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

	Deferred Inflows of Resources Related to Pensions			
	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
Differences between expected and actual experience	\$ 4,005,178	\$ -	\$ 442,022	\$ 4,447,200
Changes of assumptions	-	-	38,424	38,424
Changes in proportion and differences between District contributions and proportionate share of contributions	267,600	-	-	267,600
Total	<u>\$ 4,272,778</u>	<u>\$ -</u>	<u>\$ 480,446</u>	<u>\$ 4,753,224</u>

The \$28,574,117 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:

Year Ending June 30,	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
2020	\$ 34,691,651	\$ 537,588	\$ 242,502	\$ 35,471,741
2021	13,440,209	14,736	176,742	13,631,687
2022	5,990,819	131,831	193,546	6,316,196
2023	22,491,759	672,352	341,052	23,505,163
2024	-	-	64,347	64,347
Thereafter	-	-	414,351	414,351

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

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

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

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

The actuarial assumptions used in the January 1, 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 and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity securities	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	<u>100%</u>	

***Discount Rate***

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

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

on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

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

The following presents 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:

	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
District's proportionate share of the net pension (asset) liability:			
Tier 1 Noncontributory System	\$ 513,084,404	\$ 285,449,516	\$ 95,004,511
Tier 1 Contributory System	8,622,270	4,114,389	267,696
Tier 2 Contributory System	8,568,028	2,138,696	(2,823,141)
Total	<u>\$ 530,274,702</u>	<u>\$ 291,702,601</u>	<u>\$ 92,449,066</u>

***Pension Plan Fiduciary Net Position***

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

***Payables to the Pension Plans***

At June 30, 2019, the District reported payables of \$13,283,654 for contributions to defined benefit pension plans and defined contribution plans.

**7. RISK MANAGEMENT**

The *Self Insurance Fund*, an internal service fund, was established to pay self-insurance claims for health and dental coverage provided to qualified District employees. The District carries commercial insurance, which covers claims in excess of \$200,000. The fund collects premiums, established by the District and plan administrator, from other District funds. The District has recorded an estimate of claims incurred but not reported (IBNR) of \$15,433,281 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:

	2019	2018
Beginning accrued claims payable	\$ 14,136,035	\$ 12,875,671
Claims (including incurred but not reported)	72,064,687	65,624,250
Payments of claims and administrative costs	<u>(70,767,442)</u>	<u>(64,363,886)</u>
Ending accrued claims payable	<u>\$ 15,433,280</u>	<u>\$ 14,136,035</u>

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

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Unemployment compensation is handled on a cost of benefits reimbursement basis with the state of Utah. The District is self-insured for worker's compensation claims up to \$250,000 per incident which are processed by a third party administrator. During the year ended June 30, 2019, the District paid worker's compensation claims in the amount of \$934,575. A co-insurance policy provides for individual worker's compensation claims in excess of \$250,000. This District has not established a liability for either claims outstanding or for the claims incurred but not reported (IBNR) because management believes the amount would be immaterial to the financial statements.

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

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

**8. LONG-TERM LIABILITIES**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 539,425,000	\$ 50,000,000	\$ (36,755,000)	\$ 552,670,000	\$ 46,895,000
Deferred amounts for issuance premium	22,053,811	4,989,627	(1,807,317)	25,236,121	-
Total bonds payable, net	561,478,811	54,989,627	(38,562,317)	577,906,121	46,895,000
Accrued vacation	5,567,443	3,592,704	(3,420,135)	5,740,012	3,526,146
Accrued sick leave	3,114,681	523,011	(495,100)	3,142,592	499,537
Accrued personal leave	1,459,007	1,041,200	(895,666)	1,604,541	985,007
Early retirement payable	9,640,797	6,653,386	(5,623,023)	10,671,160	5,293,708
Net pension liability	187,105,877	161,448,413	(57,861,660)	290,692,630	-
Total governmental activity long-term liabilities	<u>\$ 768,366,616</u>	<u>\$ 228,248,341</u>	<u>\$ (106,857,901)</u>	<u>\$ 889,757,056</u>	<u>\$ 57,199,398</u>
<b>Business-type activities:</b>					
Accrued vacation	\$ 74,720	\$ 62,154	\$ (62,186)	\$ 74,688	\$ 30,562
Accrued sick leave	12,946	8,099	(7,605)	13,440	5,500
Accrued personal leave	1,541	385	(1,156)	770	315
Net pension liability	794,002	416,982	(201,013)	1,009,971	-
Total business-type activity long-term liabilities	<u>\$ 883,209</u>	<u>\$ 487,620</u>	<u>\$ (271,960)</u>	<u>\$ 1,098,869</u>	<u>\$ 36,377</u>

***General Obligation Bonds***

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

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2019, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 46,895,000	\$ 20,286,166	\$ 67,181,166
2021	34,270,000	18,216,146	52,486,146
2022	36,490,000	17,238,475	53,728,475
2023	31,585,000	15,853,106	47,438,106
2024	32,840,000	14,497,059	47,337,059
2025-2029	178,810,000	51,706,475	230,516,475
2030-2034	129,450,000	22,491,344	151,941,344
2035-2039	62,330,000	4,741,069	67,071,069
Total	<u>\$ 552,670,000</u>	<u>\$ 165,029,840</u>	<u>\$ 717,699,840</u>

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

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General obligation school building bonds payable at June 30, 2019 with their outstanding balances are comprised of the following individual issues:

Bond Series 2010A - GO Bonds (BABs) original issue of \$68,500,000 with interest rates ranging from 1.0% to 5.75% (up to 35% interest rate subsidy)	\$ 52,660,000
Bond Series 2011A - GO Bonds - original issue of \$45,000,000 with interest rates ranging from 4.0% to 4.75%	2,645,000
Bond Series 2012 - GO Bonds - original issue of \$35,000,000 with interest rates ranging from 2.0% to 4.0%	33,035,000
Bond Series 2013A - GO Bond - original issue of \$20,000,000 with interest rates ranging from 2.0% to 4.0%	18,940,000
Bond Series 2013B - GO Refunding Bonds - original issue of \$20,550,000 with interest rates ranging from 3.0% to 4.25%	4,420,000
Bond Series 2014 - GO Bonds - original issue of \$25,000,000 with interest rates ranging from 2.25% to 5.0%	25,000,000
Bond Series 2015A - GO Bonds - original issue of \$40,000,000 with interest rates ranging from 2.0% to 5.0%	34,890,000
Bond Series 2015B - GO Refunding Bonds - original issue of \$67,025,000 with interest rates ranging from 2.0% to 5.0%	58,275,000
Bond Series 2015C - GO Refunding Bonds - original issue of \$53,010,000 with interest rate of 1.72%	27,050,000
Bond Series 2016 - GO Bonds - original issue of \$68,500,000 with interest rates ranging from 2.0% to 3.375%	63,900,000
Bond Series 2017A - GO Bonds - original issue of \$80,000,000 with interest rates ranging from 3.0% to 5.0%	78,175,000
Bond Series 2017B - GO Refunding Bonds - original issue of \$36,805,000 with interest rate of 2% to 5%	36,805,000
Bond Series 2018 - GO Bonds - original issue of \$69,375,000 with interest rates ranging from 3.0% to 5.0%	66,875,000
Bond Series 2019 - GO Bonds - original issue of \$50,000,000 with interest rates ranging from 3.0% to 5.0%	50,000,000
	<u>\$ 552,670,000</u>

The general obligation bonded debt of the District is limited by state law to 4.0% of the fair market value of the total taxable property in Davis County. The legal debt limit at June 30, 2019 is \$1,600,095,103 with general obligation debt outstanding, net of issuance premiums, of \$577,906,121, resulting in a legal debt margin of \$1,022,188,986.

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

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

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***Bond Issuance***

In April 2019, the District issued \$50,000,000 of general obligation school building bonds. The bonds have interest rates ranging from 3.0% to 5.0% with a final maturity of June 2039.

***Early Retirement Payable***

The District provides an early retirement incentive program. Eligibility is restricted to those employees with a minimum of ten years of service in the District, and who meet the eligibility requirements for and will be receiving Utah Retirement System benefits. Eligible retirees will receive a contribution of 16% of their annual salary per year, for up to three consecutive years, into a qualified 401(a) and/or 403(b) plan, or until they become eligible to receive unreduced social security benefits, whichever occurs first. Employees who retire under the incentive program will continue to be enrolled in group medical and dental programs until they become eligible for Medicare, or for 10 consecutive years following retirement, whichever comes first. Enrollment is contingent upon the retiree contributing the same premium as required of active employees for the first 3 years and the full premium for the following 7 years. For the years ended June 30, 2019 and 2018 the District's direct payments to retirees were \$3,426,036 and \$3,003,410 and payments of insurance premiums on behalf of retirees were \$2,196,987 and \$2,189,286, respectively. Future retirement payments of employees who have elected early retirement are recognized on an accrual basis as an expense in the government-wide financial statements in the year of retirement. This liability is paid from the fund from which the employee retires.

**9. LITIGATION AND LEGAL COMPLIANCE**

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

All fund balances are positive at June 30, 2019. Fund expenditures are within budgeted amounts during the year ended June 30, 2019.

**10. GRANTS**

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

**10. SUBSEQUENT EVENTS**

In September 2019, the District refunded \$52,660,000 of general obligation school building bonds (interest rates 4.4% to 5.8%) by issuing \$43,565,000 of general obligation refunding bonds with premium of \$9,579,467 (interest rates of 5.0%). The refunding will result in overall cash savings to the District.

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

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

**DAVIS SCHOOL DISTRICT**  
**Schedules of District Contributions – Utah Retirement Systems**  
Last 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	\$ 44,722,327	\$ 44,722,327	\$ -	\$ 204,195,524	21.90 %
2018	45,159,337	45,159,337	-	205,977,365	21.92 %
2017	44,408,786	44,408,786	-	202,863,727	21.89 %
2016	44,466,708	44,466,708	-	203,305,674	21.87 %
2015	43,924,810	43,924,810	-	203,539,652	21.58 %
<b>Tier 1 Contributory System:</b>					
2019	\$ 189,512	\$ 189,512	\$ -	\$ 1,070,688	17.70 %
2018	202,455	202,455	-	1,143,812	17.70 %
2017	216,832	216,832	-	1,225,041	17.70 %
2016	279,041	279,041	-	1,576,505	17.70 %
2015	323,810	323,810	-	1,858,776	17.42 %
<b>Tier 2 Contributory System:</b>					
2019	\$ 13,180,389	\$ 13,180,389	\$ -	\$ 75,596,811	17.44 %
2018	10,747,735	10,747,735	-	62,425,275	17.22 %
2017	8,182,874	8,182,874	-	47,831,200	17.11 %
2016	6,160,316	6,160,316	-	36,010,273	17.11 %
2015	4,551,043	4,551,043	-	26,761,238	17.01 %
<b>Tier 2 Defined Contribution Plan:</b>					
2019	\$ 60,504	\$ 60,504	\$ -	\$ 594,344	10.18 %
2018	41,904	41,904	-	418,201	10.02 %
2017	40,826	40,826	-	407,442	10.02 %
2016	35,870	35,870	-	357,835	10.02 %
2015	29,224	29,224	-	291,489	10.03 %

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

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**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.

**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.

**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.

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets

### *General Fund*

June 30, 2019

With Comparative Totals for 2018

	2019	2018
<b>Assets:</b>		
Cash and investments	\$ 115,863,362	\$ 105,333,480
Receivables:		
Property taxes	114,161,853	103,291,768
Other local	360,233	293,814
State of Utah	2,614,512	1,616,995
Federal government	8,064,115	6,635,082
Inventories	5,538,597	5,651,863
Total assets	<u>\$ 246,602,672</u>	<u>\$ 222,823,002</u>
<b>Liabilities:</b>		
Accounts payable	\$ 1,408,471	\$ 1,401,455
Accrued salaries and benefits	49,523,092	46,661,930
Unearned revenue:		
State of Utah	2,962,186	3,764,001
Total liabilities	<u>53,893,749</u>	<u>51,827,386</u>
<b>Deferred Inflows of Resources:</b>		
Unavailable property tax revenue	1,401,505	1,207,556
Property taxes levied for future year	109,335,539	97,856,826
Total deferred inflows of resources	<u>110,737,044</u>	<u>99,064,382</u>
<b>Fund Balances:</b>		
Nonspendable:		
Inventories	5,538,597	5,651,863
Committed to:		
Workers compensation	1,000,000	500,000
Termination benefits	4,500,000	4,500,000
Economic stabilization	28,000,000	25,000,000
Assigned to:		
Programs	6,500,000	5,500,000
Textbooks	2,500,000	2,000,000
Employee compensation	4,000,000	5,000,000
Schools	325,000	325,000
Medical insurance	2,500,000	2,500,000
Unassigned	27,108,282	20,954,371
Total fund balances	<u>81,971,879</u>	<u>71,931,234</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 246,602,672</u>	<u>\$ 222,823,002</u>

# DAVIS 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>				
Property taxes	\$ 111,558,853	\$ 111,760,812	\$ 201,959	\$ 106,792,006
Earnings on investments	2,800,000	3,895,894	1,095,894	2,137,243
Other local	9,527,256	11,477,927	1,950,671	9,246,187
State of Utah	371,532,391	373,443,987	1,911,596	361,689,641
Federal government	31,221,800	31,079,117	(142,683)	32,042,146
Total revenues	526,640,300	531,657,737	5,017,437	511,907,223
<b>Expenditures:</b>				
Current:				
Instruction	359,284,200	352,816,908	6,467,292	336,237,490
Supporting services:				
Students	19,018,200	19,104,242	(86,042)	17,708,229
Instructional staff	23,007,800	23,027,859	(20,059)	22,001,747
District administration	3,000,900	3,067,813	(66,913)	2,711,466
School administration	40,129,700	40,201,664	(71,964)	37,375,321
Central	17,398,100	17,108,743	289,357	16,935,865
Operation and maintenance of facilities	51,475,300	53,118,262	(1,642,962)	51,134,507
Student transportation	13,326,100	13,171,601	154,499	16,928,910
Total expenditures	526,640,300	521,617,092	5,023,208	501,033,535
Excess of revenues over expenditures / net change in fund balances	-	10,040,645	10,040,645	10,873,688
<b>Fund balances - beginning</b>	71,931,234	71,931,234	-	61,057,546
<b>Fund balances - ending</b>	<u>\$ 71,931,234</u>	<u>\$ 81,971,879</u>	<u>\$ 10,040,645</u>	<u>\$ 71,931,234</u>

