

# **Comprehensive Annual Financial Report**

**For the fiscal year ended  
June 30, 2017**



**WASHINGTON COUNTY  
SCHOOL DISTRICT  
St. George, UT**

# **Comprehensive Annual Financial Report**

For the  
Fiscal Year Ended  
June 30, 2017

# **Washington County School District**

121 West Tabernacle  
St. George, Utah 84770

*Prepared by the Office of the Business Administrator*

Brent L. Bills, Business Administrator  
Amy L. Booth, Finance Program Coordinator



# WASHINGTON COUNTY SCHOOL DISTRICT

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**Washington County School District**

121 West Tabernacle  
St. George, Utah 84770  
Telephone: (435) 673-3553  
Fax: (435) 673-3216

**SUPERINTENDENT LARRY G. BERGESON, M.ED.**

November 30, 2017

Members of the Board of Education, and  
Citizens of the Washington County School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Washington County School District for the year ended June 30, 2017. State law requires that school districts publish, within five months of the close of each 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. This report is published to fulfill that requirement.

This report is published to present complete financial information on all the funds and financial activities of the District for the year. Responsibility for the accuracy of the statements, notes, schedules, and statistical tables rests with the District. 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. The reader will be able to gain a comprehensive understanding of the District's financial affairs from studying this report.

Hafen, Buckner, Everett & Graff, PC, a firm of licensed certified public accountants, has issued an unmodified opinion on the District's financial statements for the year ended June 30, 2016. The independent auditor's report is located at the front of the financial section of this report. The independent audit of the District's financial statements 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 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. These reports are available in the District's Single Audit Report. The District also receives a report regarding compliance with state programs as required by the *State of Utah Legal Compliance Audit Guide* from the District's independent auditor.

The report is organized in three sections labeled introductory, financial, and statistical. The introductory section includes this transmittal letter, administrative organization chart, members of the Board of Education, and ASBO Certificate of Excellence for 2016.

The financial section contains the independent auditor's report, management discussion and analysis (MD&A), the basic financial statements, notes to basic financial statements, and combining and individual fund statements and schedules.

The statistical section, which is not audited, presents selected financial and demographic data, generally in multiple year formats and is useful in allowing the reader to note trends and changes in the major activities of the District. This section also includes all disclosures, not contained elsewhere in the CAFR, to comply with the Securities and Exchange Commission continuing disclosure requirements for general obligation debt issues.

### **District Profile**

The District was created as a legally separate entity enjoying all the rights and privileges accorded political subdivisions in the State of Utah. The district is fiscally independent. Policymaking and legislative authority are vested in the Board of Education consisting of seven members. The Board of Education 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 implementing policies of the Board of Education and oversee the day-to-day operations of the District. The Board of Education 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 District adopts an annual budget for all governmental funds, which covers all revenues and expenditures of these funds. This budget acts as the operating plan for the fiscal year and is revised as necessary, following the requirements of Board policies and State law. Revisions may be made during the year authorizing a larger total appropriation of available resources after a public hearing and approval of the Board. A balanced budget by fund is required. The District may not make an appropriation that is in excess of its estimated revenue and estimated fund balances available from a previous year. The level at which expenditures may not exceed appropriations has been interpreted by the State Superintendent of Public Instruction to be the total budget of a given fund.

The major purpose of the District is to provide public education for the approximately 29,355 students in grades kindergarten through twelfth grades living within the boundaries of Washington County, which are part of a total population of approximately 165,000 citizens. In accomplishing this goal, the District operates 47 schools comprised of 10 high schools, 5 middle schools, 5 intermediate schools, 27 elementary schools, 2 special schools, and 1 online school. These include adult education opportunities and many programs for at-risk and disabled students, along with programs for highly-motivated students. The Washington County Education Foundation is a component unit that provides enhancements to regular education programs of the District through gifts and contributions.

### **Management's Discussion and Analysis**

GAAP requires management provide a narrative introduction, overview 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.

## **Local Economy**

The Economic Report to the Governor reports the following:

“The Utah economy remained healthy in 2016. Looking ahead, the outlook for 2017 is positive.

Employment growth was strong throughout 2016 and is expected to come in at 3.6% for the year. This growth pushed the statewide unemployment rate down to 3.1% at the time of publishing. This is notable due to the fact that workforce participation rates also continued to improve throughout the year, signaling a strengthening labor market.

During the coming year, job growth is expected moderate to around 3.1%, which is close to the state’s 1 long-term average. This, combined with a low unemployment rate, will continue to support healthy wage growth during 2017. Amid these conditions, labor shortages will become more notable— particularly in high-skilled sectors—which will further support wage growth in the coming year.

The availability of talent will, perhaps, shape growth in Utah as much any other factor in 2017. During the past two years, in-migration increased substantially and helped maintain higher levels of employment growth. The most recent dramatic jump in net migration was between 2014 and 2015 when it increased from 5,087 to 21,994. In 2016, net migration reached 24,274. Such population growth is poised to become a greater part of the Utah economic story as time goes on. With lower birthrates, the state’s economy will increasingly need to rely on in-migration to supply the talent needed to maintain elevated levels of growth.”

Utah’s workforce has a rare and unique skill set that no other state in the county can boast. Utah has an unmatched number of bilingual residents of all ages. Among the full-time student population, Utah has the 9<sup>th</sup> largest per capita who speak a foreign language with just over 18% speaking a variety of languages. This continues into the workforce with 33% of working Utah residents who speak a foreign language. Many businesses in Utah utilize this unique quality and implement workers’ skills to further their business capabilities and relationships with their clients. Collectively, Utah residents speak 90% of the world’s written languages.

The economic factors in Washington County have dramatically improved over last year. The unemployment rate has dropped to 3.3% for October 2017, down from the peak of 10.4% in 2010. Not only did employment increase at a rapid rate, the county’s second quarter 2017 average monthly wage improved by a robust 3.6% over the previous year. Gross taxable sales increased by 12.0% from the second quarter in 2016.

## **State and Federal Funding Effort**

The District receives 59% of general fund revenues from state sources. As a result, State funding effort is one of the most significant factors within the District budget. State aid is based primarily on weighted pupil units (WPU – basic allocation per student). During 2017, state funding for public education increased 7.1%, which included growth for new students and an increase in the value of the weighted pupil until (WPU) to \$3,184 – an increase of \$92 or 3.0% over the prior year value of \$3,092.

Prospectively, the Utah Legislature passed a 2017-18 budget that includes \$68 million to address enrollment growth, and a 4% increase, about \$115.5 million in the WPU. This will increase the WPU value to \$3,311. Other budget items include \$10.5 million for construction of a new building for the Utah Schools for the Deaf and the Blind and a \$7.5 million for instructional technology. In total, public education funding increased by 4.5%.

### **Long-term Financial Planning**

The state's population is projected to grow from 2.8 million in 2012 to 3.7 by 2020, 4.4 million by 2030, 5.2 million by 2040, 6.0 million by 2050 and 6.8 million by 2060.

Based on information from Utah's Bureau of Vital Records, the District expects kindergarten enrollment to increase by approximately 2.0% a year, reflecting birth rate trends for Washington County. Due to the current economic conditions, the District also expects migration into the District to flatten. The District anticipates an estimated 4,100 students in the next 5 years primarily due to the fact that student population of the lower grades moving up in the system is greater than the 12<sup>th</sup> grade leaving the system.

Charter schools are increasing the degree of uncertainty in projecting student growth. Charter schools are independent of the District and are primarily funded by the state. Charter schools have a major impact on the placement and need for additional schools to accommodate growth. Charter school enrollment within District boundaries was 2,986 as of October 1, 2016.

Most of the growth of the District has occurred in the past 30 years. Approximately two-thirds of the total square footage in the District has been constructed after 1978. As a result, the District is primarily composed of newer buildings that require less ongoing maintenance. Many of the older buildings in the District have recently been remodeled or replaced to upgrade plumbing, electrical and energy efficiency.

### **Major Initiatives**

The District uses student achievement as a benchmark for every decision we make, resulting in *Improving Student Achievement* as our mission statement. Each program is reviewed during the budgeting process to analyze if it is effectively meeting our goal as a district. As budgets are presented for the new fiscal year, the expenditures are again analyzed to verify the effect on student achievement. Schools receiving special NCLB funds, like Title I Program Improvement, are visited & reviewed throughout the year to determine if funds are being expended in ways to assist those students in making AYP (Adequate Yearly Progress).

During the last six weeks of the school year elementary and secondary students from across the state participated in a series of assessments designed to test their understanding of the concepts in the core subjects of Language Arts, Math, and Science. The tests are referred to as Criterion-Referenced Tests (CRT) because a criterion-or-cut score is set for each test that indicates proficiency in the subject. The CRT test results are analyzed with the school principals as soon as they are received, and an action plan is determined for each school based on the demographics and needs of those students.

The District has recently implemented a new Language Arts and Math curriculum based on a need to improve test results for those two core subjects. We were pleased to see a major improvement in the CRT testing for those subjects in FY 2017 as a result of the new curriculum and focus on Professional Learning Communities (PLC) at the schools. Those PLC groups use collaboration time with site staff developers and develop student interventions or remediation plans for targeting students.

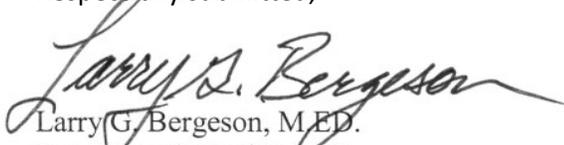
### **Awards and Acknowledgements**

The District received the Association of School Business Officials (ASBO) International's Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the year ended June 30, 2016. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International.

The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials and is also valid for a period of one year. This is the sixth year the District has received this prestigious award.

The timely preparation of this report was accomplished through the efficiency and dedication of the business department staff. We would like to express appreciation to all members of the department who assisted in the preparation of this report. Credit must also be given to members of the Board of Education for their unfailing support for maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



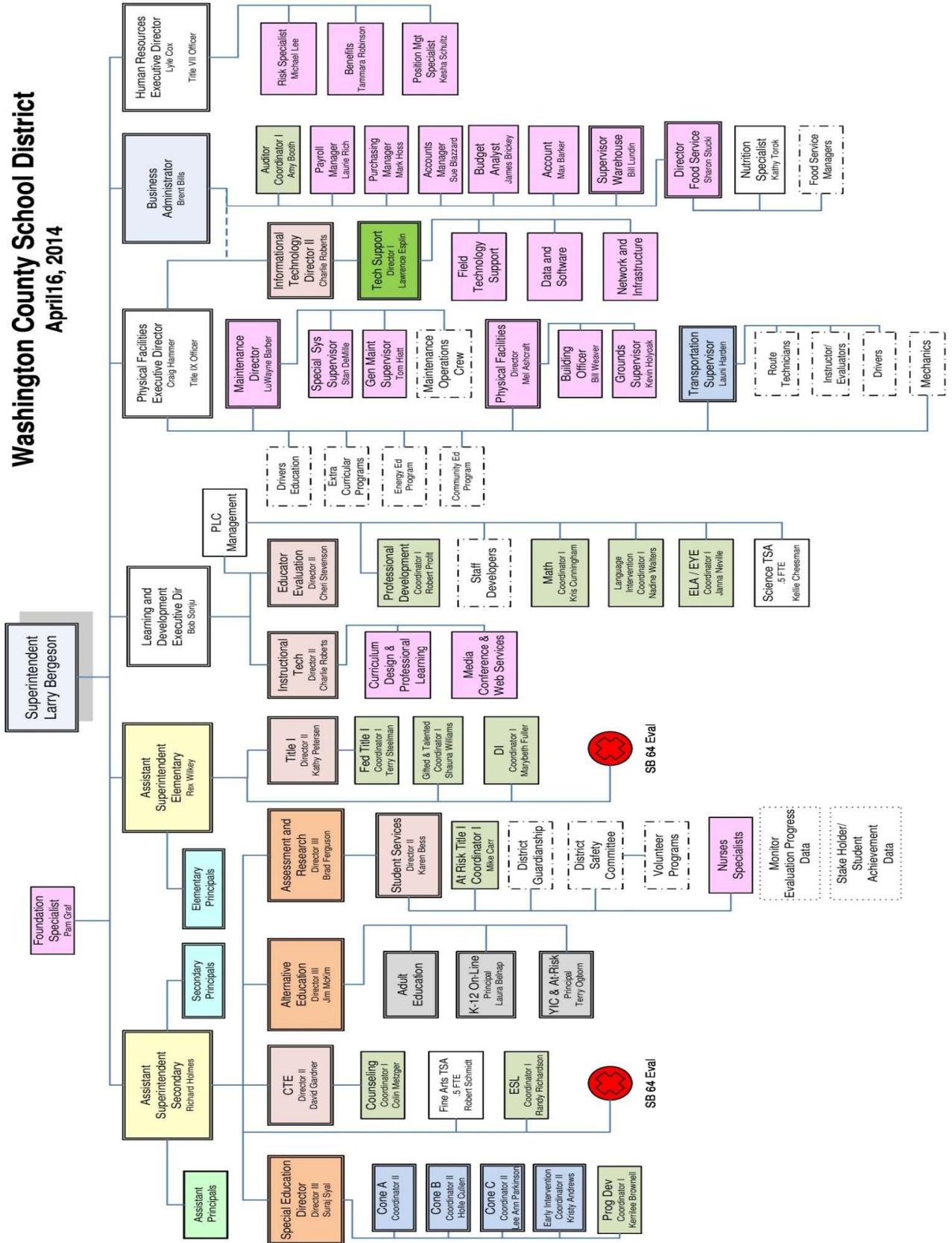
Larry G. Bergeson, M.Ed.  
Superintendent of Schools



Brent L. Bills, M.B.A.  
Business Administrator

# Washington County School District

## April 16, 2014



# *Washington County School District*

## **Board of Education**

David Stirland – President  
Kelly Blake – Vice President  
Larene Cox  
Becky Dunn  
Laura Hesson  
Terry Hutchinson  
Craig Seegmiller

## **Administration**

Larry G. Bergeson - Superintendent  
Brent L. Bills - Business Administrator  
Richard S. Holmes - Assistant Superintendent  
Rex W. Wilkey - Assistant Superintendent  
Craig Hammer – Executive Director Secondary Education  
Bob Sonju – Executive Director K-12 Student Learning  
Lyle Cox - Director of Human Resources  
Suraj Syal – Director of Special Education  
Dave Gardner - Director of Career and Technical Education  
Brad Ferguson - Director of Assessment and Research  
Lawrence Esplin – Director of Technology  
Steven Dunham – Director of Communication & Public Relations  
Kathy Petersen – Director of Title 1  
Cheri Stevenson – Director of Education Evaluation  
Karen Bess – Director of Student Services



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

**Washington County School District**

for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2016.

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona'.

Anthony N. Dragona, Ed.D., RSBA  
President

A handwritten signature in black ink, appearing to read 'John D. Musso'.

John D. Musso, CAE, RSBA  
Executive Director

## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Washington District School District

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Washington District School District (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the 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. 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof 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 and budgetary comparison information listed in the table of contents and, the schedules of the District's proportionate share of the net pension liability (asset) –Utah Retirement Systems, and the schedules of District contributions – Utah Retirement Systems 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Information**

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

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 October 23, 2017, on our consideration of the Washington District School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Washington District School District's internal control over financial reporting and compliance.

*Hafen, Buckner, Everett & Graff, PC*

Hafen, Buckner, Everett, & Graff, PC

St. George, UT  
October 23, 2017



## Management's Discussion and Analysis

This section of the Washington County School District's comprehensive annual financial report presents management's discussion and analysis of the District's financial performance during the year ending June 30, 2017.

### Financial Highlights

- The District is dependent on state aid. State aid increased by \$738 million driven primarily by the additional students in the district for FY 2017 and subsequent staff needed for instruction, both of which are partially funded by the state. The District also received an increase in the WPU, which generated additional funds per student.
- The District's assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$173.4 million at the close of the most recent fiscal year.
- The District realized student growth again in FY 2017. Student enrollment increased by 1,203 students to a total of 29,355 students as of October 1, 2016. Property tax revenues increased \$5.0 million or 4.9% primarily as a result of additional growth and increased assessed valuation.
- In November of 2013 the public voted to authorize the District to issue \$185 million of general obligation school building bonds for new school construction, land acquisitions, renovation of existing school facilities and related equipment and improvements. The District issued \$35 million of general obligation bonds during fiscal year 2017 and refinanced \$19 million of previously issued bonds.
- The cost of various District construction projects underway for the year ended June 30, 2017 are projected at a total cost of \$91.8 million. The largest of those projects are Crimson Cliffs High projected at a total cost of \$56.3 million, Crimson Cliffs Middle projected at a total cost of \$25.2 million, and Majestic Fields Elementary projected at a total cost of \$8.6 million.

### Overview of the Financial Statements

The 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 financial statements.

**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 and liabilities of the District, with the difference between the two 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 taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 23 to 24 of this report.

**Fund financial statements.** A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be classified as governmental 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 are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The District adopts an annual appropriated 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 25 to 29 of this report.

**Notes to the 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 31 to 54 of this report.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 55 to 66 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 plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$173.4 million at the close of the most recent fiscal year.

**WASHINGTON COUNTY SCHOOL DISTRICT'S Net Position**  
(in millions of dollars)  
June 30, 2017 and 2016

|   | Governmental activities |          | Total               |
|---|-------------------------|----------|---------------------|
|   | 2017                    | 2016     | change<br>2017-2016 |
| Current and other assets                            | \$ 198.1                | \$ 200.0 | \$ (1.9)            |
| Capital assets                                      | 435.4                   | 400.6    | 34.8                |
| Total assets  | 633.5                   | 600.6    | 32.9                |
| Deferred outflows of Resources                      | 44.5                    | 39.6     | 4.9                 |
| Total assets and deferred outflows of resources     | 678.0                   | 640.2    | 37.8                |
| Current and other liabilities                       | 145.4                   | 148.0    | -2.6                |
| Long-term liabilities outstanding                   | 346.7                   | 334.0    | 12.7                |
| Total liabilities                                   | 492.1                   | 482.0    | 10.1                |
| Deferred inflows of Resources                       | 12.5                    | 9.7      | 2.8                 |
| Total liabilities and deferred inflows of resources | 504.6                   | 491.7    | 12.9                |
| Net position:                                       |                         |          |                     |
| Net investment in capital assets                    | 207.1                   | 184.9    | 22.2                |
| Restricted  | 9.9                     | 10.7     | (0.8)               |
| Unrestricted  | (43.6)                  | (47.1)   | 3.5                 |
| Total net position                                  | \$ 173.4                | \$ 148.5 | \$ 24.9             |

- The largest portion of the District's net position (119.4%) reflects its investment in capital assets (e.g., land, water stock, furniture, buildings and improvements, and equipment net of accumulated depreciation), less any related debt (general obligation bonds payable and obligations under capital leases less unspent bond proceeds) used to acquire those assets that are still outstanding. 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 (5.7%) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for capital projects.
- The remaining balance of *unrestricted net position* (-25.1%) may be used to meet the District's obligations to students, employees, and creditors and to honor next year's budget. This balance includes the District's proportionate share of the unfunded obligation of the defined benefit pension plans administered by URS as required by GASB 68.

Restricted net position decreased by \$0.8 million during the year ended June 30, 2017. This resulted primarily from the decision to spend down debt service fund balance towards bond refunding.

The District's net position increased by \$24.9 million during the current year. The following discussion and analysis on governmental activities focuses on this increase:

### WASHINGTON COUNTY SCHOOL DISTRICT'S Changes in Net Position

(in millions of dollars)

Years Ended June 30, 2017 and 2016

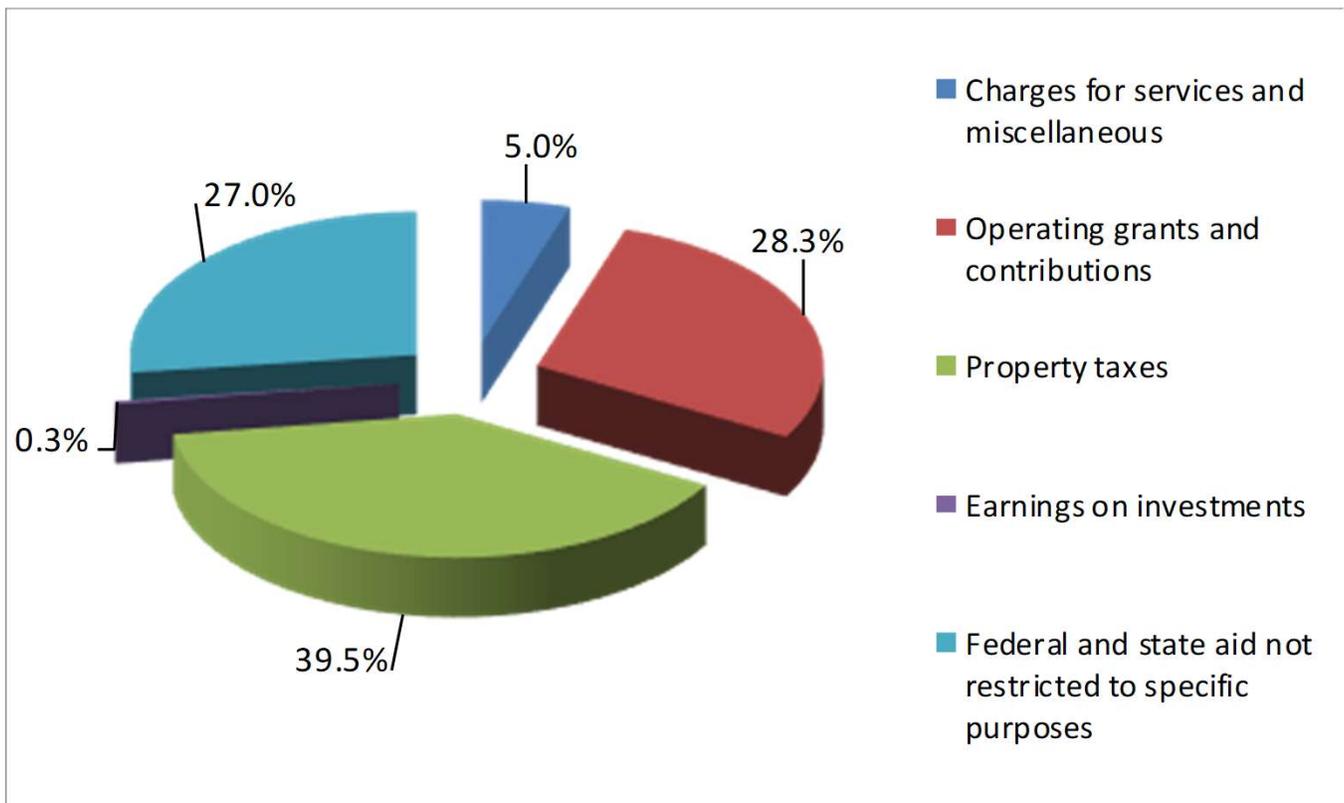
|  | Governmental activities |                 | Total               |
|--|-------------------------|-----------------|---------------------|
|  | 2017                    | 2016            | change<br>2017-2016 |
| <b>Revenues:</b>   |                         |                 |                     |
| Program revenues:  |                         |                 |                     |
| Charges for services   | \$ 3.3                  | \$ 3.2          | \$ 0.1              |
| Federal and state operating grants                           | 74.8                    | 68.2            | 6.6                 |
| General revenues:  |                         |                 |                     |
| Property taxes   | 104.4                   | 103.3           | 1.1                 |
| Federal and state aid not restricted to<br>specific purposes | 71.3                    | 67.5            | 3.8                 |
| Earnings on investments                                      | 0.8                     | 0.5             | 0.3                 |
| Miscellaneous  | 9.9                     | 9.1             | 0.8                 |
| Total revenues   | <u>264.5</u>            | <u>251.8</u>    | <u>12.7</u>         |
| <b>Expenses:</b>   |                         |                 |                     |
| Instruction  | 150.4                   | 148.2           | 2.2                 |
| Supporting services:   |                         |                 |                     |
| Students   | 9.6                     | 8.4             | 1.2                 |
| Instructional staff  | 10.6                    | 10.3            | 0.3                 |
| District administration                                      | 0.7                     | 0.6             | 0.1                 |
| School administration  | 16.2                    | 15.1            | 1.1                 |
| Business   | 4.1                     | 3.6             | 0.5                 |
| Operation and maintenance of facilities                      | 19.5                    | 18.6            | 0.9                 |
| Transportation   | 7.5                     | 5.6             | 1.9                 |
| School lunch services  | 10.4                    | 9.4             | 1.0                 |
| Payments to redevelopment agencies                           | 4.0                     | 4.0             | 0.0                 |
| Interest on long-term liabilities                            | 6.7                     | 6.4             | 0.3                 |
| Total expenses   | <u>239.7</u>            | <u>230.2</u>    | <u>9.5</u>          |
| Increase in net position                                     | 24.9                    | 21.6            | 3.3                 |
| Net position - beginning (as restated)                       | <u>148.5</u>            | <u>126.9</u>    | <u>21.6</u>         |
| Net position - ending  | <u>\$ 173.4</u>         | <u>\$ 148.5</u> | <u>\$ 24.9</u>      |

#### **Governmental activities.**

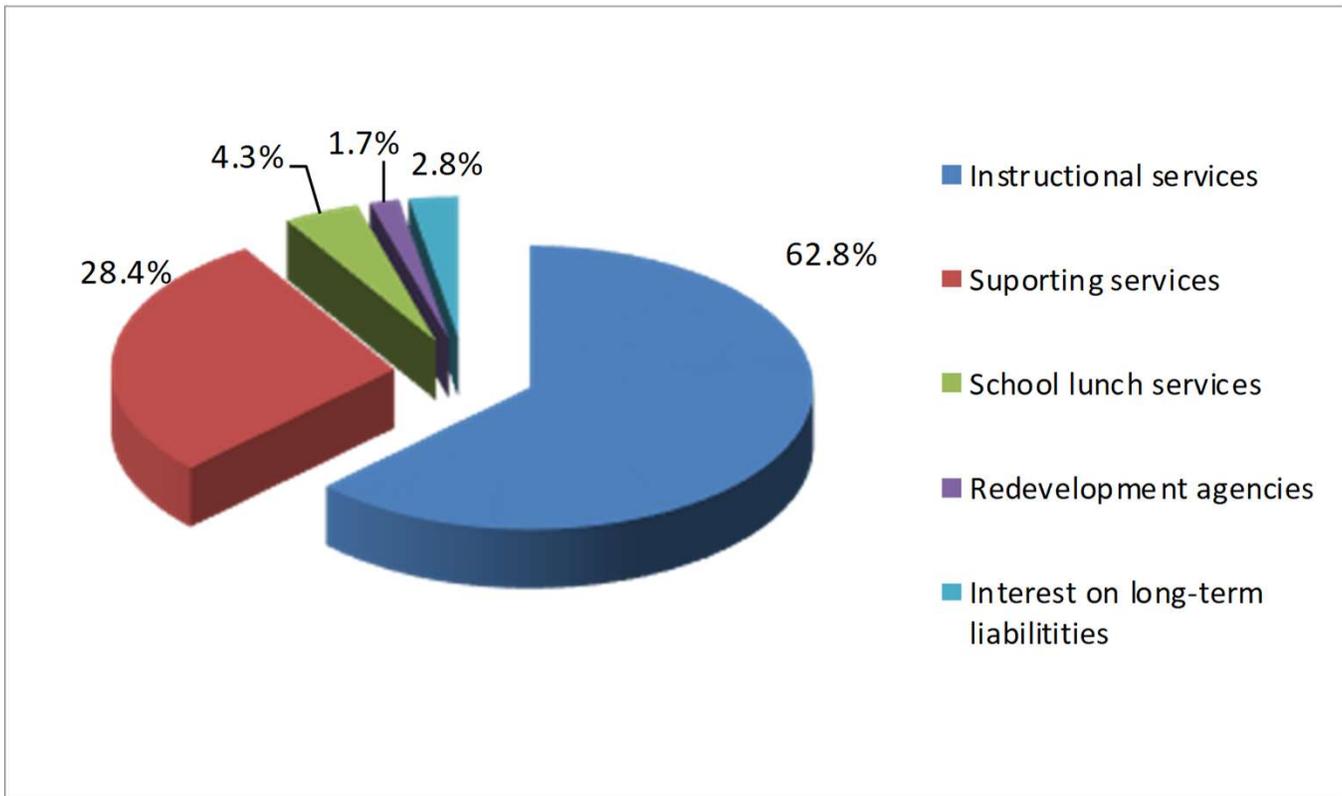
The key elements of the increase of the District's net position for the year ended June 30, 2017 are as follows:

- Federal aid increased by \$2.6 million largely as a result of growth in federal grant funding. State aid increased by \$7.8 million largely due to an increase in the unrestricted minimum school program resulting from additional funding.
- State aid is based primarily on weighted pupil units (WPU) and other appropriations. If a student is in membership a full 180 days, the state awards the District one WPU. The state guarantees that if local taxes do not provide revenue equal to the amount guaranteed by the WPU, the state will make up the difference with additional state funding. Certain special students receive a weighting greater than one. The value of the WPU (\$3,311) increased from \$3,092 in FY 2016.
- Central Services were reclassified under Business Services to align with the designated function classification by the State Office of Education.
- Property tax revenues increased by 4.9% primarily from an increase in assessed valuation, and Utah Code 17C-1 which requires the District to account for property taxes remitted directly to redevelopment agencies.

