

PRELIMINARY OFFICIAL STATEMENT

\$100,000,000*



Davis School District
Learning First

Board of Education of Davis School District, Utah

General Obligation Bonds, (Utah School District Bond Guaranty Program), Series 2025B

On Thursday, November 10, 2025, up to 9:30:00 A.M., M.S.T., electronic bids will be received by means of the **PARITY**® electronic bid submission system. See the “OFFICIAL NOTICE OF BOND SALE—Procedures Regarding Electronic Bidding.”

The 2025B Bonds as defined herein will be awarded to the successful bidder(s) and issued pursuant to a resolution of the Board of Education of Davis School District, Utah (the “Board”), adopted on October 7, 2025.

The Board has deemed this PRELIMINARY OFFICIAL STATEMENT final as of the date hereof, for purposes of paragraph (b)(1) of Rule 15c2–12 of the Securities and Exchange Commission, subject to completion with certain information to be established at the time of sale of the 2025 Series B Bonds as permitted by the Rule.

For copies of the OFFICIAL NOTICE OF BOND SALE, the PRELIMINARY OFFICIAL STATEMENT, and other related information with respect to the 2025B Bonds contact the Municipal Advisor:



ZIONS PUBLIC FINANCE, INC.

One S Main St 18th Fl
Salt Lake City UT 84133–1109
801.844.7383
cara.bertot@zionsbancorp.com

This PRELIMINARY OFFICIAL STATEMENT is dated [October 17, 2025], and the information contained herein speaks only as of that date.

* Preliminary; subject to change.

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PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 17, 2025 v1. [Oct. 3]

NEW ISSUE

Book-Entry Only

Ratings: Moody's "___" (State of Utah Guaranty)(underlying "___")

See "STATE OF UTAH GUARANTY" and "MISCELLANEOUS—Bond Ratings" herein.

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Board, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the 2025B Bonds (including any original issue discount properly allocable to the owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the 2025B Bonds is exempt from State of Utah individual income taxes. Bond Counsel notes that interest on the 2025B Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See "TAX MATTERS" herein.



Davis School District
Learning First

\$100,000,000*

Board of Education of Davis School District, Utah

General Obligation Bonds (Utah School District Bond Guaranty Program), Series 2025B

The \$100,000,000* General Obligation Bonds (Utah School District Bond Guaranty Program), Series 2025B are issuable by the Board of Education of Davis School District, Utah, as fully-registered bonds and, when initially issued, will be in book-entry only form, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. DTC will act as securities depository for the 2025B Bonds.

Principal of and interest on the 2025B Bonds (interest payable June 1 and December 1 of each year, commencing June 1, 2026) are payable by U.S. Bank Trust Company, National Association, as Paying Agent, to the registered owners thereof, initially DTC. See "THE 2025B BONDS—Book-Entry System" herein.

The 2025B Bonds are subject to optional redemption prior to maturity and may be subject to mandatory sinking fund redemption at the option of the successful bidder(s). See "THE 2025B BONDS—Redemption Provisions" and "—Mandatory Sinking Fund Redemption At Bidder's Option" herein.

The 2025B Bonds will be general obligations of the Board payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all taxable property in Davis School District, Utah, fully sufficient to pay the 2025B Bonds as to both principal and interest.

Payment of the principal of and interest on the 2025B Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the

State of Utah

under the provisions of the Utah school district bond guaranty. See "STATE OF UTAH GUARANTY" herein.

Dated: Date of Delivery¹

Due: June 1, as shown on inside front cover

See the inside front cover for the maturity schedule of the 2025B Bonds

The 2025B Bonds will be awarded pursuant to competitive bidding received by means of the **PARITY®** electronic bid submission system on Thursday, November 20, 2025, as set forth in the OFFICIAL NOTICE OF BOND SALE (dated as of the date of this PRELIMINARY OFFICIAL STATEMENT).

Zions Public Finance, Inc., Salt Lake City, Utah, is acting as Municipal Advisor.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire OFFICIAL STATEMENT to obtain information essential to the making of an informed investment decision.

This OFFICIAL STATEMENT is dated November __, 2025, and the information contained herein speaks only as of that date.

* Preliminary; subject to change.

¹ The anticipated date of delivery is Wednesday, December 10, 2025.

Davis School District, Utah

\$100,000,000*

General Obligation Bonds (Utah School District Bond Guaranty Program), Series 2025B

Dated: Date of Delivery¹

Due: June 1, as shown below

<u>Due June 1</u>	<u>CUSIP® 239019</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield/ Price</u>
2027.....		\$3,045,000		
2028.....		3,195,000		
2029.....		3,355,000		
2030.....		3,525,000		
2031.....		3,700,000		
2032.....		3,885,000		
2033.....		4,080,000		
2034.....		4,285,000		
2035.....		4,500,000		
2036.....		4,725,000		
2037.....		4,960,000		
2038.....		5,205,000		
2039.....		5,465,000		
2040.....		5,740,000		
2041.....		6,025,000		
2042.....		6,330,000		
2043.....		6,580,000		
2044.....		6,845,000		
2045.....		7,125,000		
2046.....		7,430,000		

**[\$ _____ % Term Bond due June 1, 20__—Price of _____ %]
(CUSIP®239019 __)**

* Preliminary; subject to change.

¹ The anticipated date of delivery is Wednesday, December 10, 2025.

® CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by Global Services, managed by FactSet Research Systems, on behalf of the American Bankers Association.

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This OFFICIAL STATEMENT does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the 2025B Bonds (as defined herein), by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained herein, and if given or made, such other informational representations must not be relied upon as having been authorized by any of: the Board of Education of Davis School District, Utah (the “Board”); Zions Public Finance, Inc., Salt Lake City, Utah (as Municipal Advisor); U.S. Bank Trust Company, National Association, (as Paying Agent); the State of Utah; the successful bidder(s); or any other entity. The information contained herein has been obtained from the Board, The Depository Trust Company, New York, New York, the State of Utah, and from other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this OFFICIAL STATEMENT nor the issuance, sale, delivery, or exchange of the 2025B Bonds, shall under any circumstance create any implication that there has been no change in the affairs of the Board, since the date hereof.

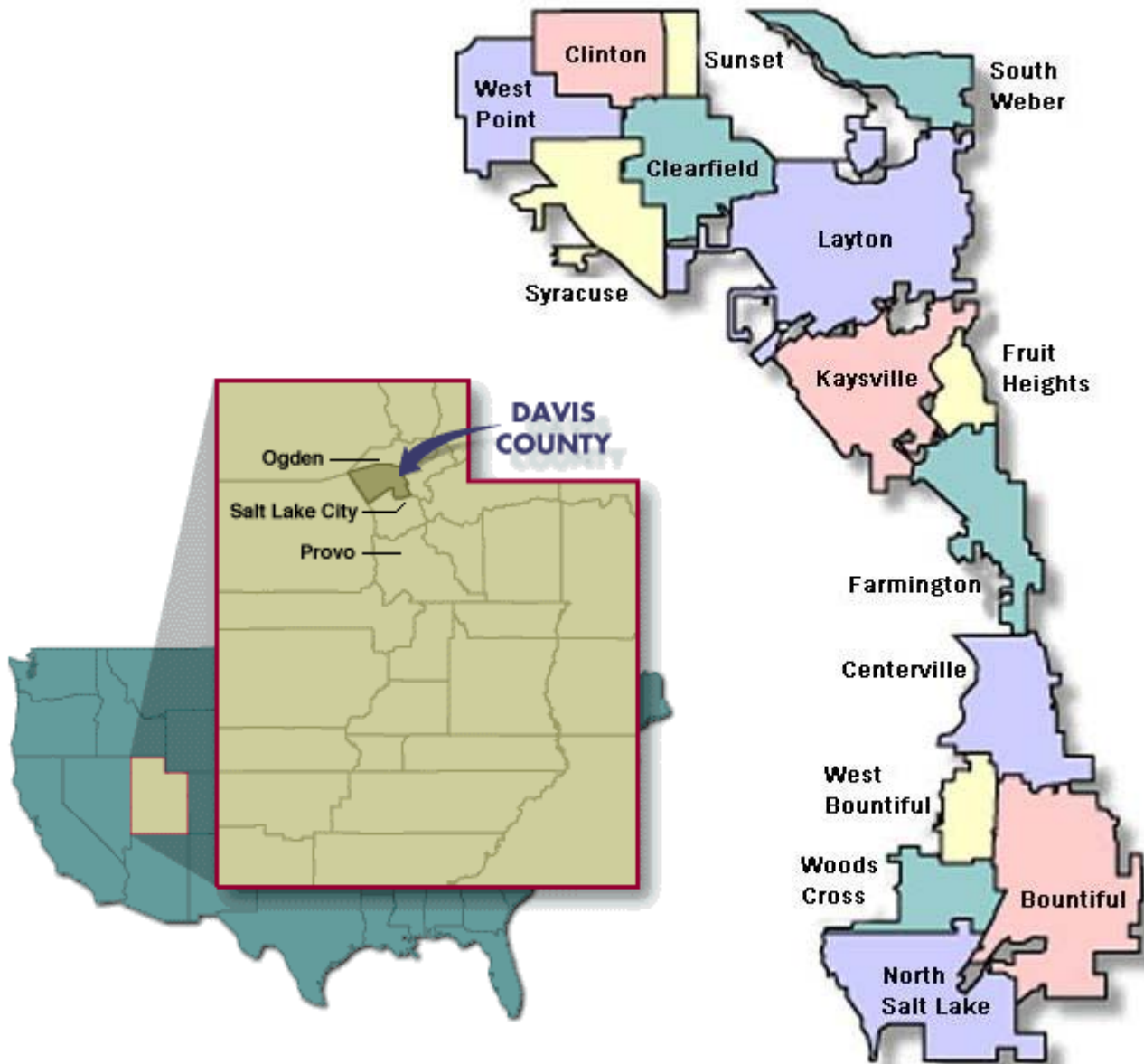
The 2025B Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such act and laws. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this OFFICIAL STATEMENT. Any representation to the contrary is unlawful.

The yields/prices at which the 2025B Bonds are offered to the public may vary from the initial reoffering yields/prices on the inside cover page of this OFFICIAL STATEMENT. In addition, the successful bidder(s) may allow concessions or discounts from the initial offering prices of the 2025B Bonds to dealers and others. With any offering of the 2025B Bonds, the successful bidder(s) may engage in transactions that stabilize, maintain, or otherwise affect the price of the 2025B Bonds. Such transactions may include overallocments in connection with the purchase of Series 2025B Bonds to stabilize their market price and to cover the successful bidder’s short positions. Such transactions, if commenced, may be discontinued at any time.

Forward-Looking Statements. Certain statements included or incorporated by reference in this OFFICIAL STATEMENT may constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used, such as “plan,” “project,” “forecast,” “expect,” “estimate,” “budget” or other similar words. ***The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Board does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions, or circumstances on which such statements are based occur.***

The CUSIP® (the Committee on Uniform Securities Identification Procedures) identification numbers are provided on the inside cover pages of this OFFICIAL STATEMENT and are being provided solely for the convenience of bondholders. None of the Board, the successful bidder(s), or the Municipal Advisor makes any representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP® number for a specific maturity is subject to being changed after the issuance of the 2025B Bonds as a result of various subsequent actions, including but not limited to a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2025B Bonds.

Information from websites referenced in this OFFICIAL STATEMENT has not been reviewed for accuracy and completeness. Such information has not been provided relating to the offering of the 2025B Bonds and is not a part of this OFFICIAL STATEMENT.



OFFICIAL STATEMENT RELATED TO

\$100,000,000*

Board of Education of Davis School District, Utah

General Obligation Bonds (Utah School District Bond Guaranty Program), Series 2025B

INTRODUCTION

This introduction is only a brief description of the 2025B Bonds, as hereinafter defined, the security and source of payment for the 2025B Bonds and certain information regarding the Board of Education (the “Board”) of Davis School District, Utah (the “District”). The information contained herein is expressly qualified by reference to the entire OFFICIAL STATEMENT, including the appendices. Investors are urged to make a full review of the entire OFFICIAL STATEMENT.

See the following appendices that are attached hereto and incorporated herein by reference: “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024;” “APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL;” “APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING;” and “APPENDIX D—BOOK-ENTRY SYSTEM.”

When used herein the terms “Fiscal Year[s] 20YY” or “Fiscal Year[s] End[ed][ing] June 30, 20YY” shall refer to the year ended or ending on June 30 of the year indicated and beginning on July 1 of the preceding calendar year. The terms “Calendar Year[s] 20YY” or “Tax Year[s] 20YY” shall refer to the year beginning on January 1 and ending on December 31 of the year indicated. Capitalized terms used but not otherwise defined herein have the same meaning as given to them in the Resolutions, as hereinafter defined.