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets

### *Debt Service Fund*

June 30, 2019

With Comparative Totals for 2018

	<u>2019</u>	<u>2018</u>
<b>Assets:</b>		
Cash and investments	\$ 14,021,692	\$ 4,146,820
Receivables - property taxes	<u>64,736,493</u>	<u>59,843,164</u>
Total assets	<u>\$ 78,758,185</u>	<u>\$ 63,989,984</u>
 <b>Deferred inflows of resources:</b>		
Unavailable property tax revenue	\$ 816,988	\$ 615,770
Property taxes levied for future year	<u>61,923,060</u>	<u>57,044,290</u>
Total deferred inflows of resources	<u>62,740,048</u>	<u>57,660,060</u>
 <b>Fund balances:</b>		
Restricted for:		
Debt service	<u>16,018,137</u>	<u>6,329,924</u>
Total deferred inflows of resources and fund balances	<u>\$ 78,758,185</u>	<u>\$ 63,989,984</u>

# DAVIS SCHOOL DISTRICT

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

### Debt Service 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>				
Property taxes	\$ 58,214,200	\$ 65,149,429	\$ 6,935,229	\$ 54,456,534
Federal interest subsidy	924,700	937,091	12,391	983,196
Total revenues	59,138,900	66,086,520	6,947,620	55,439,730
<b>Expenditures:</b>				
Debt service:				
Bond principal	37,755,000	36,755,000	1,000,000	34,530,000
Bond interest	20,635,000	19,635,007	999,993	18,360,825
Bond issuance costs	-	-	-	189,182
Fees and miscellaneous charges	748,900	8,300	740,600	7,501
Total expenditures	59,138,900	56,398,307	2,740,593	53,087,508
Excess of revenues over expenditures	-	9,688,213	9,688,213	2,352,222
<b>Other Financing Sources (Uses):</b>				
Refunding bonds issued	-	-	-	36,805,000
Refunding bonds premium	-	-	-	3,592,355
Refunding bonds escrow payment	-	-	-	(40,208,173)
Total other financing sources (uses)	-	-	-	189,182
Net change in fund balances	-	9,688,213	9,688,213	2,541,404
<b>Fund balances - beginning</b>	6,329,924	6,329,924	-	3,788,520
<b>Fund balances - ending</b>	\$ 6,329,924	\$ 16,018,137	\$ 9,688,213	\$ 6,329,924

# DAVIS SCHOOL DISTRICT

## Comparative Balance Sheets *Capital Projects Fund*

June 30, 2019

With Comparative Totals for 2018

	<u>2019</u>	<u>2018</u>
<b>Assets:</b>		
Cash and investments	\$ 83,212,109	\$ 89,351,166
Receivables:		
Property taxes	<u>15,565,357</u>	<u>15,459,074</u>
Total assets	<u>\$ 98,777,466</u>	<u>\$ 104,810,240</u>
 <b>Liabilities:</b>		
Accounts payable	<u>\$ 15,762,407</u>	<u>\$ 28,939,277</u>
 <b>Deferred inflows of resources:</b>		
Unavailable property tax revenue	208,301	189,447
Property taxes levied for future year	<u>14,848,036</u>	<u>14,544,184</u>
Total deferred inflows of resources	<u>15,056,337</u>	<u>14,733,631</u>
 <b>Fund balances:</b>		
Restricted for:		
Capital projects	<u>67,958,722</u>	<u>61,137,332</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 98,777,466</u>	<u>\$ 104,810,240</u>

# DAVIS 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

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Property taxes	\$ 16,629,500	\$ 16,610,695	\$ (18,805)	\$ 16,754,023
Earnings on investments	2,000,000	2,439,842	439,842	1,579,089
Other local	1,028,700	961,642	(67,058)	466,335
State of Utah	4,936,800	4,936,681	(119)	5,378,592
Total revenues	24,595,000	24,948,860	353,860	24,178,039
<b>Expenditures:</b>				
Capital outlay:				
Buildings and improvements	97,295,000	67,397,775	29,897,225	120,225,875
Equipment	3,000,000	5,321,905	(2,321,905)	3,605,413
Other	300,000	174,527	125,473	1,969,960
Debt service:				
Bond issuance costs	-	224,213	(224,213)	-
Total expenditures	100,595,000	73,118,420	27,476,580	125,801,248
Excess (deficiency) of revenues over (under) expenditures	(76,000,000)	(48,169,560)	27,830,440	(101,623,209)
<b>Other financing sources:</b>				
General obligation bonds issued	50,000,000	50,000,000	-	69,375,000
General obligation bonds premium	1,000,000	4,989,627	3,989,627	2,521,000
Proceeds from sale of capital assets	-	1,323	1,323	477,031
Total other financing sources	51,000,000	54,990,950	3,990,950	72,373,031
Net change in fund balances	(25,000,000)	6,821,390	31,821,390	(29,250,178)
<b>Fund balances - beginning</b>	61,137,332	61,137,332	-	90,387,510
<b>Fund balances - ending</b>	\$ 36,137,332	\$ 67,958,722	\$ 31,821,390	\$ 61,137,332

**DAVIS SCHOOL DISTRICT**

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**

June 30, 2019

With Comparative Totals for 2018

	Special Revenue				Total Nonmajor Governmental Funds
	School Food Services	Student Activities Fund	District Foundation Fund	Pass-Through Taxes Fund	
<b>Assets:</b>					
Cash and investments	\$ 5,713,419	\$ 11,640,836	\$ 2,184,020	\$ -	\$ 19,538,275
Receivables:					
Property taxes	-	-	-	12,557,337	12,557,337
Other local	26,594	-	-	-	26,594
State of Utah	1,247,663	-	-	-	1,247,663
Federal government	122,730	-	-	-	122,730
Inventories	1,810,424	-	-	-	1,810,424
Total assets	<u>\$ 8,920,830</u>	<u>\$ 11,640,836</u>	<u>\$ 2,184,020</u>	<u>\$ 12,557,337</u>	<u>\$ 35,303,023</u>
<b>Liabilities:</b>					
Accounts payable	\$ 95,988	\$ 142,890	\$ 5,402	\$ -	\$ 244,280
<b>Deferred inflows of resources:</b>					
Unavailable property tax revenue	-	-	-	144,411	144,411
Property taxes levied for future year	-	-	-	12,412,926	12,412,926
	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,557,337</u>	<u>12,557,337</u>
<b>Fund balances:</b>					
Nonspendable:					
Inventories	1,810,424	-	-	-	1,810,424
Restricted for:					
School food services	7,014,418	-	-	-	7,014,418
Committed to:					
Schools	-	11,497,946	-	-	11,497,946
Assigned to:					
Foundation	-	-	2,178,618	-	2,178,618
Total fund balances	<u>8,824,842</u>	<u>11,497,946</u>	<u>2,178,618</u>	<u>-</u>	<u>22,501,406</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,920,830</u>	<u>\$ 11,640,836</u>	<u>\$ 2,184,020</u>	<u>\$ 12,557,337</u>	<u>\$ 35,303,023</u>

**DAVIS SCHOOL DISTRICT**

**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
Year Ended June 30, 2019

	<b>Special Revenue</b>				<b>Total Nonmajor Governmental Funds</b>
	<b>School Food Services</b>	<b>Student Activities Fund</b>	<b>District Foundation Fund</b>	<b>Pass-Through Taxes Fund</b>	
<b>Revenues:</b>					
Local sources:					
Property taxes	\$ -	\$ -	\$ -	\$ 10,596,384	\$ 10,596,384
Earnings on investments	-	478,070	32,130	-	510,200
School lunch sales	7,698,899	-	-	-	7,698,899
Student fees	-	14,910,636	-	-	14,910,636
Other local	974,860	3,223,138	2,722,137	-	6,920,135
State of Utah	4,744,415	-	-	-	4,744,415
Federal government	11,065,491	-	-	-	11,065,491
Total revenues	<u>24,483,665</u>	<u>18,611,844</u>	<u>2,754,267</u>	<u>10,596,384</u>	<u>56,446,160</u>
<b>Expenditures:</b>					
Current:					
Food	11,210,317	-	-	-	11,210,317
Salaries and benefits	10,977,190	1,771,654	-	-	12,748,844
Indirect charges	765,502	-	-	-	765,502
Purchased services	-	2,485,738	13,395	-	2,499,133
Grants and awards	-	-	1,830,098	-	1,830,098
Supplies and equipment	-	14,236,119	492,879	-	14,728,998
Other	2,855,126	-	-	10,596,384	13,451,510
Total expenditures	<u>25,808,135</u>	<u>18,493,511</u>	<u>2,336,372</u>	<u>10,596,384</u>	<u>57,234,402</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(1,324,470)	118,333	417,895	-	(788,242)
<b>Fund balances - beginning</b>	<u>10,149,312</u>	<u>11,379,613</u>	<u>1,760,723</u>	<u>-</u>	<u>23,289,648</u>
<b>Fund balances - ending</b>	<u>\$ 8,824,842</u>	<u>\$ 11,497,946</u>	<u>\$ 2,178,618</u>	<u>\$ -</u>	<u>\$ 22,501,406</u>

# DAVIS SCHOOL DISTRICT

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

June 30, 2019

With Comparative Totals for 2018

	2019	2018
<b>Assets:</b>		
Cash and investments	\$ 5,713,419	\$ 7,628,742
Receivables:		
Other local	26,594	26,002
State of Utah	1,247,663	1,017,693
Federal government	122,730	143,613
Due from other funds		
Inventories	1,810,424	1,424,152
Total assets	<u>\$ 8,920,830</u>	<u>\$ 10,240,202</u>
<b>Liabilities:</b>		
Accounts payable	<u>\$ 95,988</u>	<u>\$ 90,890</u>
<b>Fund balances:</b>		
Nonspendable:		
Inventories	1,810,424	1,424,152
Restricted for:		
School food services	<u>7,014,418</u>	<u>8,725,160</u>
Total fund balances	<u>8,824,842</u>	<u>10,149,312</u>
Total liabilities and fund balances	<u>\$ 8,920,830</u>	<u>\$ 10,240,202</u>

# DAVIS SCHOOL DISTRICT

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

### *School Food Services Fund*

### *Nonmajor Special Revenue Fund*

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
School lunch sales	\$ 7,718,700	\$ 7,698,899	\$ (19,801)	\$ 7,635,337
Other local	1,007,000	974,860	(32,140)	934,420
State of Utah	5,347,800	4,744,415	(603,385)	4,316,160
Federal sources:				
Federal government	9,547,800	9,295,398	(252,402)	9,588,236
Contributed food commodities	2,500,000	1,770,093	(729,907)	2,334,321
Total revenues	26,121,300	24,483,665	(1,637,635)	24,808,474
<b>Expenditures:</b>				
Current:				
Food	12,381,400	11,210,317	1,171,083	13,361,901
Salaries and benefits	10,236,700	10,977,190	(740,490)	9,620,853
Indirect charges	742,100	765,502	(23,402)	635,000
Other	2,761,100	2,855,126	(94,026)	1,333,645
Total expenditures	26,121,300	25,808,135	313,165	24,951,399
Deficiency of revenues under expenditures / net change in fund balances	-	(1,324,470)	(1,324,470)	(142,925)
<b>Fund balances - beginning</b>	10,149,312	10,149,312	-	10,292,237
<b>Fund balances - ending</b>	\$ 10,149,312	\$ 8,824,842	\$ (1,324,470)	\$ 10,149,312

# DAVIS SCHOOL DISTRICT

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

June 30, 2019

With Comparative Totals for 2018

	<u>2019</u>	<u>2018</u>
<b>Assets:</b>		
Cash and investments	\$ 11,640,836	\$ 11,507,050
<b>Liabilities:</b>		
Accounts payable	\$ 142,890	\$ 120,436
Unearned revenue - other local	-	7,001
Total liabilities	<u>142,890</u>	<u>127,437</u>
<b>Fund balances:</b>		
Committed to:		
Schools	<u>11,497,946</u>	<u>11,379,613</u>
Total liabilities and fund balances	<u>\$ 11,640,836</u>	<u>\$ 11,507,050</u>

# DAVIS SCHOOL DISTRICT

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

### *Student Activities Fund*

### *Nonmajor Special Revenue Fund*

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Earnings on investments	\$ 478,100	\$ 478,070	\$ (30)	\$ 292,840
Student fees	16,615,300	14,910,636	(1,704,664)	14,323,223
Other local	3,553,700	3,223,138	(330,562)	3,094,656
Total revenues	<u>20,647,100</u>	<u>18,611,844</u>	<u>(2,035,256)</u>	<u>17,710,719</u>
<b>Expenditures:</b>				
Current:				
Salaries and benefits	1,752,500	1,771,654	(19,154)	1,463,820
Purchased services	2,385,200	2,485,738	(100,538)	2,264,214
Supplies and equipment	16,509,400	14,236,119	2,273,281	13,565,843
Total expenditures	<u>20,647,100</u>	<u>18,493,511</u>	<u>2,153,589</u>	<u>17,293,877</u>
Excess of revenues over expenditures / net change in fund balances	-	118,333	118,333	416,842
<b>Fund balances - beginning</b>	<u>11,379,613</u>	<u>11,379,613</u>	<u>-</u>	<u>10,962,771</u>
<b>Fund balances - ending</b>	<u>\$ 11,379,613</u>	<u>\$ 11,497,946</u>	<u>\$ 118,333</u>	<u>\$ 11,379,613</u>

**DAVIS SCHOOL DISTRICT**

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

June 30, 2019

With Comparative Totals for 2018

	<b>2019</b>	<b>2018</b>
<b>Assets:</b>		
Cash and investments	\$ 2,184,020	\$ 1,787,373
<b>Liabilities:</b>		
Accounts payable	\$ 5,402	\$ 26,650
<b>Fund balances:</b>		
Assigned to:		
Foundation	2,178,618	1,760,723
Total liabilities and fund balances	\$ 2,184,020	\$ 1,787,373