### Revenues by Source – Governmental Activities



## Expenditures by Function – Governmental Activities



### 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. The debt service fund decreased by \$1.0 million due to the decision to spend down fund balance on bond refunding. The capital projects fund decreased by \$4.5 million due to the costs of a new high school and middle school. The general fund balance increased by \$4.8 million resulting in a year-end balance of \$24.0 million. In addition, the following other changes in fund balances should be noted:

- Expenditures for general District purposes totaled \$193.5 million, an increase of 6.0% from the prior fiscal year. Instructional services represent 66.8% of general fund expenditures.
- General fund salaries totaled \$112.8 million while the associated employee benefits of retirement, social security, and insurance (health and accident, industrial, and unemployment) added \$57.9 million to arrive at 88.3% of total general fund expenditures.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into nonspendable, restricted, and unrestricted portions. Nonspendable includes inventories and prepaid expenditures that are not expected to be converted to cash. Restricted 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. Restrictions include tax revenues levied for specific purposes. The unrestricted fund balance is, in turn, subdivided between committed, assigned, and unassigned portions. Committed balances reflect 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 other governmental funds are those that do not meet the requirement of restricted or committed but that are intended to be used for specific purposes. Unassigned balances in the general fund are all other available net fund resources. As of June 30, 2017, the District's combined governmental fund balance is \$56.3 million (\$0.6 million is nonspendable, \$26.7 million is restricted, \$9.9 million is committed, \$5.2 million is assigned, and \$13.9 million is unassigned fund balances).

The District has committed \$9.9 million of the governmental fund balance for the following purposes:

- *Committed to economic stabilization* of \$3.3 million or 1.7% of general fund budgeted expenditures. As allowed by state law, the District has established an undistributed reserve within the general fund; this amount is set aside for contingencies or possible reductions in state funding and is not to be used in the negotiation or settlement of contract salaries. The maintenance of a sufficient reserve is key credit consideration in the District's bond rating.
- *Committed to future growth reserve* of \$2.3 million is set aside to deal with maintenance and operational expenditures related to opening new buildings and providing District level support to the increased property and staff.
- *Committed to students* of \$4.3 million held in the other governmental funds by the student activity fund.

The District has assigned \$5.2 million of the governmental fund balance for the following purposes:

- *Assigned to local school reserve* of \$3.0 million is designated to the schools for instructional and operational supply budget roll-over balances.
- *Assigned to district program reserve* of \$2.2 million is set aside for programs operating with general District funds.

### **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 insignificant, but adjustments were made between function areas as job descriptions were reclassified. The most significant budgetary adjustments may be summarized as follows:

- \$1.4 million or 1.0% decrease in instruction, to reflect funds assigned to local & district programs that were available to spend in the fiscal year.
- \$0.5 million or 5.4% increase in counseling and health services due to a reclassification of support staff employees to accurately reflect their functional purpose.
- \$0.5 million or 3.2% increase in school administration services due to a reclassification of costs to accurately reflect their functional purpose.

Even with these budget adjustments, actual expenditures were \$4.5 million below final budgeted amounts. The most significant variances may be summarized as follows:

- \$4.2 million or 3.1% positive variance in instructional services due to unspent local & district program allocations.
- \$1.0 million or 9.8% positive variance in student services due to unspent contracted services allocations.
- \$1.4 million or 26.3% negative variance in transportation services due to the reclassification of expenditures from Capital Outlay to transportation.

Resources available for appropriation were extremely close to the final budgeted amounts. Variances in state and federal revenues primarily result from expenditure-driven grants that are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met; unspent grant amounts are carried forward and included in the succeeding year’s budget. Therefore, actual grant revenues and expenditures are normally less than the amounts budgeted. The district reported \$11.0 million in unearned state and federal revenue at June 30, 2017.

**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 began various projects during 2017 at a projected cost of \$91.8 million. At the end of the year \$14.1 million of the restricted fund balance will be used to fulfill the required costs to complete these various projects in progress at June 30, 2017.

Capital assets at June 30, 2017 and 2016 are outlined below:

**WASHINGTON COUNTY SCHOOL DISTRICT'S Capital Assets**  
(net of accumulated depreciation, in millions of dollars)  
June 30, 2017 and 2016

|                                  | Governmental activities |                 | Total               |
|----------------------------------|-------------------------|-----------------|---------------------|
|                                  | 2017                    | 2016            | change<br>2017-2016 |
| Sites                            | \$ 68.4                 | \$ 63.3         | \$ 5.1              |
| Construction in progress         | 65.6                    | 70.7            | -5.1                |
| Buildings                        | 295.3                   | 264.5           | 30.8                |
| Furniture and equipment          | 6.1                     | 2.1             | 4.0                 |
| <b>Total capital assets, net</b> | <b>\$ 435.4</b>         | <b>\$ 400.6</b> | <b>\$ 34.8</b>      |

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

**Debt Administration.** In November of 2013 the public voted to authorize the District to issue \$185 million of general obligation school building bonds for new school construction, land acquisitions, renovation of existing school facilities and related equipment and improvements. On December 18, 2014, the District issued \$30 million of bonds, on January 12, 2016, \$35 million of bonds were issued, and an additional \$35 million of bonds were issued on November 21, 2016.

The general obligation bonded debt of the District is limited by state law to 4% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2017 is \$771 million. General obligation debt at June 30, 2016 is \$222.4 million, resulting in a legal debt margin of \$548.6 million.

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 2032.

**WASHINGTON COUNTY SCHOOL DISTRICT'S Outstanding Debt**  
 (net of unamortized and deferred amounts, in millions of dollars)  
 June 30, 2017 and 2016

|                               | Governmental activities |          | Total               |
|-------------------------------|-------------------------|----------|---------------------|
|                               | 2017                    | 2016     | change<br>2017-2016 |
| General obligation bonds      | \$ 222.4                | \$ 217.0 | \$ 5.4              |
| Deferred amounts              | 19.9                    | 16.3     | 3.6                 |
| General obligation bonds, net | \$ 242.3                | \$ 233.3 | \$ 9.0              |

Additional information on the District's long-term debt can be found in Note 9 to the basic financial statements.

**Requests for Information**

This financial report is designed to provide a general overview of the Washington County School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, Washington County School District, 121 W. Tabernacle, St. George, UT 84770.

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Financial Statements**

Year Ended June 30, 2017

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Statement of Net Position**  
June 30, 2017

|   | <b>Governmental<br/>Activities</b> |
|---|------------------------------------|
| <b>Assets:</b>                                      |                                    |
| Cash and investments                                | \$ 82,656,835                      |
| Receivables:  |                                    |
| Property taxes                                      | 106,407,388                        |
| Other governments                                   | 7,513,980                          |
| Other   | 945,514                            |
| Inventories   | 623,239                            |
| Prepays   | -                                  |
| Net pension asset                                   | -                                  |
| Capital assets:                                     |                                    |
| Land and construction in progress                   | 133,959,102                        |
| Other capital assets, net of depreciation           | 301,394,247                        |
| Total assets  | 633,500,304                        |
| <b>Deferred Outflows of Resources:</b>              |                                    |
| Deferred charges on refundings                      | 1,689,990                          |
| Amounts related to pensions                         | 42,332,438                         |
| Bond issue costs                                    | 455,383                            |
| Total assets and deferred outflows of resources     | 677,978,115                        |
| <b>Liabilities:</b>                                 |                                    |
| Accounts payable                                    | 9,882,011                          |
| Accrued interest                                    | 3,595,383                          |
| Accrued liabilities                                 | 15,270,809                         |
| Unearned revenue:                                   |                                    |
| Property taxes                                      | 105,727,491                        |
| Other governments                                   | 10,758,758                         |
| Local sources                                       | 214,884                            |
| Noncurrent liabilities:                             |                                    |
| Due within one year                                 | 26,015,000                         |
| Due in more than one year                           | 320,662,262                        |
| Total liabilities                                   | 492,126,599                        |
| <b>Deferred Inflows of Resources:</b>               |                                    |
| Amounts related to pensions                         | 12,494,316                         |
| Total liabilities and deferred inflows of resources | 504,620,915                        |
| <b>Net Position:</b>                                |                                    |
| Net investment in capital assets                    | 207,096,722                        |
| Restricted for:                                     |                                    |
| School lunch  | 1,574,328                          |
| Foundation  | 1,594,237                          |
| Debt service  | (196,457)                          |
| Capital projects                                    | 6,857,139                          |
| Unrestricted  | (43,568,770)                       |
| Total net position                                  | \$ 173,357,200                     |

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Statement of Activities**  
Year Ended June 30, 2017

| Functions   | Expenses              | Program Revenues     |                                    | Net (Expense)                       |
|---|-----------------------|----------------------|------------------------------------|-------------------------------------|
|   |                       | Charges for Services | Operating Grants and Contributions | Revenue and Changes in Net Position |
|   |                       |                      |                                    | Total Governmental Activities       |
| <b>Governmental activities:</b>                           |                       |                      |                                    |                                     |
| Instructional services                                    | \$ 150,443,812        | \$ 612,622           | \$ 51,950,440                      | \$ (97,880,750)                     |
| Supporting services:                                      |                       |                      |                                    |                                     |
| Students  | 9,607,702             | -                    | 4,439,320                          | (5,168,382)                         |
| Instructional staff                                       | 10,608,222            | -                    | 2,797,666                          | (7,810,556)                         |
| District administration                                   | 706,818               | -                    | -                                  | (706,818)                           |
| School administration                                     | 16,155,693            | -                    | 558,444                            | (15,597,249)                        |
| Business  | 4,094,596             | -                    | 199,771                            | (3,894,825)                         |
| Operation and maintenance of facilities                   | 19,455,219            | -                    | 983,563                            | (18,471,656)                        |
| Transportation  | 7,502,987             | 313,172              | 4,258,897                          | (2,930,918)                         |
| Central   | -                     | -                    | -                                  | -                                   |
| School lunch services                                     | 10,393,176            | 2,346,876            | 9,573,533                          | 1,527,233                           |
| Payments to redevelopment agencies                        | 4,000,000             |                      |                                    | (4,000,000)                         |
| Interest on long-term liabilities                         | 6,740,036             | -                    | -                                  | (6,740,036)                         |
| Total school district                                     | <u>\$ 239,708,259</u> | <u>\$ 3,272,670</u>  | <u>\$ 74,761,634</u>               | <u>(161,673,956)</u>                |
| <b>General revenues:</b>                                  |                       |                      |                                    |                                     |
| Property taxes levied for:                                |                       |                      |                                    |                                     |
| General purposes  |                       |                      |                                    | 63,229,096                          |
| Transportation  |                       |                      |                                    | -                                   |
| Recreation  |                       |                      |                                    | -                                   |
| Debt service  |                       |                      |                                    | 37,337,190                          |
| Capital outlay  |                       |                      |                                    | 3,862,963                           |
| Federal and state aid not restricted to specific purposes |                       |                      |                                    | 71,310,984                          |
| Earnings on investments                                   |                       |                      |                                    | 848,285                             |
| Miscellaneous   |                       |                      |                                    | 9,945,759                           |
| Total general revenues                                    |                       |                      |                                    | <u>186,534,276</u>                  |
| Change in net position                                    |                       |                      |                                    | 24,860,320                          |
| <b>Net position - beginning</b>                           |                       |                      |                                    | <u>148,496,880</u>                  |
| <b>Net position - ending</b>                              |                       |                      |                                    | <u>\$ 173,357,200</u>               |

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

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Balance Sheet**

**Governmental Funds**

June 30, 2017

|   | <u>Major Funds</u>    |                         |                             | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---|-----------------------|-------------------------|-----------------------------|--|---|
|   | <u>General</u>        | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> |  |   |
| <b>Assets:</b>  |                       |                         |                             |  |   |
| Cash and investments  | \$ 46,003,032         | \$ 2,705,238            | \$ 26,822,662               | \$ 7,125,903                               | \$ 82,656,835                           |
| Receivables:  |                       |                         |                             |  |   |
| Property taxes  | 59,935,363            | 38,229,568              | 8,242,458                   | -  | 106,407,388                             |
| Other governments   | 6,518,361             | -                       | -                           | 995,619                                    | 7,513,980                               |
| Other receivables   | 556,844               | -                       | 386,218                     | 2,452                                      | 945,514                                 |
| Inventory   | 283,714               | -                       | 7,713                       | 331,812                                    | 623,239                                 |
| Prepays   | -                     | -                       | -                           | -  | -                                       |
| Total assets  | <u>\$ 113,297,314</u> | <u>\$ 40,934,805</u>    | <u>\$ 35,459,051</u>        | <u>\$ 8,455,786</u>                        | <u>\$ 198,146,955</u>                   |
| <b>Liabilities, deferred inflows of resources and fund balances:</b>  |                       |                         |                             |  |   |
| Liabilities:  |                       |                         |                             |  |   |
| Accounts payable  | \$ 5,379,711          | \$ -                    | \$ 4,135,060                | \$ 367,240                                 | \$ 9,882,011                            |
| Accrued salaries  | 14,073,488            | -                       | -                           | -  | 14,073,488                              |
| Retainable Payable  | -                     | -                       | 1,197,321                   | -  | 1,197,321                               |
| Unearned revenue:   |                       |                         |                             |  |   |
| Property taxes  | 59,518,273            | 37,991,261              | 8,217,957                   | -  | 105,727,491                             |
| Other governments   | 10,332,138            | -                       | -                           | 426,620                                    | 10,758,758                              |
| Local sources   | 33,163                | -                       | -                           | 181,721                                    | 214,884                                 |
| Total liabilities   | <u>89,336,774</u>     | <u>37,991,261</u>       | <u>13,550,339</u>           | <u>975,581</u>                             | <u>141,853,954</u>                      |
| Fund Balances:  |                       |                         |                             |  |   |
| Nonspendable:   |                       |                         |                             |  |   |
| Inventories   | 283,714               | -                       | 7,713                       | 331,812                                    | 623,239                                 |
| Restricted for:   |                       |                         |                             |  |   |
| Debt service  | -                     | 2,943,544               | -                           | -  | 2,943,544                               |
| Capital Projects  | -                     | -                       | 20,914,245                  | -  | 20,914,245                              |
| School Lunch  | -                     | -                       | -                           | 1,242,516                                  | 1,242,516                               |
| Community Recreation  | -                     | -                       | -                           | -  | -                                       |
| Schools   | -                     | -                       | -                           | 1,594,237                                  | 1,594,237                               |
| Committed to:   |                       |                         |                             |  |   |
| Economic Stabilization  | 3,300,000             | -                       | -                           | -  | 3,300,000                               |
| Future Growth   | 2,291,179             | -                       | -                           | -  | 2,291,179                               |
| Students  | -                     | -                       | -                           | 4,311,639                                  | 4,311,639                               |
| Assigned to:  |                       |                         |                             |  |   |
| Local School  | 1,996,240             | -                       | 986,754                     | -  | 2,982,994                               |
| District Programs   | 2,172,481             | -                       | -                           | -  | 2,172,481                               |
| Unassigned  | 13,916,926            | -                       | -                           | -  | 13,916,926                              |
| Total fund balances   | <u>23,960,540</u>     | <u>2,943,544</u>        | <u>21,908,712</u>           | <u>7,480,205</u>                           | <u>56,293,001</u>                       |
| Total liabilities, deferred inflows of resources<br>and fund balances | <u>\$ 113,297,314</u> | <u>\$ 40,934,805</u>    | <u>\$ 35,459,051</u>        | <u>\$ 8,455,786</u>                        | <u>\$ 198,146,955</u>                   |

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

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
June 30, 2017

|  |               |               |
|--|---------------|---------------|
| <b>Total fund balances for governmental funds</b>  | \$            | 56,293,001    |
| 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   | 68,369,215    |               |
| Construction in progress   | 65,589,887    |               |
| Buildings and improvements, net of \$215,776,773 accumulated depreciation  | 295,335,095   |               |
| Furniture and equipment, net of \$15,313,866 accumulated depreciation  | 6,059,152     | 435,353,349   |
| Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Accrued interest for general obligation bonds is \$3,562,087.  |               | (3,595,384)   |
| Bond issuance costs are reported as expenditures in the governmental funds. The cost is \$736,605 and accumulated amortization is \$281,222.   |               | 455,383       |
| The net pension asset is not an available resource and therefore is not reported in the governmental funds   |               | -             |
| 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  | (222,405,000) |               |
| Unamortized premiums   | (21,606,436)  |               |
| Unamortized refunding  | 1,689,990     |               |
| Notes payable  | (400,000)     |               |
| Net pension liability  | (102,265,826) |               |
| Deferred outflows of resources related to pensions   | 42,332,439    |               |
| Deferred inflows of resources related to pensions  | (12,494,316)  | (315,149,149) |
| <b>Total net position of governmental activities</b>   | \$            | 173,357,200   |

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

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
Year Ended June 30, 2017

|  | Major Funds          |                     |                      | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------|----------------------|-----------------------------------|--------------------------------|
|  | General              | Debt<br>Service     | Capital<br>Projects  |                                   |                                |
| <b>Revenues:</b>   |                      |                     |                      |                                   |                                |
| Property taxes   | \$ 61,913,002        | \$ 36,588,250       | \$ 3,785,355         | \$ 4,000,000                      | \$ 106,286,608                 |
| Earnings on investments                                      | 513,911              | -                   | 293,465              | 40,909                            | 848,285                        |
| School lunch sales   | -                    | -                   | -                    | 2,346,876                         | 2,346,876                      |
| Other local sources  | 3,481,419            | -                   | 785,675              | 7,195,298                         | 11,462,391                     |
| State aid  | 117,504,850          | -                   | 679,205              | 4,449,380                         | 122,633,435                    |
| Federal aid  | 14,860,493           | -                   | -                    | 8,578,690                         | 23,439,183                     |
| Total revenues   | <u>198,273,676</u>   | <u>36,588,250</u>   | <u>5,543,700</u>     | <u>26,611,152</u>                 | <u>267,016,777</u>             |
| <b>Expenditures:</b>   |                      |                     |                      |                                   |                                |
| Current:   |                      |                     |                      |                                   |                                |
| Instructional services                                       | 129,227,841          | -                   | -                    | 10,136,515                        | 139,364,356                    |
| Supporting services:   |                      |                     |                      |                                   |                                |
| Students   | 9,607,702            | -                   | -                    | -                                 | 9,607,702                      |
| Instructional staff  | 10,608,222           | -                   | -                    | -                                 | 10,608,222                     |
| District administration                                      | 650,257              | -                   | -                    | -                                 | 650,257                        |
| School administration  | 14,862,883           | -                   | -                    | -                                 | 14,862,883                     |
| Business   | 3,766,938            | -                   | -                    | -                                 | 3,766,938                      |
| Operation and maintenance<br>of facilities                   | 17,869,637           | -                   | -                    | 28,738                            | 17,898,375                     |
| Transportation   | 6,902,583            | -                   | -                    | -                                 | 6,902,583                      |
| Central  | -                    | -                   | -                    | -                                 | -                              |
| School lunch services  | -                    | -                   | -                    | 10,984,014                        | 10,984,014                     |
| Capital outlay   | -                    | -                   | 49,727,089           | -                                 | 49,727,089                     |
| Payments to redevelopment agencies                           | -                    | -                   | -                    | 4,000,000                         | 4,000,000                      |
| Debt service:  |                      |                     |                      |                                   |                                |
| Principal retirement   | -                    | 25,177,975          | -                    | -                                 | 25,177,975                     |
| Loan retirement  | -                    | 106,000             | 100,000              | -                                 | 206,000                        |
| Interest and fiscal charges                                  | -                    | 9,837,305           | -                    | -                                 | 9,837,305                      |
| Bond issuance costs  | -                    | 109,231             | -                    | -                                 | 109,231                        |
| Total expenditures   | <u>193,496,063</u>   | <u>35,230,511</u>   | <u>49,827,089</u>    | <u>25,149,267</u>                 | <u>303,702,930</u>             |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>4,777,613</u>     | <u>1,357,739</u>    | <u>(44,283,389)</u>  | <u>1,461,885</u>                  | <u>(36,686,153)</u>            |
| <b>Other financing sources (uses):</b>                       |                      |                     |                      |                                   |                                |
| Transfers  | -                    | -                   | -                    | -                                 | -                              |
| Debt issuance  | -                    | -                   | 35,000,000           | -                                 | 35,000,000                     |
| Premium related to debt issuance                             | -                    | 2,054,025           | 4,698,180            | -                                 | 6,752,205                      |
| Refunded bonds redeemed                                      | -                    | 19,275,000          | -                    | -                                 | 19,275,000                     |
| Payment to refunded bond escrow agent                        | -                    | (23,657,025)        | -                    | -                                 | (23,657,025)                   |
| Sale of capital assets                                       | -                    | -                   | 121,088              | -                                 | 121,088                        |
| Total other financing sources<br>(uses)                      | <u>-</u>             | <u>(2,328,000)</u>  | <u>39,819,268</u>    | <u>-</u>                          | <u>37,491,268</u>              |
| Net change in fund balances                                  | 4,777,613            | (970,261)           | (4,464,121)          | 1,461,885                         | 805,115                        |
| <b>Fund balances - beginning</b>                             | <u>19,182,927</u>    | <u>3,913,806</u>    | <u>26,372,833</u>    | <u>6,018,320</u>                  | <u>55,487,886</u>              |
| <b>Fund balances - ending</b>                                | <u>\$ 23,960,540</u> | <u>\$ 2,943,545</u> | <u>\$ 21,908,712</u> | <u>\$ 7,480,205</u>               | <u>\$ 56,293,001</u>           |

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

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances of Government Funds to the Statement of Activities**  
Year Ended June 30, 2017

**Net change in fund balances-total governmental funds** \$ 805,115

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for furniture and equipment and \$25,000 for buildings and improvements 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                       | \$ | 50,848,092          |            |
| Gain on disposal of capital assets    |    | (38,687)            |            |
| Proceeds from sales of capital assets |    | (121,088)           |            |
| Depreciation expense                  |    | <u>(15,956,532)</u> | 34,731,785 |

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. 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 what 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            |  | (54,275,000)    |             |
| Bond premium                                |  | (6,752,205)     |             |
| Bond issuance costs                         |  | (14,579)        |             |
| Repayment of bond principal                 |  | 48,835,000      |             |
| Amortization of bond issuance costs         |  | (39,516)        |             |
| Amortization of bond premium                |  | 3,254,376       |             |
| Interest expense - general obligation bonds |  | <u>(33,297)</u> | (9,025,221) |

The Governmental funds report note proceeds as financing sources, while repayment of note principal is reported as an expenditure. In the statement of net position, however, issuing notes increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Interest is recognized as an expenditure in the governmental funds when it is due. The net effect of these differences in the treatment of notes payable and related items is as follows:

|                        |  |  |         |
|------------------------|--|--|---------|
| Note principal payment |  |  | 206,000 |
|------------------------|--|--|---------|

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

|                 |  |  |             |
|-----------------|--|--|-------------|
| Pension expense |  |  | (1,857,359) |
|-----------------|--|--|-------------|

**Change in net position of governmental activities** \$ 24,860,320

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

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**General Fund**  
Year Ended June 30, 2017

|   | <u>Budgeted Amounts</u> |                      | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|----------------------|---------------------------|---|
|   | <u>Original</u>         | <u>Final</u>         |                           |   |
| <b>Revenues:</b>                        |                         |                      |                           |   |
| Property taxes                          | \$ 59,918,902           | \$ 59,785,865        | \$ 61,913,002             | \$ 2,127,137  |
| Earnings on investments                 | 200,000                 | 350,000              | 513,911                   | 163,911   |
| Other local sources                     | 5,610,236               | 5,829,151            | 3,481,419                 | (2,347,732)   |
| State aid                               | 117,300,942             | 117,126,880          | 117,504,850               | 377,970   |
| Federal aid                             | 15,042,716              | 15,559,742           | 14,860,493                | (699,249)   |
| Total revenues                          | <u>198,072,796</u>      | <u>198,651,638</u>   | <u>198,273,676</u>        | <u>(377,962)</u>  |
| <b>Expenditures:</b>                    |                         |                      |                           |   |
| Current:                                |                         |                      |                           |   |
| Instructional services                  | 134,766,962             | 133,401,768          | 129,227,841               | 4,173,927   |
| Supporting services:                    |                         |                      |                           |   |
| Students                                | 10,107,785              | 10,651,783           | 9,607,702                 | 1,044,081   |
| Instructional staff                     | 10,788,224              | 11,103,224           | 10,608,222                | 495,002   |
| District administration                 | 584,538                 | 636,538              | 650,257                   | (13,719)  |
| School administration                   | 14,122,225              | 14,578,357           | 14,862,883                | (284,526)   |
| Business                                | 2,753,501               | 2,859,773            | 3,766,938                 | (907,165)   |
| Operation and maintenance of facilities | 18,399,668              | 18,303,835           | 17,869,637                | 434,198   |
| Transportation                          | 5,560,678               | 5,465,170            | 6,902,583                 | (1,437,413)   |
| Central                                 | 989,215                 | 1,021,740            | -                         | 1,021,740   |
| Total expenditures                      | <u>198,072,796</u>      | <u>198,022,188</u>   | <u>193,496,063</u>        | <u>4,526,125</u>  |
| Excess of revenues over expenditures    | <u>-</u>                | <u>629,450</u>       | <u>4,777,613</u>          | <u>4,148,163</u>  |
| <b>Other financing sources (uses):</b>  |                         |                      |                           |   |
| Sale of Capital Assets                  | -                       | -                    | -                         | -   |
| Net change in fund balances             | -                       | 629,450              | 4,777,613                 | (4,148,163)   |
| <b>Fund balances - beginning</b>        | <u>19,182,927</u>       | <u>19,182,927</u>    | <u>19,182,927</u>         | <u>-</u>  |
| <b>Fund balances - ending</b>           | <u>\$ 19,182,927</u>    | <u>\$ 19,812,377</u> | <u>\$ 23,960,540</u>      | <u>\$ (4,148,163)</u>   |

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



**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Notes to Financial Statements**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Washington County School 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 component unit, Washington County School District Foundation, for which the District is considered to be financially accountable. The District is not a component unit of any other primary government. A blended component unit, although a legally separate entity, is, in substance, part of the District’s operations.

- *Blended component unit.* The Washington County School District Foundation is a nonprofit organization established under Internal Revenue Service regulations as a conduit for tax-deductible donations to the District. The Foundation exclusively services the District. The Foundation is presented as a special revenue fund of the District.

**Government-wide and fund financial statements** – The *government-wide financial statements* (the statement of net position and the statement of activities) display information about the primary government (the District) and its blended component unit. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities.

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 instructional, school administration, operation and maintenance of facilities, and school lunch services) 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 item. 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, including the blended component unit. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

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, textbooks, and supplies necessary for providing educational programs for all students within the District.

**Measurement focus, basis of accounting, and financial statement presentation** – The *government-wide fund financial statement* is reported using the economic resources measurement focus and 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 sixty 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 and claims 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.

**Budgetary Data** – Budgets are presented on the modified accrual basis of accounting for all governmental funds except the Washington County School District Foundation special revenue fund. Budgets are not adopted on a District level for the Washington County School District Foundation special revenue fund. All annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance reserve. The following procedures are used in establishing the budgetary data reflected in the financial statements.

- During May of each year, the District superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1st. This budget includes proposed expenditures and the means of financing them. Included also is a final budget for the current year ending June 30th.

- Copies of the proposed budget are made available for public inspection and review by the patrons of the District.
- If the District does not exceed the certified tax rate, a public hearing is held prior to June 22 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 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.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year-end are reported as restrictions or commitments of fund balances and do not constitute expenditures or liabilities because the encumbrances will be included in the budget and honored during the subsequent year.

Negative variances in total revenues and the positive variances in total expenditures are largely a result of federal and state program revenues and related expenditures that do not have a direct impact on the fund balance. Budgets generally assume the expenditure of all available resources. Therefore, when the budget is prepared, it is assumed these funds will not have a carryover of revenue to a subsequent year. Program revenue received but not spent is restricted and deferred to the subsequent fiscal year. As a result, overall fund revenue variances will be negative, and overall fund expenditure variances will be positive.

**Deposits and Investments** – The cash balances of governmental activities are pooled and invested by the District for the purpose of increasing earnings through investment activities and providing efficient management of temporary investments. The District’s investments are reported at fair value at year-end. The Utah Public Treasurers’ Investment Fund operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. 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 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 Public Treasurers’ Investment Fund (PTIF).

**Inventories** – Inventories are valued at cost or, if donated, at fair value when received, using the first in, first out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Donated food commodities are reported in the governmental funds as revenue when received.

**Prepays** – The District records a prepaid asset if services or materials were paid before the services were incurred or the materials were actually received. Prepaid assets are recorded as expenditures when consumed rather than when purchased. The district has no prepaid expenditures for FY 2017.