Public Sale/Electronic Bid

The 2025B Bonds will be awarded pursuant to competitive bidding received by means of the PARITY[®] electronic bid submission system on Thursday, November 20, 2025 as set forth in the OFFICIAL NOTICE OF BOND SALE (dated as of the date of this PRELIMINARY OFFICIAL STATEMENT.)

See the “OFFICIAL NOTICE OF BOND SALE” above.

Davis School District, Utah

The District was established in 1911 and shares common boundaries with Davis County, Utah (the “County”). The County, incorporated in 1853, covers an area of approximately 304 (land area) square miles and is in the north central portion of the State of Utah (the “State”). See the location map above. The southern boundary of the County adjoins the northern boundary of Salt Lake City, Utah and Salt Lake County, Utah. The northern boundary is approximately eight miles south of Ogden City, Utah. The County had 378,470 residents per the 2024 population estimate by the U.S. Census Bureau, ranking the County as the third largest county by population in the State (out of 29 counties).

* Preliminary; subject to change.

The 2025B Bonds

This OFFICIAL STATEMENT, including the cover page, introduction, and appendices, provides information about the issuance and sale by the Board of its \$100,000,000* General Obligation Bonds (Utah School District Bond Guaranty Program), Series 2025B (the “2025B Bonds”), initially issued in book–entry form only.

Security

The 2025B Bonds will be general obligations of the Board, payable from the proceeds of ad valorem taxes to be levied, without limitation as to rate or amount, on all taxable property in the District, fully sufficient to pay the 2025B Bonds as to both principal and interest. See “SECURITY AND SOURCES OF PAYMENT” and “FINANCIAL INFORMATION REGARDING DAVIS SCHOOL DISTRICT, UTAH—Ad Valorem Tax Levy And Collection” below.

Payment of the principal of and interest on the 2025B Bonds when due is guaranteed by the full faith and credit and unlimited taxing power of the State under the provisions of Title 53G, Chapter 4, Part 8 (the “School District Bond Guaranty”), Utah Code Annotated 1953, as amended (the “Utah Code”). See “STATE OF UTAH GUARANTY” below.

Authorization For And Purpose Of The 2025B Bonds

Authorization. The 2025B Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14 (the “Local Government Bonding Act”), Utah Code, (ii) the resolutions of the Board adopted on October 7, 2025 (the “Parameters Resolution”, the “Bond Resolution,” and collectively with the Parameters Resolution, the “Resolutions”), which provides for the issuance of the 2025B Bonds, and (iii) other applicable provisions of law.

The 2025B Bonds were authorized at a special bond election held for that purpose on November 8, 2022 (the “2022 Bond Election”). The proposition submitted to the voters of the District was as follows:

Shall the Board of Education (the “Board”) of the Davis School District, Utah (the “District”), be authorized to issue General Obligation Bonds in an amount not to exceed (\$475,000,000) Four Hundred Seventy-Five Million Dollars (the “Bonds”) for the purpose of financing all or a portion of the costs of acquiring land and equipment, constructing new schools and renovating and improving existing facilities; said Bonds to be due and payable in not to exceed twenty-one (21) years from the date of issuance of the Bonds?

At the 2022 Bond Election there were 66,559 votes cast in favor of the issuance of bonds and 49,963 votes cast against the issuance of bonds, for a total vote count of 116,522, with approximately 57% in favor of the issuance of bonds.

The 2025B Bonds are the fourth block of bonds to be issued from the 2022 Bond Election. After the sale and delivery of the 2025B Bonds, the Board will have approximately \$55,000,000* remaining authorized unissued bonds from the 2022 Bond Election.

Purpose. The 2025B Bonds are being issued to fund the acquisition of land and equipment, the construction of new schools and the renovation of improvement of existing facilities as set forth in the 2022 Bond Election proposition and to pay certain costs of issuance. See “The 2025B Bonds—Sources And Uses Of Funds” below.

Redemption Provisions

The 2025B Bonds are subject to optional redemption prior to maturity and may be subject to mandatory sinking fund redemption at the option of the successful bidder(s). See “The 2025B Bonds—Redemption Provisions” and “—Mandatory Sinking Fund Redemption At Bidder’s Option” below.

* Preliminary; subject to change.

Registration, Denominations, Manner Of Payment

The 2025B Bonds are issuable only as fully registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the 2025B Bonds. Purchases of 2025B Bonds will be made in book–entry form only, in the principal amount of \$5,000 or any whole multiple thereof, through brokers and dealers who are, or who act through, DTC’s Direct Participants (as defined herein). Beneficial Owners (as defined herein) of the 2025B Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the 2025B Bonds. “Direct Participants,” “Indirect Participants” and “Beneficial Owners” are defined under “APPENDIX D—BOOK–ENTRY SYSTEM.”

Principal of and interest on the 2025B Bonds (interest payable June 1 and December 1 of each year, commencing June 1, 2026) are payable by U.S. Bank Trust Company, National Association, Corporate Trust Services (“U.S. Bank”), as paying agent (the “Paying Agent”) for the 2025B Bonds, to the registered owners of the 2025B Bonds. So long as Cede & Co. is the registered owner of the 2025B Bonds, DTC will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2025B Bonds, as described in “APPENDIX D—BOOK–ENTRY SYSTEM.”

So long as DTC or its nominee is the registered owner of the 2025B Bonds, neither the Board nor the Paying Agent will have any responsibility or obligation to any Direct or Indirect Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, Indirect Participants, or the Beneficial Owners of the 2025B Bonds. Under these same circumstances, references herein and in the Resolutions to the “Bond-Owners” or “Registered Owners” of the 2025B Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2025B Bonds.

Tax Matters Regarding The 2025B Bonds

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Board, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the 2025B Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the 2025B Bonds is exempt from State of Utah individual income taxes. Bond Counsel notes that interest on the 2025B Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

See “TAX MATTERS” below for a more complete discussion. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the 2025B Bonds.

Professional Services

In connection with the issuance of the 2025B Bonds, the following have served the Board in the capacity indicated.

Attorneys for the Board

Fabian VanCott
215 S State St Ste 1200
Salt Lake City UT 84111–2323
801.531.8900 | f 801.531.1716
jandrews@fabianlaw.com

Bond Registrar and Paying Agent

U.S. Bank Trust Company, National Association
Corporate Trust Services
170 S Main St Ste 200
Salt Lake City UT 84101
801.534.6083 | f 801.534.6013
brandon.elzinga@usbank.com

Bond Counsel

Gilmore & Bell, P.C.
15 W S Temple Ste 1400
Salt Lake City UT 84101
801.364.5080 | 801.258.2722
rlarsen@gilmorebell.com

Municipal Advisor

Zions Public Finance, Inc.
One S Main St 18th Fl
Salt Lake City, UT 84133–1109
801.844.7379
johnathan.ward@zionsbancorp.com

Conditions Of Delivery, Anticipated Date, Manner, And Place Of Delivery

The 2025B Bonds are offered, subject to prior sale, when, as and if issued and received by the successful bidder(s), subject to the approval of legality of the 2025B Bonds by Gilmore & Bell, P.C., Bond Counsel to the Board, and certain other conditions. Certain legal matters will be passed on for the Board by the attorney for the Board, Fabian VanCott, Salt Lake City, Utah. It is expected that the 2025B Bonds, in book-entry form only, will be available for delivery in Salt Lake City, Utah for deposit with U.S. Bank, a “fast agent” of DTC, on or about Wednesday, December 10, 2025.

Continuing Disclosure Undertaking

The Board will enter a continuing disclosure undertaking for the benefit of the Beneficial Owners of the 2025B Bonds. For a detailed discussion of this disclosure undertaking, previous undertakings and timing of submissions see “CONTINUING DISCLOSURE UNDERTAKING” below and “APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

Basic Documentation

This OFFICIAL STATEMENT speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the Board, the District, the 2025B Bonds, and the Resolutions are included in this OFFICIAL STATEMENT. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Resolutions are qualified in their entirety by reference to such documents and references herein to the 2025B Bonds are qualified in their entirety by reference to the form thereof included in the Resolutions. The “basic documentation” which includes the Resolutions, the closing documents and other documentation, authorizing the issuance of the 2025B Bonds and establishing the rights and responsibilities of the Board and other parties to the transaction, may be obtained from the “contact persons” as indicated below.

Contact Persons

As of the date of this OFFICIAL STATEMENT, additional requests for information may be directed to Zions Public Finance, Inc., Salt Lake City, Utah (the “Municipal Advisor”):

Johnathan Ward, Senior Vice President, johnathan.ward@zionsbancorp.com
Cara Bertot, Vice President, cara.bertot@zionsbancorp.com

Zions Public Finance, Inc.
One S Main St 18th Fl
Salt Lake City UT 84133–1109
801.844.7379

As of the date of this OFFICIAL STATEMENT, the chief contact person for the Board concerning the 2025B Bonds are:

Tim Leffel, Business Administrator, tleffel@dsdmail.net
Nathan Lee, Finance Director, nlee@dsdmail.net

Davis School District Administration Center
PO Box 588 (45 E State St)
Farmington UT 84025–0588
801.402.5257 | f 801.402.5249

As of the date of this OFFICIAL STATEMENT, the chief contact person for the State concerning the State guaranty for the 2025B Bonds is:

Marlo M. Oaks, Utah State Treasurer, moaks@utah.gov
Utah State Treasurer’s Office
350 N State St Ste C–180
(PO Box 142315)
Salt Lake City UT 84114–2315
801.538.1042 | f 801.538.1465

SECURITY AND SOURCES OF PAYMENT

The 2025B Bonds will be general obligations of the Board, payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all the taxable property in the District, fully sufficient to pay the 2025B Bonds as to both principal and interest.

Payment of the principal of and interest on the 2025B Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the State under the provisions of the School District Bond Guaranty. See “STATE OF UTAH GUARANTY” below.

See “FINANCIAL INFORMATION REGARDING DAVIS SCHOOL DISTRICT, UTAH—Property Tax Matters” and “STATE OF UTAH SCHOOL FINANCE” below.

STATE OF UTAH GUARANTY

Guaranty Provisions

Payment of the principal of and interest on the 2025B Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the State under the provisions of the School District Bond Guaranty. Title 53G, Chapter 4, Part 8, Utah Code establishes the default avoidance program (the “Program”). The State’s guaranty is contained in Section 53G–4–802 (2)(a) of the School District Bond Guaranty, which provides as follows:

The full faith and credit and unlimited taxing power of the state is pledged to guarantee full and timely payment of the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, bonds as such payments shall become due (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration).

In addition, the School District Bond Guaranty provides that the State pledges to and agrees with the holders of bonds guaranteed under the School District Bond Guaranty that the State will not alter, impair, or limit the rights vested by the Program with respect to said bonds until said bonds, together with applicable interest, are fully paid and discharged. However, this pledge does not preclude an alteration, impairment, or limitation if adequate provision is made by law for the protection of the holders of the bonds.

The School District Bond Guaranty further provides that (i) the guaranty of the State does not extend to the payment of any redemption premium due on any bonds guaranteed under the School District Bond Guaranty and (ii) bonds which are guaranteed by the State for which payment is provided by the deposit of direct obligations of the United States government under the provisions of the Refunding Bond Act, Title 11, Chapter 27, Utah Code, will no longer be secured by the State’s guaranty subsequent to such provision for payment. This is likely to occur only if such bonds are refunded in advance of their maturity. In such an event, such bonds would then be secured solely by the obligations pledged for their payment and not by the State’s guaranty.

Guaranty Procedures

Under the School District Bond Guaranty, the Business Administrator of the Board (the “Business Administrator”) is required to transfer moneys sufficient for scheduled debt service payments on the 2025B Bonds to the Paying Agent at least 15 days before any principal or interest payment date for the 2025B Bonds. If the Business Administrator is unable to transfer the scheduled debt service payment to the Paying Agent at least 15 days before the payment date, the Business Administrator must immediately notify the Paying Agent and the Utah State Treasurer (the “State Treasurer”) by (i) telephone and (ii) a writing sent by (a) facsimile transmission and (b) first-class United States mail. In addition, if the Paying Agent has not received the scheduled debt service payment at least 15 days prior to the scheduled debt service payment date for the 2025B Bonds, then the Paying Agent must at least 10 days before the scheduled debt service payment notify the State Treasurer of that failure by (i) telephone and (ii) a writing sent by (a) facsimile transmission and (b) first-class United States mail. The School District Bond Guaranty further provides that if sufficient moneys to pay the scheduled debt service payment have not been transferred to the Paying Agent,

then the State Treasurer shall, on or before the scheduled payment date, transfer sufficient moneys to the Paying Agent to make the scheduled debt service payment. Payment by the State of a debt service payment on the 2025B Bonds discharges the obligation of the Board to the bondholders for that payment, to the extent of the State's payment, and transfers the Board's obligation for that payment to the State.