# DAVIS SCHOOL DISTRICT

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

### *District Foundation Fund*

### *Nonmajor Special Revenue Fund*

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Earnings on investments	\$ 31,000	\$ 32,130	\$ 1,130	\$ 17,114
Other local	2,615,300	2,722,137	106,837	1,950,201
Total revenues	2,646,300	2,754,267	107,967	1,967,315
<b>Expenditures:</b>				
Current:				
Purchased services	13,000	13,395	(395)	8,224
Grants and awards	2,179,700	1,830,098	349,602	1,431,641
Supplies and equipment	453,600	492,879	(39,279)	470,573
Total expenditures	2,646,300	2,336,372	309,928	1,910,438
Excess of revenues over expenditures / net change in fund balances	-	417,895	417,895	56,877
<b>Fund balances - beginning</b>	1,760,723	1,760,723	-	1,703,846
<b>Fund balances - ending</b>	<u>\$ 1,760,723</u>	<u>\$ 2,178,618</u>	<u>\$ 417,895</u>	<u>\$ 1,760,723</u>

# DAVIS SCHOOL DISTRICT

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

June 30, 2019

With Comparative Totals for 2018

	<u>2019</u>	<u>2018</u>
<b>Assets:</b>		
Receivables - property taxes	<u>\$ 12,557,337</u>	<u>\$ 10,743,937</u>
<b>Deferred inflows of resources:</b>		
Unavailable property tax revenue	\$ 144,411	\$ 123,517
Property taxes levied for future year	<u>12,412,926</u>	<u>10,620,420</u>
Total deferred inflows of resources	<u>12,557,337</u>	<u>10,743,937</u>
<b>Fund balances</b>	<u>-</u>	<u>-</u>
Total deferred inflows of resources and fund balances	<u>\$ 12,557,337</u>	<u>\$ 10,743,937</u>

# DAVIS SCHOOL DISTRICT

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

### *Pass-Through Taxes Fund*

### *Nonmajor Special Revenue Fund*

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 13,000,000	\$ 10,596,384	\$ (2,403,616)	\$ 9,639,596
<b>Expenditures:</b>				
Current:				
Other	13,000,000	10,596,384	2,403,616	9,639,596
Excess of revenues over expenditures / net change in fund balances	-	-	-	-
<b>Fund balances - beginning</b>	-	-	-	-
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# SECTION 3

STATISTICAL

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# STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	92-95
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	96-99
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	100-104
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	105-108
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	109-115

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

**DAVIS SCHOOL DISTRICT**

**Net Position by Component  
Last Ten Fiscal Years  
June 30, 2010 to 2019  
(accrual basis of accounting)**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 218,699,880	\$ 200,404,850	\$ 186,641,372	\$ 185,028,083	\$ 178,471,364	\$ 175,357,204	\$ 173,328,822	\$ 173,064,860	\$ 174,860,195	\$ 162,525,261
Restricted	62,955,401	58,720,137	61,927,219	51,683,936	44,438,605	36,478,004	30,448,647	30,840,222	29,696,408	37,552,880
Unrestricted	(99,817,465)	(92,883,939)	(109,885,211)	(130,113,889)	(140,185,908)	28,901,864	22,970,027	17,903,393	11,562,746	5,341,079
Total governmental activities net position	181,837,816	166,241,048	138,683,380	106,598,130	82,724,061	240,737,072	226,747,496	221,808,475	216,119,349	205,419,220
<b>Business-type activities:</b>										
Net investment in capital assets	1,640,167	1,773,438	1,906,524	1,922,205	1,947,186	2,050,570	2,170,471	2,306,453	2,471,868	8,601,952
Unrestricted	5,745,137	4,409,120	4,642,562	7,124,464	7,560,585	6,079,698	5,075,095	4,306,150	3,496,327	5,303,161
Total business-type activities net position	7,385,304	6,182,558	6,549,086	9,046,669	9,507,771	8,130,268	7,245,566	6,612,603	5,968,195	13,905,113
<b>Primary government:</b>										
Net investment in capital assets	220,340,047	202,178,288	188,547,896	186,950,288	180,418,550	177,407,774	175,499,293	175,371,313	177,332,063	171,127,213
Restricted	62,955,401	58,720,137	61,927,219	51,683,936	44,438,605	36,478,004	30,448,647	30,840,222	29,696,408	37,552,880
Unrestricted	(94,072,328)	(88,474,819)	(105,242,649)	(122,989,425)	(132,625,323)	34,981,562	28,045,122	22,209,543	15,059,073	10,644,240
Total primary government net position	\$ 189,223,120	\$ 172,423,606	\$ 145,232,466	\$ 115,644,799	\$ 92,231,832	\$ 248,867,340	\$ 233,993,062	\$ 228,421,078	\$ 222,087,544	\$ 219,324,333

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

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

Note: Beginning in FY2011, School Food Services was reclassified as a governmental activity rather than as a business-type activity.

**DAVIS SCHOOL DISTRICT**  
**Expenses, Program Revenue, and Net (Expense) Revenue**  
**Last Ten Fiscal Years**  
**Years Ended June 30, 2010 to 2019**  
*(accrual basis of accounting)*

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Expenses</b>										
Governmental activities:										
Instruction	\$ 438,605,231	\$ 406,694,108	\$ 387,976,967	\$ 366,385,063	\$ 326,885,284	\$ 323,998,904	\$ 323,396,042	\$ 321,957,585	\$ 312,117,909	\$ 310,189,021
Supporting services:										
Student	20,084,536	17,614,204	16,319,254	15,761,163	14,178,453	14,871,912	14,908,145	14,678,910	14,411,550	14,938,346
Instructional staff	23,947,889	21,771,252	21,131,799	20,349,554	17,728,205	17,902,356	17,103,095	16,766,753	17,203,966	17,540,865
District administration	3,172,504	3,383,761	2,830,987	3,054,420	2,958,948	2,449,838	2,980,232	2,580,567	2,563,461	2,530,814
School administration	43,094,742	37,856,767	35,805,440	29,552,403	26,500,999	26,981,069	26,300,594	25,766,865	25,410,359	24,433,070
Central	18,808,697	17,615,021	15,994,617	15,074,694	13,256,245	13,210,603	12,779,351	12,138,177	11,127,059	10,967,498
Operation and maintenance of facilities	56,418,687	52,507,281	45,090,934	44,891,036	41,033,443	41,999,125	41,608,600	40,874,660	39,985,531	39,100,467
Student transportation	14,527,938	18,047,620	14,623,262	14,326,152	14,170,991	12,633,841	12,435,361	12,996,197	12,034,150	11,700,687
School food service	26,116,859	25,159,895	23,891,856	18,562,809	21,796,126	24,206,081	23,289,137	23,662,972	22,300,697	-
Interest on long-term liabilities	191,700,017	17,546,012	16,099,119	14,182,733	16,265,030	16,085,726	17,299,437	16,129,644	17,752,462	16,246,317
Total governmental activities expenses	663,947,100	618,195,921	579,764,235	542,140,017	494,773,724	494,339,455	492,099,994	487,552,330	474,907,144	447,647,085
Business-type activities:										
School food service	-	-	-	-	-	-	-	-	-	21,545,474
Pioneer Adult Rehabilitation Center	9,590,762	9,069,798	10,130,337	11,235,889	13,826,446	12,911,819	9,005,112	7,507,772	9,090,860	9,375,339
Total business-type activities expenses	9,590,762	9,069,798	10,130,337	11,235,889	13,826,446	12,911,819	9,005,112	7,507,772	9,090,860	30,920,813
Total primary government expenses	\$ 673,537,862	\$ 627,265,719	\$ 589,894,572	\$ 553,375,906	\$ 508,600,170	\$ 507,251,274	\$ 501,105,106	\$ 495,060,102	\$ 483,998,004	\$ 478,567,898
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Instruction	\$ 7,925,829	\$ 6,232,304	\$ 5,896,445	\$ 6,509,349	\$ 6,347,013	\$ 6,002,732	\$ 5,573,818	\$ 5,615,784	\$ 5,121,667	\$ 5,344,050
Operation and maintenance of facilities	330,225	234,978	354,790	317,443	302,692	304,575	270,423	219,798	277,254	174,528
School food service	8,673,759	8,569,757	8,513,417	8,440,270	8,314,193	8,320,866	7,929,725	8,443,228	8,464,384	-
Operating grants and contributions	125,049,800	128,948,262	123,749,980	118,045,419	111,025,916	108,599,772	110,409,041	113,514,211	125,074,921	92,780,152
Total governmental activities program revenues	141,979,613	143,985,301	138,514,632	133,312,481	125,989,814	123,227,945	124,183,007	127,793,021	138,938,226	98,298,730
Business-type activities:										
Charges for services:										
School food service	9,712,059	7,567,108	7,467,276	9,993,209	14,460,197	12,998,486	8,875,291	7,291,473	8,868,745	8,624,099
Pioneer Adult Rehabilitation Center	946,318	1,025,397	957,532	732,755	731,952	786,804	748,236	844,109	858,656	81,633,327
Operating grants and contributions	10,688,377	8,392,505	8,424,808	10,725,964	15,192,149	13,785,290	9,623,527	8,135,582	9,727,401	14,307,910
Total business-type activities program revenues	\$ 152,637,090	\$ 152,577,806	\$ 146,939,440	\$ 144,038,445	\$ 141,181,963	\$ 137,013,235	\$ 133,806,534	\$ 135,928,603	\$ 148,665,627	\$ 129,394,066
<b>Net (expense)/revenue</b>	\$ (521,967,487)	\$ (474,210,619)	\$ (441,249,603)	\$ (408,827,556)	\$ (368,783,310)	\$ (371,111,510)	\$ (367,916,987)	\$ (359,759,309)	\$ (335,968,918)	\$ (349,348,355)
Governmental activities	1,067,615	(477,293)	(1,705,529)	(509,925)	1,365,703	873,471	618,415	627,810	636,541	174,523
Business-type activities	\$ (520,899,872)	\$ (474,687,912)	\$ (442,955,132)	\$ (409,337,461)	\$ (367,418,207)	\$ (370,238,039)	\$ (367,298,572)	\$ (359,131,499)	\$ (335,332,377)	\$ (349,173,832)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for:										
General purposes	\$ 111,954,761	\$ 106,779,829	\$ 100,101,398	\$ 94,816,471	\$ 85,964,463	\$ 85,186,800	\$ 86,614,783	\$ 71,789,469	\$ 69,968,472	\$ 61,965,768
Transportation	-	-	-	-	-	-	-	3,813,543	3,602,265	2,578,690
Recreation	-	-	-	-	-	-	-	3,775,682	3,541,738	3,121,559
Debt service	65,350,647	54,462,817	50,008,667	48,146,166	46,572,252	42,773,677	41,971,606	40,360,346	43,590,844	45,311,846
Capital outlay	16,629,549	16,722,138	18,162,423	17,337,683	16,930,993	15,413,272	16,342,018	19,136,415	12,339,103	12,717,483
Pass-through taxes	10,617,278	9,763,113	7,471,295	6,860,325	6,599,320	-	-	-	-	-
Federal and state revenue not restricted to specific purposes	301,156,982	287,384,030	265,470,952	246,318,610	227,240,368	221,985,012	210,949,940	206,430,844	193,513,053	212,766,736
Earnings on investments	6,845,936	4,026,286	2,346,999	1,326,808	669,566	559,816	714,479	1,523,932	1,203,598	1,414,418
Miscellaneous	25,009,102	22,630,075	22,121,843	17,895,542	18,165,848	19,182,509	18,632,517	18,618,204	16,022,937	18,137,903
Business-type activities:										
Earnings on investments	135,131	110,765	79,900	48,823	11,800	11,231	14,548	16,598	13,092	12,043
Total primary government general revenues	\$ 537,699,386	\$ 501,879,053	\$ 465,763,477	\$ 432,750,428	\$ 402,154,410	\$ 385,112,317	\$ 375,219,891	\$ 365,465,033	\$ 343,795,102	\$ 358,026,446
<b>Change in Net Position</b>										
Governmental activities	\$ 15,596,768	\$ 27,557,669	\$ 24,433,974	\$ 23,874,069	\$ 33,358,700	\$ 13,989,576	\$ 7,908,356	\$ 5,689,126	\$ 7,813,092	\$ 8,666,048
Business-type activities	1,202,746	(366,528)	(1,625,629)	(441,102)	1,377,503	884,702	632,963	644,408	649,633	186,566
Total primary government	\$ 16,799,514	\$ 27,191,140	\$ 22,808,345	\$ 23,412,967	\$ 34,736,203	\$ 14,874,278	\$ 7,941,319	\$ 6,333,534	\$ 8,462,725	\$ 8,852,614

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

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

Note: Beginning in FY2011, School Food Services was reclassified as a governmental activity rather than as a business-type activity.