**Capital Assets** – Capital assets, which include land, water stock, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 for furniture and equipment and \$25,000 for land, water stock, buildings and improvements and an estimated useful life in excess of two years. 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 extended assets’ lives 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 and furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

| Assets  | Years |
|---|-------|
| Buildings                                     | 30    |
| Building improvements and portable classrooms | 30    |
| Maintenance equipment                         | 15    |
| Vocational education equipment                | 15    |
| Buses   | 10    |
| Musical instruments                           | 10    |
| Furniture                                     | 10    |
| Office equipment                              | 10    |
| Athletic equipment                            | 8     |
| Vehicles                                      | 8     |
| Site Improvements                             | 7     |
| Audio visual equipment                        | 5     |
| Computer equipment                            | 3     |

**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. No reimbursement or accrual is made for unused sick leave.

**Long-term Obligations** – In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

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 and premiums or discounts are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

**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. The District has the following sources that qualify for reporting in this category; these items are reported in the statement of net position:

- Deferred charge on refunding – results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows of resources related to pensions – includes a) changes of assumptions in the measurement of the net pension liability (asset), b) net difference between projected and actual earnings on pension plan investments, c) changes in proportion and differences between District contributions and proportionate share of contributions, and d) District contributions subsequent to the measurement date of December 31, 2016.

**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.

The following item arises only under a modified accrual basis of accounting and is reported in the governmental funds balance sheet; this item is deferred and recognized as an inflow of resources in the period that the amount becomes available:

- Unavailable property tax revenue – consists of uncollected, delinquent property taxes.

The following sources are reported in both the statement of net position and the governmental funds balance sheet:

- Property taxes levied for future year – property taxes levied on January 1, 2017 for the following school year.
- Deferred inflows of resources related to pensions – includes a) differences between expected and actual experience, b) changes of assumptions in the measurement of the net pension liability (asset), c) net difference between projected and actual earnings on pension plan investments, and d) changes in proportion and differences between District contributions and proportionate share of contributions.

**Net Position / Fund Balance Classifications** – The residual of all other elements presented in a statement of net position is *net position* on the government-wide 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 nonspendable balances, then restricted, then committed, and so forth.

Fund balance classifications are summarized as follows:

*Nonspendable fund balances* represent residual equities (assets) that *cannot be spent* because of contractual or legal requirements.

*Restricted fund balances* represent residual equities that are available for use but which have external enforceable legal restrictions as to how these resources may be used.

*Committed fund balances* represent resources whose use is constrained by limitations imposed by the District's Board of Education. The District's Board of Education is the highest level of decision making authority for committed fund balances. Committed fund balances are established through Board of Education formal budget adoption, policy or action item adoption, and/or through Board of Education resolution.

*Assigned fund balances* represent resources whose use is constrained by limitations imposed by the District's administration. The District administration is generally the highest level of decision-making authority for assigned fund balances. The Board of Education delegates authority to District administration to determine specific purposes for these fund balances. However, the Board of Education retains the right to change these assigned fund balances if needed.

*Unassigned fund balances* represent resources which have not been classified as nonspendable, restricted, committed, or assigned fund balance classifications. A negative fund balance may be reported in governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

*Flow Assumptions* - When multiple categories of fund equity are used to fund expenditures, fund equity categories will be used based upon the adopted budget plan by the Board of Education. Generally, unassigned fund balances will be used first before assigned and committed fund balances.

**Comparative Data, Reclassifications, and Restatements** – Comparative data for the prior year has been presented in certain sections of the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations.

## 2. DEPOSITS AND INVESTMENTS

The District follows the requirements of the Utah Money Management Act (Section 51, Chapter 7 of the Utah Code) in handling its 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, high-grade commercial paper, banker's acceptances, repurchase agreements, corporate bonds, restricted 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 actions of the Council to be necessary and sufficient for adequate protection of its uninsured bank deposits.

Rules of the Council allow the 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 and investments are carried at fair value. Deposits and investments at June 30, 2017 appear in the financial statements as summarized below:

|                            |                      |
|----------------------------|----------------------|
| Cash                       | \$ 8,412,954         |
| Investments                | <u>74,243,881</u>    |
| Total cash and investments | <u>\$ 82,656,835</u> |

Cash and investments-governmental activities, statement of net position \$ 82,656,835

**Deposits** – The District's carrying amount of bank deposits at June 30, 2017 is \$8,412,954 and the bank balance is \$15,402,869. Of the bank balance, \$3,819,923 is covered by federal depository insurance and \$11,582,946 was uninsured. No deposits are collateralized, nor are they required to be by state statute.

**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.

**Investments** - At year-end, the District's investment balances of \$60,238,223 were held in the Public Treasurers' Investment Fund (PTIF), \$13,302,753 were held in investment and money market accounts, and \$702,905 were held in CDs at various local banks and credit unions. 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 of Utah.

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 primarily consists of money market securities held by the Utah State Treasurer, including investment-grade corporate notes (83%), money market mutual funds (5%), top-rated commercial paper (8%), and certificates of deposit (4%). The portfolio has a weighted average maturity of 90 days or less. The PTIF is not rated. The reported value of the pool is the same as the fair value of the pool shares.

During the year ended June 30, 2017, the District used an overnight sweep agreement (classified as a Category 2 investment) to a government money market portfolio that primarily invests in obligations of the United States Treasury, agencies or instrumentalities of the United States that meet allowable investments of the Utah Money Management Act.

**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 of 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.

**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, Inc. or by Standard and Poor's Corporation. 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. Rule 17 of the Money Management Council limits investments with a single issuer of commercial paper and corporate obligations to 5% of the District's total portfolio. The District places no other limits on the amount it may invest in any one issuer.

**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.

### **3. PROPERTY TAXES**

The property tax revenue of the District is collected and distributed by the Washington 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 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. Delinquent taxes are subject to a 2% penalty, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 15 of the following year, these delinquent taxes, including penalties, are subject to an interest charge at an annual rate equal to the federal discount rate plus 6%; the interest period is from January 1 until date paid.

Beginning January 1, 1992, an annual uniform fee based on the value of motor vehicles was 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. Effective January 1, 1999, legislation required motor vehicles be subject to an “age-based” fee that is due each time a vehicle is registered. The age-based fee is for passenger type vehicles and ranges from \$10 to \$150 based on the age of the vehicle. 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 the County collects it.

As of June 30, 2017, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2017 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.

#### 4. RECEIVABLES

The District has the following types of receivables owed as of June 30, 2017:

- \* \$945,514 - Receivables from local sources - Total owed to the District by the schools or local sources due to grants or services provided by the District. This will be paid in FY 2018.
- \* \$2,177,171 - Receivables from the State of Utah – Total owed to the District from the State of Utah for funds submitted for reimbursement from state grants as well as the final liquor tax payment owed to Food Services.
- \* \$5,336,809 - Receivables from the federal government – Total owed to the District from the Department of Education for funds submitted for reimbursement from federal grants.

#### 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 is as follows:

|  | Beginning<br>Balance | Increases     | Decreases       | Ending<br>Balance |
|--|----------------------|---------------|-----------------|-------------------|
| <b>Governmental activities:</b>              |                      |               |                 |                   |
| Capital assets, not being depreciated        |                      |               |                 |                   |
| Land   | \$ 63,260,322        | \$ 5,108,893  | \$ -            | \$ 68,369,215     |
| Construction in progress                     | 70,656,232           | 39,403,961    | (44,470,306)    | 65,589,887        |
| Total capital assets, not being depreciated  | 133,916,554          | 44,512,854    | (44,470,306)    | 133,959,102       |
| Capital assets, being depreciated:           |                      |               |                 |                   |
| Buildings and improvements                   | 466,641,563          | 44,470,305    | -               | 511,111,868       |
| Furniture and equipment                      | 17,288,633           | 6,335,239     | (2,250,854)     | 21,373,018        |
| Total capital assets, being depreciated      | 483,930,196          | 50,805,544    | (2,250,854)     | 532,484,886       |
| Accumulated depreciation for:                |                      |               |                 |                   |
| Buildings and improvements                   | (202,075,160)        | (13,701,613)  | -               | (215,776,773)     |
| Furniture and equipment                      | (15,150,026)         | (2,254,919)   | 2,091,079       | (15,313,866)      |
| Total accumulated depreciation               | (217,225,186)        | (15,956,532)  | 2,091,079       | (231,090,639)     |
| Total capital assets, being depreciated, net | 266,705,010          | 34,849,012    | (159,775)       | 301,394,247       |
| Governmental activities capital assets, net  | \$ 400,621,564       | \$ 79,361,866 | \$ (44,630,081) | \$ 435,353,349    |

The District changed capitalization thresholds effective July 1, 2002. The capitalization threshold for purchases of furniture and equipment was changed from \$1,000 to \$5,000, and the capitalization threshold for land and buildings and improvements was raised from \$1,000 to \$25,000.

For the year ended June 30, 2017, depreciation expense was charged to functions of the District as follows:

**Governmental activities:**

|   |                      |
|---|----------------------|
| Instructional services                              | \$ 12,122,255        |
| Supporting services:                                |                      |
| District administration                             | 56,561               |
| School administration                               | 1,292,810            |
| Business  | 327,658              |
| Operation and maintenance of facilities             | 1,556,845            |
| Transportation                                      | 600,404              |
| Central   | <u>0</u>             |
| Total depreciation expense, governmental activities | <u>\$ 15,956,532</u> |

The District is obligated at June 30, 2017, under construction commitments as follows:

| Project                    | Project<br>Authorized | Costs<br>to Date     | Costs<br>to Complete |
|----------------------------|-----------------------|----------------------|----------------------|
| Priority Projects          | \$ 1,582,796          | \$ 172,491           | \$ 1,410,305         |
| Majestic Fields Elementary | 8,639,000             | 8,601,791            | 37,209               |
| Crimson Cliffs High        | 56,310,000            | 7,729,905            | 48,580,095           |
| Crimson Cliffs Middle      | 25,225,000            | 14,216,524           | 11,008,476           |
| Total                      | <u>\$ 91,756,796</u>  | <u>\$ 30,720,711</u> | <u>\$ 61,036,085</u> |

**6. STATE RETIREMENT PLANS**

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

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

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

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.

Title 49 of the *Utah Code* grants the authority to establish and amend the benefit terms to 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).

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 any of the systems, are members of the Tier 2 systems.

**Benefits provided** – The URS provides retirement, disability, and death benefits to participants in the plans.

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

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

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

For the year ended June 30, 2017, District required contribution rates for the plans were as follows:

|                                     | <b>Defined Benefit Plans Rates</b> |                                   |  | <b>District Rates<br/>for 401(k)<br/>Plan</b> | <b>Totals</b> |
|-------------------------------------|------------------------------------|-----------------------------------|--|---|---------------|
|                                     | <b>District<br/>Contribution</b>   | <b>Amortization<br/>of UAAL *</b> | <b>Paid by<br/>District for<br/>Employee</b> |   |               |
| Tier 1 Noncontributory System       | 12.25%                             | 9.94%                             | -  | 1.50%   | 23.69%        |
| Tier 1 Contributory System          | 5.45%                              | 12.25%                            | 6.00%  | -   | 23.70%        |
| Tier 2 Contributory System **       | 8.30%                              | 9.94%                             | -  | 1.78%   | 20.02%        |
| Tier 2 Defined Contribution Plan ** | 0.08%                              | 9.94%                             | -  | 10.00%  | 20.02%        |

\* The District is required to contribute additional amounts based on covered-employee payroll to finance the unfunded actuarial accrued liability (UAAL) of the Tier 1 plans.

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

Employees can make additional contributions to defined contribution plans, up to applicable plan and Internal Revenue Code limits.

For the year ended June 30, 2017, District and employee contributions to the plans were as follows:

|                                     | <b>District<br/>Contributions *</b> | <b>Employee<br/>Contributions</b> |
|-------------------------------------|-------------------------------------|-----------------------------------|
| Tier 1 Noncontributory System       | \$ 18,560,032                       | \$ -                              |
| Tier 1 Contributory System          | 38,370                              | -                                 |
| Tier 2 Contributory System          | 3,329,038                           | -                                 |
| 401(k) Plan                         | 2,158,883                           | 1,687,805                         |
| 457 Plan and other individual plans | -                                   | 262,652                           |

\* Required contributions from Tier 2 plans to finance the unfunded actuarial accrued liability of the Tier 1 plans are reported as contributions to the Tier 2 plans.

**Pension assets and liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions** – At June 30, 2017, the District reported an asset of zero and a liability of \$102,265,826 for its proportionate share of the net pension liability (asset) for the following plans:

|                               | <b>Net Pension<br/>Asset</b> | <b>Net Pension<br/>Liability</b> |
|-------------------------------|------------------------------|----------------------------------|
| Tier 1 Noncontributory System | \$ -                         | \$ 101,608,630                   |
| Tier 1 Contributory System    | -                            | 439,416                          |
| Tier 2 Contributory System    | -                            | 217,780                          |
| Total                         | <u>\$ -</u>                  | <u>\$ 102,265,826</u>            |

The net pension liability (asset) was measured as of December 31, 2016, and the total pension liability was determined by an actuarial valuation as of January 1, 2016, rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability (asset) is equal to the ratio of the District's actual contributions compared to the total of all employer contributions during the plan year. The following presents the District's proportion (percentage) of the collective net pension liability (asset) at December 31, 2016 and the change in its proportion since the prior measurement date for each plan:

|                               | <b>Proportionate Share</b> |               |
|-------------------------------|----------------------------|---------------|
|                               | <b>2016</b>                | <b>Change</b> |
| Tier 1 Noncontributory System | 3.1351816%                 | 0.0182855%    |
| Tier 1 Contributory System    | 0.8019154%                 | 0.1492289%    |
| Tier 2 Contributory System    | 1.9523182%                 | 0.0604926%    |

For the year ended June 30, 2017, the District recognized pension expense of \$24,048,649 for the defined benefit pension plans and pension expense of \$2,158,883 for the defined contribution plans. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans from the following sources:

|   | <b>Deferred<br/>Outflows<br/>of Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---|---|--|
| Differences between expected and actual experience  | \$ -  | \$ 5,662,146                                 |
| Changes of assumptions  | 10,914,134                                    | 1,280,091                                    |
| Net difference between projected and actual earnings on pension plan investments                              | 19,343,260                                    | 5,552,079                                    |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 1,054,588                                     | -  |
| District contributions subsequent to the measurement date   | 11,020,457                                    | -  |
| Total   | <u>\$ 42,332,439</u>                          | <u>\$ 12,494,316</u>                         |

The \$11,020,457 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of December 31, 2016 will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2018. 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:

| <u>Year Ending<br/>June 30,</u> | <u>Deferred<br/>Outflows<br/>(Inflows) of<br/>Resources</u> |
|---------------------------------|---|
| 2018                            | \$ 5,728,290  |
| 2019                            | 5,993,582   |
| 2020                            | 7,735,680   |
| 2021                            | (712,623)   |
| 2022                            | 6,075   |
| Thereafter                      | 66,662 <span style="color: red;">▼</span>                   |

**Actuarial assumptions** – The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                           |  |
|---------------------------|--|
| Inflation                 | 2.60%  |
| Salary increases          | 3.35% to 10.35%, average, including inflation                      |
| Investment rate of return | 7.20%, net of pension plan investment expense, including inflation |

Mortality rates were based on the RP-2000 mortality tables or were developed from actual experience, based on 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, 2016 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2013. Changes of assumptions that affected measurement of the total pension liability since the prior measurement date include adjustments for inflation, salary increases, payroll growth, post retirement mortality, preretirement mortality, and certain demographics to more closely reflect actual experience.

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:

| <b>Expected Return Arithmetic Basis</b> |                          |                                     |   |
|---|--------------------------|-------------------------------------|---|
| <b>Asset Class</b>                      | <b>Target Allocation</b> | <b>Real Return Arithmetic Basis</b> | <b>Long-Term Expected Real Rate of Return</b> |
| Equity securities                       | 40%                      | 7.06%                               | 2.82%   |
| Debt securities                         | 20%                      | 0.80%                               | 0.16%   |
| Real assets                             | 13%                      | 5.10%                               | 0.66%   |
| Private equity                          | 9%                       | 11.30%                              | 1.02%   |
| Absolute return                         | 18%                      | 3.15%                               | 0.57%   |
| Cash and cash equivalents               | 0%                       | 0.00%                               | 0.00%   |
| Total                                   | <u>100%</u>              |                                     | 5.23%   |
| Inflation                               |                          |                                     | <u>2.60%</u>                                  |
| Expected arithmetic nominal return      |                          |                                     | <u>7.83%</u>                                  |

The 7.20% assumed investment rate of return is comprised of an inflation rate of 2.60% and a real return of 4.60% that is net of investment expense.

**Discount rate** – The discount rate used to measure the total pension liability was 7.20%. 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 pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate was not changed from the prior measurement date.

**Sensitivity of the District’s proportionate share of the net pension liability (asset) to changes in the discount rate** – The following presents the District’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20%, as well as what the District’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20%) or 1-percentage-point higher (8.20%) than the current rate:

|  | <b>1%<br/>Decrease<br/>(6.20%)</b> | <b>Discount<br/>Rate<br/>(7.20%)</b> | <b>1%<br/>Increase<br/>(8.20%)</b> |
|--|------------------------------------|--------------------------------------|------------------------------------|
| District's proportionate share of the net pension liability (asset): |                                    |                                      |                                    |
| Tier 1 Noncontributory System  | \$ 186,301,266                     | \$ 101,608,630                       | \$ 30,627,933                      |
| Tier 1 Contributory System   | 1,080,295                          | 439,416                              | (104,869)                          |
| Tier 2 Contributory System   | <u>1,482,353</u>                   | <u>217,780</u>                       | <u>(744,244)</u>                   |
| Total  | <u>\$ 188,863,914</u>              | <u>\$ 102,265,826</u>                | <u>\$ 29,778,820</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, 2017, the District reported payables of \$3,986,598 for contributions to defined benefit pension plans and defined contribution plans.

**7. TERMINATION BENEFIT**

**Early Retirement Incentive** – The District provides a voluntary early retirement incentive program. This benefit is subject to change and benefits are not vested until the employee is eligible for and has applied for Utah State Retirement, signed a District Application for Incentive Participation, and received Board approval for an ERI (Early Retirement Incentive) Application. The District recognizes the liability and expenditure in the year in which an employee retires. To qualify for the benefit the applicant must:

- Have been continuously employed by the District for a minimum of ten (10) consecutive years just prior to retirement under contracts that were established for at least 20 hours per week for a minimum of 180 days per contract year, and
- Qualify for retirement benefits from the Utah Retirement Systems (URS) as of the date of retirement from the District, and
- Apply for retirement benefits from the URS at least 30 days prior to the date of retirement, and
- Not be receiving retirement benefits from the URS because of an earlier retirement.

Early Retirement Incentive (ERI) Program has replaced the old "Phase-Out" ERI Program beginning January 31, 2009. The Benefit payment identified below will be adjusted by the employee's average FTE over the last 10 years of service.

| <b>Years of Qualifying Employment Service Credit at time of retirement (see § 3.2.1)</b> | <b>Maximum Lump Sum Benefit Payment to a qualified Tax Sheltered Annuity Plan</b> |
|--|---|
| 0 to 9.9   | Ineligible  |
| 10 to 14.9   | \$5,000   |
| 15 to 19.9   | \$10,000  |
| 20 to 24.9   | \$15,000  |
| 25 or more   | \$25,000  |

Amounts will be adjusted at the same rate as the cost of living adjustments made to the teacher's salary schedule beginning after the 2006-07 school year.

**8. MEDICAL PLAN, AND LIFE AND LONG-TERM DISABILITY (LTD)**

The district provides \$25,000 employee life insurance, \$2,420 dependent life insurance, and long-term disability coverage that is maintained on a premium basis. The District also provides three months salary in term life insurance, \$2,000 for dependent life insurance that is maintained on a self-insured basis.

## 9. RISK MANAGEMENT

The District is exposed to various risks of loss related to worker's compensation, torts, errors and omissions, violation of civil rights, natural disasters, as well as theft of, damage to, and destruction of assets. These risks are covered by the District's participation in the Utah School Boards Risk Management Mutual Insurance Association for worker's compensation claims and the Utah State Risk Management system for property, casualty, and liability exposure. These are pooled arrangements whereby districts pay experienced rated annual premiums which are designed to pay claims and build sufficient reserves to enable the pool to protect the participating entities with its own capital. The pools reinsure excess losses to preserve the capital base. Property physical damage is insured to replacement value with a \$1,000 deductible; automobile physical damage is insured to actual value with a \$350 deductible; other liability is limited to the lesser of \$10 million or the statutory limit. 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.

Unemployment compensation is handled on a cost of benefits reimbursement basis with the State of Utah.

## 10. LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2017 is as follows:

|   | Beginning<br>Balance  | Additions            | Reductions             | Ending<br>Balance     | Due Within<br>One Year |
|---|-----------------------|----------------------|------------------------|-----------------------|------------------------|
| <b>Governmental activities:</b>                   |                       |                      |                        |                       |                        |
| Bonds payable:                                    |                       |                      |                        |                       |                        |
| General obligation bonds                          | \$ 216,965,000        | \$ 54,275,000        | \$ (48,835,000)        | \$ 222,405,000        | \$ 25,915,000          |
| Deferred amounts for issuance premium             | 18,108,607            | 6,752,205            | (3,254,376)            | 21,606,436            | -                      |
| Deferred amounts on refunding                     | (1,813,800)           | 635,835              | (512,025)              | (1,689,990)           | -                      |
| Total bonds payable, net                          | 233,259,807           | 61,663,040           | (52,601,401)           | 242,321,446           | 25,915,000             |
| Net pension liability                             | 98,319,640            | 26,137,477           | (22,191,291)           | 102,265,826           | -                      |
| Notes Payable                                     | 606,000               | -                    | (206,000)              | 400,000               | 100,000                |
| Early retirement payable                          | -                     | -                    | -                      | -                     | -                      |
| Total governmental activity long-term liabilities | <u>\$ 332,185,447</u> | <u>\$ 87,800,517</u> | <u>\$ (74,998,692)</u> | <u>\$ 344,987,272</u> | <u>\$ 26,015,000</u>   |

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. Early retirement benefits will be paid by the fund in which the employee worked.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2017, including interest payments are listed as follows:

| Year ending<br>June 30, | Principal            | Interest             | Total                |
|-------------------------|----------------------|----------------------|----------------------|
| 2018                    | 25,915,000           | 9,764,956            | 35,679,956           |
| 2019                    | 25,355,000           | 8,529,563            | 33,884,563           |
| 2020                    | 24,605,000           | 7,357,350            | 31,962,350           |
| 2021                    | 23,765,000           | 6,170,375            | 29,935,375           |
| 2022                    | 21,450,000           | 5,028,450            | 26,478,450           |
| 2023-27                 | 68,885,000           | 13,588,125           | 82,473,125           |
| 2028-32                 | 32,430,000           | 3,205,900            | 35,635,900           |
| Total                   | <u>\$222,405,000</u> | <u>\$ 53,644,719</u> | <u>\$276,049,719</u> |

**General Obligation Bonds** – The District passed a \$185 million dollar bond in November of 2013 to finance the construction of several new schools and renovation of existing schools. Of that \$185 million approved bond, \$30 million was authorized and issued on December 18, 2014, \$35 million was issued on January 12, 2016, and \$35 million was issued on November 21, 2016.

General obligation school building bonds payable at June 30, 2017, with their outstanding balance are comprised of the following individual issues:

|   |                      |
|---|----------------------|
| \$20,000,000 2009 general obligation refunding bonds, due in annual installments of \$885,000 to \$1,835,000, through March 1, 2024, interest from 2.5% to 4.0%   | 11,095,000           |
| \$11,950,000 2010B general obligation refunding bonds, due in annual installments of \$885,000 to \$1,835,000, through March 1, 2025, interest from 2.5% to 4.0%  | 11,950,000           |
| \$25,270,000 2011 general obligation refunding bonds, due in annual installments of \$1,100,000 to \$2,315,000, through March 1, 2026, interest from 2% to 4.125% | 13,160,000           |
| \$31,760,000 2012 general obligation refunding bonds, due in annual installments of \$1,225,000 to \$3,750,000, through March 1, 2027, interest from 1.5% to 5%   | 16,165,000           |
| \$38,880,000 2013 general obligation refunding bonds, due in annual installments of \$1,270,000 to \$5,320,000, through March 1, 2028, interest from 1.25% to 5%  | 24,690,000           |
| \$47,465,000 2014 general obligation refunding bonds, due in annual installments of \$1,930,000 to \$5,150,000, through March 1, 2029, interest from 3% to 5%     | 37,060,000           |
| \$59,050,000 2016 general obligation refunding bonds, due in annual installments of \$2,300,000 to \$6,715,000, through March 1, 2031, interest from 2% to 5%     | 54,010,000           |
| \$54,275,000 2016B general obligation refunding bonds, due in annual installments of \$2,190,000 to \$5,700,000, through March 1, 2032, interest from 4% to 5%    | 54,275,000           |
|   | <u>\$222,405,000</u> |

The general obligation bonded debt of the District is limited by state law to 4% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2017, is \$770,959,769. General obligation debt at June 30, 2017 is \$222,405,000, resulting in a legal debt margin of \$548,554,769.

**Advance Refundings** – On January 12, 2017, the District issued \$19,275,000 of general obligation refunding bonds with a premium of \$2,054,025. The bonds were issued at an effective interest rate of 2.78% and will mature on March 1, 2032. The District issued the bonds to advance refund \$23,657,025 of outstanding Series 2007 general obligation bonds. The District deposited the net proceeds along with other resources in an irrevocable trust to provide for all future debt service on the refunded portion of the bonds. As a result, the refunded portion of those bonds is considered defeased, and the District has removed the liability from its accounts. The advanced refunding will reduce total debt service payments over the next 15 years by \$1,140,784. This results in an economic gain (difference between the present value of the old and new debt) of \$921,480.

**Woodward Restoration** - During 2000, the District was awarded a \$150,000 grant and a \$350,000 loan from the State of Utah Community Impact Board (CIB) for the restoration of a vacant historic school (Woodward) to be used as a community facility. The loan was funded through the issuance of taxable revenue lease bonds by the Municipal Building Authority of the City of St. George. The remaining balance of \$106,000 in principal and \$1,715 in interest was paid in FY 2017.

**Hildale Property** - During FY 2015, the District purchased two buildings in Hildale, UT to house the new Water Canyon Elementary and Water Canyon High School. The purchase agreement stated that the District would pay \$653,826 for the land in July of 2014 with a \$600,000 note to seller from buyer secured by Trust Deed. The terms for the note require an annual payment of \$100,000 plus 3% interest as shows in the following schedule:

| Year                  | <u>Principal</u>               | <u>Interest</u>               | <u>Total</u>                   |
|-----------------------|--------------------------------|-------------------------------|--------------------------------|
| <u>Ending June 30</u> |                                |                               |                                |
| 2016                  | 100,000                        | 18,000                        | 118,000                        |
| 2017                  | 100,000                        | 15,000                        | 115,000                        |
| 2018                  | 100,000                        | 12,000                        | 112,000                        |
| 2019                  | 100,000                        | 9,000                         | 109,000                        |
| 2020                  | 100,000                        | 6,000                         | 106,000                        |
| 2021                  | <u>100,000</u>                 | <u>3,000</u>                  | <u>103,000</u>                 |
| <b>Total</b>          | <b><u><u>\$600,000</u></u></b> | <b><u><u>\$63,000</u></u></b> | <b><u><u>\$663,000</u></u></b> |

## 11. DESIGNATED FOR UNDISTRIBUTED RESERVE

Utah state law allows for the establishment of an undistributed reserve. The Board must authorize expenditures from the undistributed reserve. This reserve is for contingencies. According to State law, the District may not use undistributed reserves in the negotiation or settlement of contract salaries for District employees. The undistributed reserve may not exceed 5% of the current fiscal year's total general fund budgeted expenditures. Use of the reserve requires a written resolution adopted by a majority vote of the Board filed with the Utah State Board of Education and State Auditor.

## **12. LITIGATION**

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

## **13. 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 immaterial.



**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**  
**Year Ended June 30, 2017**

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**Note A. Changes in Assumptions-Utah Retirement Systems**

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%.
- With the decrease in the assumed rate of inflation, both the payroll growth and wage inflation assumptions were decreased by 0.15% from the prior year's assumption.

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 rate of salary increases assumption for most groups was modified.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- The post retirement mortality assumption for female educators showed an improvement.
- Minor adjustments to the preretirement mortality assumption were made.
- Certain demographic assumptions were changed that generally resulted in a) an increase in members anticipated to terminate employment prior to retirement, b) a slight decrease in members expected to become disabled, and c) a slight increase in the expected age of retirement.

**Note B. Schedules of District Contributions-Utah Retirement Systems**

Contributions as a percentage of covered-employee payroll may be different than the Utah State Retirement Board certified rate due to rounding or other administrative issues. Required contributions from Tier 2 plans to finance the unfunded actuarial accrued liability of the Tier 1 plans are reported as contributions to the Tier 2 plans.