In the event the State is called upon to make payment of principal of or interest on the 2025B Bonds on behalf of the Board, the State will use cash on hand (or from other legally available moneys) to make the payment. Under the School District Bond Guaranty, the State Treasurer is required to immediately intercept any payments from the Uniform School Fund or from any other source of operating moneys provided by the State to the Board. The intercepted payments will be used to reimburse the State until all obligations of the Board to the State, including interest and penalties, are paid in full. The State does not currently expect to have to advance moneys to the Board pursuant to its guaranty. If, however, at the time the State is required to make a debt service payment under its guaranty on behalf of the Board, sufficient moneys are not on hand and available for that purpose, then the School District Bond Guaranty provides that the State may seek a short-term loan from the Permanent School Fund sufficient to make the required payment (the Permanent School Fund is not required to make such a loan) or issue short-term State debt in the form of general obligation notes as provided in the School District Bond Guaranty. The provisions of the School District Bond Guaranty relating to short-term debt provide that such debt will carry the full faith and credit of the State and will be issued with a maturity of not more than 18 months so that the State could, if necessary, obtain liquidity financing on short notice. Under the State Constitution, debt incurred for this purpose does not count toward the constitutional debt limit of the State.

As of the date of this OFFICIAL STATEMENT, the State has guaranteed the following (statistics include other issues of the Board, but not the 2025B Bonds) under the School District Bond Guaranty:

Number of school districts (out of 41 school districts in the State)	40
Number of total bond issues	419
Aggregate total principal amount outstanding	\$3,844,563,000

The approximate aggregate total annual principal and interest payments (interest payments include anticipated federal interest subsidies on "Build America Bonds" and "Qualified School Construction Bonds") due on bonds guaranteed by the State under the Program during Fiscal Years 2025 through 2030, inclusive, is as follows (currently, the Program's annual principal and interest payments extend to Fiscal Year 2045):

Fiscal Year 2025	\$456,001,922
Fiscal Year 2026	442,008,040
Fiscal Year 2027	453,348,157
Fiscal Year 2028	414,162,789
Fiscal Year 2029	400,345,472
Fiscal Year 2030	343,244,203

(Source: the Municipal Advisor.)

Purpose Of The Guaranty

The School District Bond Guaranty is for the protection of the bondholders. Ultimate liability for the payment of the 2025B Bonds remains with the Board. Accordingly, the School District Bond Guaranty contains provisions, including interception of State aid to the Board, possible action to compel levy of a tax sufficient to reimburse the State for any payments made to bondholders pursuant to its guaranty and various oversight provisions to assure that the Board, and not the State, will ultimately be responsible for debt service on the 2025B Bonds.

The School District Bond Guaranty also charges the State Superintendent of Public Instruction with the responsibility to monitor and evaluate the fiscal solvency of each school board under the Program. He or she must immediately report to the Governor and the State Treasurer any circumstances suggesting that a school district will be unable to timely meet its debt service obligations and recommend a course of remedial action.

No Call On State Guaranty

According to the State Treasurer's office, since the School District Bond Guaranty's inception in January 1997, the State has not been called upon to pay the principal of and interest on any bonds guaranteed under the School District Bond Guaranty.

State Of Utah—Financial And Operating Information

The ACFR of the State for Fiscal Year 2024 (the "State ACFR"), its most recent official statements and current continuing disclosure information for its general obligation (CUSIP®917542) and lease revenue (CUSIP®917547) bond debt are currently on file with EMMA (emma.msrb.org) (herein defined). The financial and operating information with respect to the State contained in the State ACFR, such official statements and continuing disclosure information, and the Master Agreement, as hereinafter defined, are hereby included by reference in this OFFICIAL STATEMENT; provided, however, the Board has neither reviewed nor approved, nor taken the responsibility for such financial and operating information incorporated herein by reference.

As of the date of this OFFICIAL STATEMENT, the outstanding general obligation bonds of the State are rated "AAA" by Fitch Ratings ("Fitch"), "Aaa" by Moody's Investors Service, Inc. ("Moody's"), and "AAA" by S&P Global Ratings ("S&P").

CONTINUING DISCLOSURE UNDERTAKING

Continuing Disclosure Undertaking For Series 2025B Bonds

The Board will enter into a Continuing Disclosure Undertaking (the "Disclosure Undertaking") for the benefit of the Beneficial Owners of the 2025B Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access system ("EMMA") pursuant to the requirements of paragraph (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and other terms of the Disclosure Undertaking, including termination, amendment and remedies, are set forth in the proposed form of Disclosure Undertaking in "APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING."

The Board represents that during the five years prior to the date of this OFFICIAL STATEMENT; the Board has not failed to comply in all material respects with its prior undertakings pursuant to the Rule.

The Board has agreed to provide, pursuant to the Disclosure Undertaking, its annual comprehensive financial report for each Fiscal Year Ending June 30 (the "ACFR") and other operating and financial information on or before January 31 (seven months from the end of the Fiscal Year). The Board will submit the Fiscal Year 2025 ACFR and other required operating and financial information for the 2025B Bonds on or before January 31, 2026, and annually thereafter on or before each January 31.

A failure by the Board to comply with the Disclosure Undertaking will not constitute a default under the Resolutions and Beneficial Owners of the 2025B Bonds are limited to the remedies described in the Disclosure Undertaking. See "APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING." A failure by the Board to comply with the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2025B Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the 2025B Bonds and their market price.

Bond Counsel expresses no opinion as to whether the Disclosure Undertaking or the Master Agreement (defined below) complies with the requirements of the Rule.

State of Utah Continuing Disclosure

The State has entered into a Master Continuing Disclosure Agreement (2019) (the "Master Agreement") for the benefit of the Beneficial Owners of bonds guaranteed by the State pursuant to the School District Bond Guaranty,

including the 2025B Bonds. See “STATE OF UTAH GUARANTY” above. In the Master Agreement, the State has undertaken to send certain information annually and to provide notice of certain events to the MSRB through EMMA pursuant to the Rule, but solely as to its responsibilities under its guaranty. See “STATE OF UTAH GUARANTY—State Of Utah—Financial And Operating Information” above. For a copy of the Master Agreement, see treasurer.utah.gov/investor-information/school-bond-guarantee-program. Based on prior disclosure undertakings, the State submits its Fiscal Year Ending June 30 ACFR and other operating and financial information on or before January 15 (on or before 199 days from the end of the Fiscal Year). See emma.msrb.org/StateofUtahhomepage.

THE 2025B BONDS

General

The 2025B Bonds will be dated the date of their original issuance and delivery¹ (the “Dated Date”) and will mature on June 1 of the years and in the amounts as set forth on the inside cover page of this OFFICIAL STATEMENT. The 2025B Bonds will bear interest from their Dated Date at the rates set forth on the inside cover page of this OFFICIAL STATEMENT. Interest on the 2025B Bonds is payable semiannually on each June 1 and December 1, commencing June 1, 2026. Interest on the 2025B Bonds will be computed based on a 360-day year comprised of 12, 30-day months.

U.S. Bank is the Bond Registrar (the initial “Bond Registrar”) and Paying Agent for the 2025B Bonds under the Resolutions.

The 2025B Bonds will be issued as fully-registered bonds, initially in book-entry form, in the denomination of \$5,000 or any integral multiple thereof, not exceeding the amount of each maturity.

The 2025B Bonds are being issued within the constitutional debt limit imposed on boards of education of school districts in the State. See “DEBT STRUCTURE OF DAVIS SCHOOL DISTRICT, UTAH—General Obligation Legal Debt Limit And Additional Debt Incurring Capacity” below.

Redemption Provisions

Optional Redemption. The 2025B Bonds maturing on and after June 1, 2036 are subject to redemption prior to maturity in whole or in part at the option of the Board on December 1, 2035, or on any date thereafter, from such maturities or parts thereof as shall be selected by the Board at the redemption price of 100% of the principal amount of the 2025B Bonds to be redeemed plus accrued interest (if any) thereon to the redemption date.

Selection for Redemption. If less than all Series 2025B Bonds of any maturity are to be redeemed, the 2025B Bonds or portion of Series 2025B Bonds of such maturity to be redeemed will be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate. The portion of any registered 2025B Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or a whole multiple thereof, and in selecting portions of such Series 2025B Bonds for redemption, the Bond Registrar will treat each such 2025B Bond as representing that number of Series 2025B Bonds of \$5,000 denomination that is obtained by dividing the principal amount of such 2025B Bond by \$5,000.

Notice of Redemption. Notice of redemption will be given by the Bond Registrar by registered or certified mail, not less than 30 nor more than 60 days prior to the redemption date, to the owner, as of the Record Date, as defined under “The 2025B Bonds—Registration And Transfer; Record Date” below, of each 2025B Bond that is subject to redemption, at the address of such owner as it appears on the registration books of the Board kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such owner on or prior to the Record Date. Each notice of redemption will state the Record Date, the principal amount, the redemption date, the place of redemption, the redemption price and, if less than all of the 2025B Bonds are to be redeemed, the distinctive numbers of the 2025B Bonds or portions of 2025B Bonds to be redeemed, and will also state that the interest on the 2025B Bonds in such notice designated for redemption will cease to accrue from and after such redemption date and

¹ The anticipated date of delivery is Wednesday, December 10, 2025.

that on the redemption date there will become due and payable on each of the 2025B Bonds to be redeemed the principal thereof and interest accrued thereon to the redemption date.

Each notice of optional redemption may further state that such redemption will be conditioned upon the receipt by the Paying Agent, on or prior to the date fixed for redemption, of moneys sufficient to pay the principal of and premium, if any, and interest on such 2025B Bonds to be redeemed and that if such moneys have not been so received the notice will be of no force or effect and the Board will not be required to redeem such 2025B Bonds. If such notice of redemption contains such a condition and such moneys are not so received, the redemption will not be made, and the Bond Registrar will within a reasonable time thereafter give notice, in the way the notice of redemption was given, that such moneys were not so received.

Any notice of redemption mailed as provided in the Resolutions will be conclusively presumed to have been duly given, whether the Bondowner receives such notice. Failure to give such notice or any defect therein with respect to any 2025B Bond will not affect the validity of the proceedings for redemption with respect to any other 2025B Bond.

In addition to the foregoing notice, further notice of such redemption will be given by the Bond Registrar by posting to EMMA as provided in the Resolutions.

For so long as a book-entry system is in effect with respect to the 2025B Bonds, the Bond Registrar will mail notices of redemption to DTC or its successor. Any failure of DTC to convey such notice to any Direct Participants or any failure of the Direct Participants or Indirect Participants to convey such notice to any Beneficial Owner will not affect the sufficiency of the notice or the validity of the redemption of Series 2025B Bonds. See "The 2025B Bonds—Book-Entry System" below.

Mandatory Sinking Fund Redemption At Bidder's Option

The 2025B Bonds may be subject to mandatory sinking fund redemption at the option of the successful bidder(s). See "OFFICIAL NOTICE OF BOND SALE—Term Bonds and Mandatory Sinking Fund Redemption at Bidder's Option."

Registration And Transfer; Record Date

Registration and Transfer. In the event the book-entry system is discontinued, any 2025B Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by such owner's duly authorized attorney, upon surrender of such 2025B Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Bond Registrar. No transfer will be effective until entered on the registration books kept by the Bond Registrar. Whenever any 2025B Bond is surrendered for transfer, the Bond Registrar will authenticate and deliver a new fully registered 2025B Bond or Series 2025B Bonds of the same series, designation, maturity, and interest rate and of authorized denominations duly executed by the Board, for a like aggregate principal amount.

The 2025B Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of fully registered Series 2025B Bonds of the same series, designation, maturity, and interest rate of other authorized denominations.

For every such exchange or transfer of the 2025B Bonds, the Bond Registrar must make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer of the 2025B Bonds.

Record Date. The term "Record Date" means (i) with respect to each interest payment date, the 15th day immediately preceding such interest payment date and (ii) with respect to any redemption of any 2025B Bond such Record Date as is specified by the Bond Registrar in the notice of redemption, provided that such Record Date will be not less than 15 calendar days before the mailing of such notice of redemption. The Bond Registrar will not be required to transfer or exchange any 2025B Bond (a) after the Record Date with respect to any interest payment date to and including such interest payment date, or (b) after the Record Date with respect to any redemption of such 2025 Bond.

The Board, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2025B Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever.

Book–Entry System

DTC will act as securities depository for the 2025B Bonds. The 2025B Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered 2025B Bond certificate will be issued for each maturity of the 2025B Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See “APPENDIX D—BOOK–ENTRY SYSTEM” for a more detailed discussion of the book–entry system and DTC.