# DAVIS SCHOOL DISTRICT

## Fund Balances - Governmental Funds Last Ten Fiscal Years Years Ended June 30, 2010 to 2019 (modified accrual basis of accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>General fund:</b>										
Nonspendable (inventory & prepaids)	\$ 5,538,597	\$ 5,651,863	\$ 5,568,408	\$ 6,002,494	\$ 5,671,302	\$ 1,232,892	\$ 1,467,658	\$ 1,563,781	\$ 1,524,352	\$ 1,871,715
Restricted for state programs	-	-	-	-	-	-	-	-	-	4,833,446
Committed to workers compensation	1,000,000	500,000	500,000	500,000	500,000	500,000	300,000	300,000	300,000	300,000
Committed to termination benefits	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,000,000	4,000,000	4,000,000	3,500,000
Committed to economic stabilization	28,000,000	25,000,000	23,000,000	20,000,000	4,500,000	2,000,000	-	-	-	-
Assigned	15,825,000	15,325,000	11,542,000	3,435,887	5,538,661	8,303,673	6,058,767	3,060,000	-	-
Unassigned	27,108,282	20,954,371	15,947,138	11,625,750	18,497,093	16,485,230	14,548,294	13,411,677	12,119,413	9,683,447
Total fund balances	\$ 81,971,879	\$ 71,931,234	\$ 61,057,546	\$ 46,064,131	\$ 39,207,056	\$ 33,021,795	\$ 26,374,719	\$ 22,335,458	\$ 17,943,765	\$ 20,188,608
<b>Debt service fund:</b>										
Restricted for debt service	\$ 16,018,137	\$ 6,329,924	\$ 3,788,520	\$ 4,249,578	\$ 3,122,533	\$ -	\$ -	\$ 400,718	\$ 6,545,393	\$ 7,641,448
Total fund balances	\$ 16,018,137	\$ 6,329,924	\$ 3,788,520	\$ 4,249,578	\$ 3,122,533	\$ -	\$ -	\$ 400,718	\$ 6,545,393	\$ 7,641,448
<b>Capital projects fund:</b>										
Restricted for capital projects	\$ 67,958,722	\$ 61,137,332	\$ 90,387,510	\$ 79,202,839	\$ 64,391,390	\$ 46,110,408	\$ 40,858,464	\$ 49,313,628	\$ 51,396,420	\$ 54,075,594
Total fund balances	\$ 67,958,722	\$ 61,137,332	\$ 90,387,510	\$ 79,202,839	\$ 64,391,390	\$ 46,110,408	\$ 40,858,464	\$ 49,313,628	\$ 51,396,420	\$ 54,075,594
<b>Other governmental funds</b>										
Nonspendable (inventory & prepaids)	\$ 1,810,424	\$ 1,424,152	\$ 1,591,777	\$ 1,586,119	\$ 1,190,751	\$ 1,062,785	\$ 1,587,032	\$ 2,080,190	\$ 2,419,282	\$ -
Restricted for school food services	7,014,418	8,725,160	8,700,460	6,838,302	4,938,127	3,357,185	2,627,844	2,067,359	1,526,308	-
Restricted for state multi-district program	-	-	-	-	-	-	47,949	1,473,724	1,266,314	1,037,178
Committed to schools	11,497,946	11,379,613	10,962,771	10,502,480	10,598,751	10,089,919	9,521,189	9,628,924	8,944,171	8,301,003
Assigned to Foundation	2,178,618	1,760,723	1,703,846	-	-	-	-	-	-	-
Total fund balances	\$ 22,501,406	\$ 23,289,648	\$ 22,958,854	\$ 18,926,901	\$ 16,727,629	\$ 14,509,889	\$ 13,784,014	\$ 15,250,197	\$ 14,156,075	\$ 9,338,181
<b>Total Governmental Funds:</b>										
Nonspendable (inventory & prepaids)	\$ 7,349,021	\$ 7,076,015	\$ 7,160,185	\$ 7,588,613	\$ 6,862,053	\$ 2,295,677	\$ 3,054,690	\$ 3,643,971	\$ 3,943,634	\$ 1,871,715
Restricted	90,991,277	76,192,416	102,876,490	90,290,719	72,452,050	49,467,593	43,534,257	53,255,429	60,734,435	67,587,666
Committed	44,997,946	41,379,613	38,962,771	35,502,480	20,098,751	17,089,919	13,821,189	13,928,924	13,244,171	12,101,003
Assigned	18,003,618	17,085,723	13,245,846	3,435,887	5,538,661	8,303,673	6,058,767	3,060,000	-	-
Unassigned	27,108,282	20,954,371	15,947,138	11,625,750	18,497,093	16,485,230	14,548,294	13,411,677	12,119,413	9,683,447
Total fund balances	\$ 188,450,144	\$ 162,688,138	\$ 178,192,430	\$ 148,443,449	\$ 123,448,608	\$ 93,642,092	\$ 81,017,197	\$ 87,300,001	\$ 90,041,653	\$ 91,243,831

Note: Beginning in FY2011, School Food Services was reclassified as a governmental activity rather than as a business-type activity.

Note: Beginning in FY2011, the District implemented GASB Statement No. 54. Fund balance categories have been restated to reflect the new statement as if commitments and assignments had been approved in those years.

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

# DAVIS SCHOOL DISTRICT

## Changes in Fund Balances - Governmental Funds

### Last Ten Fiscal Years

#### Years Ended June 30, 2010 to 2019

(modified accrual basis of accounting)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Revenues:</b>										
Property taxes	\$ 204,117,320	\$ 187,642,159	\$ 175,846,086	\$ 167,630,513	\$ 156,139,109	\$ 144,298,349	\$ 145,947,457	\$ 139,024,115	\$ 133,065,138	\$ 125,590,761
Earnings on investments	6,845,936	4,026,286	2,346,999	1,326,808	669,366	559,816	714,479	1,523,932	1,203,598	1,414,418
Other local	34,270,340	30,015,022	28,762,897	25,431,575	25,608,140	26,501,983	25,211,003	23,873,594	21,828,606	23,653,481
School lunch sales	7,698,899	7,635,337	7,646,736	7,593,773	7,558,576	7,588,551	7,222,390	7,969,119	8,069,906	-
State of Utah	383,125,083	371,384,393	343,080,856	319,974,739	296,587,246	287,951,706	275,349,590	275,995,143	256,306,648	257,915,550
Federal government	43,081,699	44,947,899	46,140,076	44,389,290	41,679,038	42,633,078	46,009,391	45,020,775	62,281,326	47,631,338
Total revenues	679,139,277	645,651,096	603,823,650	566,346,698	528,241,475	509,533,483	500,454,310	493,406,678	482,755,222	456,205,548
<b>Expenditures:</b>										
Current:										
Instruction	384,243,175	365,081,401	340,732,811	325,166,810	303,792,266	290,924,478	290,960,045	282,501,091	265,400,084	275,043,883
Supporting services:										
Students	19,104,242	17,708,229	16,015,062	15,573,759	14,694,917	14,703,541	14,738,515	14,514,691	14,254,115	14,954,793
Instructional staff	23,027,859	22,001,747	20,886,518	20,244,708	18,445,968	17,802,062	16,995,074	16,651,193	17,104,002	17,440,418
District administration	3,067,813	2,711,466	2,772,126	2,505,646	2,325,792	2,171,447	2,583,855	2,550,252	2,553,577	2,518,401
School administration	40,201,664	37,375,321	34,455,761	28,518,964	26,766,307	26,037,360	25,380,335	24,860,824	24,543,982	24,238,662
Central	17,108,743	16,935,865	15,079,440	14,277,804	12,900,814	12,561,013	12,284,036	11,754,227	10,739,697	10,536,906
Operation and maint of facilities	53,118,262	51,134,507	43,193,068	43,268,575	40,514,129	40,479,639	40,108,854	39,348,007	38,414,026	38,155,323
Student transportation	13,171,601	16,928,910	13,142,063	12,881,560	13,168,618	11,332,852	11,134,619	11,823,524	10,863,057	10,460,090
School food service	25,808,135	24,951,399	23,596,878	22,094,493	21,893,048	23,961,993	22,948,731	23,268,842	36,066,132	-
Capital outlay	72,894,207	125,329,185	99,556,365	78,653,608	39,718,863	36,786,986	41,399,708	58,224,251	59,333,018	70,280,016
Debt service:										
Tax anticipation note interest	-	-	-	-	-	-	-	622,548	655,188	785,433
Bond principal	36,755,000	34,530,000	34,865,000	33,230,000	26,975,000	26,495,000	29,635,000	28,935,000	27,725,000	28,825,000
Bond interest	19,635,007	18,360,825	16,660,115	14,949,568	17,468,199	17,544,525	18,544,696	17,774,694	17,124,320	15,515,618
Bond issuance costs	224,113	661,245	8,400	512,741	660,188	243,332	366,063	221,980	470,822	1,016,808
Capital lease payments	-	-	-	97,271	97,271	214,340	311,425	647,310	1,565,081	1,847,456
Fees and miscellaneous charges	8,300	7,501	-	36,400	7,400	7,750	4,800	15,350	14,255	23,050
Total expenditures	708,368,121	733,717,601	660,963,607	612,011,907	539,488,780	521,266,318	527,395,756	533,713,784	526,826,356	511,641,857
Excess (deficiency) of revenues over (under) expenditures	(29,228,844)	(88,066,505)	(57,139,957)	(45,665,209)	(11,247,305)	(11,732,835)	(26,941,446)	(40,307,106)	(44,071,134)	(55,436,309)
<b>Other financing sources (uses):</b>										
General obligation bonds issued	50,000,000	69,375,000	80,000,000	68,500,000	40,000,000	25,000,000	20,000,000	35,000,000	45,000,000	111,500,000
General obligation bonds premium	4,989,627	2,521,000	4,990,408	1,510,053	1,138,631	468,930	512,567	2,543,576	569,687	1,209,725
Refunding bond issued	-	36,805,000	-	120,035,000	-	-	20,550,000	-	39,410,000	-
Refunding bond premium	-	3,592,355	-	6,930,694	-	-	2,839,916	-	5,511,216	-
Payment to refunded bond escrow agent	-	(40,208,173)	-	(126,452,953)	-	-	(23,243,841)	-	(44,700,377)	-
Transfer out	-	-	-	(95,035)	-	(1,500,000)	-	-	-	-
Proceeds from sale of capital assets	1,323	477,031	498,049	137,256	10,225	388,800	-	21,878	60,554	3,000
Total other financing sources (uses)	54,990,980	72,562,213	85,488,457	70,660,050	41,053,821	24,357,730	20,658,642	37,565,454	45,851,080	112,712,725
Net change in fund balances	25,762,106	(15,504,292)	28,348,500	24,994,841	29,806,516	12,624,895	(6,282,804)	(2,741,652)	1,779,946	57,276,416
<b>Fund balances - beginning (as restated)</b>	162,688,138	178,192,430	149,843,930	123,448,608	93,642,092	81,017,197	87,300,001	90,041,653	88,261,707	33,967,415
<b>Fund balances - ending</b>	<u>\$ 188,450,244</u>	<u>\$ 162,688,138</u>	<u>\$ 178,192,430</u>	<u>\$ 148,443,449</u>	<u>\$ 123,448,608</u>	<u>\$ 93,642,092</u>	<u>\$ 81,017,197</u>	<u>\$ 87,300,001</u>	<u>\$ 90,041,653</u>	<u>\$ 91,243,831</u>
Debt service	\$ 56,390,007	\$ 52,890,825	\$ 51,525,115	\$ 48,276,839	\$ 44,540,470	\$ 44,253,865	\$ 48,491,121	\$ 47,979,552	\$ 47,069,589	\$ 46,973,507
Noncapital expenditures	652,382,593	633,674,002	586,534,379	555,386,177	514,271,468	497,805,464	502,601,352	499,517,501	483,791,257	458,035,722
Debt service as a percentage of noncapital expenditures	8.6%	8.3%	8.8%	8.7%	8.7%	8.9%	9.6%	9.6%	9.7%	10.3%

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

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

## DAVIS SCHOOL DISTRICT

### Assessed Value and Estimated Actual Value of Taxable Property Last Ten Tax Years December 31, 2009 through 2018

Tax Year	Residential			Commercial & Industrial		Agriculture		Personal		Total Taxable Assessed Value		Total Direct Tax Rate		Estimated Actual Value		Assessed Value as a Percentage of Actual Value
2018	\$	15,953,299,180	\$	6,173,629,223	\$	172,539,490	\$	2,217,414,795	\$	24,516,882,688		0.007631		\$	38,603,816,772	63.5%
2017		14,481,985,166		5,538,002,128		190,558,209		2,461,629,632		22,672,175,135		0.007469			34,987,059,677	64.8%
2016		13,172,061,449		5,021,196,704		116,721,149		2,136,054,321		20,446,033,623		0.008125			31,623,889,734	64.7%
2015		12,137,403,230		4,633,378,279		124,107,984		1,982,261,211		18,877,150,704		0.008555			29,257,820,639	64.5%
2014		11,769,131,872		4,393,893,837		121,848,651		1,718,928,896		18,003,803,256		0.008259			28,052,491,146	64.2%
2013		10,574,438,844		4,151,940,907		115,058,346		1,621,119,209		16,462,557,306		0.008710			24,965,085,765	65.9%
2012		10,124,228,191		4,085,617,326		119,949,215		1,471,722,453		15,801,517,185		0.008941			24,023,945,974	65.8%
2011		10,127,751,543		3,993,246,252		117,895,470		1,441,813,546		15,680,706,811		0.007860			25,595,666,942	61.3%
2010		10,657,206,804		4,210,672,598		144,417,417		1,185,481,355		16,197,778,174		0.007118			25,058,738,383	64.6%
2009		11,031,774,065		4,035,424,758		157,847,356		1,307,517,190		16,532,563,369		0.006764			25,477,711,753	64.9%