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Schedules of the District's Proportionate Share of the Net Pension Liability (Asset)**  
**Utah Retirement Systems**  
**Last Three Plan (Calendar) Years \***

|  | <u>2016</u>    | <u>2015</u>   | <u>2014</u>   |
|--|----------------|---------------|---------------|
| <b>Tier 1 Noncontributory System:</b>  |                |               |               |
| District's proportion of the net pension liability (asset)   | 3.1351816%     | 3.1168961%    | 3.0677897%    |
| District's proportionate share of the net pension liability (asset)  | \$ 101,608,630 | \$ 97,910,633 | \$ 77,079,097 |
| District's covered-employee payroll  | \$ 84,823,965  | \$ 84,261,067 | \$ 84,933,775 |
| District's proportionate share of the net pension liability (asset)<br>as a percentage of its covered-employee payroll | 119.8%         | 116.2%        | 90.8%         |
| Plan fiduciary net position as a percentage of the total pension liability   | 84.9%          | 84.5%         | 87.2%         |
| <b>Tier 1 Contributory System:</b>   |                |               |               |
| District's proportion of the net pension liability (asset)   | 0.8019154%     | 0.6526865%    | 0.5503053%    |
| District's proportionate share of the net pension liability (asset)  | \$ 439,416     | \$ 409,007    | \$ 60,340     |
| District's covered-employee payroll  | \$ 214,967     | \$ 206,756    | \$ 201,615    |
| District's proportionate share of the net pension liability (asset)<br>as a percentage of its covered-employee payroll | 204.4%         | 197.8%        | 29.9%         |
| Plan fiduciary net position as a percentage of the total pension liability   | 93.4%          | 92.4%         | 98.7%         |
| <b>Tier 2 Contributory System:</b>   |                |               |               |
| District's proportion of the net pension liability (asset)   | 1.9523182%     | 1.8918256%    | 1.8120261%    |
| District's proportionate share of the net pension liability (asset)  | \$ 217,780     | \$ (4,130)    | \$ (54,912)   |
| District's covered-employee payroll  | \$ 16,010,558  | \$ 12,216,111 | \$ 8,865,360  |
| District's proportionate share of the net pension liability (asset)<br>as a percentage of its covered-employee payroll | 1.4%           | 0.0%          | -0.6%         |
| Plan fiduciary net position as a percentage of the total pension liability   | 95.1%          | 100.2%        | 103.5%        |

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

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Schedules of District Contributions**  
**Utah Retirement Systems**  
Last Three Reporting Years \*

|  | <u>2017</u>         | <u>2016</u>         | <u>2015</u>         |
|--|---------------------|---------------------|---------------------|
| <b>Tier 1 Noncontributory System:</b>                                |                     |                     |                     |
| Contractually required contribution                                  | \$ 18,560,032       | \$ 18,514,268       | \$ 18,271,832       |
| Contributions in relation to the contractually required contribution | <u>(18,560,032)</u> | <u>(18,514,268)</u> | <u>(18,271,832)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         |
| District's covered-employee payroll                                  | \$ 84,325,522       | \$ 84,185,887       | \$ 84,216,820       |
| Contributions as a percentage of covered-employee payroll            | 22.0%               | 22.0%               | 21.7%               |
| <b>Tier 1 Contributory System:</b>                                   |                     |                     |                     |
| Contractually required contribution                                  | \$ 38,370           | \$ 37,204           | \$ 32,504           |
| Contributions in relation to the contractually required contribution | <u>(38,370)</u>     | <u>(37,204)</u>     | <u>(32,504)</u>     |
| Contribution deficiency (excess)                                     | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         |
| District's covered-employee payroll                                  | \$ 216,779          | \$ 210,192          | \$ 203,861          |
| Contributions as a percentage of covered-employee payroll            | 17.7%               | 17.7%               | 15.9%               |
| <b>Tier 2 Contributory System:</b>                                   |                     |                     |                     |
| Contractually required contribution                                  | \$ 3,617,940        | \$ 2,851,578        | \$ 2,069,250        |
| Contributions in relation to the contractually required contribution | <u>(3,617,940)</u>  | <u>(2,851,578)</u>  | <u>(2,069,250)</u>  |
| Contribution deficiency (excess)                                     | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         |
| District's covered-employee payroll                                  | \$ 21,132,056       | \$ 16,652,958       | \$ 12,206,402       |
| Contributions as a percentage of covered-employee payroll            | 17.1%               | 17.1%               | 17.0%               |

\* These schedules only present information for the District's 2015 and subsequent reporting periods; prior-year information is not available.

## Major Governmental Funds

By definition, the general fund is a major fund. However, the general fund is presented in the basic financial statements.

**Debt Service** – The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest due annually. Financing is provided by an annual property tax levy not to exceed .0024 plus an additional levy in an amount not to exceed 10% of the cost of the basic program as authorized by Utah Code 53A-16-104 and 53A-17a-145.

**Capital Projects Fund** – 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. Financing is provided by an annual property tax levy not to exceed .0024 plus an additional levy in an amount not to exceed 10% of the cost of the basic program as authorized by Utah Code 53A-16-104 and 53A-17a-145. Utah law defines the Capital Projects Fund as the Capital Outlay Fund.

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Major Debt Service Fund**  
Year Ended June 30, 2017  
With Comparative Totals for 2016

|  | <b>2017</b>                           |                           | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> | <b>2016</b>               |
|--|---------------------------------------|---------------------------|---|---------------------------|
|  | <b>Final<br/>Budgeted<br/>Amounts</b> | <b>Actual<br/>Amounts</b> |   | <b>Actual<br/>Amounts</b> |
| <b>Revenues:</b>   |                                       |                           |   |                           |
| Property tax   | \$ 35,600,341                         | \$ 36,588,250             | \$ 987,909  | \$ 35,014,917             |
| Other Local Sources  | 1,350,000                             | -                         | (1,350,000)   | -                         |
| Total revenues   | <u>36,950,341</u>                     | <u>36,588,250</u>         | <u>(1,350,000)</u>  | <u>35,014,917</u>         |
| <b>Expenditures:</b>   |                                       |                           |   |                           |
| Debt service:  |                                       |                           |   |                           |
| Bond principal   | 25,177,975                            | 25,177,975                | -   | 24,840,000                |
| Bond interest  | 9,830,590                             | 9,830,590                 | 0   | 8,498,575                 |
| Paying agent fees  | 5,000                                 | 5,000                     | -   | 4,750                     |
| Bank Loan  | 106,000                               | 106,000                   | -   | 19,000                    |
| Bank Interest  | 1,715                                 | 1,715                     | (0)   | 3,125                     |
| Bond issuance costs  | 109,232                               | 109,231                   | 1   | 63,774                    |
| Total expenditures   | <u>35,230,512</u>                     | <u>35,230,511</u>         | <u>1</u>  | <u>33,429,224</u>         |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>1,719,829</u>                      | <u>1,357,739</u>          | <u>(1,349,999)</u>  | <u>1,585,693</u>          |
| <b>Other financing sources (uses):</b>                       |                                       |                           |   |                           |
| Bond Premium   | 2,054,025                             | 2,054,025                 | -   | 3,355,000                 |
| Refunding bonds issued                                       | 19,275,000                            | 19,275,000                | -   | 24,050,000                |
| Payment to refunded bond escrow agent                        | <u>(23,657,025)</u>                   | <u>(23,657,025)</u>       | <u>-</u>  | <u>(27,405,000)</u>       |
| Total other financing sources (uses)                         | <u>(2,328,000)</u>                    | <u>(2,328,000)</u>        | <u>-</u>  | <u>-</u>                  |
| Net change in fund balances                                  | (608,171)                             | (970,261)                 | (1,349,999)   | 1,585,693                 |
| <b>Fund balance - beginning</b>                              | <u>3,913,806</u>                      | <u>3,913,806</u>          | <u>-</u>  | <u>2,328,113</u>          |
| <b>Fund balance - ending</b>                                 | <u>\$ 3,305,635</u>                   | <u>\$ 2,943,545</u>       | <u>\$ (1,349,999)</u>   | <u>\$ 3,913,806</u>       |

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Major Capital Projects Fund**  
Year Ended June 30, 2017  
With Comparative Totals for 2016

|   | <b>2017</b>                           |                           | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> | <b>2016</b>               |
|---|---------------------------------------|---------------------------|---|---------------------------|
|   | <b>Final<br/>Budgeted<br/>Amounts</b> | <b>Actual<br/>Amounts</b> |   | <b>Actual<br/>Amounts</b> |
| <b>Revenues:</b>  |                                       |                           |   |                           |
| Local sources:  |                                       |                           |   |                           |
| Property taxes  | \$ 3,683,266                          | \$ 3,785,355              | \$ 102,089  | \$ 3,527,511              |
| Earnings on investments                                   | 200,000                               | 293,465                   | 93,465  | 228,880                   |
| Other local   | 550,000                               | 785,675                   | 235,675   | 213,044                   |
| Total local sources                                       | 4,433,266                             | 4,864,495                 | 431,229   | 3,969,435                 |
| State sources:  |                                       |                           |   |                           |
| Other   | 679,205                               | 679,205                   | -   | 292,625                   |
| Total state sources                                       | 679,205                               | 679,205                   | -   | 292,625                   |
| Federal sources:  |                                       |                           |   |                           |
| Other   | -                                     | -                         | -   | -                         |
| Total federal sources                                     | -                                     | -                         | -   | -                         |
| Total revenues  | 5,112,471                             | 5,543,700                 | 431,229   | 4,262,060                 |
| <b>Expenditures:</b>                                      |                                       |                           |   |                           |
| Salaries  | 226,893                               | 216,733                   | 10,160  | 160,138                   |
| Benefits  | 88,550                                | 87,494                    | 1,056   | 70,036                    |
| Professional Services                                     | 7,000,000                             | 6,364,423                 | 635,577   | 6,106,144                 |
| Sites & improvements                                      | 3,700,000                             | 1,732,929                 | 1,967,071   | 5,669,652                 |
| Buildings   | 38,297,809                            | 38,264,350                | 33,459  | 27,783,079                |
| Priority equipment  | 3,500,000                             | 1,983,438                 | 1,516,562   | 3,288,138                 |
| Other equipment   | 150,000                               | 470,539                   | (320,539)   | 460,835                   |
| New school equipment                                      | 850,000                               | 553,282                   | 296,718   | 373,945                   |
| Asbestos removal  | 5,000                                 | 1,838                     | 3,162   | 1,675                     |
| Bond issuance costs                                       | 160,000                               | 152,064                   | 7,936   | 158,735                   |
| Total expenditures  | 53,978,252                            | 49,827,089                | 4,151,163   | 44,072,377                |
| Excess (deficiency) of revenues over (under) expenditures | (48,865,781)                          | (44,283,389)              | 4,582,392   | (39,810,317)              |
| <b>Other Financing Sources (Uses):</b>                    |                                       |                           |   |                           |
| General obligation bond proceeds                          | 35,000,000                            | 35,000,000                | -   | 35,000,000                |
| Bond premium  | 4,698,180                             | 4,698,180                 | 0.30  | 3,914,649                 |
| Transfer out  | -                                     | -                         | -   | -                         |
| Sale of capital assets                                    | 1,420,000                             | 121,088                   | (1,298,912)   | 2,415,527                 |
| Total other financing sources (uses)                      | 41,118,180                            | 39,819,268                | (1,298,912)   | 41,330,176                |
| Net change in fund balances                               | (7,747,601)                           | (4,464,121)               | 3,283,480   | 1,519,859                 |
| <b>Fund balance - beginning</b>                           | 26,372,833                            | 26,372,833                | -   | 24,852,974                |
| <b>Fund balance - ending</b>                              | \$ 18,625,232                         | \$ 21,908,712             | \$ 3,283,480  | \$ 26,372,833             |



## Nonmajor Governmental Funds

### Special Revenue Funds

**School Lunch Fund** – This fund is used to account for the food service activities of the District as required by state and federal law. Financing is provided by local sales along with substantial subsidies from the State of Utah and the U.S. Government to help ensure that student's receive low-cost, nutritionally balanced meals.

**Student Activity Fund** – This fund is used to account for the school based operations. The fund is newly reported in the financial reports as a special revenue fund as of the 2007-08 fiscal year. The revenue is comprised of interest earnings, gate receipts, fundraisers, and student fees. Expenditures support curricular and extra-curricular activities.

**Non K-12 Programs Fund** – This fund is used to account for programs that are not part of the basic educational program of kindergarten, elementary, and secondary students. These areas include: adult education, preschool for disabled students, and the recreation fund. The recreation fund is used to account for costs to provide for recreation activities. Financing is provided primarily by recreation property tax levy, which is authorized by Utah Code 11-2-7 and does not have a maximum statutory rate.

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

**Washington County School District Foundation Fund** – This fund is used to account for donations received by the District. The Foundation was formed October 16, 1985, to provide a continuing organization, outside the public school system, for the benefit of Washington County School District. The activities of the Foundation are governed by a ten to thirty-member board of directors: one is a member of the Washington County School District Board of Education, one the Superintendent of the District, one the Development Director of the District, and all remaining members from the general public. Although the Foundation's activities and records are operated and maintained separate from the District, the District is considered to be financially accountable for the Foundation.

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**

June 30, 2017

|  | Special Revenue     |                     |                      |                             |   | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---------------------|---------------------|----------------------|-----------------------------|---|--|
|  | School<br>Lunch     | Student<br>Activity | Non K-12<br>Programs | Redevelopment<br>Agency Tax | Washington<br>School District<br>Foundation |  |
| <b>Assets:</b>   |                     |                     |                      |                             |   |  |
| Cash and investments   | \$ 543,428          | \$ 4,515,065        | \$ 468,195           | \$ -                        | \$ 1,599,215                                | \$ 7,125,903                               |
| Receivables:   |                     |                     |                      |                             |   |  |
| Property taxes   | -                   |                     |                      |                             |   | -  |
| Other governments  | 840,014             |                     | 155,605              |                             |   | 995,619                                    |
| Other receivables  | 1,661               |                     |                      |                             | 791   | 2,452                                      |
| Inventory  | 331,812             |                     |                      |                             |   | 331,812                                    |
| Prepays  | -                   |                     |                      |                             |   | -  |
| Total assets   | <u>\$ 1,716,914</u> | <u>\$ 4,515,065</u> | <u>\$ 623,800</u>    | <u>\$ -</u>                 | <u>\$ 1,600,006</u>                         | <u>\$ 8,455,786</u>                        |
| <b>Liabilities, deferred inflows of resources and fund balances:</b> |                     |                     |                      |                             |   |  |
| Liabilities:   |                     |                     |                      |                             |   |  |
| Accounts payable   | \$ 142,586          | \$ 203,426          | \$ 15,459            | \$ -                        | \$ 5,769                                    | \$ 367,240                                 |
| Wages payable  |                     |                     |                      |                             |   | -  |
| Unearned revenue:  |                     |                     |                      |                             |   | -  |
| Property taxes   |                     |                     |                      |                             |   | -  |
| Other governments  |                     |                     | 426,620              |                             |   | 426,620                                    |
| Local sources  |                     |                     | 181,721              |                             |   | 181,721                                    |
| Total liabilities  | <u>142,586</u>      | <u>203,426</u>      | <u>623,800</u>       | <u>-</u>                    | <u>5,769</u>                                | <u>975,581</u>                             |
| Fund balances:   |                     |                     |                      |                             |   |  |
| Nonspendable:  |                     |                     |                      |                             |   |  |
| Inventories  | 331,812             |                     |                      |                             |   | 331,812                                    |
| Restricted for:  |                     |                     |                      |                             |   |  |
| School Lunch   | 1,242,516           |                     |                      |                             |   | 1,242,516                                  |
| Community Recreation<br>Schools                                      |                     |                     |                      |                             | 1,594,237                                   | 1,594,237                                  |
| Committed to:<br>Students  |                     | 4,311,639           |                      |                             |   | 4,311,639                                  |
| Total fund balances  | <u>1,574,328</u>    | <u>4,311,639</u>    | <u>-</u>             | <u>-</u>                    | <u>1,594,237</u>                            | <u>7,480,205</u>                           |
| Total liabilities, deferred inflows of resources and fund balances   | <u>\$ 1,716,914</u> | <u>\$ 4,515,065</u> | <u>\$ 623,800</u>    | <u>\$ -</u>                 | <u>\$ 1,600,006</u>                         | <u>\$ 8,455,786</u>                        |

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
Year Ended June 30, 2017

|   | Special Revenue |                     |                      |                             |   |      | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|-----------------|---------------------|----------------------|-----------------------------|---|------|--|
|   | School<br>Lunch | Student<br>Activity | Non K-12<br>Programs | Redevelopment<br>Agency Tax | Washington<br>School District<br>Foundation |      |  |
| <b>Revenues:</b>                              |                 |                     |                      |                             |   |      |  |
| Property tax                                  | \$ -            |                     | \$ -                 | \$ 4,000,000                | \$ -  | \$ - | \$ 4,000,000                               |
| Student fees                                  | -               | 2,176,021           | -                    | -                           | -   | -    | 2,176,021                                  |
| Lunch sales                                   | 2,346,876       |                     | -                    | -                           | -   | -    | 2,346,876                                  |
| Earnings on investments                       | -               | 26,501              | -                    | -                           | 14,408                                      | -    | 40,909                                     |
| Other local revenues                          | -               | 4,516,467           | (24,208)             | -                           | 527,018                                     | -    | 5,019,277                                  |
| State aid                                     | 1,844,135       |                     | 2,605,245            | -                           | -   | -    | 4,449,380                                  |
| Federal aid                                   | 7,729,398       |                     | 849,292              | -                           | -   | -    | 8,578,690                                  |
| Total revenues                                | 11,920,409      | 6,718,989           | 3,430,329            | 4,000,000                   | 541,425                                     | -    | 26,611,152                                 |
| <b>Expenditures:</b>                          |                 |                     |                      |                             |   |      |  |
| Current:                                      |                 |                     |                      |                             |   |      |  |
| Instructional services                        | -               | 6,199,949           | 3,401,590            | -                           | 534,976                                     | -    | 10,136,515                                 |
| Supporting services:                          |                 |                     |                      |                             |   |      |  |
| Operation and maintenance of facilities       | -               |                     | 28,738               | -                           | -   | -    | 28,738                                     |
| Payments to redevelopment / economic agencies |                 |                     |                      | 4,000,000                   |   |      | 4,000,000                                  |
| School lunch services                         | 10,984,014      |                     | -                    | -                           | -   | -    | 10,984,014                                 |
| Total expenditures                            | 10,984,014      | 6,199,949           | 3,430,328            | 4,000,000                   | 534,976                                     | -    | 25,149,267                                 |
| Excess of revenues over expenditures          | 936,395         | 519,040             | 0                    | -                           | 6,449                                       | -    | 1,461,885                                  |
| <b>Other financing sources:</b>               |                 |                     |                      |                             |   |      |  |
| Transfer in                                   | -               |                     | -                    | -                           | -   | -    | -  |
| Net change in fund balances                   | 936,395         | 519,040             | 0                    | -                           | 6,449                                       | -    | 1,461,885                                  |
| <b>Fund balances - beginning</b>              | 637,933         | 3,792,599           | -                    | -                           | 1,587,788                                   | -    | 6,018,320                                  |
| <b>Fund balances - ending</b>                 | \$ 1,574,328    | \$ 4,311,639        | \$ 0                 | \$ -                        | \$ 1,594,237                                | \$ - | \$ 7,480,205                               |

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**School Lunch**

**Nonmajor Special Revenue Fund**

Year Ended June 30, 2017

With Comparative Totals for 2016

|                                  | 2017                         |                   |   | 2016              |
|----------------------------------|------------------------------|-------------------|---|-------------------|
|                                  | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget -<br>Positive<br>(Negative) | Actual<br>Amounts |
| <b>Revenues:</b>                 |                              |                   |   |                   |
| Local sources:                   |                              |                   |   |                   |
| Lunch sales - children           | \$ 2,314,203                 | \$ 2,277,400      | \$ (36,803)   | \$ 2,190,791      |
| Lunch Sales - adult              | 74,781                       | 69,476            | (5,305)   | 76,820            |
| Other local sales                | -                            | -                 | -   | -                 |
| Total local sources              | 2,388,984                    | 2,346,876         | (42,108)  | 2,267,611         |
| State sources:                   |                              |                   |   |                   |
| State lunch program              | 1,631,931                    | 1,844,135         | 212,204   | 1,731,306         |
| Total state sources              | 1,631,931                    | 1,844,135         | 212,204   | 1,731,306         |
| Federal sources:                 |                              |                   |   |                   |
| Federal lunch program            | 919,368                      | 1,001,973         | 82,605  | 893,253           |
| Free and reduced assistance      | 4,116,821                    | 4,080,197         | (36,624)  | 3,926,067         |
| Breakfast program                | 948,528                      | 940,018           | (8,510)   | 920,901           |
| Other                            | 804,740                      | 1,707,210         | 902,470   | 787,899           |
| Total federal sources            | 6,789,457                    | 7,729,398         | 939,941   | 6,528,120         |
| Total revenues                   | 10,810,372                   | 11,920,409        | 1,110,037   | 10,527,037        |
| <b>Expenditures:</b>             |                              |                   |   |                   |
| Current:                         |                              |                   |   |                   |
| Salaries                         | 2,960,058                    | 2,902,691         | 57,367  | 2,795,168         |
| Employee benefits                | 1,462,112                    | 1,420,599         | 41,514  | 1,431,178         |
| Purchased services               | 146,000                      | 27,044            | 118,956   | 20,372            |
| Supplies                         | 367,414                      | 369,170           | (1,756)   | 356,713           |
| Food                             | 4,331,288                    | 4,191,791         | 139,497   | 3,802,355         |
| Equipment                        | 84,674                       | 16,270            | 68,404  | 80,642            |
| Indirect cost allocation         | 609,421                      | 590,838           | 18,583  | 653,136           |
| USDA Commodities                 | 885,886                      | 1,465,610         | (579,724)   | 885,886           |
| Total expenditures               | 10,846,853                   | 10,984,014        | (137,161)   | 10,025,450        |
| Net change in fund balances      | (36,481)                     | 936,395           | 972,876   | 501,587           |
| <b>Fund balances - beginning</b> | 637,933                      | 637,933           | -   | 136,346           |
| <b>Fund balances - ending</b>    | \$ 601,452                   | \$ 1,574,328      | \$ 972,876  | \$ 637,933        |

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
*Student Activity*  
**Nonmajor Special Revenue Fund**  
Year Ended June 30, 2017  
With Comparative Totals for 2016

|                                  | <u>2017</u>                           |                            | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> | <u>2016</u>                |
|----------------------------------|---------------------------------------|----------------------------|---|----------------------------|
|                                  | <b>Final<br/>Budgeted<br/>Amounts</b> | <b>Actual<br/>Amounts</b>  |   | <b>Actual<br/>Amounts</b>  |
| <b>Revenues:</b>                 |                                       |                            |   |                            |
| Local sources:                   |                                       |                            |   |                            |
| Transportation Fees              | \$ 796,923                            | \$ 377,664                 | \$ (419,259)  | \$ 378,962                 |
| Earnings on investments          | 8,327                                 | 26,501                     | 18,174  | 7,445                      |
| Student Fees                     | 2,166,438                             | 2,176,021                  | 9,583   | 2,049,982                  |
| School Vending                   | 214,077                               | 163,614                    | (50,463)  | 188,134                    |
| Other Local Sources              | 3,287,994                             | 3,975,189                  | 687,195   | 3,582,171                  |
| Total revenues                   | <u>6,473,759</u>                      | <u>6,718,989</u>           | <u>245,230</u>  | <u>6,206,694</u>           |
| <b>Expenditures:</b>             |                                       |                            |   |                            |
| Current:                         |                                       |                            |   |                            |
| Purchased professional services  | 422,828                               | 431,522                    | (8,694)   | 435,959                    |
| Purchased property services      | 50,000                                | 68,404                     | (18,404)  | 39,172                     |
| Other purchased services         | 825,229                               | 734,485                    | 90,744  | 580,887                    |
| Supplies                         | 4,836,613                             | 4,748,521                  | 88,092  | 4,371,741                  |
| Property                         | 262,537                               | 217,017                    | 45,520  | 160,652                    |
| Total expenditures               | <u>6,397,207</u>                      | <u>6,199,949</u>           | <u>197,258</u>  | <u>5,588,411</u>           |
| Net change in fund balances      | 76,552                                | 519,040                    | 442,488   | 618,283                    |
| <b>Fund balances - beginning</b> | <u>3,792,599</u>                      | <u>3,792,599</u>           | <u>-</u>  | <u>3,174,316</u>           |
| <b>Fund balances - ending</b>    | <u><u>\$ 3,869,151</u></u>            | <u><u>\$ 4,311,639</u></u> | <u><u>\$ 442,488</u></u>  | <u><u>\$ 3,792,599</u></u> |

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
*Non K-12 Programs*

**Nonmajor Special Revenue Fund**

Year Ended June 30, 2017

With Comparative Totals for 2016

|  | 2017                         |                   |   | 2016              |
|--|------------------------------|-------------------|---|-------------------|
|  | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget -<br>Positive<br>(Negative) | Actual<br>Amounts |
| <b>Revenues:</b>   |                              |                   |   |                   |
| Local sources:   |                              |                   |   |                   |
| Property taxes   | \$ -                         | \$ -              | \$ -  | \$ -              |
| Miscellaneous revenues                                       | 34,676                       | (24,208)          | (58,884)  | (20,469)          |
| Total local sources  | 34,676                       | (24,208)          | (58,884)  | (20,469)          |
| State sources:   |                              |                   |   |                   |
| Adult high school completion                                 | 337,875                      | 405,270           | 67,395  | 327,356           |
| Preschool  | 2,310,428                    | 2,199,975         | (110,453)   | 1,754,135         |
| Retirement and social security                               | -                            | -                 | -   | -                 |
| Total state sources  | 2,648,303                    | 2,605,245         | (43,058)  | 2,081,491         |
| Federal sources:   |                              |                   |   |                   |
| Special education preschool grant                            | 688,437                      | 678,374           | (10,063)  | 103,382           |
| Adult education  | 170,917                      | 170,917           | -   | 178,296           |
| Total federal sources  | 859,354                      | 849,291           | (10,063)  | 281,678           |
| Total revenues   | 3,542,333                    | 3,430,328         | (112,005)   | 2,342,700         |
| <b>Expenditures:</b>   |                              |                   |   |                   |
| Current:   |                              |                   |   |                   |
| Salaries   | 2,045,944                    | 1,961,719         | 84,225  | 1,474,902         |
| Employee benefits  | 1,074,050                    | 1,064,012         | 10,038  | 730,587           |
| Purchased services   | 108,914                      | 86,708            | 22,206  | 29,395            |
| Utilities  | 35,325                       | 28,738            | 6,587   | 28,924            |
| Supplies   | 278,100                      | 289,152           | (11,052)  | 57,295            |
| Equipment  | -                            | -                 | -   | 21,597            |
| Total expenditures   | 3,542,333                    | 3,430,328         | 112,005   | 2,342,700         |
| Excess (deficiency) of revenues over<br>(under) expenditures | -                            | -                 | (0)   | -                 |
| <b>Fund balances - beginning</b>                             | -                            | -                 | -   | -                 |
| <b>Fund balances - ending</b>                                | \$ -                         | \$ -              | \$ (0)  | \$ -              |

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
*Redevelopment Agency Tax*  
**Nonmajor Special Revenue Fund**  
Years Ended June 30, 2017 and 2016

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|   | <b>2017</b>  | <b>2016</b>  |
|---|--------------|--------------|
| <b>Revenues:</b>  |              |              |
| Local sources:  |              |              |
| Property Taxes  | \$ 4,000,000 | \$ 4,000,000 |
| Total revenues  | 4,000,000    | 4,000,000    |
| <b>Expenditures:</b>                                      |              |              |
| Current:  |              |              |
| Payments to redevelopment / economic agencies             | 4,000,000    | 4,000,000    |
| Total expenditures  | 4,000,000    | 4,000,000    |
| Excess (deficiency) of revenues over (under) expenditures | -            | -            |
| <b>Fund balances - beginning</b>                          | -            | -            |
| <b>Fund balances - ending</b>                             | \$ -         | \$ -         |

**WASHINGTON COUNTY SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
*Washington County School District Foundation*  
**Nonmajor Special Revenue Fund**  
Years Ended June 30, 2017 and 2016

|  | <b>2017</b>  | <b>2016</b>  |
|--|--------------|--------------|
| <b>Revenues:</b>   |              |              |
| Local sources:   |              |              |
| Contributions to schools                                     | \$ 527,018   | \$ 589,289   |
| Sterling Scholar   | 0            | 1,562        |
| Woodward Restoration   | 0            | 0            |
| Earnings on investments                                      | 14,408       | 9,515        |
| Total revenues   | 541,425      | 600,366      |
| <b>Expenditures:</b>   |              |              |
| Current:   |              |              |
| Program services - supplies and materials donated to schools | 534,976      | 702,503      |
| Sterling Scholar   | -            | -            |
| Woodward Restoration   | -            | -            |
| Total expenditures   | 534,976      | 702,503      |
| Excess (deficiency) of revenues over (under) expenditures    | 6,449        | (102,137)    |
| <b>Fund balances - beginning</b>                             | 1,587,788    | 1,689,925    |
| <b>Fund balances - ending</b>                                | \$ 1,594,237 | \$ 1,587,788 |

**STATISTICAL  
SECTION**



# WASHINGTON COUNTY SCHOOL DISTRICT

## STATISTICAL SECTION

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

| <u>Contents</u>   | <u>Page</u> |
|---|-------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.  | 69-72       |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.  | 73-78       |
| <b>Debt Capacity</b><br>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.                             | 79-83       |
| <b>Demographic and Economic Information</b><br>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.   | 84-85       |
| <b>Operating Information</b><br>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.  | 86-95       |
| <b>Continuing Disclosure Information</b><br>These schedules are required as part of the District's ongoing General Obligation Bonded debt disclosures and give additional information to investors about the financial trends and tax base of the District. | 96-99       |

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



## WASHINGTON COUNTY SCHOOL DISTRICT

**Net Position by Component  
Last Ten Fiscal Years  
June 30, 2008 through 2017  
(accrual basis of accounting)**

| <u>Fiscal Year<br/>Ending<br/>June 30,</u> | <u>Net investment<br/>in capital assets</u> | <u>Restricted</u> | <u>Unrestricted</u> | <u>Total<br/>Net Position</u> |
|--|---|-------------------|---------------------|-------------------------------|
| 2008                                       | 99,118,625                                  | 7,849,734         | 14,146,090          | 121,114,449                   |
| 2009                                       | 118,360,389                                 | 8,030,221         | 15,204,591          | 141,595,201                   |
| 2010                                       | 118,718,819                                 | 14,620,949        | 17,559,090          | 150,898,858                   |
| 2011                                       | 127,955,624                                 | 18,824,013        | 19,321,640          | 166,101,277                   |
| 2012                                       | 132,195,693                                 | 19,466,066        | 19,274,488          | 170,936,247                   |
| 2013                                       | 143,075,565                                 | 19,476,680        | 18,669,079          | 181,221,324                   |
| 2014                                       | 158,105,134                                 | 12,713,534        | 17,304,415          | 188,123,083                   |
| 2015                                       | 172,691,325                                 | 8,686,766         | (54,822,872)        | 126,555,219                   |
| 2016                                       | 184,918,122                                 | 10,666,216        | (47,087,458)        | 148,496,880                   |
| 2017                                       | 207,096,722                                 | 9,829,248         | (43,568,770)        | 173,357,200                   |

FY 2015 was the implementation of GASB 68. The negative unrestricted balance includes the District's proportionate share of the unfunded obligation of the defined benefit pension plans administered by Utah Retirement System.