In the event the book–entry system is discontinued, interest on the 2025B Bonds will be payable by check or draft of the Paying Agent, mailed to the registered owners thereof at the addresses shown on the registration books of the Board kept for that purpose by the Bond Registrar. The principal of all Series 2025B Bonds will be payable at the principal corporate trust office of the Paying Agent.

Sources And Uses Of Funds

The proceeds from the sale of the 2025B Bonds are estimated to be applied as set forth below:

Sources:

Par amount the 2025B Bonds.....	\$
[Net] original issue premium.....	
Total.....	\$

Uses:

Deposit to construction account.....	\$
Successful bidder's discount.....	
Costs of issuance ⁽¹⁾	
Total.....	\$

(1) Includes legal fees, Municipal Advisor fees, rating agency fees, Bond Registrar and Paying Agent fees, rounding amounts and other miscellaneous costs of issuance.

(Source: the Municipal Advisor.)

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Debt Service On The 2025B Bonds

Payment Date	The 2025B Bonds		Period Total	Fiscal Total
	Principal*	Interest		
December 1, 2025	-			
June 1, 2026	-			
December 1, 2026	-			
June 1, 2027	\$3,045,000.00			
December 1, 2027	-			
June 1, 2028	3,195,000.00			
December 1, 2028	-			
June 1, 2029	3,355,000.00			
December 1, 2029	-			
June 1, 2030	3,525,000.00			
December 1, 2030	-			
June 1, 2031	3,700,000.00			
December 1, 2031	-			
June 1, 2032	3,885,000.00			
December 1, 2032	-			
June 1, 2033	4,080,000.00			
December 1, 2033	-			
June 1, 2034	4,285,000.00			
December 1, 2034	-			
June 1, 2035	4,500,000.00			
December 1, 2035	-			
June 1, 2036	4,725,000.00			
December 1, 2036	-			
June 1, 2037	4,960,000.00			
December 1, 2037	-			
June 1, 2038	5,205,000.00			
December 1, 2038	-			
June 1, 2039	5,465,000.00			
December 1, 2039	-			
June 1, 2040	5,740,000.00			
December 1, 2040	-			
June 1, 2041	6,025,000.00			
December 1, 2041	-			
June 1, 2042	6,330,000.00			
December 1, 2042	-			
June 1, 2043	6,580,000.00			
December 1, 2043	-			
June 1, 2044	6,845,000.00			
December 1, 2044	-			
June 1, 2045	7,125,000.00			
December 1, 2045	-			
June 1, 2046	7,430,000.00			
Totals.....	\$100,000,000.00	\$	\$	

* Preliminary; subject to change.

(Source: the Municipal Advisor.)

DAVIS SCHOOL DISTRICT, UTAH

General

The District was established in 1911 and shares common boundaries with the County. The County, incorporated in 1853, covers an area of approximately 304 (land area) square miles and is in the north central portion of the State. See the location map above. The southern boundary of the County adjoins the northern boundary of Salt Lake City, Utah and Salt Lake County, Utah. The northern boundary is approximately eight miles south of Ogden City, Utah.

The County had 378,470 residents per the 2024 population estimate by the U.S. Census Bureau, ranking the County as the third largest county by population in the State (out of 29 counties).

The District’s headquarters are in Farmington City and Farmington City serves as the county seat. The Board maintains a website at <http://www.davis.k12.ut.us>.

The cities in the District are Bountiful City, Centerville City, Clearfield City, Clinton City, Farmington City, Fruit Heights City, Kaysville City, Layton City, North Salt Lake City, South Weber City, Sunset City, Syracuse City, West Bountiful City, West Point City, and Woods Cross City.

The District presently operates 94 schools (consisting of 62 elementary schools, 17 junior high schools, nine traditional high schools, and six special purpose schools). For a 10–year Fiscal Year history of District facilities see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—District Facilities and Personnel Positions” (ACFR page 117).

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

The historical and projected October 1 enrollment within the District is as follows:

October 1	Total	% Change Over Prior Year
2025 ⁽¹⁾	67,600	(2.9)
2024	69,602	(1.6)
2023	70,703	(1.2)
2022 ^{(2) (3)}	71,564	(1.3)
2021 ⁽²⁾	72,540	2.7
2020 ⁽²⁾	70,643	(3.1)
2019	72,897	0.9
2018	72,263	1.6
2017	71,137	1.4
2016	70,142	1.0

(1) Preliminary subject to change; projected.

(2) Fluctuations in enrollment are a result of COVID–related learning adjustments, such as online learning, in-person learning, hybrid learning, etc. during the pandemic years.

(3) In addition to the COVID–related fluctuations in enrollment described in footnote one, there has been a slight drop in birthrate within District boundaries, resulting in a slight drop in enrollment of elementary-aged students.

(Source: State Common Data Committee via Utah State Board of Education; October 1 Enrollment.)

Charter Schools. As of the date of this OFFICIAL STATEMENT, there are 16 operating charter schools located within the boundaries of the District. School year 2024-25 enrollment only accounts for 14 of the operating charter schools with a combined enrollment of 10,100 students. Two additional charter schools opened within the District’s boundaries this fall of 2025: Syracuse Arts Academy South (K-6), Syracuse, Utah, estimating enrollment of approximately 500 students and Wallace Stenger Academy (K-8), Sunset, Utah, estimating enrollment of approximately 850 students. Students who attend charters schools in the District may live outside the boundaries of the District and the District cannot determine the number of charter school students who live outside the boundaries of the District.

Funding for charter schools comes directly from the State based on student attendance. The State imposes a tax rate levy for the funding of charter schools, including within the District. Property tax revenues from the charter school tax rate levy are not received by the District but paid by the County to the State. Also, see “FINANCIAL INFORMATION REGARDING DAVIS SCHOOL DISTRICT, UTAH—Historical Tax Rates Of The District” below.

Additional Information. Student Enrollment Projections. For a history of Fiscal Year average daily membership, October 1 student enrollments and for student enrollment projections through 2044 see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—

District Facilities and Personnel Positions” (ACFR page 117) and “–Student Enrollment Projections” (ACFR page 122).

Form Of Government

Board of Education. The determination of policies for the management of the District is the responsibility of the Board, the members of which are elected by the qualified electors within the District. The District is divided into seven representative precincts, and a member of the Board is elected from each precinct. Members serve four–year terms, which are staggered to provide continuity.

The Board is empowered, among other things, to: (i) implement core curriculum; (ii) administer tests which measure the progress of each student, and create plans to improve the student’s progress; (iii) implement training programs for school administrators; (iv) purchase, sell and improve school sites, buildings and equipment; (v) construct and furnish school buildings; (vi) establish, locate and maintain elementary, secondary and applied technology schools; (vii) maintain school libraries; (viii) make and enforce all necessary rules and regulations for the control and management of the public schools in the District; (ix) adopt bylaws and rules for its own procedure; and (x) appoint a superintendent of schools, business administrator, and such officers or employees as are deemed necessary for the promotion of the interests of the schools.

Superintendent. The Superintendent of Schools (the “Superintendent”) is appointed by the Board and is responsible for the actual administration of the schools in the District. The powers and duties of the Superintendent are prescribed by the Board. Pursuant to State law, the Superintendent is required to prepare and submit to the Board an annual budget itemizing anticipated revenues and expenditures for the next school year. The Superintendent is appointed for a two–year term and until a successor is appointed.

Business Administrator. The Business Administrator is appointed by the Board and reports to the Superintendent. The duties of the Business Administrator, among others, are to (i) attend all meetings of the Board and keep a journal of the proceedings, (ii) countersign all warrants drawn upon the District treasury, (iii) keep an account and prepare and publish an annual statement of moneys received by the District and amounts paid out of the treasury, and (iv) have custody of the records and papers of the Board. The Business Administrator is the custodian of all moneys belonging to the District and is required to prepare and submit to the Board a monthly report of the receipts and disbursements of the Business Administrator’s office. The Business Administrator is appointed for a two–year term and until a successor is appointed.

Current members of the Board, the Superintendent, the Business Administrator, and other administrators and their respective terms in office are as follows:

Office	Person	Years In Position	Expiration of Current Term
President.....	Brigit Gerrard	9	January 2029
Vice President.....	Emily Price	4	January 2027
Member.....	Alisa Mercer	1	January 2029
Member.....	Julie Powell	3	January 2027
Member.....	Michelle Barber	1	January 2027
Member.....	Kristen Hogan	3	January 2027
Member.....	Joani Stevens	1	January 2029
Superintendent.....	Dr. Dan Linford	3	Appointed/[July 2025]
Business Administrator ⁽¹⁾	Tim Leffel	1	Appointed/September 2026
Finance Director.....	Nathan Lee	1	At Will
Legal Issues Specialist.....	Ben Onofrio	9	At Will

(1) Mr. Leffel served as the Finance Director of the District for 14 years prior to his appointment as Business Administrator.

(Source: The District.)

Employee Workforce And Retirement System; No Post–Employment Benefits; Early Retirement Incentive

Employee Workforce and Retirement System. As of Fiscal Year 2024, the District employed approximately 7,303 full-time equivalent employees. The District participates in cost-sharing multiple employer public employee retirement systems which are defined benefit pension plans and defined contribution plans covering public employees of the State and employees of participating local government entities administered by the Utah State Retirement Systems (“URS”). The retirement system provides refunds, retirement benefits, annual cost of living adjustment and death benefits to plan members and beneficiaries in accordance with retirement statutes. The District also participates in deferred compensation plans with URS. The retirement and deferred compensation plans are administered by the URS under the direction of the URS board, which consists of six members appointed by the Governor of the State and the State Treasurer. For a detailed discussion regarding retirement benefits and contributions see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Notes to Basic Financial Statements—Note 7. Retirement Plans” (ACFR page 59).

No Post–Employment Benefits. The District does not provide post-employment benefits (under the Governmental Accounting Standards Board “GASB” definition) and has no annual required contribution.

Early Retirement Payable. The District provides early retirement incentive benefits for those who retire before age 65. These benefits are paid from on-going revenues within the program from which the employee retired. The District has reserved \$4.5 million in the general fund in the unlikely event that termination benefits savings were not sufficient to cover the liability. For Fiscal Year 2024 the District’s direct payments to retirees was \$4,163,998 and payments of insurance premiums on behalf of retirees was \$2,966,467. For a discussion regarding the District’s early retirement incentive program see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Notes to Basic Financial Statements—8. Long-Term Liabilities—Early Retirement payable” (ACFR page 70).

Risk Management And Cybersecurity

Risk Management. The District is a member of a risk pool through which the State self-insures portions of certain property and liability claims and purchases commercial insurance for claims above the self-insured retention amounts. This is done through the State’s Administrative Services Risk Management Fund. The fund is maintained via premiums charged to its members—State agencies, institutions of higher education, school districts and charter schools.

As of Fiscal Year 2024, the Administrative Services Risk Management Fund contained approximately \$74.387 million in reserves available to pay for claims incurred.

For a general discussion of insurance coverage, limits of coverage, health insurance benefits, dental insurance benefits, unemployment compensation and payment claims see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Notes to Basic Financial Statements—Note. 8. Risk Management” (ACFR page 66).

Cybersecurity. The District maintains cyber liability insurance and has implemented policy measures to help offset any financial risks that may result from a cybersecurity breach. As with all risks to which the District is exposed, loss or breach can result in legal and/or regulatory claims. The District’s comprehensive insurance policies are in place to protect the District in those circumstances.

Investment Of Funds

The State Money Management Act. The State Money Management Act, Title 51, Chapter 7 of the Utah Code (the “Money Management Act”), governs and establishes criteria for the investment of all public funds held by public treasurers in the State. The Money Management Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, obligations of the State and political subdivisions of the State, U.S. Treasury and approved federal government agency and instrumentality securities, certain investment agreements and repurchase agreements and investments in corporate securities meeting certain ratings requirements. The Money Management Act establishes the State Money Management Council (the “Money Management Council”) to exercise oversight of public deposits and investments. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The Board is currently complying with all the provisions of the Money Management Act for all Board operating funds.

The Utah Public Treasurers' Investment Fund. A significant portion of Board funds may be invested in the Utah Public Treasurers Investment Fund ("PTIF"). The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. All investments in the PTIF must comply with the Money Management Act and rules of the Money Management Council. The PTIF invests primarily in money market securities. Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the federal government. By policy, the maximum weighted average adjusted life of the portfolio is not to exceed 90 days and the maximum final maturity of any security purchased by the PTIF is limited to five years. Safekeeping and audit controls for all investments owned by the PTIF must comply with the Money Management Act.

All securities purchased are delivered versus payment to the custody of the State Treasurer or the State Treasurer's safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the Money Management Council and is audited by the State Auditor. The PTIF is not rated.

See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Notes to Basic Financial Statements—Note 2. Deposits and Investments" (ACFR page 53).