\* Source: Davis County CAFR

DAVIS SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Tax Years

December 31, 2009 through 2018

(rate per \$1 of assessed value)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Davis School District direct rates:										
General	0.004407	0.004481	0.004833	0.005058	0.004752	0.005125	0.005317	0.004582	0.003593	0.003445
Capital outlay & debt service	0.003224	0.002988	0.003292	0.003497	0.003507	0.003585	0.003624	0.003812	0.003833	0.003291
Tort liability	-	-	-	-	-	-	-	0.000667	0.000662	0.000059
Special transportation	-	-	-	-	-	-	-	0.000201	0.000187	0.000146
Recreation	-	-	-	-	-	-	-	0.000199	0.000185	0.000177
Total direct rate	0.007631	0.007469	0.008125	0.008555	0.008259	0.008710	0.008941	0.008861	0.007860	0.007118
Overlapping Rates: *										
County funds	0.001473	0.002210	0.002014	0.002153	0.002161	0.002331	0.002391	0.002383	0.002213	0.002108
County library	0.000349	0.000376	0.000342	0.000361	0.000361	0.000389	0.000396	0.000392	0.000363	0.000348
Average cities and towns	0.001380	0.001463	0.001455	0.001594	0.001558	0.001559	0.001584	0.001565	0.001414	0.001314
Miscellaneous taxing districts	0.000497	0.000524	0.000399	0.000422	0.000433	0.000454	0.000458	0.000437	0.000407	0.000391
* Source: Davis County CAFR										
Bountiful	0.00088	0.000832	0.00089	0.000957	0.000946	0.001063	0.001094	0.001093	0.001037	0.000948
Centerville	0.001275	0.001354	0.000116	0.001088	0.001072	0.001141	0.001165	0.001173	0.001102	0.000997
Clearfield	0.001607	0.001745	0.001664	0.0018	0.0018	0.0018	0.0018	0.0018	0.001548	0.001548
Clinton	0.001794	0.001925	0.002082	0.002198	0.002253	0.001831	0.001871	0.001866	0.001752	0.001729
Farmington	0.001765	0.001942	0.002132	0.002226	0.002127	0.00229	0.002269	0.002283	0.002109	0.002051
Fruit Heights	0.002027	0.002117	0.002295	0.002369	0.001863	0.002023	0.002054	0.002071	0.002066	0.001845
Kaysville	0.001580	0.001589	0.001717	0.001782	0.001826	0.000999	0.001028	0.001035	0.000987	0.000907
Layton	0.001521	0.001635	0.001842	0.001928	0.001896	0.002046	0.002084	0.002068	0.001933	0.001876
North Salt Lake	0.001355	0.001445	0.001475	0.001517	0.001541	0.001613	0.001637	0.001637	0.00152	0.001396
South Weber	0.000769	0.000815	0.000881	0.000941	0.000954	0.000993	0.000998	0.000927	0.000827	0.00084
Special Service Area	0.000913	0.000962	0.00098	0.000992	0.001003	0.000968	0.000901	0.000918	0.000899	0.000844
Sunset	0.001766	0.00195	0.002121	0.00229	0.002258	0.002357	0.002492	0.002297	0.002138	0.001483
Synapse	0.001512	0.001573	0.001573	0.001639	0.001659	0.001757	0.001832	0.001821	0.001631	0.001613
West Bountiful	0.001449	0.001566	0.001684	0.001806	0.001788	0.001946	0.001951	0.001997	0.001366	0.001384
West Point	0.000917	0.000945	0.000984	0.001036	0.001036	0.001111	0.001111	0.001008	0.000936	0.000876
Woods Cross	0.000935	0.001003	0.000848	0.000927	0.000913	0.001007	0.001058	0.001049	0.00084	0.00069
	0.001379625	0.001462688	0.00145525	0.0015935	0.00158438	0.00155963	0.001584063	0.001565188	0.001414438	0.001314188
Weber Basin Water	0.000164	0.000174	0.000187	0.000196	0.000199	0.00021	0.000215	0.000217	0.000207	0.000188
Mesquite Abatement	0.000119	0.000107	0.000107	0.000122	0.000124	0.000103	0.000105	0.000104	0.000097	0.000093
North Davis Sewer	0.000869	0.000949	0.001025	0.001025	0.001025	0.001025	0.000993	0.000928	0.000864	0.000763
Bountiful Irrigation	0.000096	0.000103	0.00011	0.00012	0.00012	0.000128	0.000131	0.000122	0.000113	0.000113
South Davis Water	0.00202	0.00214	0.000234	0.00025	0.000246	0.000264	0.000253	0.000248	0.00024	0.000243
Central Davis Sewer	0.000178	0.000191	0.000208	0.000216	0.000217	0.000237	0.000237	0.000237	0.000227	0.000212
South Davis Sewer	0.000245	0.000264	0.000287	0.000303	0.000304	0.000324	0.000329	0.000329	0.000315	0.00029
Benchland Water	0.000346	0.000375	0.000411	0.000433	0.00043	0.000475	0.000488	0.000451	0.000427	0.000427
Hooper Water	0.000312	0.000345	0.000369	0.000387	0.000415	0.000446	0.000455	0.000433	0.000404	0.000396
South Weber Water	0	0	0	0	0	0	0	0	0	0
Central Weber Water	0.000649	0.000709	0.000758	0.000802	0.000838	0.000866	0.00088	0.000854	0.000833	0.000811
South Davis Recreation	0.000257	0.000279	0.000306	0.000334	0.000338	0.000374	0.000399	0.000407	0.000379	0.000356
North Davis Fire	0.001205	0.001182	0.001182	0.001301	0.001379	0.001444	0.001467	0.001316	0.001148	0.001194
	0.000496923	0.000524462	0.0005399462	0.0005422231	0.000433231	0.000453538	0.000457923	0.000437385	0.000406692	0.000391231

# DAVIS SCHOOL DISTRICT

## Principal Property Tax Payers Current Year and Nine Years Ago December 31, 2018 and 2009

Taxpayer	Type of Business	December 31, 2018				December 31, 2009			
		Taxable Value	Rank	Percent of District's Total Taxable Value		Taxable Value	Rank	Percent of District's Total Taxable Value	
Woods Cross Refining Comp - LLC	Petroleum distribution	\$ 598,168,708	1	2.44%		\$ 117,250,637	3	0.71%	
Chevron U.S.A. Inc	Petroleum distribution	401,190,467	2	1.64%		266,310,826	1	1.61%	
PacifiCorp	Electrical distribution	247,509,708	3	1.01%		110,236,230	4	0.67%	
Station Park Centercal LLC	Retail	241,080,195	4	0.98%		n/a	n/a	n/a	
Freepoint Center	Distribution / warehouse	190,580,472	5	0.78%		159,073,063	2	0.96%	
Smith's Food King Properties	Distribution / retail sales	169,920,817	6	0.69%		n/a	n/a	n/a	
ATK Aerospace	Manufacturing	153,264,181	7	0.63%		n/a	n/a	n/a	
Big West Oil	Petroleum distribution	151,102,285	8	0.62%		100,167,112	5	0.61%	
Questar Gas	Natural gas utility	138,903,059	9	0.57%		57,616,614	10	0.35%	
Union Pacific Railroad	Freight distribution	88,597,387	10	0.36%		n/a	n/a	n/a	
Layton Hills Mall CMBS LLC	Retail	n/a	n/a	n/a		95,205,207	6	0.58%	
Wal-Mart	Retail	n/a	n/a	n/a		76,195,084	7	0.46%	
Albertson's	Retail	n/a	n/a	n/a		61,231,446	9	0.37%	
Qwest Communications	Retail	n/a	n/a	n/a		76,088,591	8	0.46%	
Totals		\$ 2,380,317,279		9.72%		\$ 1,119,374,810		6.78%	

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

# DAVIS SCHOOL DISTRICT

## Property Tax Levies and Collections Last Ten Tax Years December 31, 2008 through 2017

Tax Year Ended December 31,	Property Taxes Levied For The Calendar Year	Property Taxes Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Property Tax Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2018	\$ 180,918,217	\$ 177,462,344	98.09%	-	\$ 177,462,344	98.09%
2017	170,886,005	151,891,258	88.88%	-	151,891,258	88.88%
2016	166,980,431	159,543,862	95.55%	7,223,080	166,766,942	99.87%
2015	160,846,154	153,067,636	95.16%	7,709,138	160,776,774	99.96%
2014	149,474,220	141,407,236	94.60%	8,066,614	149,473,850	100.00%
2013	138,006,512	129,788,061	94.04%	8,218,037	138,006,098	100.00%
2012	135,191,786	126,685,112	93.71%	8,506,404	135,191,516	100.00%
2011	132,718,042	123,390,184	92.97%	9,327,858	132,718,042	100.00%
2010	122,353,329	113,302,665	92.60%	9,050,664	122,353,329	100.00%
2009	113,595,980	105,840,796	93.17%	7,755,184	113,595,980	100.00%

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

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

# DAVIS SCHOOL DISTRICT

## Ratios of Outstanding Debt Last Ten Fiscal Years December 31, 2010 through 2019

Year Ended June 30,	Outstanding Net General Obligation Bonds (2)	Net General Bonded Debt As Percentage of Taxable Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Student	Capital Leases	Total Debt	Debt As Percentage of Taxable Value	Debt As Percentage of Total Personal Income	Debt Per Capita	Debt Per Student
2019	\$ 577,906,121	2.36%	\$ 1,643	\$ 7,997	\$ -	\$ 577,906,121	2.36%	N/A (1)	\$ 1,643	\$ 7,997
2018	561,478,811	2.48%	1,615	7,808	-	561,478,811	2.48%	3.66%	1,615	7,808
2017	523,689,501	2.56%	1,530	7,374	-	523,689,501	2.56%	3.70%	1,530	7,374
2016	475,741,445	2.52%	1,416	6,808	-	475,741,445	2.52%	3.54%	1,416	6,808
2015	432,179,325	2.40%	1,311	6,311	93,118	432,272,443	2.40%	3.38%	1,311	6,313
2014	419,864,750	2.55%	1,304	6,123	182,260	420,047,010	2.55%	3.40%	1,304	6,126
2013	422,952,209	2.68%	1,339	6,189	379,978	423,332,187	2.68%	3.61%	1,340	6,194
2012	432,398,920	2.76%	1,383	6,384	663,206	433,062,126	2.76%	3.99%	1,385	6,393
2011	425,467,324	2.63%	1,383	6,445	2,200,022	427,667,346	2.64%	4.11%	1,391	6,478
2010	405,799,117	2.45%	1,319	6,200	3,665,955	409,465,072	2.48%	4.02%	1,331	6,256

(1) Personal income data was not yet available.

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

## DAVIS SCHOOL DISTRICT

### Overlapping and Underlying General Obligation Debt June 30, 2019

Taxing Entity	2018 Taxable Value (1)	District's Estimated Portion of Taxable Value	Estimated District's Percentage (7)	Entity's General Obligation Debt (6)	District's Estimated Portion of Debt
<b>Overlapping:</b>					
State of Utah	\$ 285,970,117,064	\$ 24,516,882,688	8.6%	\$ 2,145,560,000	\$ 184,518,160
Davis County	24,780,750,090	24,780,750,090	100.0%	539,425,000	539,425,000
Total overlapping					<u>723,943,160</u>
<b>Underlying:</b>					
WBWCD (2) (3)	62,157,110,376	24,515,224,600	39.4%	12,725,000	5,013,650
North Davis Sewer District	12,441,014,920	10,664,755,029	85.7%	20,465,000	17,538,505
South Davis Rec. District (4)	9,041,611,099	9,041,611,099	100.0%	8,815,000	8,815,000
Clearfield City (3)	1,942,319,363	1,942,319,363	100.0%	2,520,000	-
Farmington City	2,022,296,034	2,022,296,034	100.0%	6,734,000	6,734,000
Total underlying					<u>38,101,155</u>
Total overlapping and underlying general obligation debt					<u>\$ 762,044,315</u>
Total overlapping general obligation debt (excluding the State) (5)					<u>\$ 539,425,000</u>
Total direct general obligation bonded indebtedness					<u>561,478,811</u>
Total direct and overlapping debt (excluding the State) (5)					<u>\$ 1,100,903,811</u>

- (1) 2018 values are preliminary and subject to change. Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.
- (2) The Weber Basin Water Conservancy District ("WBWCD") covers all of Morgan County, most of Davis County and Weber County, and portions of Box Elder and Summit Counties. Principal and interest on WBWCD general obligation bonds are paid from sales of water. WBWCD's outstanding general obligation bonds are limited ad valorem tax bonds. By law, WBWCD may levy a tax rate of up to .000200 to pay, first, for any outstanding general obligation indebtedness, then for operation and maintenance expenses, and then for any other lawful purpose.
- (3) All or portions of these governmental entities' outstanding general obligation debt are supported by user fee revenues from water or sewer. The District's portion of overlapping general obligation debt has been reduced to the extent that such general obligation debt is supported by "user fee revenues".
- (4) South Davis Recreation District members are Bountiful, Centerville, North Salt Lake, Woods Cross, and West Bountiful.
- (5) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.
- (6) Governmental activities debt is limited to general obligation debt for these entities; information on other debt is not available.
- (7) Percentage based on total shared area of land in respective geographical boundaries.

\* Source: Davis County CAFR

**DAVIS SCHOOL DISTRICT**

**General Obligation Legal Debt Limit and Debt Capacity  
Last Ten Years  
December 31, 2009 through 2018**

Year Ended June 30,	Estimated Fair Market Value	Estimated Value from Uniform Fees	Estimated Fair Market Value for Debt Incurring Capacity	Debt Limit (4% of Fair Market Value)	General Obligation Debt	Debt Issuance Premiums	Additional Debt Capacity	Percentage of Debt To Debt Limit
2019	\$ 38,603,816,772	\$ 1,398,560,802	\$ 40,002,377,574	\$ 1,600,095,103	\$ 552,670,000	\$ 25,236,121	\$ 1,022,188,982	36.12%
2018	34,987,059,677	1,345,328,581	36,332,388,258	1,453,295,530	539,425,000	\$ 22,053,811	891,816,719	38.63%
2017	31,623,889,734	1,292,725,501	32,916,615,235	1,316,664,609	505,145,000	18,544,501	792,975,108	39.77%
2016	29,257,820,639	1,258,418,555	30,516,239,194	1,220,649,568	460,010,000	15,731,445	744,908,123	38.97%
2015	28,052,491,146	1,181,154,351	29,233,645,497	1,169,345,820	420,660,000	11,519,325	737,166,495	36.96%
2014	24,965,085,765	1,181,530,533	26,146,616,298	1,045,864,652	407,635,000	12,229,750	625,999,902	40.15%
2013	24,023,945,974	1,174,052,533	25,197,998,507	1,007,919,940	409,130,000	13,822,209	584,967,731	41.96%
2012	25,595,666,942	1,192,245,935	26,787,912,877	1,071,516,515	420,556,596	11,842,324	639,117,595	40.35%
2011	25,058,738,383	1,219,363,049	26,278,101,432	1,051,124,057	417,843,207	7,624,117	625,656,733	40.48%
2010	25,477,711,753	1,361,982,489	26,839,694,242	1,073,587,770	398,636,001	7,163,116	667,788,653	37.80%

# DAVIS SCHOOL DISTRICT

## Schedule of Annual Debt Service Requirements Years Ending June 30, 2020 to 2039

Year Ending June 30,	Principal	Interest	Total Payment
2020	\$ 46,895,000	\$ 20,286,166	\$ 67,181,166
2021	34,270,000	18,216,146	52,486,146
2022	36,490,000	17,238,475	53,728,475
2023	31,585,000	15,853,106	47,438,106
2024	32,840,000	14,497,059	47,337,059
2025	34,150,000	13,088,133	47,238,133
2026	35,465,000	11,675,353	47,140,353
2027	36,780,000	10,301,955	47,081,955
2028	38,010,000	8,964,085	46,974,085
2029	34,405,000	7,676,950	42,081,950
2030	32,645,000	6,486,838	39,131,838
2031	27,875,000	5,291,763	33,166,763
2032	24,805,000	4,376,819	29,181,819
2033	22,440,000	3,539,138	25,979,138
2034	21,685,000	2,796,788	24,481,788
2035	20,180,000	2,085,875	22,265,875
2036	17,950,000	1,411,831	19,361,831
2037	13,675,000	808,206	14,483,206
2038	7,725,000	347,656	8,072,656
2039	2,800,000	87,500	2,887,500
	<u>\$ 552,670,000</u>	<u>\$ 165,029,840</u>	<u>\$ 717,699,840</u>