**WASHINGTON COUNTY SCHOOL DISTRICT**

Changes in Net Position  
Last Ten Fiscal Years  
June 30, 2008 through 2017  
(accrual basis of accounting)

|   | Fiscal Year Ended June 30 |                |                |                |                |                |                |                |                |                |
|---|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|   | 2017                      | 2016           | 2015           | 2014           | 2013           | 2012           | 2011           | 2010           | 2009           | 2008           |
| <b>Expenses</b>   |                           |                |                |                |                |                |                |                |                |                |
| Instruction   | \$ 150,443,812            | \$ 148,204,745 | \$ 141,034,355 | \$ 140,302,096 | \$ 133,106,562 | \$ 134,562,943 | \$ 127,050,476 | \$ 126,148,065 | \$ 119,128,502 | \$ 120,207,168 |
| Support services:   |                           |                |                |                |                |                |                |                |                |                |
| Students  | 9,607,702                 | 8,410,205      | 9,165,450      | 8,101,619      | 8,134,314      | 7,897,628      | 9,074,614      | 9,062,436      | 8,309,284      | 6,765,462      |
| Instructional staff   | 10,608,222                | 10,345,625     | 9,525,370      | 9,329,269      | 9,151,303      | 8,746,413      | 8,681,603      | 9,312,296      | 9,332,796      | 7,013,980      |
| General district administration                               | 706,818                   | 596,957        | 550,939        | 565,008        | 558,971        | 483,563        | 467,053        | 535,185        | 546,123        | 491,737        |
| School administration   | 16,155,693                | 15,084,004     | 14,263,756     | 14,153,377     | 13,580,695     | 12,735,740     | 12,696,483     | 12,844,669     | 12,627,914     | 11,740,797     |
| Accounting and purchasing services                            | 4,094,596                 | 3,581,486      | 3,579,921      | 3,312,499      | 2,958,822      | 2,984,850      | 2,897,453      | 2,669,512      | 2,068,717      | 2,702,809      |
| Operation and maintenance of buildings                        | 19,455,219                | 18,602,913     | 18,372,366     | 18,382,941     | 17,268,652     | 17,111,042     | 16,674,881     | 16,513,955     | 15,952,802     | 14,532,093     |
| Student transportation  | 7,502,987                 | 5,587,962      | 5,594,148      | 6,037,130      | 5,971,924      | 5,683,670      | 5,535,245      | 5,537,455      | 7,436,424      | 5,554,915      |
| Personnel, planning, and data processing                      | -                         | -              | -              | -              | -              | -              | -              | -              | 626,975        | 609,686        |
| Nutrition services  | 10,393,176                | 9,372,314      | 9,610,346      | 9,420,078      | 9,231,516      | 8,951,733      | 7,826,804      | 7,016,335      | 7,013,089      | 6,442,445      |
| Redevelopment agencies  | 4,000,000                 | 4,000,000      | 3,480,000      | -              | -              | -              | -              | -              | -              | -              |
| Interest on long-term liabilities                             | 6,740,036                 | 6,469,387      | 7,230,106      | 7,611,702      | 8,166,740      | 8,840,945      | 9,108,852      | 9,744,806      | 10,437,638     | 10,284,612     |
| Total Expenses  | 239,708,261               | 230,255,596    | 222,406,755    | 217,215,717    | 208,149,500    | 207,998,527    | 200,013,464    | 199,394,714    | 193,480,265    | 186,345,704    |
| <b>Program Revenues</b>                                       |                           |                |                |                |                |                |                |                |                |                |
| Charges for services:   |                           |                |                |                |                |                |                |                |                |                |
| Instruction   | 612,622                   | 691,932        | 678,592        | 562,834        | 567,192        | 477,988        | 492,253        | 487,352        | 517,456        | 451,957        |
| Supporting services   | 313,172                   | 254,779        | 289,875        | 554,096        | 351,302        | 248,221        | 229,951        | 289,501        | 210,330        | 288,181        |
| Nutrition services  | 2,346,876                 | 2,267,611      | 2,162,106      | 2,072,084      | 1,909,371      | 2,010,728      | 2,080,369      | 2,141,371      | 2,427,125      | 2,571,910      |
| Operating grants and contributions                            | 74,761,634                | 68,196,531     | 64,351,492     | 62,244,061     | 62,244,061     | 59,729,955     | 63,111,872     | 60,825,662     | 68,593,600     | 53,525,979     |
| Total Program Revenues  | 78,034,304                | 71,410,853     | 67,482,065     | 65,682,427     | 65,071,926     | 62,468,892     | 65,914,445     | 63,743,886     | 71,748,511     | 56,838,027     |
| Net (Expense)/Revenue   | (161,673,957)             | (158,844,743)  | (154,924,690)  | (151,533,290)  | (143,077,574)  | (145,531,635)  | (134,099,019)  | (135,640,828)  | (121,731,754)  | (129,507,677)  |
| <b>General Revenues and Other Changes in Net Position</b>     |                           |                |                |                |                |                |                |                |                |                |
| Property taxes  | 107,429,249               | 103,367,930    | 98,437,605     | 84,826,539     | 88,708,766     | 85,487,215     | 83,939,663     | 81,861,837     | 79,265,217     | 75,771,380     |
| Federal and state revenue not restricted to specific purposes | 71,310,984                | 67,451,771     | 65,628,557     | 64,519,292     | 56,708,886     | 57,622,719     | 57,588,730     | 55,926,958     | 53,941,000     | 66,357,202     |
| Interest  | 848,285                   | 526,747        | 306,521        | 304,030        | 481,576        | 594,815        | 657,196        | 731,686        | 1,776,931      | 3,858,484      |
| Miscellaneous   | 9,945,759                 | 9,071,044      | 8,592,551      | 8,891,976      | 7,463,424      | 6,875,826      | 7,133,189      | 6,422,314      | 7,229,359      | 6,533,161      |
| Total General and Other                                       | 189,534,277               | 180,417,492    | 172,965,234    | 158,541,837    | 153,362,652    | 150,580,575    | 149,318,778    | 144,942,795    | 142,212,507    | 152,520,227    |
| Change in Net Position  | 27,860,320                | 21,572,749     | 18,040,543     | 7,008,546      | 10,285,078     | 5,048,942      | 15,219,760     | 9,301,967      | 20,480,752     | 23,012,550     |
| Net Position - Beginning **                                   | 148,496,880               | 126,924,131    | 108,883,588    | 181,114,537    | 170,936,246    | 165,887,305    | 150,881,517    | 141,596,891    | 121,114,449    | 98,101,899     |
| Net Position - Ending   | \$ 176,357,200            | \$ 148,496,880 | \$ 126,924,131 | \$ 188,123,083 | \$ 181,221,324 | \$ 170,936,247 | \$ 166,101,277 | \$ 150,898,858 | \$ 141,595,201 | \$ 121,114,449 |

\*\* The beginning Net Position in 2015 was restated due to the implementation of GASB 68.

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
June 30, 2008 through 2017  
(modified accrual basis of accounting)**

| Fiscal Year<br>Ended<br>June 30, | General Fund |           |           |            | Total      |
|----------------------------------|--------------|-----------|-----------|------------|------------|
|                                  | Nonspendable | Committed | Assigned  | Unassigned |            |
| 2008                             | -            | 5,591,179 | -         | 14,210,560 | 19,801,739 |
| 2009                             | -            | 5,591,179 | -         | 14,544,891 | 20,136,070 |
| 2010                             | 648,768      | 5,591,179 | 3,757,047 | 10,946,833 | 20,943,827 |
| 2011                             | 612,530      | 5,591,179 | 3,665,445 | 11,067,154 | 20,936,307 |
| 2012                             | 329,741      | 5,591,179 | 7,285,565 | 6,589,334  | 19,795,819 |
| 2013                             | 331,642      | 5,591,179 | 6,133,624 | 3,487,407  | 15,543,852 |
| 2014                             | 321,356      | 5,591,179 | 3,637,957 | 3,969,664  | 13,520,156 |
| 2015                             | 322,621      | 5,591,179 | 3,758,583 | 4,509,916  | 14,182,299 |
| 2016                             | 263,115      | 5,591,179 | 3,465,243 | 9,863,390  | 19,182,927 |
| 2017                             | 283,714      | 5,591,179 | 4,168,721 | 13,916,926 | 23,960,540 |

| Fiscal Year<br>Ended<br>June 30, | All Other Governmental Funds |                 |                  |  |              |           | Committed | Assigned   | Total |
|----------------------------------|------------------------------|-----------------|------------------|--|--------------|-----------|-----------|------------|-------|
|                                  | Nonspendable                 | Special Revenue | Restricted       |  | Debt Service |           |           |            |       |
|                                  |                              |                 | Capital Projects |  |              |           |           |            |       |
| 2008                             | -                            | 3,099,698       | 27,202,600       |  | 1,426,880    | -         | -         | 31,729,178 |       |
| 2009                             | -                            | 3,227,662       | 28,736,116       |  | 946,593      | -         | -         | 32,910,371 |       |
| 2010                             | 266,674                      | 2,190,441       | 37,683,478       |  | 886,495      | 2,102,456 | 1,296,432 | 44,425,976 |       |
| 2011                             | 231,254                      | 2,576,454       | 47,917,534       |  | 1,605,232    | 2,245,714 | 672,635   | 55,248,823 |       |
| 2012                             | 251,207                      | 1,988,941       | 23,140,764       |  | 4,257,272    | 2,367,597 | 1,217,270 | 33,223,051 |       |
| 2013                             | 200,470                      | 1,177,998       | 18,324,526       |  | 7,032,663    | 2,557,911 | 895,227   | 30,188,795 |       |
| 2014                             | 330,838                      | 1,165,820       | 15,732,558       |  | 2,764,855    | 2,881,743 | 1,044,824 | 23,920,638 |       |
| 2015                             | 147,734                      | 1,689,925       | 23,672,098       |  | 2,328,113    | 3,174,316 | 1,169,488 | 32,181,674 |       |
| 2016                             | 403,182                      | 1,828,948       | 25,253,064       |  | 3,913,806    | 3,792,599 | 1,113,360 | 36,304,959 |       |
| 2017                             | 339,525                      | 2,836,754       | 20,914,245       |  | 2,943,544    | 4,311,639 | 986,754   | 32,332,461 |       |

FY 2010 was the implementation year for the GASB 54 fund balance classifications. Prior years were restated for comparability but the District didn't have a reserve for inventory or assign fund balance for programs in those years.

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
June 30, 2008 through 2017  
(modified accrual basis of accounting)**

|   | Fiscal Year Ended June 30, |                |               |               |               |               |               |               |               |               |
|---|----------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|   | 2017                       | 2016           | 2015          | 2014          | 2013          | 2012          | 2011          | 2010          | 2009          | 2008          |
| <b>Revenues</b>   |                            |                |               |               |               |               |               |               |               |               |
| Property taxes  | \$ 106,286,608             | \$ 101,314,300 | \$ 91,823,777 | \$ 84,826,539 | \$ 88,708,766 | \$ 85,487,215 | \$ 83,939,663 | \$ 81,861,837 | \$ 79,265,217 | \$ 75,771,380 |
| Other local sources   | 14,657,551                 | 13,465,249     | 12,581,761    | 13,056,977    | 11,675,368    | 11,107,620    | 11,484,795    | 10,945,153    | 12,929,164    | 14,494,196    |
| State of Utah   | 122,633,435                | 114,790,561    | 109,606,615   | 105,975,638   | 96,886,683    | 96,132,346    | 93,821,880    | 91,877,619    | 99,290,649    | 106,610,774   |
| Federal government  | 23,439,183                 | 20,857,741     | 20,373,434    | 21,037,067    | 22,066,264    | 21,220,328    | 26,878,722    | 24,875,001    | 23,243,951    | 13,272,407    |
| Total revenues  | 267,016,777                | 250,427,851    | 234,385,587   | 224,896,221   | 219,337,081   | 213,947,510   | 216,125,060   | 209,559,610   | 214,728,981   | 210,148,757   |
| <b>Expenditures</b>   |                            |                |               |               |               |               |               |               |               |               |
| Instruction   | 129,227,841                | 123,312,797    | 116,602,184   | 114,851,525   | 112,526,956   | 105,456,677   | 106,505,811   | 102,755,922   | 104,331,254   | 99,145,862    |
| Supporting services:  |                            |                |               |               |               |               |               |               |               |               |
| Students  | 9,607,702                  | 8,410,205      | 9,165,450     | 8,101,619     | 8,136,831     | 7,936,734     | 9,148,533     | 9,137,356     | 8,378,799     | 6,843,867     |
| Instructional staff   | 10,608,222                 | 10,345,625     | 9,525,370     | 9,332,602     | 9,155,491     | 8,775,328     | 8,741,861     | 9,316,404     | 9,357,570     | 7,026,037     |
| General district administration                               | 650,257                    | 555,474        | 508,440       | 521,448       | 513,006       | 450,845       | 434,875       | 495,652       | 533,772       | 487,216       |
| School administration   | 14,862,883                 | 14,035,815     | 13,163,468    | 13,062,905    | 12,467,196    | 11,773,123    | 11,768,779    | 11,818,745    | 12,053,118    | 10,888,597    |
| Accounting and purchasing                                     | 3,766,938                  | 3,332,608      | 3,303,770     | 3,057,118     | 2,715,513     | 2,730,556     | 2,645,333     | 2,421,140     | 1,948,063     | 2,532,319     |
| Operation and maintenance of buildings                        | 17,869,637                 | 17,281,271     | 16,930,370    | 16,936,621    | 15,839,899    | 15,643,964    | 15,233,579    | 15,013,674    | 15,081,778    | 13,585,305    |
| Student transportation  | 6,902,583                  | 5,199,654      | 5,162,622     | 5,583,091     | 5,485,539     | 5,215,124     | 5,097,896     | 5,056,078     | 6,955,527     | 5,178,541     |
| Personnel, planning, and data processing                      | -                          | -              | -             | -             | -             | -             | -             | -             | 590,408       | 571,228       |
| Nutrition services  | 10,984,014                 | 10,025,450     | 10,162,462    | 10,092,035    | 10,134,338    | 9,867,292     | 8,772,629     | 7,967,580     | 7,846,701     | 7,309,257     |
| Non K-12 programs   | 3,430,328                  | 2,342,700      | 2,118,384     | 2,143,287     | 2,467,522     | 3,041,368     | 2,796,334     | 2,930,821     | 3,077,708     | 2,827,721     |
| Redevelopment agencies  | 4,000,000                  | 4,000,000      | 3,480,000     | -             | -             | -             | -             | -             | -             | -             |
| Foundation  | 534,976                    | 702,503        | 473,477       | 372,569       | 357,056       | 256,452       | 253,936       | 319,617       | 291,243       | 516,413       |
| Student Activity  | 6,199,949                  | 5,588,411      | 5,758,142     | 5,725,171     | 5,239,727     | 5,096,062     | 4,929,082     | 4,559,668     | 4,622,250     | 4,547,360     |
| Capital outlay  | 49,827,089                 | 44,072,377     | 28,920,524    | 29,228,836    | 32,264,562    | 29,252,934    | 17,497,205    | 14,846,239    | 27,063,010    | 72,791,879    |
| Debt Service:   |                            |                |               |               |               |               |               |               |               |               |
| Bond principal  | 25,177,975                 | 24,840,000     | 25,090,000    | 27,694,175    | 23,085,000    | 22,290,000    | 23,530,000    | 22,955,000    | 21,270,000    | 19,715,000    |
| Bond interest and fees  | 9,946,536                  | 8,570,224      | 8,396,949     | 8,555,002     | 8,886,807     | 9,326,373     | 9,708,120     | 10,087,751    | 10,138,789    | 9,296,223     |
| Bank loan and interest  | 106,000                    | 19,000         | 19,000        | 18,000        | 18,000        | 17,000        | 17,000        | 17,000        | 16,000        | 16,000        |
| Total expenditures  | 303,702,930                | 282,634,114    | 258,780,612   | 255,276,004   | 249,293,443   | 237,129,832   | 227,080,973   | 219,698,647   | 233,555,990   | 263,278,825   |
| Excess (deficiency) of revenues over (under) expenditures     | (36,686,153)               | (32,206,263)   | (24,395,025)  | (30,379,783)  | (29,956,362)  | (23,182,322)  | (10,955,913)  | (10,139,037)  | (18,827,009)  | (53,130,068)  |
| <b>Other financing sources (uses)</b>                         |                            |                |               |               |               |               |               |               |               |               |
| General obligation bond proceeds                              | 35,000,000                 | 35,000,000     | 30,000,000    | 20,000,000    | 20,000,000    | -             | 20,000,000    | 20,000,000    | 20,000,000    | 50,000,000    |
| Refunding bonds proceeds                                      | 19,275,000                 | 24,050,000     | 17,485,000    | 18,880,000    | 11,760,000    | -             | 5,270,000     | -             | -             | -             |
| Bond premium  | 6,752,205                  | 7,269,649      | 5,449,631     | 4,283,867     | 4,031,630     | -             | 520,574       | 220,483       | 290,800       | 996,768       |
| Payment to refunded bond escrow                               | (23,657,025)               | (27,405,000)   | (19,620,187)  | (21,118,220)  | (13,133,684)  | -             | (5,343,971)   | -             | -             | -             |
| Sale of capital assets  | 121,088                    | 2,415,527      | 23,760        | 42,283        | 12,194        | 16,063        | 1,324,637     | 2,241,916     | 51,734        | 3,314,614     |
| Total other financing sources (uses)                          | 37,491,266                 | 41,330,176     | 33,318,204    | 22,087,930    | 22,670,140    | 16,063        | 21,771,240    | 22,462,399    | 20,342,534    | 54,311,382    |
| Net change in fund balance                                    | 805,115                    | 9,123,913      | 8,923,179     | (8,291,853)   | (7,286,222)   | (23,166,259)  | 10,815,327    | 12,323,362    | 1,515,525     | 1,181,314     |
| Fund Balance - Beginning                                      | 55,487,886                 | 46,363,973     | 37,440,794    | 45,732,647    | 53,018,869    | 76,185,129    | 65,369,803    | 53,046,441    | 51,530,916    | 50,349,603    |
| Fund Balance - Ending   | \$ 56,293,001              | \$ 55,487,886  | \$ 46,363,974 | \$ 37,440,794 | \$ 45,732,647 | \$ 53,018,870 | \$ 76,185,130 | \$ 65,369,803 | \$ 53,046,441 | \$ 51,530,917 |
| Ratio of Debt Service Expenditures to Noncapital Expenditures | 13.9%                      | 14.0%          | 14.6%         | 16.0%         | 14.7%         | 15.2%         | 15.9%         | 16.1%         | 15.2%         | 15.2%         |

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Tax Years  
December 31, 2008 through 2017**

| Tax Year | Centrally Assessed | Residential    | Industrial & Commercial | Agriculture   | Personal    | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Value | Assessed Value as a Percentage of Actual Value |
|----------|--------------------|----------------|-------------------------|---------------|-------------|------------------------------|-----------------------|------------------------|--|
|          |                    |                |                         |               |             |                              |                       |                        |  |
| 2008     | 386,642,903        | 7,694,537,297  | 1,088,020,469           | 2,629,353,924 | 742,174,298 | 12,540,728,891               | 0.005637              | 18,604,380,335         | 66.37%   |
| 2009     | 500,284,142        | 8,442,189,216  | 1,638,399,778           | 2,608,557,920 | 700,330,211 | 13,889,761,267               | 0.006919              | 19,816,500,030         | 67.41%   |
| 2010     | 379,881,275        | 6,944,736,417  | 1,251,839,400           | 2,161,414,320 | 662,640,548 | 11,400,511,960               | 0.007804              | 16,627,141,984         | 70.09%   |
| 2011     | 383,204,520        | 6,174,209,722  | 1,105,283,412           | 1,659,226,300 | 674,988,059 | 9,996,912,013                | 0.008227              | 14,881,509,947         | 67.18%   |
| 2012     | 411,500,345        | 6,073,120,455  | 1,602,182,450           | 1,459,046,615 | 376,168,098 | 9,922,017,963                | 0.008201              | 14,758,319,148         | 67.23%   |
| 2013     | 395,711,704        | 6,181,195,805  | 1,648,857,430           | 1,305,521,335 | 378,044,131 | 9,909,330,405                | 0.007544              | 14,691,371,987         | 67.45%   |
| 2014     | 432,052,843        | 6,913,250,545  | 1,633,635,765           | 1,261,357,560 | 389,077,552 | 10,629,374,265               | 0.007221              | 15,728,579,854         | 67.58%   |
| 2015     | 428,634,853        | 7,723,440,535  | 1,704,678,465           | 1,293,401,635 | 399,477,097 | 11,549,632,585               | 0.007495              | 17,156,316,971         | 67.32%   |
| 2016     | 497,220,009        | 9,094,968,255  | 2,180,927,835           | 1,336,916,090 | 396,290,594 | 13,506,322,783               | 0.007272              | 19,976,812,281         | 67.61%   |
| 2017     | 503,951,884        | 10,078,687,514 | 2,416,818,786           | 1,481,518,036 | 403,000,000 | 14,883,976,220               | 0.006706              | 21,956,005,635         | 67.79%   |

Source: Property Tax Division, Utah State Tax Commission

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Direct and Overlapping Property Tax Rates**

Last Ten Tax Years

December 31, 2008 through 2017

(rate per \$1 of assessed value)

|   | 2017     | 2016     | 2015     | 2014     | 2013     | 2012     | 2011     | 2010     | 2009     | 2008     |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Tax Rates for the Tax Year Ended December 31, |          |          |          |          |          |          |          |          |          |          |
| Washington County direct rates                |          |          |          |          |          |          |          |          |          |          |
| Basic Program (1)                             | 0.001568 | 0.001675 | 0.001736 | 0.001419 | 0.001535 | 0.001651 | 0.001591 | 0.001495 | 0.001433 | 0.001250 |
| Voted Leeway (2)                              | 0.001100 | 0.001100 | 0.000987 | 0.001000 | 0.000968 | 0.001100 | 0.001100 | 0.001085 | 0.001100 | 0.001100 |
| Board Voted Leeway (3)                        | -        | -        | -        | -        | -        | -        | 0.000400 | 0.000394 | 0.000400 | 0.000400 |
| K-3 Reading Program (4)                       | -        | -        | -        | -        | -        | -        | 0.000121 | 0.000117 | 0.000100 | 0.000092 |
| Board Local Levy (5)                          | 0.001400 | 0.001628 | 0.001801 | 0.001827 | 0.001801 | 0.001830 | -        | -        | -        | -        |
| Special Transportation (6)                    | -        | -        | -        | -        | -        | -        | 0.000200 | 0.000149 | 0.000043 | 0.000114 |
| Tort Liability (7)                            | -        | -        | -        | -        | -        | -        | 0.000026 | 0.000024 | 0.000020 | 0.000020 |
| Non K-12, Recreation (8)                      | -        | -        | -        | -        | -        | -        | 0.000108 | 0.000100 | 0.000085 | 0.000080 |
| Charter School                                | 0.000076 | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| Capital Projects (9)                          | 0.000268 | 0.000269 | 0.000271 | 0.000275 | 0.000400 | 0.000420 | 0.000424 | 0.000449 | 0.000245 | 0.000381 |
| 10% of Basic - Other (10)                     | -        | -        | -        | -        | -        | -        | 0.000957 | 0.000836 | 0.000701 | -        |
| Debt Service (11)                             | 0.002294 | 0.002600 | 0.002700 | 0.002700 | 0.002840 | 0.003200 | 0.003300 | 0.003155 | 0.002792 | 0.002200 |
| Total direct rate                             | 0.006706 | 0.007272 | 0.007495 | 0.007221 | 0.007544 | 0.008201 | 0.008227 | 0.007804 | 0.006919 | 0.005637 |

Limitations per Utah State Statute:

(1) Rate established annually by Utah State Legislature

(2) Maximum rate is 0.001600

(3) Maximum rate is 0.000400

(4) Maximum rate is 0.000121

(5) Maximum rate is 0.002500

(6) Maximum rate is 0.000300

(7) Maximum rate is 0.000100

(8) No maximum rate

(9) Maximum rate is 0.002400

(10) Maximum rate based on formula and changes annually

(11) No maximum rate, but must have voter approval for bonds issued

Source: Utah Foundation Statistical Review of Government in Utah as compiled from property tax records of the Utah State Tax Commission and Utah Taxpayers Association's website

## WASHINGTON COUNTY SCHOOL DISTRICT

**Principal Property Tax Payers  
Current Year and Nine Years Ago  
December 31, 2015 and 2006**

| Taxpayer                          | December 31, 2015 |  | December 31, 2006 |  |
|-----------------------------------|-------------------|--|-------------------|--|
|                                   | Taxable<br>Value  | Percent of<br>District's Total<br>Taxable<br>Value (1) | Taxable<br>Value  | Percent of<br>District's Total<br>Taxable<br>Value (1) |
| Pacificorp                        | \$ 111,641,011    | 0.90%  | \$ 64,133,686     | 0.60%  |
| Kern River Gas Transmission Co    | 96,907,943        | 0.80%  | 123,617,396       | 1.20%  |
| Family Dollar Utah DC LLC         | 60,691,076        | 0.50%  |                   |  |
| Questar Gas                       | 50,949,995        | 0.40%  |                   |  |
| IHC Health Services               | 46,594,100        | 0.40%  |                   |  |
| Wal-Mart Distribution Center      | 41,670,700        | 0.30%  |                   |  |
| Dixie Escalante Rural Elec. Asso. | 29,278,451        | 0.20%  |                   |  |
| Qwest Corp                        | 27,873,723        | 0.20%  | 39,611,638        | 0.40%  |
| Wal-Mart Stores Inc               | 27,814,300        | 0.20%  | 54,549,933        | 0.50%  |
| Staker & Parson Companies         | 25,117,972        | 0.20%  |                   |  |
| Sunrise Ridge Dev. LLC            | -                 | 0.00%  | 77,612,250        | 0.80%  |
| SkyWest Airlines Inc              | -                 | 0.00%  | 48,845,061        | 0.50%  |
| Duckie & Ducky Ltd.               | -                 | 0.00%  | 41,007,150        | 0.40%  |
| Jennings Management Inc.          | -                 | 0.00%  | 36,800,474        | 0.40%  |
| Sun River St. George Dev. LC      | -                 | 0.00%  | 32,194,083        | 0.30%  |
| Traveller/Stone Cliff LC          | -                 | 0.00%  | 32,166,480        | 0.30%  |
| Totals                            | \$ 518,539,271    | 4.10%  | \$ 550,538,151    | 5.40%  |

Source: Washington County Assessor's Office

(1) Excludes motor vehicles (fee-in-lieu and age based)

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Property Tax Levies and Collections (detail)  
Last Ten Tax Years  
December 31, 2008, through 2017**

| Row # | Description   | Formula | 2017             | 2016             | 2015             | 2014             |
|-------|---|---------|------------------|------------------|------------------|------------------|
| 1     | Estimated Fair Market Value                                       |         | \$21,956,005,635 | \$19,976,812,281 | \$17,156,316,971 | \$15,728,579,854 |
| 2     | Assessed Value *  |         | 14,883,976,220   | 13,506,322,783   | 11,549,632,585   | 10,629,374,265   |
| 3     | Assessed Value as % of Fair Market Value                          | 2/1     | 67.79%           | 67.61%           | 67.32%           | 67.58%           |
| 4     | Tax Rate  |         | 0.006706         | 0.007272         | 0.007495         | 0.007221         |
| 5     | Taxes Assessed **   |         | 101,137,228      | 98,414,340       | 92,948,600       | 83,142,249       |
| 6     | Taxes Waived (RDA) **   |         | 1,615,840        | 1,692,579        | 1,831,708        | 1,478,797        |
| 7     | Waived as % of Assessed Value                                     | 6/5     | 1.60%            | 1.72%            | 1.97%            | 1.78%            |
| 8     | Taxes Levied  |         | 99,521,388       | 96,721,761       | 91,116,892       | 81,663,452       |
| 9     | Collected In Calendar Year of the Levy **                         |         | 267,725          | 91,484,884       | 85,932,035       | 76,369,753       |
| 10    | Collected In Calendar Year of Levy as % of Taxes Levied That Year | 9/8     | 0%               | 94.59%           | 94.31%           | 93.52%           |
| 11    | Uncollected In Year of the Levy **                                | 8-9     | 99,253,663       | 5,236,877        | 5,184,856        | 5,293,699        |
| 12    | Prior Years Uncollected Collected in this Year **                 |         | 1,712,817        | 1,953,600        | 2,264,605        | 2,807,669        |
| 13    | Total Collections in this Year **                                 | 9+12    | 1,980,542        | 93,438,484       | 88,196,640       | 79,177,422       |
| 14    | Total Collections as % of Taxes Levied                            | 13/8    | 1.99%            | 96.61%           | 96.80%           | 96.96%           |
| 15    | Total Collections as % of Taxes Assessed                          | 13/5    | 1.96%            | 94.94%           | 94.89%           | 95.23%           |
| 16    | Taxes Levied this Year and Collected in Subsequent Years          |         | -                | -                | 767,181          | 1,372,203        |
| 17    | Total Collections on This Years Levy                              | 16+9    | 267,725          | 91,484,884       | 86,699,216       | 77,741,956       |
| 18    | Total Collections on This Years Levy as % Of Taxes Levied         | 17/8    | 0.27%            | 94.59%           | 95.15%           | 95.20%           |

\* Source: Property Tax Division, Utah State Tax Commission (includes Fee in Lieu property).