Investment of 2025B Bond Proceeds. The proceeds of the 2025B Bonds will be held by the Board and invested to be readily available. The 2025B Bond proceeds may also be invested in the PTIF or other investments authorized under the Money Management Act.

Population

The following population information is provided for the County and the State.

	Davis County	% Change From Prior Period	State Of Utah	% Change From Prior Period
2024.....	378,470	1.4	3,503,613	2.5
2023.....	373,207	2.9	3,417,734	4.5
2020.....	362,679	18.3	3,271,616	18.4
2010.....	306,479	28.2	2,763,885	23.8
2000.....	238,994	27.2	2,233,169	29.6
1990.....	187,941	28.3	1,722,850	17.9
1980.....	146,540	48.0	1,461,037	37.9
1970.....	99,025	52.9	1,059,273	18.9
1960.....	64,760	109.6	890,627	29.3
1950.....	30,897	95.7	688,862	25.2

(Source: U.S. Department of Commerce, Bureau of the Census.)

Labor Force, Nonfarm Jobs, And Wages Within Davis County

	Calendar Year ¹					% change from prior year				
	2024	2023	2022	2021	2020	2023– 24	2022– 23	2021– 22	2020– 21	2019– 20
Civilian labor force	197,676	190,367	184,020	179,395	176,601	3.8	3.4	2.6	1.6	1.2
Employed persons	191,929	185,764	179,956	174,918	169,150	3.3	3.2	2.9	3.4	(0.7)
Unemployed persons	5,747	4,603	4,064	4,477	7,451	24.9	13.3	(9.2)	(39.9)	80.7
Total private sector (average) ²	2,440	114,126	109,785	106,314	104,704	(97.9)	4.0	3.3	1.5	0.1
Agriculture, forestry, fishing and hunting	477	665	405	443	439	(28.3)	64.2	(8.6)	0.9	334.7
Mining	103	93	87	146	258	10.8	6.9	(40.4)	(43.4)	177.4
Utilities	81	81	76	84	85	0.0	6.6	(9.5)	(1.2)	1.2
Construction	12,069	11,183	11,531	10,910	10,777	7.9	(3.0)	5.7	1.2	(2.4)
Manufacturing	13,820	13,151	13,065	13,148	13,329	5.1	0.7	(0.6)	(1.4)	(4.7)
Wholesale trade	2,724	2,352	2,394	2,347	2,410	15.8	(1.8)	2.0	(2.6)	(3.4)
Retail trade	16,973	16,561	17,196	16,371	15,289	2.5	(3.7)	5.0	7.1	0.0
Transportation and warehousing	5,731	5,416	5,700	5,018	5,454	5.8	(5.0)	13.6	(8.0)	4.8
Information	1,254	1,236	1,256	1,258	1,031	1.5	(1.6)	(0.2)	22.0	(3.4)
Finance and insurance	3,022	2,972	2,904	3,009	2,997	1.7	2.3	(3.5)	0.4	(1.0)
Real estate, rental and leasing	1,807	1,654	1,647	1,639	1,575	9.3	0.4	0.5	4.1	4.4
Professional, scientific, and technical services	8,567	9,036	9,191	9,120	10,269	(5.2)	(1.7)	0.8	(11.2)	11.5
Management of companies and enterprises	1041	705	736	1,150	1,061	47.7	(4.2)	(36.0)	8.4	(2.2)
Admin., support, waste mgmt., remediation	6,403	6,535	6,737	6,448	6,027	(2.0)	(3.0)	4.5	7.0	8.0
Education services	3,678	3,318	3,219	3,194	3,466	10.8	3.1	0.8	(7.8)	8.9
Health care and social assistance	16,815	15,386	15,784	15,089	14,463	9.3	(2.5)	4.6	4.3	0.9
Arts, entertainment, and recreation	3,945	1,989	3,171	2,983	2,603	98.3	(37.3)	6.3	14.6	(19.4)
Accommodation and food services	11,169	10,212	10,670	10,073	9,468	9.4	(4.3)	5.9	6.4	(6.6)
Other services	4,100	3,846	4,015	3,880	3,702	6.6	(4.2)	3.5	4.8	(1.7)
Total public sector (average)	31,789	29,328	29,838	29,892	29,188	8.4	(1.7)	(0.2)	2.4	(0.2)
Federal	14,689	13,976	13,995	14,307	14,418	5.1	(0.1)	(2.2)	(0.8)	4.5
State	2,097	1,839	1,914	1,818	1,800	14.0	(3.9)	5.3	1.0	0.8
Local	15,003	13,513	13,930	13,767	12,971	11.0	(3.0)	1.2	6.1	(5.0)
Total payroll (in millions)	\$8,925	\$8,191	\$7,602	\$7,066	\$6,846	9.0	7.7	7.6	3.2	8.8
Average monthly wage	5,110	\$4,708	\$4,537	\$4,323	\$4,261	8.5	3.8	5.0	1.5	8.8
Average employment	145,569	144,981	139,624	136,206	133,892	0.4	3.8	2.5	1.7	0.0
Establishments	10,565	10,353	10,187	10,638	10,176	2.0	1.6	(4.2)	4.5	4.0

¹ Annual averages based on Calendar Year ending December 31.

² Averages of total private sector workforce data set that includes more designations than shown below.

(Source: Utah Department of Workforce Services.)

Personal Income; Per Capita Personal Income; Median Household Income Within Davis County And The State Of Utah

	Calendar Year				
	2023	2022	2021	2020	2019
<i>Total Personal Income (in \$1,000's):</i>					
Davis County	\$23,306,305	\$21,887,424	\$20,829,656	\$18,406,553	\$16,953,024
% change from prior year	6.5	5.1	13.2	8.6	6.0
State of Utah	219,331,628	205,519,377	194,315,554	169,921,127	155,711,460
% change from prior year	6.7	5.8	14.4	9.1	7.7
<i>Total Per Capita Personal Income:</i>					
Davis County	62,449	59,173	56,679	50,599	47,195
% change from prior year	5.5	4.4	12.0	7.2	4.6
State of Utah	64,175	60,782	58,191	51,742	48,168
% change from prior year	5.6	4.5	12.5	7.4	5.9
<i>Median Household Income:</i>					
Davis County	111,778	103,563	93,260	92,253	87,610
% change from prior year	7.9	11.0	1.1	5.3	3.8
State of Utah	93,421	89,168	79,449	77,785	75,705
% change from prior year	4.8	12.2	2.1	2.7	6.1

(Source: U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.)

Construction Within Davis County

Calendar Year	New			Additions, Alterations and Repairs		Total Construction Value	
	New Dwelling Units	Residential Value (\$000)	New Non-residential Value (\$000)	Residential Value (\$000)	New Non-residential Value (\$000)	Value (\$000)	% change from prior period
2025 ⁽¹⁾	552	\$172,711.7	\$96,897.9	\$58,353.5	\$48,623.1	\$376,586.3	(12.6)
2024	1,775	472,988.8	188,936.4	83,564.1	107,308.1	852,797.3	(1.6)
2023	1,573	424,465.2	200,355.7	85,129.6	156,528.3	866,478.8	(16.3)
2022	2,359	569,388.8	260,591.8	86,384.0	119,071.3	1,035,435.9	(12.4)
2021	4,008	828,372.5	230,147.9	65,091.4	58,550.8	1,182,162.6	33.3

(1) As of June 2025 only. Percent change compared to the same period prior year.

(Source: University of Utah Kem C. Gardner Policy Institute, Ivory-Boyer Utah Report and Database; information as of September 10 ,2025).

Sales Taxes Within Davis County And The State Of Utah

	Calendar Year				
	2024	2023	2022	2021	2020
<i>Taxable Sales (in \$1,000's):</i>					
Davis County	\$8,910,044	\$8,689,470	\$8,560,795	\$7,905,447	\$6,665,893
% change from prior year	2.5	1.5	8.3	18.6	10.6
State of Utah	105,190,984	102,657,374	100,893,345	90,105,222	74,730,706
% change from prior year	2.5	1.7	12.0	20.6	8.4
	Fiscal Year				
	2025	2024	2023	2022	2021
<i>Local Sales and Use Tax Distribution:</i>					
Davis County (and all cities)	\$98,159,336	\$98,657,787	\$94,784,688	\$91,673,717	\$78,120,474
% change from prior year	-0.5	4.1	3.4	17.3	14.7

(Source: Utah State Tax Commission; Calendar 2025 Taxable Sales is not yet available.)

Additional Information. A 10-year history of the District’s presentation of demographic and economic statistics (ACFR page 113) and labor market data (ACFR page 114) are provided in “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024.”

Largest Employers

The following is a list of the largest employers in the County with employment over 500 individuals.

Firm/Location	Business	Employees
Dept Of Defense	Federal Government	10,000-14,999
Davis County School District	Public Education	10,000-14,999
Northrop Grumman Corp	Aerospace Manufacturing	2,000-2,999
Smith's Food & Drug	Supermarkets	2,000-2,999
Wal-Mart	Warehouse Clubs/Supercenters	1,000-1,999
Lifetime Products Inc.	Athletic Goods Manufacturing	1,000-1,999
Lagoon Corporation, Inc.	Amusement Parks	1,000-1,999
Intermountain Health Care	Health Care	1,000-1,999
Tanner Memorial Clinic	Health Care	1,000-1,999
Davis County Government	Local Government	500-999
Farmington Health Center	Health Care	500-999
Utility Trailer Manufacturing, LLC	Manufacturing	500-999
FedEx	Delivery Services	500-999
Catholic Health Initiatives Colorado	Health Care	500-999
Davis Hospital & Medical Center	Health Care	500-999
AAA Call Center	Call Center	500-999
Spectrum Academy	Public Education	500-999
State Of Utah	State Government	500-999
Layton City	Local Government	500-999

(Source: Utah Department of Workforce Services. Calendar Year 2023; as of November 2024.)

Additional Information. For a presentation of the largest employers in the District in Calendar Years 2022 and 2014 see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Principal Employers” (ACFR page 116).

Rate Of Unemployment—Annual Average

Year	Davis County	State of Utah	United States
2025 ⁽¹⁾	2.9%	3.2%	4.2%
2024.....	2.9	3.2	4.0
2023.....	2.4	2.6	3.6
2022.....	2.2	2.4	3.6
2021.....	2.4	2.7	5.4

(1) Preliminary, subject to change. Averages as of June 2025 (seasonally adjusted) for Davis County, State of Utah, and United States.

(Source: Utah Department of Workforce Services, United States Census Bureau.)

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DEBT STRUCTURE OF DAVIS SCHOOL DISTRICT, UTAH

Outstanding General Obligation Bonded Indebtedness

Series ⁽¹⁾	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2025B ⁽²⁾	School building	\$100,000,000*	June 1, 2046	\$100,000,000*
2025.....	School building	100,000,000	June 1, 2045	100,000,000
2024.....	School building	100,000,000	June 1, 2044	88,515,000
2023.....	School building	100,000,000	June 1, 2043	56,130,000
2021A ⁽³⁾	Refunding (taxable)	30,035,000	June 1, 2032	16,690,000
2020.....	School building	55,170,000	June 1, 2040	33,280,000
2019B.....	Refunding	43,565,000	June 1, 2030	22,610,000
2019A.....	School building	50,000,000	June 1, 2039	31,625,000
2018.....	School building	69,375,000	June 1, 2038	53,375,000
2017B.....	Refunding	36,805,000	June 1, 2031	22,075,000
2017.....	School building	80,000,000	June 1, 2037	62,275,000
2016.....	School building	68,500,000	June 1, 2036	44,875,000
2015B.....	Refunding	67,025,000	June 1, 2029	23,405,000
2015A.....	School building	40,000,000	June 1, 2035	23,770,000
2014.....	School building	25,000,000	June 1, 2034	<u>17,330,000</u>
Total Direct General Obligation Debt.....				<u>\$695,955,000*</u>

* Preliminary; subject to change.

- (1) Unless otherwise indicated herein, all bonds of the Board are rated “Aaa” (State of Utah Guaranty; underlying “Aa1”) by Moody’s, as of the date of this OFFICIAL STATEMENT.
- (2) For purposes of this OFFICIAL STATEMENT, the 2025B Bonds will be considered issued and outstanding. These bonds are rated “___” (State of Utah Guaranty; underlying “___”) by Moody’s as of the Date of this OFFICIAL STATEMENT.
- (3) Issued through a direct purchase. These Bonds are not rated, no rating applied for. These Bonds are issued under the School District Bond Guaranty.

(Source: the Municipal Advisor.)

Additional Information. For the Board’s general obligation debt outstanding as of Fiscal Year 2024 see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Notes to Basic Financial Statements—9. Long-Term Liabilities—General Obligation Bonds” (ACFR page 68).