# DAVIS SCHOOL DISTRICT

## Debt Service Schedule of Outstanding General Obligation Bonds Year Ended June 30, 2019

### PRINCIPAL

Year Ending June 30,	2010AB	2011A	2012	2013A	2013B	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	Total
	\$ 68,500,000	\$ 45,000,000	\$ 32,200,000	\$ 20,000,000	\$ 20,550,000	\$ 25,000,000	\$ 40,000,000	\$ 67,025,000	\$ 53,010,000	\$ 68,500,000	\$ 68,500,000	\$ 36,805,000	\$ 69,375,000	\$ 69,375,000	
2020	\$ 4,090,000	\$ 2,645,000	\$ 2,005,000	\$ 1,100,000	\$ 4,420,000	\$ -	\$ 1,750,000	\$ 5,220,000	\$ 10,340,000	\$ 2,200,000	\$ 500,000	\$ -	\$ 700,000	\$ 11,925,000	\$ 46,895,000
2021	4,205,000	-	2,085,000	1,145,000	-	1,435,000	1,785,000	5,470,000	10,540,000	3,225,000	500,000	2,680,000	700,000	500,000	34,270,000
2022	4,330,000	-	2,170,000	1,190,000	-	1,480,000	1,820,000	5,605,000	6,170,000	3,300,000	3,450,000	2,800,000	2,800,000	1,375,000	36,490,000
2023	4,465,000	-	2,255,000	1,230,000	-	1,515,000	1,875,000	5,895,000	-	3,375,000	3,625,000	2,950,000	2,950,000	1,450,000	31,585,000
2024	4,595,000	-	2,345,000	1,255,000	-	1,590,000	1,920,000	6,185,000	-	3,425,000	3,825,000	3,075,000	3,100,000	1,525,000	32,840,000
2025	4,740,000	-	2,440,000	1,280,000	-	1,650,000	1,970,000	6,495,000	-	3,500,000	4,000,000	3,225,000	3,250,000	1,600,000	34,150,000
2026	4,895,000	-	2,535,000	1,320,000	-	1,700,000	2,030,000	6,735,000	-	3,575,000	4,200,000	3,400,000	3,400,000	1,675,000	35,465,000
2027	5,055,000	-	2,640,000	1,355,000	-	1,755,000	2,090,000	6,935,000	-	3,650,000	4,425,000	3,575,000	3,550,000	1,750,000	36,780,000
2028	5,235,000	-	2,745,000	1,400,000	-	1,805,000	2,155,000	7,145,000	-	3,725,000	4,625,000	3,650,000	3,675,000	1,850,000	38,010,000
2029	5,425,000	-	2,825,000	1,440,000	-	1,860,000	2,240,000	2,590,000	-	3,800,000	4,775,000	3,725,000	3,800,000	1,925,000	34,405,000
2030	5,625,000	-	2,910,000	1,485,000	-	1,915,000	2,310,000	-	-	3,925,000	4,925,000	3,825,000	3,700,000	2,025,000	32,645,000
2031	-	-	2,995,000	1,530,000	-	1,975,000	2,400,000	-	-	4,050,000	5,075,000	3,900,000	3,825,000	2,125,000	27,875,000
2032	-	-	3,085,000	1,580,000	-	2,040,000	2,500,000	-	-	4,150,000	5,250,000	-	3,950,000	2,250,000	24,805,000
2033	-	-	-	1,630,000	-	2,105,000	2,580,000	-	-	4,275,000	5,425,000	-	4,075,000	2,350,000	22,440,000
2034	-	-	-	-	-	2,175,000	2,685,000	-	-	4,425,000	5,600,000	-	4,375,000	2,425,000	21,685,000
2035	-	-	-	-	-	-	2,780,000	-	-	4,575,000	5,800,000	-	4,525,000	2,500,000	20,180,000
2036	-	-	-	-	-	-	-	-	-	4,725,000	5,975,000	-	4,675,000	2,575,000	17,950,000
2037	-	-	-	-	-	-	-	-	-	-	6,200,000	-	4,825,000	2,650,000	13,675,000
2038	-	-	-	-	-	-	-	-	-	-	-	-	5,000,000	2,725,000	7,725,000
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	2,800,000	2,800,000
Total	\$ 52,660,000	\$ 2,645,000	\$ 33,035,000	\$ 18,940,000	\$ 4,420,000	\$ 25,000,000	\$ 34,890,000	\$ 58,275,000	\$ 27,050,000	\$ 63,900,000	\$ 78,175,000	\$ 36,805,000	\$ 66,875,000	\$ 50,000,000	\$ 552,670,000

### INTEREST

Year Ending June 30,	2010AB	2011A	2012	2013A	2013B	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	Total
2020	\$ 2,685,225	\$ 105,800	\$ 1,179,656	\$ 583,113	\$ 187,850	\$ 816,300	\$ 1,126,325	\$ 2,216,600	\$ 465,260	\$ 1,693,281	\$ 3,003,531	\$ 1,344,725	\$ 2,433,981	\$ 2,444,518	\$ 20,286,166
2021	2,505,265	-	1,099,456	539,113	-	816,300	1,091,325	1,955,600	287,412	1,649,281	2,978,531	1,344,725	2,398,981	1,550,156	18,216,146
2022	2,309,733	-	1,016,056	493,313	-	773,250	1,055,625	1,846,200	106,124	1,584,781	2,953,531	1,210,725	2,363,981	1,525,156	17,238,475
2023	2,108,388	-	929,256	457,613	-	739,950	1,001,025	1,565,950	-	1,518,781	2,781,031	1,070,725	2,223,981	1,456,406	15,853,106
2024	1,900,765	-	839,056	433,013	-	664,200	954,150	1,271,200	-	1,451,281	2,599,781	923,225	2,076,481	1,383,906	14,497,059
2025	1,677,908	-	745,256	406,344	-	600,600	906,150	961,950	-	1,382,781	2,408,531	769,475	1,921,481	1,307,656	13,088,132
2026	1,443,278	-	647,656	367,944	-	551,100	847,050	702,150	-	1,312,781	2,208,531	608,225	1,758,981	1,227,656	11,675,352
2027	1,196,080	-	546,256	328,344	-	500,100	786,150	500,100	-	1,241,281	1,998,531	438,225	1,622,981	1,143,906	10,301,955
2028	923,110	-	440,656	287,694	-	447,450	723,450	292,050	-	1,168,281	1,777,281	366,725	1,480,981	1,056,406	8,964,085
2029	629,950	-	358,306	245,694	-	393,300	637,250	77,700	-	1,075,156	1,638,531	286,425	1,370,731	963,906	7,676,950
2030	323,438	-	273,556	202,494	-	337,500	567,250	-	-	965,906	1,495,281	197,025	1,256,731	867,656	6,486,837
2031	-	-	186,256	156,088	-	277,656	474,850	-	-	848,156	1,335,219	101,400	1,145,731	766,406	5,291,762
2032	-	-	96,406	106,363	-	213,469	378,850	-	-	726,656	1,163,938	-	1,030,981	660,156	4,376,819
2033	-	-	-	55,013	-	147,169	294,475	-	-	602,156	980,188	-	912,481	547,656	3,539,137
2034	-	-	-	-	-	76,125	191,275	-	-	463,219	803,875	-	785,139	477,156	2,796,789
2035	-	-	-	-	-	-	97,300	-	-	313,875	621,875	-	648,420	404,406	2,085,876
2036	-	-	-	-	-	-	-	-	-	159,469	426,125	-	496,832	329,406	1,411,832
2037	-	-	-	-	-	-	-	-	-	-	217,000	-	339,050	252,156	808,206
2038	-	-	-	-	-	-	-	-	-	-	-	-	175,000	172,656	347,656
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	87,500	87,500
Total	\$ 17,703,138	\$ 105,800	\$ 8,357,831	\$ 4,662,138	\$ 187,850	\$ 7,354,469	\$ 11,132,500	\$ 11,389,500	\$ 858,796	\$ 18,157,125	\$ 31,391,313	\$ 8,661,625	\$ 26,442,925	\$ 18,624,831	\$ 165,029,840

### TOTAL PAYMENT

Year Ending June 30,	2010AB	2011A	2012	2013A	2013B	2014A	2015A	2015B	2015C	2016A	2017A	2017B	2018A	2019A	Total
2020	\$ 6,775,225	\$ 2,750,800	\$ 3,184,656	\$ 1,683,113	\$ 4,607,850	\$ 816,300	\$ 2,876,325	\$ 7,436,600	\$ 10,805,260	\$ 3,893,281	\$ 3,503,531	\$ 1,344,725	\$ 3,133,981	\$ 14,369,518	\$ 67,181,166
2021	6,710,265	-	3,184,456	1,684,113	-	2,251,300	2,876,325	7,425,600	10,827,412	4,874,281	3,478,531	4,024,725	3,098,981	2,050,156	52,486,146
2022	6,639,733	-	3,186,056	1,683,313	-	2,252,250	2,875,625	7,451,200	6,276,124	4,884,781	6,403,531	4,010,725	5,163,981	2,900,156	53,728,475
2023	6,573,388	-	3,184,256	1,687,613	-	2,254,950	2,876,025	7,460,950	-	4,893,781	6,406,031	4,020,725	5,173,981	2,906,406	47,438,106
2024	6,495,765	-	3,184,056	1,688,013	-	2,254,200	2,874,150	7,456,200	-	4,876,281	6,424,781	3,998,225	5,176,481	2,908,906	47,337,059
2025	6,417,908	-	3,185,256	1,686,344	-	2,250,600	2,876,150	7,456,950	-	4,882,781	6,408,531	3,994,475	5,171,481	2,907,656	47,238,132
2026	6,338,278	-	3,182,656	1,687,944	-	2,251,100	2,877,050	7,437,150	-	4,887,781	6,408,531	4,008,225	5,158,981	2,902,656	47,140,352
2027	6,251,080	-	3,186,256	1,683,344	-	2,255,100	2,876,150	7,435,100	-	4,891,281	6,423,531	4,013,225	5,172,981	2,893,906	47,081,955
2028	6,158,110	-	3,185,656	1,687,494	-	2,252,450	2,878,450	7,437,050	-	4,893,281	6,402,281	4,016,725	5,155,981	2,906,406	46,974,085
2029	6,054,950	-	3,183,306	1,685,694	-	2,253,300	2,877,250	2,667,700	-	4,875,156	6,413,531	4,011,425	5,170,731	2,888,906	42,081,950
2030	5,948,438	-	3,183,556	1,687,494	-	2,252,500	2,877,250	-	-	4,890,906	6,420,281	4,022,025	4,956,731	2,892,656	39,131,837
2031	-	-	3,181,256	1,686,088	-	2,252,656	2,874,850	-	-	4,898,156	6,410,219	-	4,970,731	2,891,406	33,166,762
2032	-	-	3,181,406	1,686,363	-	2,253,469	2,878,850	-	-	4,876,656	6,413,938	-	4,980,981	2,910,156	29,181,819
2033	-	-	-	1,685,013	-	2,252,169	2,874,475	-	-	4,877,156	6,405,188	-	4,987,481	2,897,656	25,979,137
2034	-	-	-	-	-	2,251,125	2,876,275	-	-	4,888,219	6,403,875	-	5,160,139	2,902,156	24,481,789
2035	-	-	-	-	-	-	2,877,300	-	-	4,888,875	6,421,875	-	5,173,420	2,904,406	22,265,876
2036	-	-	-	-	-	-	-	-	-	4,884,469	6,401,125	-	5,171,832	2,904,406	19,361,832
2037	-	-	-	-	-	-	-	-	-	-	6,417,000	-	5,164,050	2,902,156	14,483,206
2038	-	-	-	-	-	-	-	-	-	-	-	-	5,175,000	2,897,656	8,072,656
2039	-	-	-	-	-	-	-	-	-	-	-	-	-	2,887,500	2,887,500
Total	\$ 70,363,138	\$ 2,750,800	\$ 41,392,831	\$ 23,602,138	\$ 4,607,850	\$ 32,354,469	\$ 46,022,500	\$ 69,664,500	\$ 27,908,796	\$ 82,057,125	\$ 109,566,313	\$ 45,466,625	\$ 93,317,925	\$ 68,624,831	\$ 717,699,840

# DAVIS SCHOOL DISTRICT

## Demographic and Economic Statistics Years Ended 2009 - 2018

Year Ended December 31,	County Population (1)	Personal Income	Per Capita Income	Births	Deaths	Unemployment Rate (3)	School District October 1 Enrollment
2018	351,713	N/A (2)	N/A (2)	5,282	1,892	2.9%	72,263
2017	347,637	\$ 15,332,877,522	\$44,106	5,473	1,826	3.1%	71,908
2016	342,281	14,149,554,259	\$41,339	5,687	1,762	3.3%	71,021
2015	336,043	13,441,720,000	\$40,000	5,870	1,710	3.3%	69,879
2014	329,692	12,782,158,840	38,770	5,772	1,684	3.6%	68,478
2013	322,094	12,359,390,968	38,372	5,720	1,612	4.2%	68,571
2012	315,809	11,724,093,316	37,124	5,844	1,544	5.0%	68,342
2011	312,603	10,864,517,265	34,755	5,704	1,514	6.2%	67,736
2010	307,550	10,400,418,350	33,817	5,799	1,329	7.0%	66,019
2009	307,656	10,184,644,224	33,104	6,069	1,339	5.9%	65,452

Percentage increase (decrease) from 2009 to 2018:

14.3%	(2)	(2)	-13.0%	41.3%	-50.8%	10.4%
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(1) Davis County CAFR