\*\* Source: Washington County Auditor's Office (includes Property Tax and Motor Vehicle Fee in Lieu).

This schedule recognizes collections on a calendar year basis,  
whereas property tax collections reported in financial statements are on a fiscal year basis.

Property Tax Year Ended December 31,

| 2013             | 2012             | 2011             | 2010             | 2009             | 2008             |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$14,691,371,987 | \$14,758,319,148 | \$14,881,509,947 | \$16,627,141,984 | \$19,816,500,030 | \$18,604,380,335 |
| 9,909,330,405    | 9,922,017,963    | 9,996,912,013    | 11,400,511,960   | 13,889,761,267   | 12,540,728,891   |
| 67.45%           | 67.23%           | 67.18%           | 68.57%           | 70.09%           | 67.41%           |
| 0.007544         | 0.008201         | 0.008227         | 0.007804         | 0.006919         | 0.005637         |
| 79,660,669       | 83,161,045       | 81,740,456       | 80,430,173       | 80,871,238       | 80,072,417       |
| 1,369,201        | 1,336,425        | 1,958,264        | 2,414,272        | 1,991,096        | 1,775,833        |
| 1.72%            | 1.61%            | 2.40%            | 3.00%            | 2.46%            | 2.22%            |
| 78,291,468       | 81,824,620       | 79,782,192       | 78,015,901       | 78,880,142       | 78,296,584       |
| 73,352,609       | 74,724,791       | 73,114,099       | 70,810,137       | 71,136,801       | 68,052,623       |
| 93.69%           | 91.32%           | 91.64%           | 90.76%           | 90.18%           | 86.92%           |
| 4,938,859        | 7,099,829        | 6,668,093        | 7,205,764        | 7,743,341        | 10,243,961       |
| 5,134,760        | 4,076,257        | 4,484,471        | 2,740,133        | 1,144,933        | 825,384          |
| 78,487,369       | 78,801,048       | 77,598,570       | 73,550,270       | 72,281,734       | 68,878,007       |
| 100.25%          | 96.30%           | 97.26%           | 94.28%           | 91.63%           | 87.97%           |
| 98.53%           | 94.76%           | 94.93%           | 91.45%           | 89.38%           | 86.02%           |
| 1,496,840        | 1,689,852        | 3,059,019        | 4,120,139        | 5,245,036        | 4,962,418        |
| 74,849,449       | 76,414,643       | 76,173,118       | 74,930,276       | 76,381,837       | 73,015,041       |
| 95.60%           | 93.39%           | 95.48%           | 96.04%           | 96.83%           | 93.25%           |

## WASHINGTON COUNTY SCHOOL DISTRICT

### Property Tax Levies and Collections (summary)

#### Last Ten Tax Years

December 31, 2008 through 2017

| Tax Year<br>Ended<br>December 31, | Taxes Levied<br>For The<br>Calendar Year | Collected within the<br>Calendar Year of the Levy |                       | Collections<br>in Subsequent<br>Years | Total Collections to Date |                       |
|-----------------------------------|--|---|-----------------------|---------------------------------------|---------------------------|-----------------------|
|                                   |  | Amount  | Percentage<br>of Levy |                                       | Amount                    | Percentage<br>of Levy |
| 2008                              | 78,296,584                               | 68,052,623  | 86.92%                | 4,962,418                             | 73,015,041                | 93.25%                |
| 2009                              | 78,880,142                               | 71,136,801  | 90.18%                | 5,245,036                             | 76,381,837                | 96.83%                |
| 2010                              | 78,015,901                               | 70,810,137  | 90.76%                | 4,120,139                             | 74,930,276                | 96.04%                |
| 2011                              | 79,782,192                               | 73,114,099  | 91.64%                | 3,059,019                             | 76,173,118                | 95.48%                |
| 2012                              | 81,824,620                               | 74,724,791  | 91.32%                | 1,689,852                             | 76,414,643                | 93.39%                |
| 2013                              | 78,291,468                               | 73,352,609  | 93.69%                | 1,496,840                             | 74,849,449                | 95.60%                |
| 2014                              | 81,663,452                               | 76,369,753  | 93.52%                | 1,372,203                             | 77,741,956                | 95.20%                |
| 2015                              | 91,116,892                               | 85,932,035  | 94.31%                | 767,181                               | 86,699,216                | 95.15%                |
| 2016                              | 96,721,761                               | 91,484,884  | 94.59%                | -                                     | 91,484,884                | 94.59%                |
| 2017                              | 99,521,388                               | 267,725   | 0.27%                 | -                                     | 267,725                   | 0.27%                 |

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

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Ratios of Outstanding Debt  
Last Ten Fiscal Years  
June 30, 2008 through 2017**

| Fiscal Year Ended June 30, | Outstanding General Obligation Bonds | Amount in Debt Service Fund | General Bonded Debt As Percentage of Actual Value | Net Bonded Debt |             | Notes Payable | Total Net Debt | Debt As Percentage of Taxable Value |       | Debt Per Student |
|----------------------------|--------------------------------------|-----------------------------|---|-----------------|-------------|---------------|----------------|-------------------------------------|-------|------------------|
|                            |                                      |                             |   | Per Capita      | Per Student |               |                | Value                               | Value |                  |
| 2008                       | 249,669,000                          | 1,426,880                   | 1.34%   | 1,842           | 10,025      | 247,000       | 249,916,000    | 1.99%                               | 1,844 | 10,035           |
| 2009                       | 248,399,000                          | 946,593                     | 1.25%   | 1,812           | 9,758       | 229,308       | 248,628,308    | 1.79%                               | 1,814 | 9,767            |
| 2010                       | 245,374,000                          | 886,495                     | 1.48%   | 1,777           | 9,730       | 212,308       | 245,586,308    | 2.15%                               | 1,778 | 9,739            |
| 2011                       | 241,984,000                          | 1,605,232                   | 1.63%   | 1,708           | 9,970       | 195,308       | 242,179,308    | 2.42%                               | 1,710 | 9,978            |
| 2012                       | 219,694,000                          | 4,257,272                   | 1.49%   | 1,517           | 8,439       | 178,308       | 219,872,308    | 2.22%                               | 1,518 | 8,446            |
| 2013                       | 215,489,000                          | 7,032,663                   | 1.47%   | 1,458           | 8,209       | 160,308       | 215,649,308    | 2.18%                               | 1,459 | 8,216            |
| 2014                       | 206,585,000                          | 2,764,855                   | 1.31%   | 1,360           | 7,677       | 142,308       | 206,727,308    | 1.94%                               | 1,361 | 7,682            |
| 2015                       | 210,160,000                          | 2,328,113                   | 1.22%   | 1,351           | 7,778       | 725,000       | 210,885,000    | 1.83%                               | 1,355 | 7,804            |
| 2016                       | 216,965,000                          | 3,913,806                   | 1.09%   | 1,354           | 7,734       | 606,000       | 217,571,000    | 1.61%                               | 1,358 | 7,756            |
| 2017                       | 222,405,000                          | 2,943,544                   | 1.01%   | 1,348           | 7,595       | 400,000       | 222,805,000    | 1.50%                               | 1,350 | 7,609            |

Source: Utah Department of Workforce Services

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2017**

| Taxing Entity (1)   | 2017<br>Taxable<br>Value (2) | Washington<br>School District's<br>Portion of<br>Taxable Value | District's<br>Percentage (3) | Entity's<br>General<br>Obligation<br>Debt | District's<br>Portion of<br>G. O. Debt |
|---|------------------------------|--|------------------------------|---|--|
| <b>Overlapping:</b>   |                              |  |                              |   |  |
| Washington County   | \$ 14,373,314,929            | \$ 14,373,314,929  | 100.0%                       | \$ 11,200,000                             | \$ 11,200,000                          |
| Washington Co. Water<br>Conservancy Dist.                             | 14,373,314,929               | 14,373,314,929   | 100.0%                       | 1,140,000                                 | 1,140,000                              |
| <b>∞ Total Overlapping Principal General Obligation Debt</b>          |                              |  |                              |   | <u>12,340,000</u>                      |
| <b>Total Direct General Obligation Debt</b>                           |                              |  |                              |   | <u>222,405,000</u>                     |
| <b>Total Direct and Overlapping Principal General Obligation Debt</b> |                              |  |                              |   | <u><u>\$ 234,745,000</u></u>           |

(1) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.

(2) Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.

(3) The District's Percentage of the overlapping debt is 100% due to the fact that the district covers the entire area of Washington County and the Washington County Water Conservancy District.

Source: Utah Department of Workforce Services

## **WASHINGTON COUNTY SCHOOL DISTRICT**

### **Legal Debt Margin Information Last Ten Fiscal Years June 30, 2008 through 2017**

| <b>Fiscal Year Ended June 30,</b> | <b>Estimated Fair Market Value</b> | <b>Debt Limit 4% of Fair Market Value</b> | <b>Less General Obligation Debt</b> | <b>Legal Debt Margin</b> | <b>Percentage of Debt To Debt Limit</b> |
|-----------------------------------|------------------------------------|---|-------------------------------------|--------------------------|---|
| 2008                              | 18,604,380,335                     | 744,175,213                               | 249,669,000                         | \$ 494,506,213           | 33.55%                                  |
| 2009                              | 19,816,500,030                     | 792,660,001                               | 248,399,000                         | \$ 544,261,001           | 31.34%                                  |
| 2010                              | 16,627,141,984                     | 665,085,679                               | 245,374,000                         | \$ 419,711,679           | 36.89%                                  |
| 2011                              | 14,604,264,780                     | 584,170,591                               | 241,984,000                         | \$ 342,186,591           | 41.42%                                  |
| 2012                              | 14,230,857,054                     | 569,234,282                               | 219,694,000                         | \$ 349,540,282           | 38.59%                                  |
| 2013                              | 13,812,049,897                     | 552,481,996                               | 215,489,000                         | \$ 336,992,996           | 39.00%                                  |
| 2014                              | 14,841,529,705                     | 593,661,188                               | 206,585,000                         | \$ 387,076,188           | 34.80%                                  |
| 2015                              | 16,343,694,500                     | 653,747,780                               | 210,160,000                         | \$ 443,587,780           | 32.15%                                  |
| 2016                              | 17,254,371,200                     | 690,174,848                               | 216,965,000                         | \$ 473,209,848           | 31.44%                                  |
| 2017                              | 21,106,570,099                     | 844,262,804                               | 222,405,000                         | \$ 621,857,804           | 26.34%                                  |

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

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

Source: Utah Department of Workforce Services

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year)  
As of June 30, 2017**

|                 |           | <u>2018</u>         | <u>2019</u>         | <u>2020</u>         | <u>2021</u>         | <u>2022</u>         | <u>2023</u>         | <u>2024</u>         |
|-----------------|-----------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Series 2009     | Principal | 1,365,000           | 1,430,000           | 1,500,000           | 1,575,000           | 1,650,000           | 1,740,000           | 1,835,000           |
| \$ 20,000,000   | Interest  | 393,181             | 350,525             | 307,625             | 257,000             | 201,875             | 140,825             | 73,400              |
| Series 2010B    | Principal | 1,275,000           | 1,325,000           | 1,375,000           | 1,450,000           | 1,525,000           | 1,575,000           | 1,675,000           |
| \$ 11,950,000   | Interest  | 544,000             | 489,813             | 430,850             | 367,600             | 303,800             | 235,175             | 162,725             |
| Series 2011     | Principal | 1,260,000           | 1,300,000           | 1,340,000           | 1,400,000           | 1,450,000           | 1,510,000           | 1,570,000           |
| \$ 25,270,000   | Interest  | 515,925             | 478,125             | 426,125             | 372,525             | 316,525             | 258,525             | 198,125             |
| Series 2012     | Principal | 2,935,000           | 1,225,000           | 1,285,000           | 1,350,000           | 1,415,000           | 1,485,000           | 1,545,000           |
| \$ 31,760,000   | Interest  | 664,000             | 517,250             | 456,000             | 391,750             | 324,250             | 253,500             | 194,100             |
| Series 2013     | Principal | 4,665,000           | 4,915,000           | 3,220,000           | 1,270,000           | 1,335,000           | 1,400,000           | 1,455,000           |
| \$ 38,880,000   | Interest  | 1,155,650           | 922,400             | 676,650             | 515,650             | 452,150             | 385,400             | 315,400             |
| Series 2014     | Principal | 4,420,000           | 4,665,000           | 4,870,000           | 5,150,000           | 1,930,000           | 2,025,000           | 2,130,000           |
| \$ 47,465,000   | Interest  | 1,593,750           | 1,372,750           | 1,186,150           | 942,650             | 685,150             | 588,650             | 487,400             |
| Series 2016     | Principal | 5,525,000           | 5,805,000           | 6,090,000           | 6,400,000           | 6,715,000           | 2,300,000           | 2,340,000           |
| \$ 59,050,000   | Interest  | 2,268,150           | 1,991,900           | 1,701,650           | 1,397,150           | 1,077,150           | 741,400             | 695,400             |
| Series 2016B    | Principal | 4,470,000           | 4,690,000           | 4,925,000           | 5,170,000           | 5,430,000           | 5,700,000           | 2,190,000           |
| \$ 54,275,000   | Interest  | 2,630,300           | 2,406,800           | 2,172,300           | 1,926,050           | 1,667,550           | 1,396,050           | 1,111,050           |
| Total           |           | <u>\$35,679,956</u> | <u>\$33,884,563</u> | <u>\$31,962,350</u> | <u>\$29,935,375</u> | <u>\$26,478,450</u> | <u>\$21,734,525</u> | <u>\$17,977,600</u> |
| Total Principal |           | \$25,915,000        | \$25,355,000        | \$24,605,000        | \$23,765,000        | \$21,450,000        | \$17,735,000        | \$14,740,000        |
| Total Interest  |           | 9,764,956           | 8,529,563           | 7,357,350           | 6,170,375           | 5,028,450           | 3,999,525           | 3,237,600           |
| Total           |           | <u>\$35,679,956</u> | <u>\$33,884,563</u> | <u>\$31,962,350</u> | <u>\$29,935,375</u> | <u>\$26,478,450</u> | <u>\$21,734,525</u> | <u>\$17,977,600</u> |

| 2025                 | 2026                 | 2027                 | 2028                 | 2029                | 2030                | 2031                | 2032                | Total                 |
|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| -                    | -                    | -                    | -                    | -                   | -                   | -                   | -                   | 11,095,000            |
| -                    | -                    | -                    | -                    | -                   | -                   | -                   | -                   | 1,724,431             |
| 1,750,000            | -                    | -                    | -                    | -                   | -                   | -                   | -                   | 11,950,000            |
| 84,000               | -                    | -                    | -                    | -                   | -                   | -                   | -                   | 2,617,963             |
| 1,630,000            | 1,700,000            | -                    | -                    | -                   | -                   | -                   | -                   | 13,160,000            |
| 135,325              | 70,125               | -                    | -                    | -                   | -                   | -                   | -                   | 2,771,325             |
| 1,595,000            | 1,640,000            | 1,690,000            | -                    | -                   | -                   | -                   | -                   | 16,165,000            |
| 147,750              | 99,900               | 50,700               | -                    | -                   | -                   | -                   | -                   | 3,099,200             |
| 1,515,000            | 1,575,000            | 1,640,000            | 1,700,000            | -                   | -                   | -                   | -                   | 24,690,000            |
| 257,200              | 196,600              | 133,600              | 68,000               | -                   | -                   | -                   | -                   | 5,078,700             |
| 2,235,000            | 2,300,000            | 2,375,000            | 2,435,000            | 2,525,000           | -                   | -                   | -                   | 37,060,000            |
| 380,900              | 313,850              | 244,850              | 173,600              | 88,375              | -                   | -                   | -                   | 8,058,075             |
| 2,385,000            | 2,500,000            | 2,630,000            | 2,710,000            | 2,790,000           | 2,870,000           | 2,950,000           | -                   | 54,010,000            |
| 648,600              | 529,350              | 404,350              | 325,450              | 244,150             | 167,425             | 88,500              | -                   | 12,280,625            |
| 2,300,000            | 2,415,000            | 2,535,000            | 2,635,000            | 2,740,000           | 2,880,000           | 3,020,000           | 3,175,000           | 54,275,000            |
| 1,001,550            | 886,550              | 765,800              | 664,400              | 559,000             | 422,000             | 278,000             | 127,000             | 18,014,400            |
| <u>\$ 16,065,325</u> | <u>\$ 14,226,375</u> | <u>\$ 12,469,300</u> | <u>\$ 10,711,450</u> | <u>\$ 8,946,525</u> | <u>\$ 6,339,425</u> | <u>\$ 6,336,500</u> | <u>\$ 3,302,000</u> | <u>\$ 276,049,719</u> |
| \$ 13,410,000        | \$ 12,130,000        | \$ 10,870,000        | \$ 9,480,000         | \$ 8,055,000        | \$ 5,750,000        | \$ 5,970,000        | \$ 3,175,000        | \$ 222,405,000        |
| 2,655,325            | 2,096,375            | 1,599,300            | 1,231,450            | 891,525             | 589,425             | 366,500             | 127,000             | 53,644,719            |
| <u>\$ 16,065,325</u> | <u>\$ 14,226,375</u> | <u>\$ 12,469,300</u> | <u>\$ 10,711,450</u> | <u>\$ 8,946,525</u> | <u>\$ 6,339,425</u> | <u>\$ 6,336,500</u> | <u>\$ 3,302,000</u> | <u>\$ 276,049,719</u> |

# WASHINGTON COUNTY SCHOOL DISTRICT

## Demographic and Economic Statistics

### Last Ten Fiscal Years

June 30, 2008 through 2017

| <u>Fiscal Year Ended June 30,</u> | <u>Washington County Estimated Population</u> | <u>Washington County Total Personal Income</u> | <u>Washington County Per Capita Income</u> | <u>Washington County Unemployment Rate</u> |
|-----------------------------------|---|--|--|--|
| 2008                              | 135,552                                       | 3,815,000,000                                  | 28,141                                     | 4.60%                                      |
| 2009                              | 137,088                                       | 3,641,000,000                                  | 26,560                                     | 10.20%                                     |
| 2010                              | 138,115                                       | 3,666,000,000                                  | 26,468                                     | 10.40%                                     |
| 2011                              | 141,666                                       | 3,847,546,000                                  | 27,191                                     | 8.60%                                      |
| 2012                              | 144,809                                       | 4,255,580,000                                  | 28,076                                     | 7.00%                                      |
| 2013                              | 147,800                                       | 4,184,242,000                                  | 28,341                                     | 5.50%                                      |
| 2014                              | 151,948                                       | 4,551,135,000                                  | 29,966                                     | 4.40%                                      |
| 2015                              | 155,602                                       | 4,880,969,000                                  | 31,368                                     | 4.00%                                      |
| 2016                              | 160,245                                       | n/a  | n/a  | 3.70%                                      |
| 2017                              | 165,000                                       | n/a  | n/a  | 3.30%                                      |

n/a - This information was not available when this book was published.

Source: Utah Department of Workforce Services

## WASHINGTON COUNTY SCHOOL DISTRICT

### Principal Employers Current Year and Nine Years Ago June 30, 2017 and 2008

| Employer                          | June 30, 2017        |  | June 30, 2008       |  |
|-----------------------------------|----------------------|--|---------------------|--|
|                                   | Number of Employees  | Percent of District's Total Estimated Population | Number of Employees | Percent of District's Total Estimated Population |
| Washington County School District | 3,000-3,999          | 2.12%  | 2,000-2,999         | 1.84%  |
| Intermountain Healthcare          | 3,000-3,999          | 2.12%  | 2,000-2,999         | 1.84%  |
| Dixie State University            | 1,000-1,999          | 0.91%  | 1,000-1,999         | 1.11%  |
| Wal-Mart Associates, Inc.         | 1,000-1,999          | 0.91%  | 1,000-1,999         | 1.11%  |
| St. George City                   | 500-999              | 0.45%  | 500-999             | 0.55%  |
| Skywest Airlines, Inc.            | 500-999              | 0.45%  | 500-999             | 0.55%  |
| United States Government          | 250-499              | 0.23%  |                     |  |
| Andrus Trucking                   | 250-499              | 0.23%  |                     |  |
| Washington County                 | 250-499              | 0.23%  | 250-499             | 0.28%  |
| Harmons                           | 250-499              | 0.23%  | 100-249             | 0.13%  |
| Washington City                   | 250-499              | 0.23%  | 250-499             | 0.28%  |
| Lin's Supermarket                 | 250-499              | 0.23%  | 250-499             | 0.28%  |
| Caption Call                      | 250-499              | 0.23%  |                     |  |
| Family Dollar                     | 250-499              | 0.23%  |                     |  |
| Costco                            | 250-499              | 0.23%  | 100-249             | 0.13%  |
| Stephen Wade Auto Center          | 250-499              | 0.23%  |                     |  |
| Red Mountain Resort               | 250-499              | 0.23%  | 250-499             | 0.28%  |
| Totals                            | <u>11,750-19,483</u> | <u>9.46%</u>                                     | <u>8,200-14,488</u> | <u>8.37%</u>                                     |

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Full-time Equivalents  
Last Ten Fiscal Years  
June 30, 2008 through 2017**

|  | Full-time Equivalent Employees as of June 30, |                        |                        |                        |                        |                        |                        |                        |                        |                        |
|--|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|  | 2017  | 2016                   | 2015                   | 2014                   | 2013                   | 2012                   | 2011                   | 2010                   | 2009                   | 2008                   |
| Instruction                              | 1,856.70                                      | 1,829.50               | 1,766.80               | 1,642.30               | 1,617.80               | 1,535.50               | 1,517.30               | 1,505.50               | 1,413.25               | 1,433.85               |
| Supporting services:                     |   |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Students                                 | 121.80  | 120.30                 | 118.20                 | 118.20                 | 117.00                 | 117.00                 | 116.50                 | 118.30                 | 54.00                  | 54.00                  |
| Instructional staff                      | 115.70  | 113.80                 | 107.00                 | 106.00                 | 104.00                 | 102.00                 | 112.80                 | 113.80                 | 128.00                 | 118.00                 |
| General district administration          | 9.00  | 8.00                   | 7.00                   | 7.00                   | 7.00                   | 7.00                   | 7.00                   | 7.00                   | 2.00                   | 2.00                   |
| School administration                    | 167.80  | 167.80                 | 167.30                 | 167.30                 | 166.30                 | 166.30                 | 166.30                 | 166.30                 | 179.00                 | 179.00                 |
| Accounting and purchasing                | 29.20   | 29.20                  | 29.20                  | 29.20                  | 27.20                  | 27.20                  | 27.20                  | 27.20                  | 12.50                  | 12.50                  |
| Operation and maintenance of buildings   | 187.10  | 185.20                 | 179.80                 | 174.20                 | 171.10                 | 171.10                 | 168.50                 | 169.50                 | 165.00                 | 165.00                 |
| Student transportation                   | 70.50   | 66.60                  | 52.80                  | 52.00                  | 51.90                  | 51.90                  | 60.20                  | 61.80                  | 66.00                  | 66.00                  |
| Personnel, planning, and data processing | -   | -                      | -                      | -                      | -                      | -                      | -                      | -                      | 7.10                   | 7.10                   |
| Other support services                   | -   | -                      | -                      | -                      | -                      | -                      | -                      | -                      | 2.00                   | 2.00                   |
| Nutrition services                       | 117.60  | 118.00                 | 118.50                 | 109.00                 | 107.80                 | 107.80                 | 107.80                 | 105.68                 | 102.75                 | 102.75                 |
| Non K-12 programs                        | 32.10   | 29.20                  | 24.50                  | 21.20                  | 21.90                  | 21.90                  | 13.50                  | 13.00                  | 13.00                  | 13.00                  |
| Capital projects                         | 2.00  | 2.00                   | 2.00                   | 2.00                   | 2.00                   | 2.00                   | 2.00                   | 2.00                   | 2.00                   | 2.00                   |
| <b>Total</b>                             | <b><u>2,709.50</u></b>                        | <b><u>2,669.60</u></b> | <b><u>2,573.10</u></b> | <b><u>2,428.40</u></b> | <b><u>2,394.00</u></b> | <b><u>2,309.70</u></b> | <b><u>2,299.10</u></b> | <b><u>2,290.08</u></b> | <b><u>2,146.60</u></b> | <b><u>2,157.20</u></b> |
| Licensed (teachers)                      | 1,502.70                                      | 1,465.70               | 1,411.90               | 1,337.30               | 1,321.20               | 1,471.00               | 1,471.00               | 1,455.25               | 1,216.00               | 1,226.20               |
| Classified (support)                     | 1,206.80                                      | 1,203.90               | 1,161.20               | 1,091.10               | 1,072.80               | 838.70                 | 828.10                 | 834.83                 | 930.60                 | 931.00                 |
| <b>Total</b>                             | <b><u>2,709.50</u></b>                        | <b><u>2,669.60</u></b> | <b><u>2,573.10</u></b> | <b><u>2,428.40</u></b> | <b><u>2,394.00</u></b> | <b><u>2,309.70</u></b> | <b><u>2,299.10</u></b> | <b><u>2,290.08</u></b> | <b><u>2,146.60</u></b> | <b><u>2,157.20</u></b> |

Source: Washington County School District Personnel Department

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Expenses by Function - Statement of Activities**  
**Last Ten Fiscal Years**  
**June 30, 2008 through 2017**

| Function                                 | Year Ended June 30,      |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|  | 2017                     | 2016                     | 2015                     | 2014                     | 2013                     | 2012                     | 2011                     | 2010                     | 2009                     | 2008                     |
| Instruction                              | \$ 150,443,812<br>62.76% | \$ 148,204,745<br>64.37% | \$ 141,034,355<br>63.41% | \$ 140,302,096<br>64.59% | \$ 133,106,562<br>63.95% | \$ 134,562,943<br>64.69% | \$ 127,050,476<br>63.52% | \$ 126,148,065<br>63.27% | \$ 119,128,502<br>61.57% | \$ 120,207,168<br>64.51% |
| Support Services:                        |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Students                                 | 9,607,702<br>4.01%       | 8,410,205<br>3.65%       | 9,165,450<br>4.12%       | 8,101,619<br>3.73%       | 8,134,314<br>3.91%       | 7,897,628<br>3.80%       | 9,074,614<br>4.54%       | 9,062,436<br>4.55%       | 8,309,284<br>4.29%       | 6,765,462<br>3.63%       |
| Instructional staff                      | 10,608,222<br>4.43%      | 10,345,625<br>4.49%      | 9,525,370<br>4.28%       | 9,329,269<br>4.29%       | 9,151,303<br>4.40%       | 8,746,413<br>4.21%       | 8,681,603<br>4.34%       | 9,312,296<br>4.67%       | 9,332,796<br>4.82%       | 7,013,980<br>3.76%       |
| General district administration          | 706,818<br>0.29%         | 596,957<br>0.26%         | 550,939<br>0.25%         | 565,008<br>0.26%         | 558,971<br>0.27%         | 483,563<br>0.23%         | 467,053<br>0.23%         | 535,185<br>0.27%         | 546,123<br>0.28%         | 491,737<br>0.26%         |
| School administration                    | 16,155,693<br>6.74%      | 15,084,004<br>6.55%      | 14,263,756<br>6.41%      | 14,153,377<br>6.52%      | 13,580,695<br>6.52%      | 12,735,740<br>6.12%      | 12,696,483<br>6.35%      | 12,844,669<br>6.44%      | 12,627,914<br>6.53%      | 11,740,797<br>6.30%      |
| Accounting and purchasing services       | 4,094,596<br>1.71%       | 3,581,486<br>1.56%       | 3,579,921<br>1.61%       | 3,312,499<br>1.52%       | 2,958,822<br>1.42%       | 2,984,850<br>1.44%       | 2,897,453<br>1.45%       | 2,669,512<br>1.34%       | 2,068,717<br>1.07%       | 2,702,809<br>1.45%       |
| Operation and maintenance of buildings   | 19,455,219<br>8.12%      | 18,602,913<br>8.08%      | 18,372,366<br>8.26%      | 18,382,941<br>8.46%      | 17,288,652<br>8.31%      | 17,111,042<br>8.23%      | 16,674,881<br>8.34%      | 16,513,955<br>8.28%      | 15,952,802<br>8.25%      | 14,532,093<br>7.80%      |
| Student transportation                   | 7,502,987<br>3.13%       | 5,587,962<br>2.43%       | 5,594,148<br>2.52%       | 6,037,130<br>2.78%       | 5,971,924<br>2.87%       | 5,683,670<br>2.73%       | 5,535,245<br>2.77%       | 5,537,455<br>2.78%       | 7,436,424<br>3.84%       | 5,554,915<br>2.98%       |
| Personnel, planning, and data processing | -<br>0.00%               | 626,975<br>0.32%         | 609,686<br>0.33%         |
| Nutrition services                       | 10,393,176<br>4.34%      | 9,372,314<br>4.07%       | 9,610,346<br>4.32%       | 9,420,078<br>4.34%       | 9,231,516<br>4.44%       | 8,951,733<br>4.30%       | 7,826,804<br>3.91%       | 7,016,335<br>3.52%       | 7,013,089<br>3.62%       | 6,442,445<br>3.46%       |
| Redevelopment agencies                   | 4,000,000<br>1.67%       | 4,000,000<br>1.74%       | 3,480,000<br>1.56%       | -<br>0.00%               |
| Interest on long-term liabilities        | 6,740,036<br>2.81%       | 6,469,387<br>2.81%       | 7,230,106<br>3.25%       | 7,611,702<br>3.50%       | 8,166,740<br>3.92%       | 8,840,943<br>4.25%       | 9,108,852<br>4.55%       | 9,744,806<br>4.89%       | 10,437,638<br>5.39%      | 10,284,612<br>5.52%      |
| <b>Total</b>                             | <b>\$ 239,708,259</b>    | <b>\$ 230,255,596</b>    | <b>\$ 222,406,755</b>    | <b>\$ 217,215,717</b>    | <b>\$ 208,149,499</b>    | <b>\$ 207,998,525</b>    | <b>\$ 200,013,464</b>    | <b>\$ 199,384,714</b>    | <b>\$ 193,480,265</b>    | <b>\$ 186,345,704</b>    |
| Average Daily Membership                 | 29,282                   | 28,052                   | 27,021                   | 26,909                   | 26,249                   | 26,032                   | 24,272                   | 25,218                   | 25,456                   | 24,904                   |
| Average Expenses Per Pupil               | \$ 8,186                 | \$ 8,208                 | \$ 8,231                 | \$ 8,072                 | \$ 7,930                 | \$ 7,990                 | \$ 8,241                 | \$ 7,906                 | \$ 7,601                 | \$ 7,483                 |

Note: The totals on percentages may not equal an even 100.00% due to rounding.