Local Building Authority Of Davis School District, Utah

The Board created the Local Building Authority of Davis School District, Utah (the “Authority”) as a nonprofit corporation currently operating pursuant to the provisions of the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the “Nonprofit Corporation Act”) and the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended.

The Authority is to be of perpetual duration as set forth in its Articles of Incorporation. The Authority at the present time has no full-time employees or other personnel other than its governing board as described below. The Authority has no property, money or other assets, except for the projects that are or have been constructed by the Authority. The principal place of business of the Authority is at the Board offices.

Corporate And Statutory Powers. The Authority has been incorporated for the purpose of acquiring, improving or extending one or more projects and financing their costs on behalf of the Board in accordance with the procedures and subject to the limitations of State law, in order to accomplish the public purposes for which the Board exists.

Organization. According to the By-Laws of the Authority, the affairs of the Authority are managed by a Board of Trustees (the “Board of Trustees”). The Board of Trustees consists of five members of the Board, as may from time to time serve. Each Trustee serves on the Board of Trustees until death, incapacity, or removal from the Board. Whenever a Trustee shall cease to be a member of the Board, the successor, upon the election and qualifying for office,

thereupon becomes a Trustee of the Authority. Trustees may be removed and replaced by the Board at any time at its discretion.

Debt Issuance. The Authority's debt does not constitute debt within the meaning of any constitutional provision or statutory limitation which is applicable to the Board.

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2022 ⁽¹⁾	School building	\$40,000,000	June 1, 2042	<u>\$35,435,000</u>

(1) Issued through a direct purchase. These Bonds are not rated, no rating applied for.

(Source: the Municipal Advisor.)

Future Issuance Of Debt

Future Issuance of Debt. With the issuance of the 2025B Bonds, the Board will have approximately \$55,000,000* of unissued general obligation bond authorization remaining. The Board anticipates issuing the remaining authorized amount within the next couple of years.

The Board reserves the right to issue any bonds or other obligations as its capital needs may require.

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* Preliminary; subject to change.

Debt Service Schedule Of Outstanding General Obligation Bonds By Fiscal Year

Fiscal Year Ending June 30	Series 2025B \$100,000,000		Series 2025 \$100,000,000		Series 2024 \$100,000,000		Series 2023 \$100,000,000		Series 2021A \$30,035,000		Series 2020 \$55,170,000	
	Principal*	Interest ^(a)	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,485,000	\$ 3,426,617	\$ 1,900,000	\$ 2,743,900	\$ 2,285,000	\$ 237,233	\$ 1,550,000	\$ 1,270,963
2026.....	0	2,242,199	4,605,000	5,249,876	2,910,000	4,152,119	1,995,000	2,648,900	2,300,000	217,810	1,625,000	1,193,463
2027.....	3,045,000	4,720,419	3,180,000	4,368,181	3,060,000	4,006,619	2,095,000	2,549,150	2,325,000	194,810	1,710,000	1,112,213
2028.....	3,195,000	4,568,169	3,335,000	4,209,181	3,210,000	3,853,619	2,200,000	2,444,400	2,350,000	169,235	1,795,000	1,026,713
2029.....	3,355,000	4,408,419	3,505,000	4,042,431	3,370,000	3,693,119	2,320,000	2,323,400	2,380,000	141,035	1,885,000	936,963
2030.....	3,525,000	4,240,669	3,680,000	3,867,181	3,540,000	3,524,619	2,440,000	2,207,400	2,410,000	110,095	1,975,000	842,713
2031.....	3,700,000	4,064,419	3,860,000	3,683,181	3,715,000	3,347,619	2,560,000	2,085,400	2,445,000	76,355	2,075,000	743,963
2032.....	3,885,000	3,879,419	4,055,000	3,490,181	3,900,000	3,161,869	2,690,000	1,957,400	2,480,000	39,680	2,160,000	660,963
2033.....	4,080,000	3,685,169	4,260,000	3,287,431	4,095,000	2,966,869	2,820,000	1,822,900	-	-	2,245,000	574,563
2034.....	4,285,000	3,481,169	4,470,000	3,074,431	4,300,000	2,762,119	2,965,000	1,681,900	-	-	2,335,000	484,763
2035.....	4,500,000	3,266,919	4,695,000	2,850,931	4,515,000	2,547,119	3,110,000	1,533,650	-	-	2,405,000	414,713
2036.....	4,725,000	3,041,919	4,930,000	2,616,181	4,740,000	2,321,369	3,265,000	1,378,150	-	-	2,475,000	342,563
2037.....	4,960,000	2,805,669	5,175,000	2,369,681	4,980,000	2,084,369	3,430,000	1,214,900	-	-	2,550,000	268,313
2038.....	5,205,000	2,557,669	5,435,000	2,110,931	5,230,000	1,835,369	3,600,000	1,043,400	-	-	2,615,000	204,563
2039.....	5,465,000	2,297,419	5,650,000	1,893,531	5,490,000	1,573,869	3,780,000	863,400	-	-	2,680,000	139,188
2040.....	5,740,000	2,024,169	5,880,000 ⁽¹⁾	1,667,531	5,765,000	1,299,369	3,970,000	674,400	-	-	2,750,000	72,188
2041.....	6,025,000	1,737,169	6,120,000 ⁽¹⁾	1,424,981	6,055,000	1,011,119	4,130,000	515,600	-	-	-	-
2042.....	6,330,000	1,435,919	6,375,000 ⁽¹⁾	1,172,531	6,295,000	768,919	4,295,000	350,400	-	-	-	-
2043.....	6,580,000	1,182,719	6,635,000 ⁽²⁾	909,563	6,545,000 ⁽³⁾	517,119	4,465,000	178,600	-	-	-	-
2044.....	6,845,000	919,519	6,925,000 ⁽²⁾	619,281	6,800,000 ⁽³⁾	263,500	-	-	-	-	-	-
2045.....	7,125,000	637,163	7,230,000 ⁽²⁾	316,313	-	-	-	-	-	-	-	-
2046.....	7,430,000	334,350	-	-	-	-	-	-	-	-	-	-
Totals.....	\$ 100,000,000	\$ 57,530,649	\$ 100,000,000	\$ 53,223,532	\$ 100,000,000	\$ 49,117,305	\$ 58,030,000	\$ 30,217,250	\$ 18,975,000	\$ 1,186,253	\$ 34,830,000	\$ 10,288,800

Fiscal Year Ending June 30	Series 2019B \$43,565,000		Series 2019A \$50,000,000		Series 2018 \$69,375,000		Series 2017B \$36,805,000		Series 2017 \$80,000,000		Series 2016 \$68,500,000	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025.....	\$ 3,900,000	\$ 1,325,500	\$ 1,600,000	\$ 1,307,656	\$ 3,250,000	\$ 1,921,481	\$ 3,225,000	\$ 769,475	\$ 4,000,000	\$ 2,408,531	\$ 3,500,000	\$ 1,382,781
2026.....	4,095,000	1,130,500	1,675,000	1,227,656	3,400,000	1,758,981	3,400,000	608,225	4,200,000	2,208,531	3,575,000	1,312,781
2027.....	4,295,000	925,750	1,750,000	1,143,906	3,550,000	1,622,981	3,575,000	438,225	4,425,000	1,998,531	3,650,000	1,241,281
2028.....	4,510,000	711,000	1,850,000	1,056,406	3,675,000	1,480,981	3,650,000	366,725	4,625,000	1,777,281	3,725,000	1,168,281
2029.....	4,735,000	485,500	1,925,000	963,906	3,800,000	1,370,731	3,725,000	286,425	4,775,000	1,638,531	3,800,000	1,075,156
2030.....	4,975,000	248,750	2,025,000	867,656	3,700,000	1,256,731	3,825,000	197,025	4,925,000	1,495,281	3,925,000	965,906
2031.....	-	-	2,125,000	766,406	3,825,000	1,145,731	3,900,000	101,400	5,075,000	1,335,219	4,050,000	848,156
2032.....	-	-	2,250,000	660,156	3,950,000	1,030,981	-	-	5,250,000	1,163,938	4,150,000	726,656
2033.....	-	-	2,350,000	547,656	4,075,000	912,481	-	-	5,425,000	980,188	4,275,000	602,156
2034.....	-	-	2,425,000	477,156	4,375,000	785,138	-	-	5,600,000	803,875	4,425,000	463,219
2035.....	-	-	2,500,000	404,406	4,525,000	648,419	-	-	5,800,000	621,875	4,575,000	313,875
2036.....	-	-	2,575,000	329,406	4,675,000	496,831	-	-	5,975,000	426,125	4,725,000	159,469
2037.....	-	-	2,650,000	252,156	4,825,000	339,050	-	-	6,200,000	217,000	-	-
2038.....	-	-	2,725,000	172,656	5,000,000	175,000	-	-	-	-	-	-
2039.....	-	-	2,800,000	87,500	-	-	-	-	-	-	-	-
2040.....	-	-	-	-	-	-	-	-	-	-	-	-
2041.....	-	-	-	-	-	-	-	-	-	-	-	-
2042.....	-	-	-	-	-	-	-	-	-	-	-	-
2043.....	-	-	-	-	-	-	-	-	-	-	-	-
2044.....	-	-	-	-	-	-	-	-	-	-	-	-
2045.....	-	-	-	-	-	-	-	-	-	-	-	-
2046.....	-	-	-	-	-	-	-	-	-	-	-	-
Totals.....	\$ 26,510,000	\$ 4,827,000	\$ 33,225,000	\$ 10,264,688	\$ 56,625,000	\$ 14,945,519	\$ 25,300,000	\$ 2,767,500	\$ 66,275,000	\$ 17,074,906	\$ 48,375,000	\$ 10,259,719

Debt Service Schedule Of Outstanding General Obligation Bonds By Fiscal Year—continued

Fiscal Year Ending June 30	Series 2015B \$67,025,000		Series 2015A \$40,000,000		Series 2014 \$25,000,000		Totals		
	Principal	Interest	Principal	Interest	Principal	Interest	Total	Total	Total Debt
							Principal	Interest	Service
2025.....	\$ 6,495,000	\$ 961,950	\$ 1,970,000	\$ 906,150	\$ 1,650,000	\$ 600,600	\$ 46,810,000	\$ 19,262,837	\$ 66,072,837
2026.....	6,735,000	702,150	2,030,000	847,050	1,700,000	551,100	44,245,000	26,051,341	70,296,341
2027.....	6,935,000	500,100	2,090,000	786,150	1,755,000	500,100	47,440,000	26,108,416	73,548,416
2028.....	7,145,000	292,050	2,155,000	723,450	1,805,000	447,450	49,225,000	24,294,941	73,519,941
2029.....	2,590,000	77,700	2,240,000	637,250	1,860,000	393,300	46,265,000	22,473,866	68,738,866
2030.....	-	-	2,310,000	567,250	1,915,000	337,500	45,170,000	20,728,776	65,898,776
2031.....	-	-	2,400,000	474,850	1,975,000	277,656	41,705,000	18,950,355	60,655,355
2032.....	-	-	2,500,000	378,850	2,040,000	213,469	39,310,000	17,363,561	56,673,561
2033.....	-	-	2,580,000	294,475	2,105,000	147,169	38,310,000	15,821,056	54,131,056
2034.....	-	-	2,685,000	191,275	2,175,000	76,125	40,040,000	14,281,169	54,321,169
2035.....	-	-	2,780,000	97,300	-	-	39,405,000	12,699,206	52,104,206
2036.....	-	-	-	-	-	-	38,085,000	11,112,013	49,197,013
2037.....	-	-	-	-	-	-	34,770,000	9,551,138	44,321,138
2038.....	-	-	-	-	-	-	29,810,000	8,099,588	37,909,588
2039.....	-	-	-	-	-	-	25,865,000	6,854,906	32,719,906
2040.....	-	-	-	-	-	-	24,105,000	5,737,656	29,842,656
2041.....	-	-	-	-	-	-	22,330,000	4,688,869	27,018,869
2042.....	-	-	-	-	-	-	23,295,000	3,727,769	27,022,769
2043.....	-	-	-	-	-	-	24,225,000	2,788,000	27,013,000
2044.....	-	-	-	-	-	-	20,570,000	1,802,300	22,372,300
2045.....	-	-	-	-	-	-	14,355,000	953,475	15,308,475
2046.....	-	-	-	-	-	-	7,430,000	334,350	7,764,350
Totals.....	<u>\$ 29,900,000</u>	<u>\$ 2,533,950</u>	<u>\$ 25,740,000</u>	<u>\$ 5,904,050</u>	<u>\$ 18,980,000</u>	<u>\$ 3,544,469</u>	<u>\$ 742,765,000</u>	<u>\$ 273,685,589</u>	<u>\$ 1,016,450,589</u>

* Preliminary; subject to change.
(a) Preliminary; subject to change; interested is estimated at 4.59% per annum.
(1) Mandatory sinking fund principal payments from a \$18,375,000 4.125% term bond due June 1, 2042.
(2) Mandatory sinking fund principal payments from a \$20,790,000 4.375% term bond due June 1, 2045.
(3) Mandatory sinking fund principal payments from a \$13,345,000 3.875% term bond due June 1, 2044.
(Source: the Municipal Advisor.)