(2) Personal income data was not yet available

(3) Utah Department of Workforce Services

**DAVIS SCHOOL DISTRICT**

**Labor Market Data  
Davis County  
Years Ended June 30, 2009 to 2018**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Total civilian work force</b>	<b>173,037</b>	<b>171,503</b>	<b>170,335</b>	<b>164,977</b>	<b>160,321</b>	<b>155,909</b>	<b>152,577</b>	<b>148,630</b>	<b>146,629</b>	<b>146,959</b>
Employed	168,444	166,174	165,116	159,781	154,896	150,319	146,091	141,372	137,787	136,698
Unemployed	4,593	5,329	5,219	5,196	5,425	5,590	6,486	7,258	8,842	10,261
Unemployment rate	2.7%	3.1%	3.1%	3.1%	3.4%	3.6%	4.3%	4.9%	6.0%	7.0%
<b>Total non-agricultural employment</b>	<b>132,657</b>	<b>126,731</b>	<b>126,380</b>	<b>121,365</b>	<b>118,683</b>	<b>114,300</b>	<b>113,178</b>	<b>108,006</b>	<b>101,239</b>	<b>100,376</b>
Mining	84	98	128	134	157	196	174	180	139	137
Contract construction	10,660	10,345	10,303	10,018	9,260	8,365	7,615	7,163	6,331	6,742
Manufacturing	13,968	13,426	12,087	11,786	12,031	11,302	10,874	10,504	9,289	8,989
Trade, transportation and utilities	23,732	23,459	24,257	23,106	22,367	20,490	20,946	20,119	18,777	19,234
Information	1,200	1,178	1,364	1,327	1,410	1,338	1,509	1,410	1,297	1,103
Financial services	7,379	4,411	3,981	3,864	3,852	3,629	3,597	3,452	3,499	2,567
Professional and business services	15,495	14,871	15,182	14,723	15,253	14,803	14,474	13,137	12,096	12,949
Education and health services	12,813	12,610	11,815	11,318	12,686	13,498	12,933	12,147	11,496	11,070
Leisure and hospitality	12,852	12,648	13,655	13,018	12,832	11,287	11,662	10,425	8,840	9,732
Other services	3,639	3,648	3,630	3,619	3,470	3,229	3,166	2,939	2,790	2,780
Government	30,835	30,037	29,978	28,452	25,365	26,163	26,228	26,530	26,685	25,073

(1) Preliminary data through Mar 2018

(Source: Utah Department of Workforce Services)

# DAVIS SCHOOL DISTRICT

## Principal Employers Current Year and Nine Years Ago December 31, 2018 and 2009

Business	December 31, 2018			December 31, 2010		
	Employees	Rank	Percent of County Employment	Employees	Rank	Percent of County Employment
Hill Air Force Base	10,000 - 14,999	1	8.7%	10,000 - 14,999	1	11.1%
Davis School District	7,000 - 9,999	2	5.8%	7,000 - 9,999	2	7.4%
Smith's Distribution Center	2,000 - 2,999	3	1.7%	1,000 - 1,999	6	1.5%
Lifetime Products, Inc.	1,000 - 1,999	4	1.2%	1,000 - 1,999	5	1.5%
Walmart	1,000 - 1,999	5	1.2%	1,000 - 1,999	7	1.5%
Lagoon Inc.	1,000 - 1,999	6	1.2%	1,000 - 1,999	4	1.5%
ATK Space Systems / Alliant	1,000 - 1,999	7	1.2%	n/a	n/a	n/a
Your Employment Solutions	1,000 - 1,999	8	1.2%	n/a	n/a	n/a
Utility Trailer & Manufacturing	500 - 999	9	0.6%	500 - 999	10	0.7%
Davis County	500 - 999	10	0.6%	1,000 - 1,999	3	1.5%
Albertson's	n/a	n/a	n/a	500 - 999	8	0.7%
Citicorp Credit Services	n/a	n/a	n/a	n/a	n/a	n/a
Davis Hospital and Medical Center	n/a	n/a	n/a	500 - 999	9	0.7%
<b>Totals</b>	<b>24,500 - 40,990</b>		<b>23.1%</b>	<b>24,000 - 39,989</b>		<b>26.7%</b>

\* Source: Utah Department of Workforce Services

# DAVIS SCHOOL DISTRICT

## District Facilities and Personnel Positions Years Ended June 30, 2010 to 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Facilities Operated:</b>										
Elementary Schools	62.00	62	62	62	60	59	59	59	59	58
Junior High Schools	16.00	16	16	16	16	16	16	16	15	15
High Schools	9.00	8	8	8	8	8	8	8	8	8
Special Purpose Schools	6.00	6	6	6	6	6	6	6	6	6
Total Number of School Buildings	93	92	92	92	90	89	89	89	88	87
<b>Full-Time Equivalent Positions of the District:</b>										
Administrators, Managers	56.00	58.0	61.0	58.0	59.0	57.0	58.0	57.0	57.0	59.8
School Principals	90.00	87.0	87.0	86.0	85.0	83.0	83.0	83.0	82.0	82.0
School Assistant Principals / Interns	110.40	104.0	103.0	98.5	93.5	95.5	91.5	90.5	85.5	100.5
Elementary Classroom Teachers	1,468.90	1,482.0	1,476.9	1,463.0	1,451.5	1,467.0	1,484.4	1,469.5	1,453.6	1,450.1
Secondary Classroom Teachers	1,264.00	1,230.5	1,191.4	1,163.9	1,130.6	1,135.6	1,119.7	1,095.9	1,078.7	1,112.6
Guidance Personnel	129.30	123.3	123.3	118.8	116.8	116.3	117.3	117.8	114.3	128.5
Special Education	620.00	610.6	579.3	562.3	547.2	549.0	544.0	541.1	537.4	535.4
Librarians / Media Specialists	79.70	78.5	78.6	77.4	77.0	75.0	75.5	76.2	74.4	79.8
Supervisors of Instruction	17.00	28.6	29.6	30.6	29.6	31.6	31.6	33.5	30.0	34.9
Other Professional Staff	249.20	237.4	236.5	229.3	217.0	180.8	176.3	168.9	176.1	172.5
Teacher Assistants	1,014.20	1,005.8	950.1	862.0	825.1	803.4	806.9	859.8	828.6	807.2
Secretarial	222	213.7	213.0	208.6	211.9	213.3	214.1	213.2	213.4	213.4
Office Assistants	173	173.5	171.5	163.9	163.4	160.9	162.1	173.7	173.5	187.3
Custodial	393.10	383.0	363.5	363.3	356.6	359.2	364.1	357.3	360.5	363.0
Maintenance	120	120.8	120.1	119.3	121.6	119.9	119.6	123.2	138.5	132.2
Nutrition Services	264	257.4	257.1	258.8	257.2	261.3	262.8	260.5	253.0	247.5
Transportation	188.3	196.4	196.7	202.9	213.5	221.3	216.0	211.7	211.3	218.6
Warehouse	34.6	34.9	35.6	37.1	32.9	33.2	33.6	35.9	35.9	36.9
Total number of District positions FTE	<u>6,494.0</u>	<u>6,425.3</u>	<u>6,274.0</u>	<u>6,103.4</u>	<u>5,989.4</u>	<u>5,963.2</u>	<u>5,960.5</u>	<u>5,968.7</u>	<u>5,903.7</u>	<u>5,962.2</u>

\* Source: Davis School District records

## DAVIS SCHOOL DISTRICT

### Average Daily Membership and October Enrollment Years Ended June 30, 2010 to 2019

<u>Year Ended June 30,</u>	<u>Average Daily Membership</u>	<u>Annual Increase</u>	<u>October 1st Enrollment</u>	<u>Annual Increase</u>
2019	67,734	650	72,263	355
2018	67,084	676	71,908	887
2017	66,408	1,109	71,021	1,142
2016	65,299	750	69,879	740
2015	64,549	590	69,139	568
2014	63,959	347	68,571	229
2013	63,612	568	68,342	606
2012	63,044	1,339	67,736	1,717
2011	61,705	698	66,019	567
2010	61,007	288	65,452	438

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

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

\* Source: Davis School District records

**DAVIS SCHOOL DISTRICT**

**Expenditures by Function - General Fund  
Last Ten Fiscal Years  
Years Ended June 30, 2010 to 2019**

Function	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	352,816,908 67.64%	\$336,237,490 67.11%	\$314,917,995 68.40%	\$302,319,756 68.77%	\$282,326,073 68.66%	\$276,406,737 68.85%	\$274,541,223 69.02%	\$267,146,874 68.61%	\$265,400,085 69.02%	\$261,618,511 68.71%
Supporting services: Students	19,104,242 3.66%	17,708,229 3.53%	16,015,062 3.48%	15,573,759 3.54%	14,694,917 3.57%	14,703,541 3.66%	14,738,515 3.71%	14,514,691 3.73%	14,254,114 3.71%	14,954,793 3.93%
Instructional staff	23,027,859 4.41%	22,001,747 4.39%	20,886,518 4.54%	20,244,708 4.61%	18,445,968 4.49%	17,802,062 4.43%	16,995,074 4.27%	16,651,193 4.28%	17,104,002 4.45%	17,440,418 4.58%
District administration	3,067,813 0.59%	2,711,466 0.54%	2,772,126 0.60%	2,505,646 0.57%	2,325,792 0.57%	2,171,447 0.54%	2,583,855 0.65%	2,550,252 0.66%	2,553,577 0.66%	2,518,401 0.66%
School administration	40,201,664 7.71%	37,375,321 7.46%	34,455,761 7.48%	28,518,964 6.49%	26,766,307 6.51%	26,037,360 6.49%	25,380,335 6.38%	24,860,824 6.39%	24,543,982 6.38%	24,238,662 6.37%
Central	17,108,743 3.28%	16,935,865 3.38%	15,079,440 3.27%	14,277,804 3.25%	12,960,814 3.15%	12,561,013 3.13%	12,284,036 3.09%	11,754,227 3.02%	10,739,697 2.79%	10,536,906 2.77%
Operation & maintenance of facilities	53,118,262 10.18%	51,134,507 10.21%	43,193,068 9.38%	43,268,575 9.84%	40,514,129 9.85%	40,479,639 10.08%	40,108,854 10.08%	39,348,007 10.11%	38,414,026 9.99%	38,155,323 10.02%
Student transportation	13,171,601 2.53%	16,928,910 3.38%	13,142,063 2.85%	12,881,560 2.93%	13,168,618 3.20%	11,332,852 2.82%	11,134,619 2.80%	11,823,524 3.04%	10,863,058 2.83%	10,460,090 2.75%
Tax anticipation note interest	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	622,548 0.16%	655,188 0.17%	785,433 0.21%
Total Expenditures	\$521,617,092	\$501,033,535	\$460,462,033	\$439,590,772	\$411,202,618	\$401,494,651	\$397,766,511	\$389,272,140	\$384,527,729	\$380,708,537

**DAVIS SCHOOL DISTRICT**

**Expenditures Per ADM by Function - General Fund  
Last Ten Fiscal Years  
Years Ended June 30, 2010 to 2019**

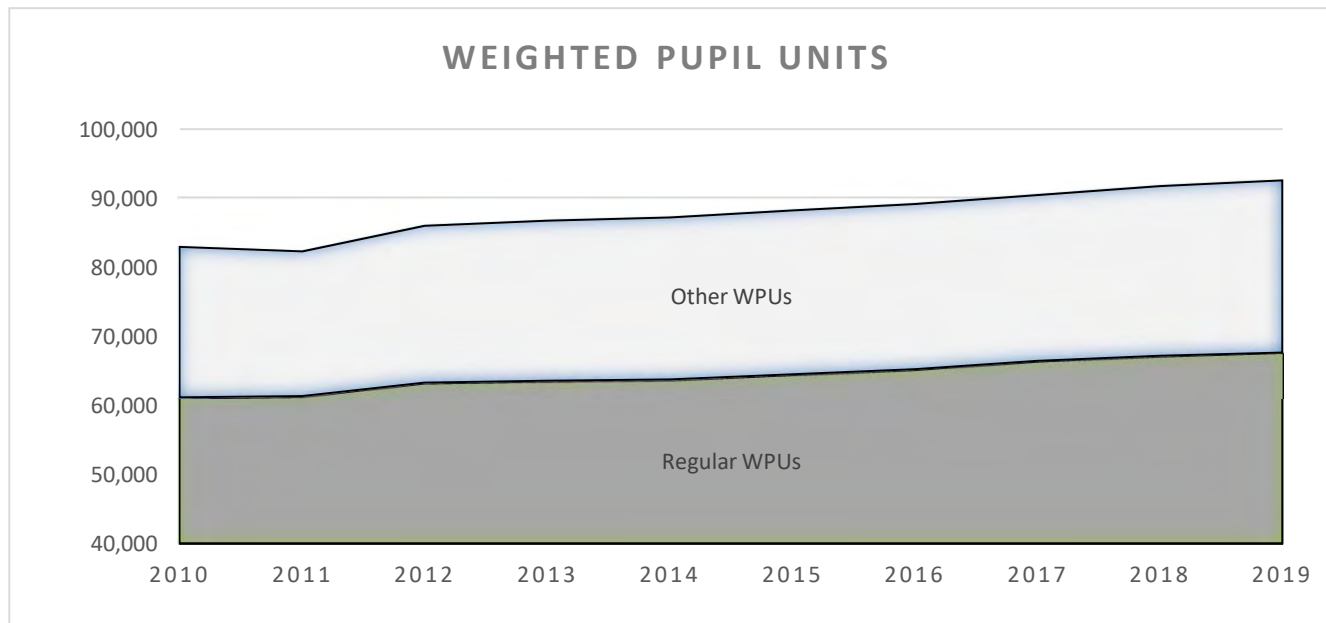
	<b>Fiscal Year Ended June 30,</b>									
Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	\$ 5,209	\$ 5,012	\$ 4,742	\$ 4,630	\$ 4,374	\$ 4,322	\$ 4,316	\$ 4,237	\$ 4,301	\$ 4,288
Supporting services:										
Students	282	264	241	238	228	230	232	230	231	245
Instructional staff	340	328	315	310	286	278	267	264	277	286
District administration	45	40	42	38	36	34	41	40	41	41
School administration	594	557	519	437	415	407	399	394	398	397
Central	253	252	227	219	201	196	193	186	174	173
Operation & maintenance of facilities	784	762	650	663	628	633	631	624	623	625
Student transportation	194	252	198	197	204	177	175	188	176	171
Tax anticipation note interest	-	-	-	-	-	-	-	10	11	13
Total expenditures per ADM	<u>\$ 7,701</u>	<u>\$ 7,469</u>	<u>\$ 6,934</u>	<u>\$ 6,732</u>	<u>\$ 6,370</u>	<u>\$ 6,277</u>	<u>\$ 6,253</u>	<u>\$ 6,175</u>	<u>\$ 6,232</u>	<u>\$ 6,240</u>