Source: Washington County School District Personnel Department

## WASHINGTON COUNTY SCHOOL DISTRICT

### Expenses by Function Per Pupil - Statement of Activities Last Ten Fiscal Years June 30, 2008 through 2017

| Function                                     | Year Ended June 30, |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|--|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|  | 2017                | 2016               | 2015               | 2014               | 2013               | 2012               | 2011               | 2010               | 2009               | 2008               |
| Instruction                                  | \$ 5,138<br>62.76%  | \$ 5,283<br>64.37% | \$ 5,219<br>63.41% | \$ 5,214<br>64.59% | \$ 5,071<br>63.95% | \$ 5,169<br>64.69% | \$ 5,234<br>63.52% | \$ 5,002<br>63.27% | \$ 4,680<br>61.57% | \$ 4,827<br>64.51% |
| Support Services:                            |                     |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Students                                     | 328<br>4.01%        | 300<br>3.65%       | 339<br>4.12%       | 301<br>3.73%       | 310<br>3.91%       | 303<br>3.80%       | 374<br>4.54%       | 359<br>4.55%       | 326<br>4.29%       | 272<br>3.63%       |
| Instructional staff                          | 362<br>4.43%        | 369<br>4.49%       | 353<br>4.28%       | 347<br>4.29%       | 349<br>4.40%       | 336<br>4.21%       | 358<br>4.34%       | 369<br>4.67%       | 367<br>4.82%       | 282<br>3.76%       |
| General district<br>administration           | 24<br>0.29%         | 21<br>0.26%        | 20<br>0.25%        | 21<br>0.26%        | 21<br>0.27%        | 19<br>0.23%        | 19<br>0.23%        | 21<br>0.27%        | 21<br>0.28%        | 20<br>0.26%        |
| School<br>administration                     | 552<br>6.74%        | 538<br>6.55%       | 528<br>6.41%       | 526<br>6.52%       | 517<br>6.52%       | 489<br>6.12%       | 523<br>6.35%       | 509<br>6.44%       | 496<br>6.53%       | 471<br>6.30%       |
| Accounting and<br>purchasing services        | 140<br>1.71%        | 128<br>1.56%       | 132<br>1.61%       | 123<br>1.52%       | 113<br>1.42%       | 115<br>1.44%       | 119<br>1.45%       | 106<br>1.34%       | 81<br>1.07%        | 109<br>1.45%       |
| Operation and<br>maintenance of<br>buildings | 664<br>8.12%        | 663<br>8.08%       | 680<br>8.26%       | 683<br>8.46%       | 659<br>8.31%       | 657<br>8.23%       | 687<br>8.34%       | 655<br>8.28%       | 627<br>8.25%       | 584<br>7.80%       |
| Student<br>transportation                    | 256<br>3.13%        | 199<br>2.43%       | 207<br>2.52%       | 224<br>2.78%       | 228<br>2.87%       | 218<br>2.73%       | 228<br>2.77%       | 220<br>2.78%       | 292<br>3.84%       | 223<br>2.98%       |
| Personnel, planning,<br>and data processing  | 0<br>0.00%          | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 25<br>0.32%        | 24<br>0.33%        |
| Nutrition services                           | 355<br>4.34%        | 334<br>4.07%       | 356<br>4.32%       | 350<br>4.34%       | 352<br>4.44%       | 344<br>4.30%       | 322<br>3.91%       | 278<br>3.52%       | 275<br>3.62%       | 259<br>3.46%       |
| Redevelopment<br>agencies                    | 137<br>1.67%        | 0<br>1.74%         | 0<br>1.56%         | 0<br>0.00%         |
| Interest on long-<br>term liabilities        | 230<br>2.81%        | 231<br>2.81%       | 268<br>3.25%       | 283<br>3.50%       | 311<br>3.92%       | 340<br>4.25%       | 375<br>4.55%       | 386<br>4.89%       | 410<br>5.39%       | 413<br>5.52%       |
| Total  | <u>\$ 8,186</u>     | <u>\$ 8,065</u>    | <u>\$ 8,102</u>    | <u>\$ 8,072</u>    | <u>\$ 7,930</u>    | <u>\$ 7,990</u>    | <u>\$ 8,241</u>    | <u>\$ 7,906</u>    | <u>\$ 7,601</u>    | <u>\$ 7,483</u>    |
| Average Daily Membership                     | 29,282              | 28,052             | 27,021             | 26,909             | 26,249             | 26,032             | 24,272             | 25,218             | 25,456             | 24,904             |

Note: The totals on percentages may not equal an even 100.00% due to rounding.

Source: Washington County School District Personnel Department

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Expenditures by Function - General Fund  
Last Ten Fiscal Years  
June 30, 2008 through 2017**

| Function                                 | Year Ended June 30,      |                          |                          |                          |                          |                          |                          |                          |                          |                         |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|
|  | 2017                     | 2016                     | 2015                     | 2014                     | 2013                     | 2012                     | 2011                     | 2010                     | 2009                     | 2008                    |
| Instruction                              | \$ 129,227,841<br>66.79% | \$ 123,312,797<br>67.58% | \$ 116,602,184<br>66.87% | \$ 114,851,525<br>66.99% | \$ 112,526,956<br>67.45% | \$ 105,456,677<br>66.75% | \$ 106,505,811<br>66.74% | \$ 102,755,922<br>65.86% | \$ 104,331,254<br>65.52% | \$ 99,145,862<br>67.79% |
| Support Services:                        |                          |                          |                          |                          |                          |                          |                          |                          |                          |                         |
| Students                                 | 9,607,702<br>4.97%       | 8,410,205<br>4.61%       | 9,165,450<br>5.26%       | 8,101,619<br>4.73%       | 8,136,831<br>4.88%       | 7,936,734<br>5.02%       | 9,148,533<br>5.73%       | 9,137,356<br>5.86%       | 8,378,799<br>5.26%       | 6,843,867<br>4.68%      |
| Instructional staff                      | 10,608,222<br>5.48%      | 10,345,625<br>5.67%      | 9,525,370<br>5.46%       | 9,332,602<br>5.44%       | 9,155,491<br>5.49%       | 8,775,328<br>5.55%       | 8,741,861<br>5.48%       | 9,316,404<br>5.97%       | 9,357,570<br>5.88%       | 7,026,037<br>4.80%      |
| General district administration          | 650,257<br>0.34%         | 555,474<br>0.30%         | 508,440<br>0.29%         | 521,448<br>0.30%         | 513,006<br>0.31%         | 450,845<br>0.29%         | 434,875<br>0.27%         | 495,652<br>0.32%         | 533,772<br>0.34%         | 487,216<br>0.33%        |
| School administration                    | 14,862,883<br>7.68%      | 14,035,815<br>7.69%      | 13,163,468<br>7.55%      | 13,062,905<br>7.62%      | 12,467,196<br>7.47%      | 11,773,123<br>7.45%      | 11,768,779<br>7.37%      | 11,818,745<br>7.58%      | 12,053,118<br>7.57%      | 10,888,597<br>7.44%     |
| Accounting and purchasing services       | 3,766,938<br>1.95%       | 3,332,608<br>1.83%       | 3,303,770<br>1.89%       | 3,057,118<br>1.78%       | 2,715,513<br>1.63%       | 2,730,556<br>1.73%       | 2,645,333<br>1.66%       | 2,421,140<br>1.55%       | 1,948,063<br>1.22%       | 2,532,319<br>1.73%      |
| Operation and maintenance of buildings   | 17,869,637<br>9.24%      | 17,281,271<br>9.47%      | 16,930,370<br>9.71%      | 16,936,621<br>9.88%      | 15,839,899<br>9.49%      | 15,643,964<br>9.90%      | 15,233,579<br>9.55%      | 15,013,674<br>9.62%      | 15,081,778<br>9.47%      | 13,585,305<br>9.29%     |
| Student transportation                   | 6,902,583<br>3.57%       | 5,199,654<br>2.85%       | 5,162,622<br>2.96%       | 5,583,091<br>3.26%       | 5,485,539<br>3.29%       | 5,215,124<br>3.30%       | 5,097,896<br>3.19%       | 5,056,078<br>3.24%       | 6,955,527<br>4.37%       | 5,178,541<br>3.54%      |
| Personnel, planning, and data processing | -<br>0.00%               | 590,408<br>0.37%         | 571,228<br>0.39%        |
| <b>Total</b>                             | <b>\$ 193,496,063</b>    | <b>\$ 182,473,449</b>    | <b>\$ 174,361,674</b>    | <b>\$ 171,446,929</b>    | <b>\$ 166,840,431</b>    | <b>\$ 157,982,351</b>    | <b>\$ 159,576,667</b>    | <b>\$ 156,014,971</b>    | <b>\$ 159,230,289</b>    | <b>\$ 146,258,972</b>   |
| Average Daily Membership                 | 29,282                   | 28,052                   | 27,021                   | 26,909                   | 26,249                   | 26,032                   | 24,272                   | 25,218                   | 25,456                   | 24,904                  |
| Average Expenditures Per Pupil           | \$ 6,608                 | \$ 6,505                 | \$ 6,453                 | \$ 6,371                 | \$ 6,356                 | \$ 6,069                 | \$ 6,575                 | \$ 6,187                 | \$ 6,255                 | \$ 5,873                |



Note: The totals on percentages may not equal an even 100.00% due to rounding.

## WASHINGTON COUNTY SCHOOL DISTRICT

### Expenditures by Function Per Pupil - General Fund Last Ten Fiscal Years June 30, 2008 through 2017

| Function                                     | Year Ended June 30, |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|--|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|  | 2017                | 2016               | 2015               | 2014               | 2013               | 2012               | 2011               | 2010               | 2009               | 2008               |
| Instruction                                  | \$ 4,413<br>66.79%  | \$ 4,396<br>67.58% | \$ 4,315<br>66.87% | \$ 4,268<br>66.99% | \$ 4,287<br>67.45% | \$ 4,051<br>66.75% | \$ 4,388<br>66.74% | \$ 4,075<br>65.86% | \$ 4,098<br>65.52% | \$ 3,981<br>67.79% |
| Support Services:                            |                     |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Students                                     | 328<br>4.97%        | 300<br>4.61%       | 339<br>5.26%       | 301<br>4.73%       | 310<br>4.88%       | 305<br>5.02%       | 377<br>5.73%       | 362<br>5.86%       | 329<br>5.26%       | 275<br>4.68%       |
| Instructional staff                          | 362<br>5.48%        | 369<br>5.67%       | 353<br>5.46%       | 347<br>5.44%       | 349<br>5.49%       | 337<br>5.55%       | 360<br>5.48%       | 369<br>5.97%       | 368<br>5.88%       | 282<br>4.80%       |
| General district<br>administration           | 22<br>0.34%         | 20<br>0.30%        | 19<br>0.29%        | 19<br>0.30%        | 20<br>0.31%        | 17<br>0.29%        | 18<br>0.27%        | 20<br>0.32%        | 21<br>0.34%        | 20<br>0.33%        |
| School<br>administration                     | 508<br>7.68%        | 500<br>7.69%       | 487<br>7.55%       | 485<br>7.62%       | 475<br>7.47%       | 452<br>7.45%       | 485<br>7.37%       | 469<br>7.58%       | 473<br>7.57%       | 437<br>7.44%       |
| Accounting and<br>purchasing services        | 129<br>1.95%        | 119<br>1.83%       | 122<br>1.89%       | 114<br>1.78%       | 103<br>1.63%       | 105<br>1.73%       | 109<br>1.66%       | 96<br>1.55%        | 77<br>1.22%        | 102<br>1.73%       |
| Operation and<br>maintenance of<br>buildings | 610<br>9.24%        | 616<br>9.47%       | 627<br>9.71%       | 629<br>9.88%       | 603<br>9.49%       | 601<br>9.90%       | 628<br>9.55%       | 595<br>9.62%       | 592<br>9.47%       | 546<br>9.29%       |
| Student<br>transportation                    | 236<br>3.57%        | 185<br>2.85%       | 191<br>2.96%       | 207<br>3.26%       | 209<br>3.29%       | 200<br>3.30%       | 210<br>3.19%       | 200<br>3.24%       | 273<br>4.37%       | 208<br>3.54%       |
| Personnel, planning,<br>and data processing  | 0<br>0.00%          | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 0<br>0.00%         | 23<br>0.37%        | 23<br>0.39%        |
| <b>Total</b>                                 | <b>\$ 6,608</b>     | <b>\$ 6,505</b>    | <b>\$ 6,453</b>    | <b>\$ 6,371</b>    | <b>\$ 6,356</b>    | <b>\$ 6,069</b>    | <b>\$ 6,575</b>    | <b>\$ 6,187</b>    | <b>\$ 6,255</b>    | <b>\$ 5,873</b>    |
| Average Daily Membership                     | 29,282              | 28,052             | 27,021             | 26,909             | 26,249             | 26,032             | 24,272             | 25,218             | 25,456             | 24,904             |

Note: The totals on percentages may not equal an even 100.00% due to rounding.

Source: Washington County School District Personnel Department

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Nutrition Services - Facts and Figures  
Last Ten Fiscal Years  
June 30, 2007 through 2016**

|                                     | Year Ended June 30, |           |           |           |           |           |           |           |           |           |
|-------------------------------------|---------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                                     | 2016                | 2015      | 2014      | 2013      | 2012      | 2011      | 2010      | 2009      | 2008      | 2007      |
| Number of schools participating in: |                     |           |           |           |           |           |           |           |           |           |
| Lunch - regular schedule            | 42                  | 42        | 40        | 40        | 39        | 39        | 38        | 37        | 35        | 34        |
| Breakfast program                   | 41                  | 41        | 40        | 40        | 37        | 37        | 33        | 32        | 31        | 30        |
| Student lunches served:             |                     |           |           |           |           |           |           |           |           |           |
| Free                                | 1,159,424           | 1,196,810 | 1,156,949 | 1,187,170 | 1,203,516 | 1,190,627 | 1,013,738 | 871,943   | 739,066   | 622,158   |
| Reduced                             | 295,323             | 292,884   | 336,138   | 312,078   | 375,051   | 361,891   | 300,548   | 329,704   | 324,434   | 302,387   |
| Fully paid                          | 914,899             | 904,039   | 907,223   | 864,402   | 835,156   | 908,959   | 817,462   | 1,116,312 | 1,188,903 | 1,128,863 |
| Total                               | 2,369,646           | 2,393,733 | 2,400,310 | 2,363,650 | 2,413,723 | 2,461,477 | 2,131,748 | 2,317,959 | 2,252,403 | 2,053,408 |
| Student breakfasts served:          |                     |           |           |           |           |           |           |           |           |           |
| Free                                | 403,969             | 411,559   | 394,903   | 422,733   | 403,589   | 385,846   | 350,902   | 317,950   | 265,563   | 242,832   |
| Reduced                             | 62,611              | 51,685    | 58,646    | 56,692    | 58,325    | 50,250    | 57,576    | 66,063    | 72,590    | 63,202    |
| Fully paid                          | 73,642              | 58,869    | 62,829    | 70,015    | 58,923    | 60,597    | 71,955    | 115,641   | 128,433   | 133,328   |
| Total                               | 540,222             | 522,113   | 516,378   | 549,440   | 520,837   | 496,693   | 480,433   | 499,654   | 466,586   | 439,362   |
| Number of serving days:             |                     |           |           |           |           |           |           |           |           |           |
| Elementary Schools                  | 179                 | 179       | 179       | 179       | 179       | 179       | 179       | 180       | 180       | 180       |
| Secondary Schools                   | 178                 | 177       | 177       | 177       | 178       | 178       | 176       | 172       | 172       | 172       |

Source: Washington County School District Food Services Department

# WASHINGTON COUNTY SCHOOL DISTRICT

## Student Enrollment Statistics Last Ten Fiscal Years June 30, 2008 through 2017

| <u>Fiscal Year<br/>Ended<br/>June 30,</u> | <u>Average<br/>Daily<br/>Membership</u> | <u>Average<br/>Daily<br/>Attendance</u> | <u>Attendance<br/>Percentage</u> | <u>Official State<br/>October 1<br/>Audited<br/>Enrollment<br/>Count</u> |
|---|---|---|----------------------------------|--|
| 2008                                      | 24,904                                  | 23,626                                  | 94.87%                           | 25,295   |
| 2009                                      | 25,456                                  | 24,090                                  | 94.63%                           | 25,775   |
| 2010                                      | 25,218                                  | 23,868                                  | 94.65%                           | 25,202   |
| 2011                                      | 24,272                                  | 23,683                                  | 97.57%                           | 25,671   |
| 2012                                      | 26,032                                  | 24,802                                  | 95.28%                           | 26,137   |
| 2013                                      | 26,249                                  | 24,735                                  | 94.23%                           | 26,131   |
| 2014                                      | 26,909                                  | 25,791                                  | 95.85%                           | 27,099   |
| 2015                                      | 27,021                                  | 25,918                                  | 95.92%                           | 27,118   |
| 2016                                      | 28,052                                  | 26,924                                  | 95.98%                           | 28,167   |
| 2017                                      | 29,282                                  | 28,073                                  | 95.87%                           | 29,355   |

Source: Washington County School District Technology Department

## WASHINGTON COUNTY SCHOOL DISTRICT

### History of High School Graduates

#### Last Ten School Years

School Years 2007-08 through 2016-17

|              | <u>2016-17</u> | <u>2015-16</u> | <u>2014-15</u> | <u>2013-14</u> | <u>2012-13</u> | <u>2011-12</u> | <u>2010-11</u> | <u>2009-10</u> | <u>2008-09</u> | <u>2007-08</u> |
|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Desert Hills | 415            | 428            | 360            | 347            | 261            | 273            | 267            | 210            | 97             | -              |
| Dixie        | 340            | 365            | 352            | 338            | 306            | 276            | 260            | 286            | 282            | 333            |
| Enterprise   | 67             | 66             | 57             | 45             | 54             | 41             | 44             | 54             | 34             | 57             |
| Hurricane    | 264            | 274            | 252            | 260            | 228            | 226            | 214            | 236            | 177            | 202            |
| Water Canyon | 20             | 6              | 2              | -              | -              | -              | -              | -              | -              | -              |
| Millcreek    | 57             | 78             | 78             | 71             | 53             | 52             | 51             | 63             | 97             | 98             |
| Pine View    | 349            | 358            | 276            | 276            | 287            | 251            | 257            | 307            | 270            | 353            |
| Snow Canyon  | 351            | 357            | 344            | 329            | 328            | 273            | 288            | 335            | 331            | 271            |
| Southwest    | 55             | 88             | 9              | 4              | 3              | -              | -              | 9              | -              | -              |
| Online       | 38             | 37             | 10             | 8              | -              | -              | -              | -              | -              | -              |
| Post High    |                |                | -              | -              | -              | -              | -              | -              | -              | 5              |
| Focus Center |                |                | -              | -              | -              | -              | -              | -              | 1              | -              |
| Total        | 1,956          | 2,057          | 1,740          | 1,678          | 1,520          | 1,392          | 1,381          | 1,500          | 1,289          | 1,319          |

Source: Washington County School District Secondary Education Department and State Office of Education.

## WASHINGTON COUNTY SCHOOL DISTRICT

### Teacher Compensation Data Last Ten Fiscal Years June 30, 2008 through 2017

| <u>Fiscal Year Ending June 30,</u> | <u>Bachelor Degree 1st Year Teacher Wage</u> | <u>Doctorate Degree 28th Year Teacher Wage</u> | <u>District Average* Teacher Wage</u> | <u>District Average* Teacher Benefits**</u> | <u>Total District Average* Teacher Compensation</u> | <u>State Average* Teacher Compensation</u> |
|------------------------------------|--|--|---------------------------------------|---|---|--|
| 2008                               | 30,496                                       | 58,598   | 41,802                                | 19,834                                      | 61,636  | 66,397                                     |
| 2009                               | 30,496                                       | 58,617   | 44,001                                | 21,555                                      | 65,556  | 69,757                                     |
| 2010                               | 30,496                                       | 58,617   | 46,896                                | 21,962                                      | 68,858  | 69,531                                     |
| 2011                               | 30,496                                       | 58,617   | 46,896                                | 22,721                                      | 69,617  | 69,785                                     |
| 2012                               | 30,496                                       | 58,617   | 46,896                                | 23,230                                      | 70,126  | 70,883                                     |
| 2013                               | 30,496                                       | 58,617   | 45,980                                | 24,695                                      | 70,675  | 69,483                                     |
| 2014                               | 30,572                                       | 58,764   | 46,046                                | 25,570                                      | 71,616  | 74,028                                     |
| 2015                               | 30,954                                       | 59,499   | 46,180                                | 29,922                                      | 76,102  | 76,664                                     |
| 2016                               | 31,883                                       | 61,283   | 47,341                                | N/A   | N/A   | N/A  |
| 2017                               | 32,361                                       | 62,202   | N/A                                   | N/A   | N/A   | N/A  |

\* As calculated and reported by the Utah State Office of Education in the Annual Statistical Report

\*\* Includes all benefits including State retirement, but does not include District retirement benefits

na - This information was not available when this book was published.

Source: Washington County School District Personnel Department and State Office of Education.

## WASHINGTON COUNTY SCHOOL DISTRICT

### Capital Asset Information Last Ten Fiscal Years June 30, 2008 through 2017

|                        | Fiscal Year Ended June 30, |           |           |           |           |           |           |           |           |           |
|------------------------|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                        | 2017                       | 2016      | 2015      | 2014      | 2013      | 2012      | 2011      | 2010      | 2009      | 2008      |
| Buildings:             |                            |           |           |           |           |           |           |           |           |           |
| Elementary Schools     |                            |           |           |           |           |           |           |           |           |           |
| Number                 | 25                         | 24        | 24        | 24        | 24        | 23        | 23        | 23        | 23        | 23        |
| Square feet            | 1,134,249                  | 1,125,990 | 1,125,990 | 1,125,990 | 1,125,990 | 1,070,334 | 1,070,334 | 1,070,334 | 1,070,334 | 1,070,334 |
| Capacity               | 12,800                     | 12,800    | 12,800    | 12,800    | 12,800    | 12,200    | 12,200    | 12,200    | 12,044    | 12,044    |
| Enrollment             | 13,490                     | 12,950    | 12,592    | 12,907    | 12,453    | 12,656    | 12,661    | 12,505    | 13,081    | 12,685    |
| Percent of Capacity    | 105.39%                    | 101.17%   | 98.38%    | 100.84%   | 97.29%    | 103.74%   | 103.78%   | 102.50%   | 108.61%   | 105.32%   |
| Average Age            | 20.04                      | 22.04     | 21.04     | 20.04     | 19.04     | 18.90     | 17.90     | 16.90     | 18.22     | 17.30     |
| Intermediate Schools   |                            |           |           |           |           |           |           |           |           |           |
| Number                 | 5                          | 5         | 5         | 5         | 5         | 5         | 5         | 5         | 5         | 4         |
| Square feet            | 666,520                    | 666,520   | 666,520   | 666,520   | 666,520   | 666,520   | 666,520   | 666,520   | 666,520   | 524,060   |
| Capacity               | 5,000                      | 5,000     | 5,000     | 5,000     | 5,000     | 5,000     | 5,000     | 5,000     | 5,000     | 4,000     |
| Enrollment             | 4,584                      | 4,373     | 4,215     | 4,099     | 3,988     | 4,142     | 4,036     | 3,948     | 3,939     | 3,746     |
| Percent of Capacity    | 91.68%                     | 87.46%    | 84.30%    | 81.98%    | 79.76%    | 82.84%    | 80.72%    | 78.96%    | 78.78%    | 93.65%    |
| Average Age            | 11.20                      | 10.20     | 9.20      | 8.20      | 7.20      | 6.20      | 5.20      | 4.20      | 3.20      | 2.75      |
| Middle Schools         |                            |           |           |           |           |           |           |           |           |           |
| Number                 | 5                          | 5         | 5         | 5         | 5         | 5         | 5         | 5         | 5         | 5         |
| Square feet            | 610,078                    | 610,078   | 610,078   | 585,508   | 585,508   | 585,508   | 585,508   | 585,508   | 585,508   | 585,508   |
| Capacity               | 4,500                      | 4,500     | 4,500     | 4,500     | 4,500     | 4,500     | 4,500     | 4,500     | 4,500     | 4,500     |
| Enrollment             | 4,767                      | 4,480     | 4,282     | 4,268     | 4,197     | 4,028     | 3,835     | 3,723     | 3,581     | 3,551     |
| Percent of Capacity    | 105.93%                    | 99.56%    | 95.16%    | 94.84%    | 93.27%    | 89.51%    | 85.22%    | 82.73%    | 79.58%    | 78.91%    |
| Average Age            | 11.60                      | 10.60     | 9.60      | 24.80     | 23.80     | 22.80     | 21.80     | 20.80     | 19.80     | 23.50     |
| High Schools ***       |                            |           |           |           |           |           |           |           |           |           |
| Number                 | 8                          | 8         | 8         | 7         | 7         | 7         | 7         | 7         | 7         | 6         |
| Square feet            | 1,320,203                  | 1,320,203 | 1,320,203 | 1,320,203 | 1,320,203 | 1,320,203 | 1,320,203 | 1,320,203 | 1,320,203 | 1,044,108 |
| Capacity               | 7,050                      | 7,050     | 7,050     | 7,050     | 7,050     | 7,050     | 7,050     | 7,050     | 7,050     | 5,700     |
| Enrollment             | 6,514                      | 6,349     | 6,029     | 5,825     | 5,493     | 5,311     | 5,139     | 5,026     | 5,174     | 5,313     |
| Percent of Capacity    | 92.40%                     | 90.06%    | 85.52%    | 82.62%    | 77.91%    | 75.33%    | 72.89%    | 71.29%    | 73.39%    | 93.21%    |
| Average Age            | 23.57                      | 22.57     | 21.57     | 20.57     | 19.57     | 18.57     | 17.57     | 16.57     | 15.57     | 17.00     |
| Other Buildings        |                            |           |           |           |           |           |           |           |           |           |
| Number                 | 12                         | 12        | 12        | 12        | 12        | 12        | 12        | 12        | 11        | 10        |
| Square feet            | 247,155                    | 247,155   | 247,155   | 247,155   | 247,155   | 247,155   | 247,155   | 247,155   | 192,317   | 160,936   |
| Average Age            | 13.80                      | 12.80     | 11.80     | 10.80     | 9.80      | 8.80      | 7.80      | 6.80      | 7.25      | 18.89     |
| Total Buildings        |                            |           |           |           |           |           |           |           |           |           |
| Number *               | 55                         | 54        | 54        | 53        | 53        | 52        | 52        | 52        | 51        | 48        |
| Square feet            | 3,978,205                  | 3,969,946 | 3,969,946 | 3,945,376 | 3,945,376 | 3,889,720 | 3,889,720 | 3,889,720 | 3,834,882 | 3,384,946 |
| Capacity               | 29,350                     | 29,350    | 29,350    | 29,350    | 29,350    | 28,750    | 28,750    | 28,750    | 28,594    | 26,244    |
| Enrollment             | 29,355                     | 28,152    | 27,118    | 27,099    | 26,131    | 26,137    | 25,671    | 25,202    | 25,775    | 25,295    |
| Percent of Capacity    | 100.02%                    | 95.92%    | 92.40%    | 92.33%    | 89.03%    | 90.91%    | 89.29%    | 87.66%    | 90.14%    | 96.38%    |
| Average Age            | 20.50                      | 20.50     | 19.50     | 18.50     | 17.50     | 16.60     | 15.60     | 14.60     | 14.60     | 15.38     |
| Number of Portables ** | 63                         | 63        | 61        | 55        | 53        | 55        | 55        | 55        | 54        | 54        |
| Acres of Land          | 628.5                      | 630.2     | 599.7     | 550.3     | 540.3     | 530.3     | 530.3     | 530.3     | 489.3     | 489.3     |
| Number of Vehicles     | 285                        | 283       | 279       | 274       | 281       | 269       | 269       | 269       | 268       | 233       |

\* Each school may have a couple of buildings associated with it; however, for purposes of this schedule, each school campus is considered one building.