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Debt Service Schedule Of Outstanding Of The Local Building Authority Lease Revenue Bonds By Fiscal Year

Fiscal Year Ending June 30	Series 2022 \$40,000,000		Total Debt Service
	Principal	Interest	
2025.....	\$1,500,000	\$1,311,193	\$2,811,193
2026.....	1,555,000	1,257,943	2,812,943
2027.....	1,610,000	1,202,740	2,812,740
2028.....	1,665,000	1,145,585	2,810,585
2029.....	1,725,000	1,086,478	2,811,478
2030.....	1,785,000	1,025,240	2,810,240
2031.....	1,850,000	961,873	2,811,873
2032.....	1,915,000	896,198	2,811,198
2033.....	1,985,000	828,215	2,813,215
2034.....	2,055,000	757,748	2,812,748
2035.....	2,125,000	684,795	2,809,795
2036.....	2,205,000	609,358	2,814,358
2037.....	2,280,000	531,080	2,811,080
2038.....	2,360,000	450,140	2,810,140
2039.....	2,445,000	366,360	2,811,360
2040.....	2,535,000	279,563	2,814,563
2041.....	2,625,000	189,570	2,814,570
2042.....	2,715,000	96,383	2,811,383
Totals.....	<u>\$36,935,000</u>	<u>\$13,680,458</u>	<u>\$44,989,505</u>

(Source: the Municipal Advisor.)

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Additional Information. For the schedule of annual debt service requirement of the District as of Fiscal Year 2024 for Fiscal Years 2025 through 2043 see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024–Schedule of Annual Debt Service Requirements” (ACFR page 112).

Overlapping And Underlying General Obligation Debt

Taxing Entity	2025 Taxable Value ⁽¹⁾	Board's Portion of Taxable Value	Board's Percentage	Entity's General Obligation Debt	Board's Portion of GO Debt
<i>Overlapping:</i>					
State of Utah	\$622,803,186,940	\$46,450,957,011	7.5%	\$847,360,000	\$63,199,232
WBWCD ⁽²⁾	140,284,069,706	46,450,957,011	33.1	7,825,000	2,591,019
Total overlapping.....					<u>\$65,790,251</u>
<i>Underlying:</i>					
So. Davis Rec. District ⁽³⁾	14,782,306,717	12,594,525,323	85.2%	1,270,000	\$1,082,040
Bountiful City	5,418,638,206	5,418,638,206	100.0	6,735,000	6,735,000
Farmington City	3,504,401,142	3,504,401,142	100.0	3,485,000	3,485,000
					<u>11,302,040</u>
Total overlapping and underlying general obligation debt.....					<u>\$77,092,291</u>
Total <i>overlapping</i> general obligation debt (excluding the State) ⁽⁴⁾					2,591,019
Total <i>direct</i> general obligation bonded indebtedness.*.....					695,955,000
Total <i>direct and overlapping</i> general obligation bonded indebtedness.*.....					<u>\$698,546,019</u>

* Preliminary; subject to change.

This table excludes any additional principal amounts attributable to unamortized original issue bond premium.

- (1) Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property and valuation on semiconductor manufacturing equipment.
- (2) Weber Basin Water Conservancy District (“WBWCD”) overlaps into the County and almost covers the entire County; for purposes of this table WBWCD will be considered as overlapping debt. WBWCD covers all of Morgan County, almost all the County and Weber County, and portions of Box Elder and Summit Counties. Principal and interest on WBWCD’s outstanding general obligation bonds are limited ad valorem tax bonds. Certain portions of the principal of and interest on WBWCD’s general obligation bonds are paid from revenues received from the sales of water.
- (3) South Davis Recreation District members are the cities of: Bountiful, Centerville, North Salt Lake, Woods Cross, and West Bountiful.
- (4) The State’s general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.

(Source: the Municipal Advisor.)

Additional Information. For the overlapping and underlying general obligation debt of the District as of Fiscal Year 2024 see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024–Overlapping and Underlying General Obligation Debt June 30, 2024” (ACFR page 109).

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Debt Ratios Regarding General Obligation Debt

The following table sets forth the ratios of general obligation debt (excluding any additional principal amounts attributable to unamortized original issue bond premium) that is expected to be paid from taxes levied specifically for such debt and not from other revenues over the taxable value of property within the District, the estimated market value of such property and the population of the District. *The State's general obligation debt is not included in the debt ratios because the State currently levies no property tax for payment of general obligation debt.*

	To 2025 Estimated Taxable Value ⁽¹⁾	To 2025 Estimated Market Value ⁽²⁾	To 2024 Population Estimate Per Capita ⁽³⁾
<i>Direct</i> general obligation debt*	1.50%	0.95%	\$1,839
<i>Direct and overlapping</i> general obligation debt*	1.50	0.95	1,846

* Preliminary; subject to change.

(1) Based on an estimated 2025 Taxable Value of \$46,450,957,011, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.

(2) Based on an estimated 2025 Market Value of \$73,179,821,034, which value excludes the taxable value used to determine uniform fees on tangible personal property.

(3) Based on the 2024 population estimate of 378,470 from the U.S. Census Bureau.

(Source: the Municipal Advisor.)

Additional Information. For a 10-year history of various debt ratios calculated by the District see APPENDIX A—"ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Ratios of Outstanding Debt Last Ten Fiscal Years December 31, 2015 through 2024" (ACFR page 108).

General Obligation Legal Debt Limit And Additional Debt Incurring Capacity

The general obligation indebtedness of the Board is limited by State law to 4% of the fair market value of taxable property in the District (*based on the last equalized property tax assessment roll*). The legal debt limit and additional debt incurring capacity of the Board are based on the fair market value for 2024 and the calculated valuation value from 2024 uniform fees, and are calculated as follows:

2024 "Fair Market Value"	\$71,292,885,339
2024 valuation from uniform fees ⁽¹⁾	<u>907,198,958</u>
2024 "Fair Market Value for Debt Incurring Capacity"	<u>\$72,200,084,297</u>
"Fair Market Value for Debt Incurring Capacity" times 4% (the "Debt Limit")	\$2,888,003,372
Less: current outstanding general obligation debt* ⁽²⁾	<u>(754,749,555)</u>
Estimated additional debt incurring capacity*	<u>\$2,133,253,817</u>

(1) 2025 final information is not available. For debt incurring capacity only, in computing the fair market value of taxable property in the District, the value of all motor vehicles and state-assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) will be included as a part of the fair market value of the taxable property in the District.

(2) For legal debt limit purposes, the outstanding general obligation debt as shown above is increased by the premium associated with debt issued that is reported in the long-term debt notes of the Board's financial statements. Thus, for accounting purposes, the total unamortized bond premium was \$33,598,462 (as of June 30, 2024), unamortized bond premium for the 2024 Bonds of \$9,486,281 and for the 2025 Bonds of \$7,975,181, and for the 2025B Bonds was \$7,734,630 and together with current outstanding debt of \$695,955,000 results in total outstanding debt of \$754,749,555.*

* Preliminary; subject to change.

(Source: the Municipal Advisor.)

Additional Information. For a 10-year Fiscal Year history of the Board's legal debt limit and debt capacity see "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—General Obligation Legal Debt Limit and Debt Capacity Last Ten Years December 31, 2015 through 2024" (ACFR page 110).

No Defaulted Obligations

The Board has never failed to pay principal of and interest on its financial obligations when due.

FINANCIAL INFORMATION REGARDING DAVIS SCHOOL DISTRICT, UTAH

Fund Structure; Accounting Basis

The accounting policies of the District conform to all generally accepted accounting principles for governmental units in general and the State's school districts.

The accounts of the District are organized based on funds or groups of accounts, each of which is a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balances, revenues and expenditures. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how spending activities are controlled. The various funds are grouped by type in the combined financial statements. See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Notes to Basic Financial Statements—Note 1. Summary of Significant Accounting Policies" (ACFR page 46).

Budgets And Budgetary Accounting

The District operates within the budget requirements for school districts as specified by State law and as interpreted by the State Superintendent of Public Instruction. The superintendent of each school district is the budget officer of each respective district.

For the fiscal year beginning July 1, the Business Administrator under the supervision of the Superintendent prepares a tentative budget for all funds which is presented to the Board by the Superintendent on or before June 1. State law requires budgets for all governmental fund types and the Board has adopted budgets for those funds.

After a public hearing has been held, the Board, by resolution, legally adopts the final budget prior to June 30. If the tax rate in the proposed budget exceeds the "certified tax rate," the Board shall, if required by State law, comply with the notice and hearing requirements contained in the Property Tax Act, Chapter 2, Title 59, Utah Code (the "Property Tax Act") in adopting the budget. See in this section "Ad Valorem Tax Levy And Collection" and "Public Hearing On Certain Tax Increases" below.

Once adopted, the budget can be amended by subsequent Board action. Reductions in appropriations can be approved by the Board upon recommendation of the Superintendent; however, increased appropriations require a public hearing prior to amending the budget.

Adjustments in estimated revenue and revisions of appropriations due to operational changes in categorical program funding are integrated into the amended budget approved by the Board.

A final amended budget is legally approved by the Board prior to the end of the fiscal year.

The total budgeted expenditures of a given fund may not exceed the revenues expected to be received for the fiscal year plus the fund balance. Control of the budget is exercised at the fund level.

All governmental funds are prepared using the modified accrual basis of accounting, adjusted for encumbrances. Unencumbered appropriations lapse at year end.

Undistributed Reserve in School Board Budget. A local school board may adopt a budget with an undistributed reserve. The reserve may not exceed 5% of the maintenance and operation budget adopted by each local board in accordance with a scale developed by the State Board of Education. The scale is based on the size of the school district's budget.

Each local board may appropriate all or a part of the undistributed reserve made to any expenditure classification in the maintenance and operation budget by written resolution adopted by majority vote of such board setting forth the reasons for the appropriation.

The board may not use undistributed reserves in the negotiation or settlement of contract salaries for school district employees.

Limits on Appropriations—Estimated Expendable Revenue. A local school board may not make any appropriation more than its estimated expendable revenue, including undistributed reserves, for the following fiscal year.

In determining the estimated expendable revenue, any existing deficits arising through excessive expenditures from former years are deducted from the estimated revenue for the ensuing year to the extent of at least 10% of the entire tax revenue of the school district for the previous year.

In the event of financial hardships, a local board may deduct from the estimated expendable revenue for the ensuing year, by fund, at least 25% of the deficit amount.

All estimated balances available for appropriations at the end of the fiscal year shall revert to the funds from which they were appropriated and shall be fund balances available for appropriation in the budget of the following year.

A local school board may reduce a budget appropriation at its regular meeting if notice of the proposed action is given to all board members and the district superintendent at least one week prior to the meeting.

An increase in an appropriation may not be made by a local school board unless the following steps are taken: (a) the local school board receives a written request from the district superintendent that sets forth the reasons for the proposed increase; (b) notice of the request is published in a newspaper of general circulation within the school district at least one week prior to a local school board meeting at which the request will be considered; and (c) the local school board holds a public hearing on the request prior to the board's acting on the request.

School District Interfund Transfers. The State Board of Education may authorize school district interfund transfers for financially distressed districts if the State Board of Education determines the following: (a) the school district has a significant deficit in its maintenance and operations fund which has resulted from circumstances not subject to the administrative decisions of the school district and which cannot be reasonably reduced under Section 53G-7-305 of the Utah Code; and (b) without the transfer, the school district will not be capable of meeting statewide educational standards adopted by the State Board of Education.

Adoption of Ad Valorem Tax Levy. The governing body of each taxing entity shall, before June 22 of each year, adopt a proposed or, if the tax rate is not more than the certified tax rate, a final tax rate for the taxing entity. The governing body shall report the rate and levy, and any other information prescribed by rules of the county commission for the preparation, review, and certification of the rate, to the county auditor of the county in which the taxing entity is located.

Additional Information. See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Notes to Basic Financial Statements—1. Summary of Significant Accounting Policies—Budgetary Data" (ACFR page 46).

Management's Discussion And Analysis

The administration of the District prepared a narrative discussion, overview, and analysis of the financial activities of the District for Fiscal Year 2024. For the complete discussion see "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Management's Discussion and Analysis" (ACFR page 26).