## DAVIS SCHOOL DISTRICT

### Weighted Pupil Units (WPU's) Regular WPUs and Other by Formula Years Ended June 30, 2010 to 2019

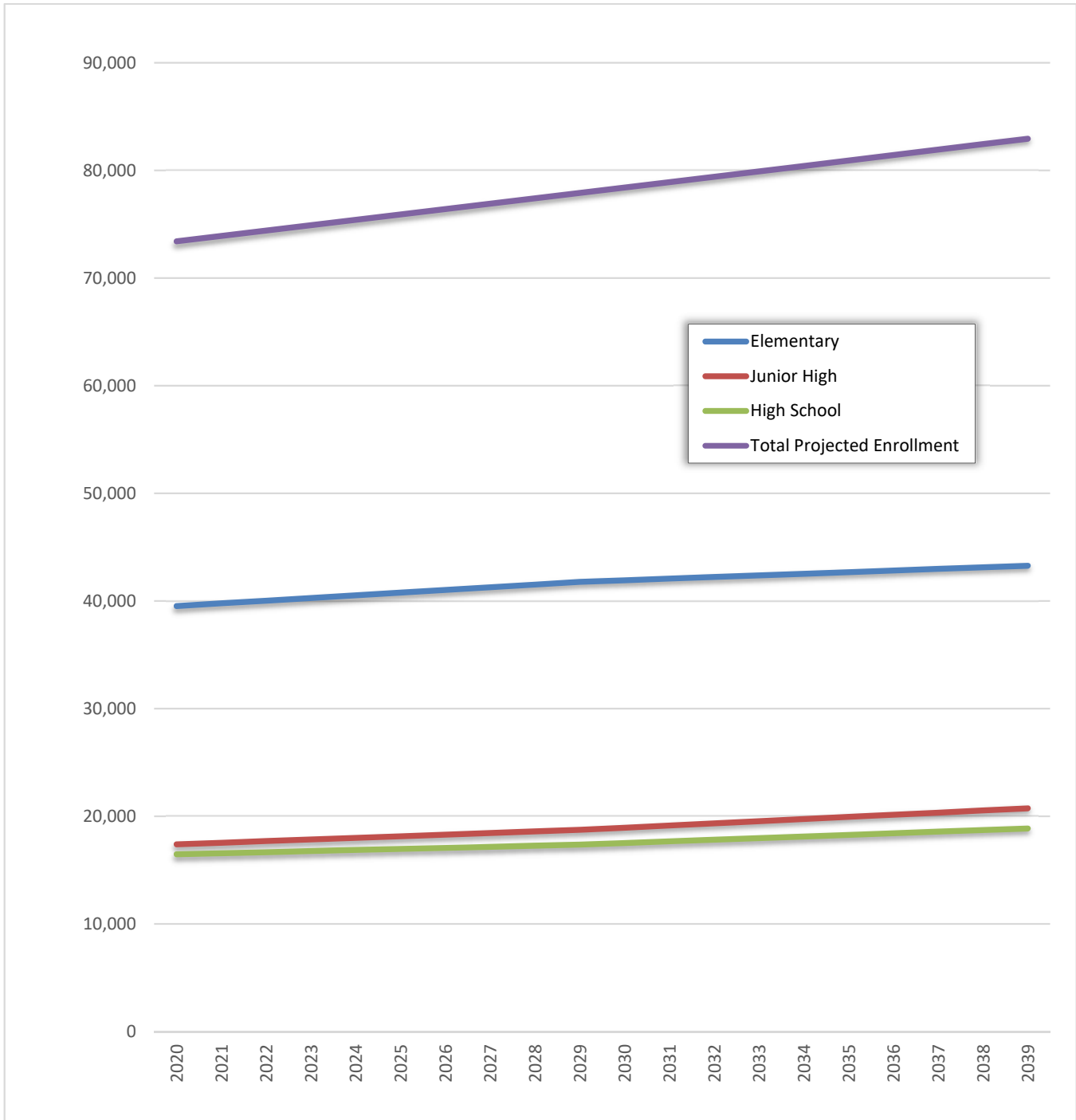
WPU TYPE	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Regular Grades K-12	67,689	67,196	66,495	65,249	64,494	63,809	63,613	63,300	61,390	61,148
<b>Other WPUs by Formula</b>										
Professional staff	6,495	6,448	6,382	6,318	6,332	6,247	6,308	6,267	4,914	5,809
Foreign Exch Students	31	30	30	34	38	39	32	34	34	29
Special Education	11,099	10,921	10,444	10,336	10,144	9,870	9,537	9,302	8,894	8,934
Career and Technical Ed	2,779	2,734	2,783	2,955	2,952	2,965	2,999	2,890	2,928	2,996
Class-Size Reduction	4,483	4,400	4,309	4,266	4,225	4,231	4,211	4,205	4,132	4,042
Total other WPU's	24,887	24,534	23,948	23,909	23,691	23,352	23,087	22,698	20,902	21,810
<b>TOTAL ALL WPU's</b>	<b>92,576</b>	<b>91,729</b>	<b>90,443</b>	<b>89,158</b>	<b>88,185</b>	<b>87,161</b>	<b>86,700</b>	<b>85,998</b>	<b>82,292</b>	<b>82,958</b>

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



## DAVIS SCHOOL DISTRICT

### Student Enrollment Projections Next Twenty Years



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

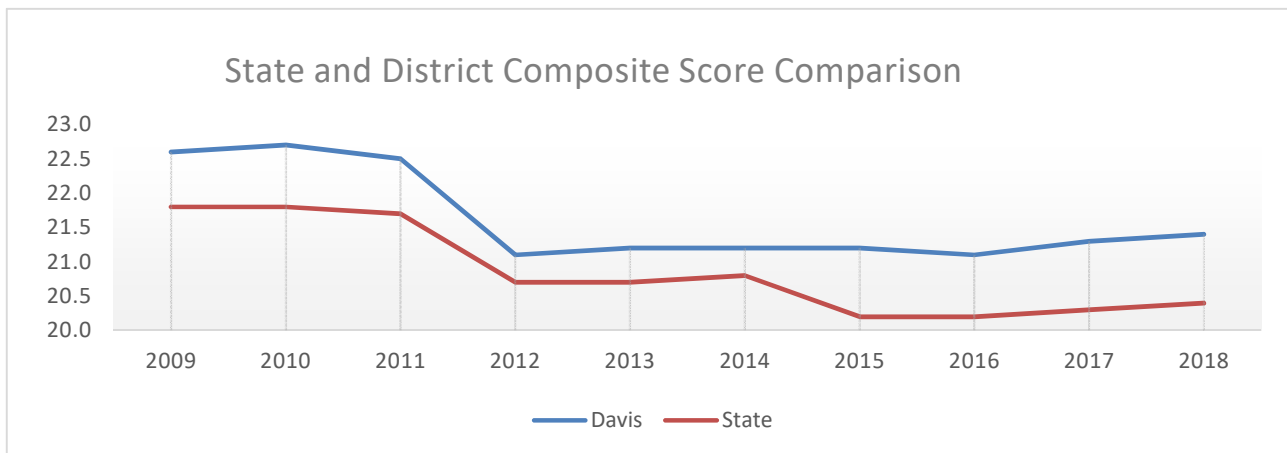
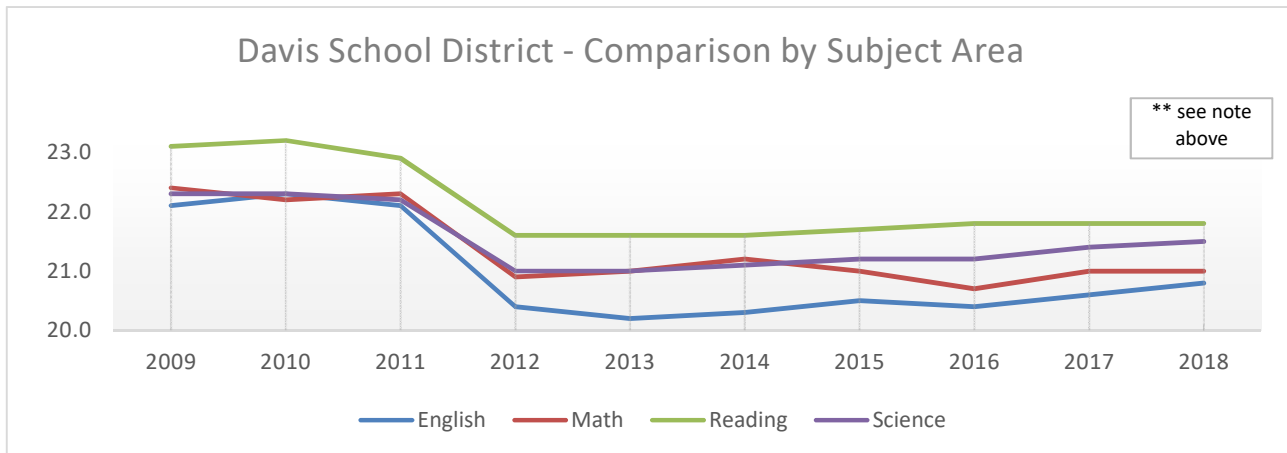
## DAVIS SCHOOL DISTRICT

### American College Test (ACT) Results Years Ended June 30, 2009 to 2018

AVERAGE SCORES on a 36 point scale

Year	English	Math	Reading	Science Reasoning		Composite District	Composite State
2019	19.7	20.1	21.2	20.4	**	20.5	19.7
2018	20.8	21.0	21.8	21.5	**	21.4	20.4
2017	20.6	21.0	21.8	21.4	**	21.3	20.3
2016	20.4	20.7	21.8	21.2	**	21.1	20.2
2015	20.5	21.0	21.7	21.2	**	21.2	20.2
2014	20.3	21.2	21.6	21.1	**	21.2	20.8
2013	20.2	21.0	21.6	21.0	**	21.2	20.7
2012	20.4	20.9	21.6	21.0	**	21.1	20.7
2011	22.1	22.3	22.9	22.2		22.5	21.7
2010	22.3	22.2	23.2	22.3		22.7	21.8

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



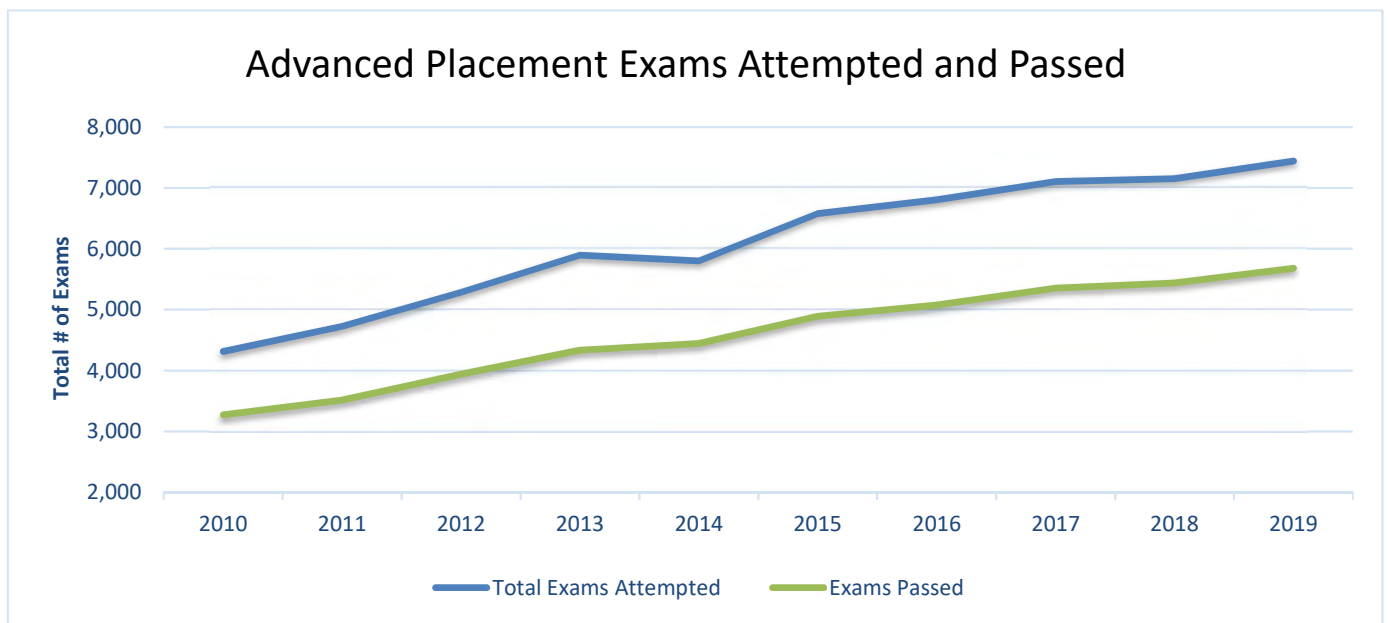
\* Source: Davis School District and Utah State Office of Education records

## DAVIS SCHOOL DISTRICT

### Advanced Placement Exam Results Years Ended June 30, 2010 to 2019

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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Mathematics	1,201	1,112	1,068	1,083	1,174	1,073	1,079	962	938	996
Computer Science	114	44	25	6	3	1	5	6	1	1
English	1,536	1,414	1,649	1,329	1,355	1,217	1,443	1,421	1,164	1,166
Science	1,105	931	782	767	736	582	562	415	447	389
Social Studies	2,966	3,092	3,116	3,190	2,891	2,657	2,469	2,199	1,925	1,502
Fine Arts	207	323	293	273	346	244	301	261	235	251
Foreign Languages	314	236	171	157	77	27	36	21	15	9
<b>Total Exams Attempted</b>	<b>7,443</b>	<b>7,152</b>	<b>7,104</b>	<b>6,805</b>	<b>6,582</b>	<b>5,801</b>	<b>5,895</b>	<b>5,285</b>	<b>4,725</b>	<b>4,314</b>
<b>Exams Passed</b>	<b>5,681</b>	<b>5,439</b>	<b>5,357</b>	<b>5,075</b>	<b>4,890</b>	<b>4,445</b>	<b>4,335</b>	<b>3,942</b>	<b>3,513</b>	<b>3,272</b>
<b>PERCENTAGE PASSING</b>	<b>76.33%</b>	<b>76.05%</b>	<b>75.41%</b>	<b>74.58%</b>	<b>74.29%</b>	<b>76.62%</b>	<b>73.54%</b>	<b>74.59%</b>	<b>74.35%</b>	<b>75.85%</b>



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

\* Source: Davis School District records