\*\* Portables are not included in a school's capacity or square footage calculations.

\*\*\* Includes one alternative high school.

Source: Washington County School District Capital Facilities Department

**WASHINGTON COUNTY SCHOOL DISTRICT**

Statements of Net Position  
 Governmental Activities  
 Last Ten Fiscal Years  
 June 30, 2008 through 2017  
 (accrual basis of accounting)

|  | As of June 30,        |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 2017                  | 2016                  | 2015                  | 2014                  | 2013                  | 2012                  | 2011                  | 2010                  | 2009                  | 2008                  |
| <b>Assets:</b>   |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Cash and investments                                       | \$ 82,656,835         | \$ 82,436,520         | \$ 72,672,440         | \$ 63,615,039         | \$ 70,869,184         | \$ 70,719,254         | \$ 92,917,644         | \$ 88,141,193         | \$ 72,702,359         | \$ 77,853,023         |
| Accounts receivable:                                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Property taxes   | 106,407,388           | 109,313,704           | 107,180,708           | 102,549,274           | 95,424,209            | 97,974,087            | 94,489,583            | 78,259,247            | 96,065,920            | 82,096,760            |
| Other governments  | 7,513,980             | 6,281,031             | 4,262,488             | 5,858,840             | 7,320,742             | 10,604,245            | 15,507,271            | 5,736,172             | 4,893,312             | 4,397,916             |
| Other receivables  | 945,514               | 552,204               | 727,783               | 747,882               | 750,024               | 604,418               | 667,883               | 1,507,799             | 1,828,800             | 2,129,026             |
| Inventories  | 623,239               | 666,297               | 532,603               | 652,194               | 547,884               | 580,948               | 843,784               | 915,442               | 703,910               | 753,776               |
| Prepays  | -                     | 686,201               | -                     | -                     | 1,592,758             | -                     | 27,239                | -                     | -                     | 344,280               |
| Net pension asset  | -                     | 4,130                 | 54,912                | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Capital assets:  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Sites and construction in progress                         | 133,959,102           | 133,916,554           | 149,031,971           | 130,541,314           | 110,146,497           | 82,183,158            | 65,064,193            | 56,572,740            | 81,086,188            | 134,089,934           |
| Other capital assets, net of accumulated depreciation      | 301,394,247           | 266,705,010           | 229,292,557           | 237,621,868           | 249,467,365           | 261,181,533           | 273,935,649           | 283,461,827           | 266,810,471           | 196,249,201           |
| <b>Total assets</b>  | <b>633,500,304</b>    | <b>600,561,651</b>    | <b>563,755,462</b>    | <b>541,586,411</b>    | <b>536,118,664</b>    | <b>523,847,643</b>    | <b>543,453,246</b>    | <b>514,594,421</b>    | <b>524,090,960</b>    | <b>497,913,916</b>    |
| <b>Deferred Outflows of Resources:</b>                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Deferred charges on refundings                             | 1,689,990             | 1,813,800             | 1,851,034             | 1,556,216             | 868,331               | 629,951               | 761,180               | 634,514               | 721,732               | 828,655               |
| Amounts related to pensions                                | 42,332,438            | 37,399,126            | 11,716,262            | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Bond issue costs   | 455,383               | 385,668               | 368,912               | 314,417               | 186,474               | 109,606               | 128,018               | 73,695                | 86,512                | 99,329                |
| <b>Total assets and deferred outflows of resources</b>     | <b>677,978,115</b>    | <b>640,160,245</b>    | <b>577,691,670</b>    | <b>543,457,044</b>    | <b>537,173,469</b>    | <b>524,587,200</b>    | <b>544,342,444</b>    | <b>515,302,630</b>    | <b>524,899,204</b>    | <b>498,841,900</b>    |
| <b>Liabilities:</b>  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Accounts payable   | 9,882,011             | 11,914,281            | 9,781,551             | 11,121,333            | 11,552,807            | 6,167,532             | 8,441,378             | 4,416,758             | 2,179,702             | 5,841,886             |
| Accrued interest   | 3,595,383             | 3,562,086             | 3,186,851             | 3,111,399             | 3,184,299             | 3,185,316             | 3,502,005             | 3,624,851             | 3,799,434             | 3,371,304             |
| Accrued liabilities  | 15,270,809            | 13,894,843            | 13,383,916            | 13,332,428            | 13,138,791            | 13,797,481            | 15,192,908            | 15,387,142            | 16,572,597            | 17,337,808            |
| Unearned revenue:  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Property taxes   | 105,727,491           | 108,205,074           | 106,130,735           | 101,100,448           | 93,462,028            | 95,716,755            | 99,719,183            | 76,942,631            | 94,736,069            | 81,274,313            |
| Other governments  | 10,758,758            | 10,249,778            | 9,555,471             | 10,305,674            | 12,022,122            | 11,273,177            | 10,596,979            | 10,862,019            | 8,068,758             | 10,268,907            |
| Local sources  | 214,884               | 184,095               | 160,376               | 122,552               | 596,407               | 509,137               | 317,826               | 1,581,500             | 1,590,734             | 1,320,950             |
| Noncurrent liabilities:                                    |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Due within one year  | 26,015,000            | 25,810,000            | 25,034,000            | 22,714,000            | 22,969,603            | 21,885,940            | 23,384,356            | 25,280,907            | 24,839,769            | 23,218,005            |
| Due in more than one year                                  | 320,662,262           | 308,189,247           | 276,278,927           | 193,526,127           | 199,026,088           | 198,787,708           | 198,918,937           | 198,792,271           | 198,879,489           | 198,986,412           |
| <b>Total liabilities</b>                                   | <b>492,126,599</b>    | <b>482,009,404</b>    | <b>443,511,827</b>    | <b>355,333,961</b>    | <b>355,952,145</b>    | <b>351,323,046</b>    | <b>354,073,572</b>    | <b>336,888,079</b>    | <b>350,666,552</b>    | <b>341,619,585</b>    |
| <b>Deferred Inflows of Resources:</b>                      |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Amounts related to pensions                                | 12,494,316            | 9,653,961             | 7,255,712             | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| <b>Total liabilities and deferred inflows of resources</b> | <b>504,620,915</b>    | <b>491,663,365</b>    | <b>450,767,539</b>    | <b>355,333,961</b>    | <b>355,952,145</b>    | <b>351,323,046</b>    | <b>354,073,572</b>    | <b>336,888,079</b>    | <b>350,666,552</b>    | <b>341,619,585</b>    |
| <b>Net Position:</b>                                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Invested in capital assets, net of related debt            | 207,096,722           | 184,918,122           | 172,691,325           | 158,105,134           | 143,075,565           | 132,195,693           | 127,955,624           | 118,718,819           | 118,360,389           | 99,118,625            |
| Restricted for:  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Nutrition services   | 1,574,328             | 637,933               | 136,346               | -                     | 197,597               | 710,619               | 1,186,148             | 842,234               | 608,987               | 542,632               |
| Student Activity   | -                     | -                     | -                     | -                     | -                     | 2,367,897             | 2,245,714             | 2,102,456             | 1,958,103             | 1,718,082             |
| Non K-12 programs  | 1,594,237             | 1,587,788             | 1,689,925             | 1,483,614             | 1,177,998             | 395,577               | 470,487               | 504,735               | 660,572               | 838,984               |
| Education Foundation                                       | 6,857,139             | 7,703,108             | 7,719,233             | 11,262,047            | 14,066,247            | 13,684,079            | 15,544,794            | 12,744,953            | 6,397,676             | 996,999               |
| Capital projects   | (196,457)             | 737,387               | (489,826)             | (32,127)              | 4,034,838             | (1,181,562)           | (1,768,755)           | (2,664,661)           | (2,766,329)           | (1,845,095)           |
| Debt service   | (43,568,770)          | (47,087,458)          | (54,822,872)          | (17,304,415)          | (18,669,079)          | (19,274,488)          | (19,321,640)          | (17,559,090)          | (15,204,591)          | (14,146,090)          |
| Unrestricted   | \$ 173,357,200        | \$ 148,496,880        | \$ 126,924,131        | \$ 188,123,083        | \$ 181,221,324        | \$ 170,936,247        | \$ 166,101,277        | \$ 150,898,858        | \$ 141,595,201        | \$ 121,114,449        |
| <b>Total net position</b>                                  | <b>\$ 173,357,200</b> | <b>\$ 148,496,880</b> | <b>\$ 126,924,131</b> | <b>\$ 188,123,083</b> | <b>\$ 181,221,324</b> | <b>\$ 170,936,247</b> | <b>\$ 166,101,277</b> | <b>\$ 150,898,858</b> | <b>\$ 141,595,201</b> | <b>\$ 121,114,449</b> |

Source: Information taken from the District's audited financial statements. This summary itself has not been audited.

**WASHINGTON COUNTY SCHOOL DISTRICT**

General Fund  
 Comparative Balance Sheets  
 Last Ten Fiscal Years  
 June 30, 2008 through 2017  
 (modified accrual basis of accounting)

|                      | As of June 30, |                |                |               |               |               |               |               |               |               |
|----------------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                      | 2017           | 2016           | 2015           | 2014          | 2013          | 2012          | 2011          | 2010          | 2009          | 2008          |
| <b>Assets:</b>       |                |                |                |               |               |               |               |               |               |               |
| Cash and investments | \$ 46,003,032  | \$ 40,965,242  | \$ 36,324,522  | \$ 34,317,743 | \$ 36,513,693 | \$ 36,402,813 | \$ 33,713,405 | \$ 43,891,442 | \$ 38,635,518 | \$ 39,717,875 |
| Accounts receivable: |                |                |                |               |               |               |               |               |               |               |
| Property taxes       | 59,935,363     | 60,748,203     | 59,229,405     | 54,759,229    | 49,223,774    | 50,389,587    | 46,563,448    | 41,144,180    | 43,935,490    | 43,225,899    |
| Other governments    | 6,518,361      | 5,458,843      | 3,680,875      | 5,021,402     | 6,549,759     | 9,206,459     | 14,927,385    | 5,453,517     | 4,456,513     | 4,024,792     |
| Other receivables    | 556,844        | 495,340        | 684,361        | 737,196       | 735,243       | 577,776       | 614,386       | 186,849       | 466,672       | 806,929       |
| Inventories          | 283,714        | 263,115        | 322,621        | 321,356       | 331,642       | 329,741       | 612,530       | 648,768       | 503,042       | 533,775       |
| Prepays              | -              | 686,201        | -              | -             | 1,592,758     | -             | 27,239        | -             | -             | 124,529       |
| Total assets         | \$ 113,297,314 | \$ 108,616,944 | \$ 100,241,784 | \$ 95,156,927 | \$ 94,946,870 | \$ 96,906,376 | \$ 96,458,393 | \$ 91,324,756 | \$ 87,997,235 | \$ 88,433,799 |

|                                       |                |                |                |               |               |               |               |               |               |               |
|---------------------------------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Liabilities and Fund Balances:</b> |                |                |                |               |               |               |               |               |               |               |
| Liabilities:                          |                |                |                |               |               |               |               |               |               |               |
| Accounts payable                      | \$ 5,379,711   | \$ 6,230,545   | \$ 5,624,136   | \$ 5,661,607  | \$ 7,028,169  | \$ 4,009,336  | \$ 3,965,580  | \$ 3,542,659  | \$ 688,071    | \$ 1,308,176  |
| Accrued payroll and related benefits  | 14,073,488     | 13,440,596     | 12,736,513     | 12,118,219    | 11,929,129    | 12,389,122    | 14,632,045    | 15,355,512    | 15,614,903    | 14,343,779    |
| Deferred revenue:                     |                |                |                |               |               |               |               |               |               |               |
| Property taxes                        | 59,518,273     | 60,075,783     | 58,611,659     | 53,932,365    | 48,127,704    | 49,183,242    | 46,156,964    | 40,423,695    | 43,234,117    | 42,796,833    |
| Other governments                     | 10,332,138     | 9,654,511      | 9,042,346      | 9,883,650     | 11,824,557    | 11,019,720    | 10,449,671    | 10,798,513    | 8,068,758     | 10,183,271    |
| Local sources                         | 33,163         | 32,582         | 44,831         | 40,929        | 493,459       | 509,137       | 317,826       | 280,550       | 255,316       | -             |
| Total liabilities                     | 89,336,774     | 89,434,017     | 86,059,485     | 81,636,770    | 79,403,018    | 77,110,557    | 75,522,086    | 70,380,929    | 67,861,165    | 68,632,059    |
| Fund balances:                        |                |                |                |               |               |               |               |               |               |               |
| Unreserved:                           |                |                |                |               |               |               |               |               |               |               |
| Designated for:                       |                |                |                |               |               |               |               |               |               |               |
| Undistributed reserve                 | 3,300,000      | 3,300,000      | 3,300,000      | 3,300,000     | 3,300,000     | 3,300,000     | 3,300,000     | 3,300,000     | 3,300,000     | 3,300,000     |
| Tort liability                        | -              | -              | -              | -             | -             | -             | -             | -             | -             | -             |
| Future growth                         | 2,291,179      | 2,291,179      | 2,291,179      | 2,291,179     | 2,291,179     | 2,291,179     | 2,291,179     | 2,291,179     | 2,291,179     | 2,291,179     |
| Early retirement                      | -              | -              | -              | -             | -             | -             | -             | -             | -             | -             |
| Undesignated                          | 18,369,361     | 13,591,748     | 8,591,120      | 7,928,977     | 9,952,673     | 14,204,640    | 15,345,128    | 15,352,648    | 14,544,891    | 14,210,560    |
| Total fund balances                   | 23,960,540     | 19,182,927     | 14,182,299     | 13,520,156    | 15,543,852    | 19,795,819    | 20,936,307    | 20,943,827    | 20,136,070    | 19,801,739    |
| Total liabilities and fund balances   | \$ 113,297,314 | \$ 108,616,944 | \$ 100,241,784 | \$ 95,156,926 | \$ 94,946,870 | \$ 96,906,376 | \$ 96,458,393 | \$ 91,324,756 | \$ 87,997,235 | \$ 88,433,799 |

Source: Information taken from the District's audited financial statements. This summary itself has not been audited.

**WASHINGTON COUNTY SCHOOL DISTRICT**

**General Fund  
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances  
Last Ten Fiscal Years  
June 30, 2008 through 2017  
(modified accrual basis of accounting)**

|   | Fiscal Year Ended June 30, |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|---|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | 2017                       | 2016                 | 2015                 | 2014                 | 2013                 | 2012                 | 2011                 | 2010                 | 2009                 | 2008                 |
| <b>Revenues:</b>  |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Property taxes  | \$ 61,175,372              | \$ 58,771,872        | \$ 51,872,209        | \$ 48,337,004        | \$ 49,490,367        | \$ 45,398,473        | \$ 44,155,128        | \$ 44,860,983        | \$ 41,833,268        | \$ 39,709,373        |
| Interest  | 300,000                    | 513,911              | 170,227              | 170,801              | 264,255              | 348,975              | 361,566              | 427,907              | 1,263,714            | 2,143,298            |
| Other local sources                                       | 5,185,000                  | 3,481,419            | 3,402,268            | 3,902,714            | 3,705,942            | 2,979,328            | 3,196,498            | 3,062,208            | 2,708,987            | 2,685,903            |
| State of Utah   | 128,794,657                | 117,504,850          | 110,685,139          | 102,613,597          | 93,549,938           | 93,318,228           | 91,043,339           | 89,101,606           | 95,539,388           | 99,088,089           |
| Federal government  | 15,118,338                 | 14,860,493           | 13,604,352           | 14,399,067           | 15,577,963           | 14,796,859           | 20,885,058           | 19,666,788           | 18,654,204           | 9,299,425            |
| <b>Total Revenues</b>                                     | <b>210,573,367</b>         | <b>198,273,676</b>   | <b>175,023,817</b>   | <b>169,423,183</b>   | <b>162,588,465</b>   | <b>156,841,863</b>   | <b>159,641,589</b>   | <b>157,119,492</b>   | <b>159,999,561</b>   | <b>152,926,088</b>   |
| <b>Expenditures:</b>                                      |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Instruction   | 141,093,689                | 129,227,841          | 116,602,184          | 114,851,525          | 112,526,956          | 105,456,677          | 106,505,811          | 102,755,922          | 104,331,254          | 99,145,862           |
| Support services:   |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Students  | 11,268,728                 | 9,607,702            | 9,165,450            | 8,101,619            | 8,136,831            | 7,936,734            | 9,148,533            | 9,137,356            | 8,378,799            | 6,843,867            |
| Instructional staff                                       | 11,537,333                 | 10,608,222           | 9,525,370            | 9,332,602            | 9,155,491            | 8,775,328            | 8,741,861            | 9,316,404            | 9,357,570            | 7,026,037            |
| General district administration                           | 619,857                    | 650,257              | 508,440              | 521,448              | 513,006              | 450,845              | 434,875              | 495,652              | 533,772              | 487,216              |
| School administration                                     | 15,960,950                 | 14,862,883           | 13,163,468           | 13,062,905           | 12,467,196           | 11,773,123           | 11,768,779           | 11,818,745           | 12,053,118           | 10,888,597           |
| Accounting and purchasing services                        | 4,126,622                  | 3,766,938            | 3,303,770            | 3,057,118            | 2,715,513            | 2,730,556            | 2,645,333            | 2,421,140            | 1,948,063            | 2,532,319            |
| Operation and maintenance of buildings                    | 19,784,676                 | 17,869,637           | 16,930,370           | 16,936,621           | 15,839,899           | 15,643,964           | 15,233,579           | 15,013,674           | 15,081,778           | 13,585,305           |
| Student transportation                                    | 6,181,512                  | 6,902,583            | 5,162,622            | 5,583,091            | 5,485,539            | 5,215,124            | 5,097,896            | 5,056,078            | 6,955,527            | 5,178,541            |
| Personnel, planning, and data processing                  | -                          | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 590,408              | 571,228              |
| <b>Total Expenditures</b>                                 | <b>210,573,367</b>         | <b>193,496,063</b>   | <b>174,361,674</b>   | <b>171,446,929</b>   | <b>166,840,432</b>   | <b>157,982,351</b>   | <b>159,576,667</b>   | <b>156,014,971</b>   | <b>159,230,288</b>   | <b>146,258,972</b>   |
| Excess (deficiency) of revenues over (under) expenditures | -                          | 4,777,613            | 5,000,628            | 662,143              | (4,251,967)          | (1,140,488)          | 64,922               | 1,104,521            | 769,272              | 6,667,116            |
| <b>Other financing sources:</b>                           |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Transfers   | -                          | -                    | -                    | 50                   | -                    | -                    | (72,442)             | (296,764)            | (434,941)            | (1,401,015)          |
| <b>Total Other Financing Sources</b>                      | <b>-</b>                   | <b>-</b>             | <b>-</b>             | <b>50</b>            | <b>-</b>             | <b>-</b>             | <b>(72,442)</b>      | <b>(296,764)</b>     | <b>(434,941)</b>     | <b>(1,401,015)</b>   |
| Net change in fund balance                                | -                          | 4,777,613            | 5,000,628            | (2,023,696)          | (4,251,967)          | (1,140,488)          | (7,520)              | 807,757              | 334,331              | 5,266,101            |
| <b>Fund balances - beginning</b>                          | <b>23,960,540</b>          | <b>19,182,927</b>    | <b>14,182,299</b>    | <b>15,543,852</b>    | <b>19,795,819</b>    | <b>20,936,307</b>    | <b>20,943,827</b>    | <b>20,136,070</b>    | <b>19,801,739</b>    | <b>14,535,638</b>    |
| <b>Prior period adjustment</b>                            | <b>-</b>                   | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>-</b>             |
| <b>Fund balances - ending</b>                             | <b>\$ 23,960,540</b>       | <b>\$ 23,960,540</b> | <b>\$ 19,182,927</b> | <b>\$ 14,182,299</b> | <b>\$ 15,543,852</b> | <b>\$ 19,795,819</b> | <b>\$ 20,936,307</b> | <b>\$ 20,943,827</b> | <b>\$ 20,136,070</b> | <b>\$ 19,801,739</b> |

Source: Information taken from the Districts audited financial statements. This summary itself has not been audited.

**WASHINGTON COUNTY SCHOOL DISTRICT**

**Historical Summaries of Taxable Values of Property  
For the Tax Years Ended December 31, 2008 through 2017  
Last Ten Tax Years**

|  | Tax Year Ended December 31, |              |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|--|-----------------------------|--------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|  | 2016                        | 2016         | 2015                     | 2014                     | 2013                     | 2012                     | 2011                     | 2010                     | 2009                     | 2008                     |                          |
|  | Taxable Value               | % of T.V.    | Taxable Value            |                          |
| <i>Set by State Tax Commission- Centrally Assessed</i>           | \$ 503,951,884              | 3.3          | \$ 497,220,009           | \$ 428,634,853           | \$ 432,052,843           | \$ 395,711,704           | \$ 383,204,520           | \$ 379,881,275           | \$ 500,284,142           | \$ 386,642,903           | \$ 345,494,274           |
| <i>Set by County Assessor- Locally Assessed:</i>                 |                             |              |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| <b>Real Property:</b>  |                             |              |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Residential real estate-primary use                              | 7,024,062,632               | 45.7         | 6,338,486,890            | 5,382,977,465            | 4,713,270,345            | 4,298,514,610            | 4,479,898,047            | 5,203,986,347            | 6,241,134,371            | 6,129,616,160            | 4,987,593,450            |
| Residential real estate-not primary use                          | 3,054,624,882               | 19.9         | 2,756,481,565            | 2,340,463,070            | 2,199,980,200            | 1,882,681,195            | 1,694,511,675            | 1,740,780,070            | 2,201,054,845            | 1,564,921,137            | 1,196,543,160            |
| Commercial and industrial real estate                            | 2,416,818,786               | 15.7         | 2,180,827,835            | 1,704,678,465            | 1,633,635,765            | 1,648,857,430            | 1,612,786,650            | 1,739,919,350            | 1,975,560,640            | 1,753,435,157            | 1,521,615,835            |
| Agricultural - FAA   | 19,446,472                  | 0.1          | 17,548,420               | 17,469,710               | 17,025,640               | 16,533,530               | 16,460,345               | 16,968,850               | 15,037,670               | 30,753,050               | 15,107,545               |
| Unimproved non FAA   | 1,462,071,564               | 9.5          | 1,319,367,670            | 1,275,931,925            | 1,244,331,920            | 1,288,987,805            | 1,642,820,525            | 2,144,445,470            | 2,593,520,250            | 2,598,600,874            | 1,768,060,325            |
| <b>Total Real Property</b>                                       | <b>13,977,024,335</b>       | <b>91.0</b>  | <b>12,612,712,180</b>    | <b>10,721,520,635</b>    | <b>9,808,243,870</b>     | <b>9,135,574,570</b>     | <b>9,446,277,242</b>     | <b>10,846,070,087</b>    | <b>13,026,307,776</b>    | <b>12,077,326,378</b>    | <b>9,488,920,315</b>     |
| <b>Personal Property:</b>  |                             |              |                          |                          |                          |                          |                          |                          |                          |                          |                          |
| Primary mobile homes   | 6,885,444                   | 0.0          | 6,770,811                | 6,329,268                | 5,035,319                | 5,255,547                | 5,287,882                | 7,116,322                | 8,009,409                | 8,272,256                | 9,068,605                |
| Secondary mobile homes   | 3,427,276                   | 0.0          | 3,370,216                | 3,811,166                | 4,306,897                | 3,794,308                | 3,603,831                | 5,129,865                | 5,138,036                | 4,854,461                | 4,763,046                |
| Other business personal  | 392,687,280                 | 2.6          | 386,149,567              | 389,336,663              | 379,735,336              | 368,994,276              | 422,653,835              | 462,698,976              | 454,031,857              | 363,201,335              | 294,731,672              |
| <b>Total Personal Property</b>                                   | <b>403,000,000</b>          | <b>2.6</b>   | <b>396,290,594</b>       | <b>399,477,097</b>       | <b>369,077,552</b>       | <b>378,044,131</b>       | <b>431,545,548</b>       | <b>474,945,163</b>       | <b>467,179,302</b>       | <b>376,328,052</b>       | <b>308,563,323</b>       |
| <b>Fee in Lieu/age based property (1)</b>                        | <b>470,000,000</b>          | <b>3.1</b>   | <b>451,973,600</b>       | <b>351,723,533</b>       | <b>381,453,000</b>       | <b>683,703,528</b>       | <b>683,703,528</b>       | <b>662,640,548</b>       | <b>709,794,810</b>       | <b>742,174,298</b>       | <b>727,982,987</b>       |
| <b>Total Locally Assessed</b>                                    | <b>14,850,024,335</b>       | <b>96.7</b>  | <b>13,460,976,374</b>    | <b>11,472,721,265</b>    | <b>10,578,774,422</b>    | <b>10,197,322,229</b>    | <b>10,561,526,318</b>    | <b>11,983,655,798</b>    | <b>14,203,281,888</b>    | <b>13,195,828,728</b>    | <b>10,525,466,625</b>    |
| <b>Total Taxable Property</b>                                    | <b>\$ 15,353,976,219</b>    | <b>100.0</b> | <b>\$ 13,958,196,383</b> | <b>\$ 11,901,356,118</b> | <b>\$ 11,010,827,265</b> | <b>\$ 10,593,033,933</b> | <b>\$ 10,944,730,838</b> | <b>\$ 12,363,537,073</b> | <b>\$ 14,703,566,030</b> | <b>\$ 13,582,471,631</b> | <b>\$ 10,870,960,899</b> |
| <b>Total taxable value (less fee in lieu/age based property)</b> | <b>\$ 14,883,976,219</b>    |              | <b>\$ 13,506,222,783</b> | <b>\$ 11,549,632,585</b> | <b>\$ 10,629,374,265</b> | <b>\$ 9,909,330,405</b>  | <b>\$ 10,261,027,310</b> | <b>\$ 11,700,896,525</b> | <b>\$ 13,993,771,220</b> | <b>\$ 12,840,297,333</b> | <b>\$ 10,142,977,912</b> |

Source: Property Tax Division, Utah State Tax Commission.