Economic Stabilization Fund. As directed by the Board, the District has increased its fund balance commitment to economic stabilization in the General Fund. For Fiscal Year 2024, the District has committed \$39.8 million of the General Fund balance to economic stabilization. For Fiscal Year 2024, the District has approximately \$63.8 million of unassigned fund balances in the General Fund. As defined in State law as an "undistributed reserve," the District

maintains up to 5% of General Fund budgeted expenditures for economic stabilization. Potential State budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). Also defined by State law, the commitment is not to be used “in the negotiation or settlement of contract salaries for school district employees” and the use of this reserve requires a written resolution adopted by a majority vote of the Board filed with the Utah State Board of Education and the Utah State Auditor.

The Management’s Discussion and Analysis for Fiscal Year 2025 is not available. Under State law the Board must complete its annual financial report for Fiscal Year 2025 By November 30, 2025.

Financial Summaries

The summaries contained herein were extracted from the District’s basic financial statements. The summaries have not been audited.

Statement of Net Position Primary Government

(The summary has not been audited.)

As of June 30

	2024	2023	2022	2021	2020
Assets and deferred outflows of resources					
Assets					
Cash and investments	\$397,527,553	\$492,266,204	\$298,422,476	\$287,025,320	\$294,118,085
Receivables					
Property taxes	265,572,427	256,971,933	261,300,023	240,071,545	217,544,304
Other local	2,728,838	1,732,575	1,381,176	631,595	99,279
Leases	5,112,844	5,377,816	5,587,072	—	—
State of Utah	7,243,744	3,458,443	5,216,497	4,400,239	3,881,694
Federal government	8,425,394	11,279,871	31,041,679	12,174,557	11,939,024
Inventories	11,073,870	10,658,874	8,974,289	8,771,212	8,567,528
Net pension asset	—	—	65,971,070	2,087,893	—
Capital assets					
Land and construction in progress	248,962,970	93,561,465	61,576,015	97,692,464	108,122,421
Other capital assets, net of depreciation	660,476,833	690,928,399	711,943,636	695,512,145	679,697,929
Total assets	1,607,124,473	1,566,235,580	1,451,413,933	1,348,366,970	1,323,970,264
Deferred outflows of resources					
Deferred charge on re-funding	3,060,284	3,596,433	3,697,756	5,202,798	6,273,013
Related to pensions	116,569,132	120,177,048	97,115,023	62,158,353	46,178,660
Total deferred outflows of resources	119,629,416	123,773,481	100,812,779	67,361,151	52,451,673
Total assets and deferred outflows of resources	\$1,726,753,889	\$1,690,009,061	\$1,552,226,712	\$1,415,728,121	\$1,376,421,937

(The Statement of Net Position is continued on the following page.)

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Statement of Net Position—continued
Primary Government

(The summary has not been audited.)

	As of June 30				
	2024	2023	2022	2021	2020
Liabilities, deferred inflows of resources and net position					
Liabilities					
Accounts payable	\$52,467,263	\$33,693,632	\$22,878,270	\$28,211,994	\$35,500,293
Accrued interest	6,882,193	1,480,550	1,048,702	1,160,609	1,312,742
Accrued salaries and benefits	1,236,507	62,953,053	58,726,306	54,182,658	52,433,514
Unearned revenue	79,920,751				
State of Utah		15,248,084	10,619,140	10,788,540	4,874,925
Federal government	13,225,430	302,053	—	—	—
Other local	221,324	—	—	—	—
Noncurrent liabilities					
Due or payable within one year	50,425,705	88,752,342	60,039,406	52,730,153	60,274,363
Due or payable after one year	668,313,579	717,466,799	459,587,317	621,441,262	735,152,631
Total liabilities	872,692,752	919,896,513	612,899,141	768,515,216	889,548,468
Deferred inflows of resources					
Property taxes levied for future year	256,729,838	247,024,397	251,029,064	230,865,931	205,343,100
Related to leases	5,112,844	5,377,816	5,587,072	—	—
Related to pensions	1,387,543	2,022,237	241,539,406	120,738,216	64,512,445
Total deferred inflows of resources	263,230,225	254,424,450	498,155,542	351,604,147	269,855,545
Net position					
Net investment in capital assets	362,998,824	301,758,050	282,567,548	269,655,845	237,477,296
Restricted for					
Debt service	11,514,363	38,167,284	32,990,462	26,022,399	19,601,105
Capital projects	63,261,586	58,586,133	43,319,283	42,093,534	47,061,737
School food services	21,226,313	20,536,595	19,240,019	9,066,337	8,959,262
Unrestricted	131,829,826	96,640,036	63,054,717	(51,229,357)	(96,081,476)
Total net position	590,830,912	515,688,098	441,172,029	295,608,758	217,017,924
Total liabilities, deferred inflows of resources and net position	\$1,726,753,889	\$1,690,009,061	\$1,552,226,712	\$1,415,728,121	\$1,376,421,937

(Source: Information taken from the District's audited basic financial statements. Compiled by the Municipal Advisor. This summary has not been audited.)

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Statement of Activities ⁽¹⁾
Primary Government

(The summary has not been audited.)

Net (Expense) Revenue and Changes in Net Position					
June 30					
	2024	2023	2022	2021	2020
Primary government					
Governmental activities					
Instructional services	\$(405,959,337)	\$(385,551,967)	\$(304,589,864)	\$(328,040,449)	\$(358,314,389)
Supporting services					
Students	(21,837,632)	(20,408,720)	(15,333,102)	(16,203,805)	(16,407,818)
Instructional staff	(25,877,818)	(24,688,618)	(18,203,426)	(18,624,965)	(19,673,450)
District administration	(5,035,456)	(5,088,106)	(3,788,707)	(3,438,919)	(3,996,808)
School administration	(49,963,309)	(46,544,902)	(36,894,932)	(40,213,152)	(42,297,968)
Central	(21,669,743)	(20,074,132)	(14,234,247)	(16,249,261)	(16,725,778)
Operation and maintenance of facilities	(65,933,303)	(62,063,518)	(54,373,815)	(52,827,890)	(53,797,376)
Student transportation	(5,949,045)	(10,948,486)	(7,025,178)	(6,116,671)	(6,032,321)
School food service	(424,398)	(4,781)	11,508,887	389,989	(47,635)
Interest on long-term liabilities	(18,771,262)	(14,893,523)	(16,285,380)	(17,581,979)	(18,596,281)
Total governmental activities	(621,421,303)	(590,266,753)	(459,219,765)	(498,907,100)	(535,889,825)
Business-type activities					
Pioneer Adult Rehabilitation Center	—	—	—	—	(1,041,529)
Total primary government	(621,421,303)	(590,266,753)	(459,219,765)	(498,907,100)	(536,931,354)
General revenues					
Property taxes levied for					
Basic	64,782,784	59,704,362	59,958,739	47,755,393	45,077,416
Voted local	49,586,495	57,766,802	31,449,257	25,300,871	23,865,426
Board local	54,047,066	62,388,353	71,369,216	57,358,224	54,203,764
Debt service	67,286,368	68,067,251	65,305,503	75,821,440	69,721,833
Capital outlay	17,971,262	17,880,504	17,536,482	17,643,570	16,705,640
Pass through taxes	12,198,762	10,784,808	10,050,151	9,553,685	12,289,609
Federal and state aid not restricted to specific purposes	371,483,541	339,793,062	318,033,401	320,656,013	317,915,726
Earnings on investments	25,592,443	16,270,907	1,453,912	1,709,876	5,287,926
Miscellaneous	33,615,396	32,126,773	29,626,375	21,698,861	26,118,251
Total general revenues	696,564,117	664,782,822	604,783,036	577,497,933	571,185,591
Change in net position	75,142,814	74,516,069	145,563,271	78,590,833	34,254,237
Net position—beginning (as restated)	515,688,098	441,172,029	295,608,758	217,017,925	189,223,306
Allocated to other entity	—	—	—	—	(6,459,619)
Net position—ending	\$590,830,912	\$515,688,098	\$441,172,029	\$295,608,758	\$223,477,543

(1) This report is presented in summary format concerning the single item of “Net (Expense) Revenue and Changes in Net Position” and is not intended to be complete.

(Source: Information taken from the District’s audited basic financial statements. Compiled by the Municipal Advisor. This summary has not been audited.)

Balance Sheet—Governmental Funds
Major Funds—General Fund

(The summary has not been audited.)

	Fiscal Year Ended June 30				
	2024	2023	2022	2021	2020
Assets					
Cash and investments	\$243,847,570	\$202,061,711	\$147,588,416	\$150,473,165	\$136,605,686
Receivables					
Property taxes	166,791,542	162,636,257	169,688,169	150,917,979	120,967,227
Other local	—	—	—	—	32,176
Leases	5,112,844	5,377,816	5,587,072	—	—
State of Utah	6,438,759	3,441,505	4,728,451	3,937,525	3,205,196
Federal government	8,084,881	11,183,700	30,941,619	11,754,787	11,325,435
Inventories	7,777,579	7,972,052	6,978,684	6,432,735	6,488,919
Total assets	\$438,053,175	\$392,673,041	\$365,512,411	\$323,516,191	\$278,624,639
Liabilities and fund balances					
Liabilities					
Accounts payable	\$ 3,408,202	\$4,449,326	\$2,868,770	\$2,320,234	\$6,264,517
Accrued salaries and benefits	79,920,751	62,953,053	58,726,306	54,182,658	52,433,514
Unearned revenue					
State of Utah	13,225,430	15,248,084	10,619,140	10,788,540	4,874,925
Federal government	221,324	302,053	—	—	—
Total liabilities	96,775,707	82,952,516	72,214,216	67,291,432	63,572,956
Deferred inflows of resources					
Unavailable property tax revenue	2,100,858	2,119,304	1,578,567	1,722,426	1,460,369
Deferred inflows related to leases	5,112,844	5,377,816	5,587,072	—	—
Property taxes levied for future year	161,024,247	156,003,811	162,969,074	145,637,868	113,891,868
Total deferred inflows of resources	168,237,949	163,500,931	170,134,713	147,360,294	115,352,237
Fund balances					
Nonspendable					
Inventories	7,777,579	7,972,052	6,978,684	6,432,735	6,488,919
Committed to					
Workers compensation	2,000,000	2,000,000	2,000,000	1,500,000	1,000,000
Termination benefits	7,000,000	7,000,000	7,000,000	6,000,000	4,500,000
Economic stabilization	39,800,000	37,500,000	34,000,000	31,000,000	28,500,000
Assigned to					
Programs	18,800,000	17,050,000	10,800,000	10,000,000	8,700,000
Textbook reserve ⁽¹⁾	20,000,000	5,000,000	3,000,000	3,000,000	2,500,000
Employee compensation	12,000,000	12,000,000	10,000,000	9,000,000	15,000,000
Schools	325,000	325,000	325,000	325,000	325,000
Medical insurance	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Unassigned	63,836,940	55,872,542	47,559,798	40,106,730	31,185,527
Total fund balances	173,039,519	146,219,594	123,163,482	108,864,465	99,699,446
Total liabilities, deferred inflows of resources, and fund balances	\$438,053,175	\$392,673,041	\$365,512,411	\$323,516,191	\$278,624,639

(1) In anticipation of a cost increase from \$2.5 million to approximately \$8 million for school textbooks, the District made a multi-year increase to the budget reserves.

(Source: Information taken from the District's audited basic financial statements. Compiled by the Municipal Advisor.)

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Statement of Revenues, Expenditures, and Changes in Fund Balance ⁽¹⁾
Governmental Funds—Major Governmental Funds
General Fund

(The summary has not been audited.)

	Fiscal Year Ended June 30				
	2024	2023	2022	2021	2020
Revenues:					
Property taxes	\$168,434,791	\$179,318,780	\$162,921,070	\$130,152,432	\$123,087,742
Earnings on investments	16,706,456	9,646,964	919,704	384,235	3,153,748
Other local sources	13,601,733	12,841,829	13,013,147	10,353,457	10,292,214
State of Utah	531,277,406	442,813,073	407,916,893	413,973,147	395,594,943
Federal government	52,058,660	63,217,756	71,613,678	47,024,269	32,067,217
Total revenues	782,079,046	707,838,402	656,384,492	601,887,540	564,195,864
Expenditures:					
Current:					
Instruction	520,488,714	466,675,391	440,333,489	404,827,865	372,184,866
Support services:					
Students	32,722,418	28,904,260	27,667,460	25,169,180	21,011,360
Instructional staff	33,016,487	30,844,875	27,826,254	25,158,932	23,998,481
District administration	5,123,597	4,880,000	4,225,896	3,614,428	3,526,654
School administration	53,797,977	49,616,369	46,884,492	45,231,000	41,875,458
Central	23,774,099	22,139,649	19,616,289	20,053,962	18,198,535
Operation and maintenance of facilities	70,418,121	62,182,849	58,848,428	54,462,365	52,245,457
Student transportation	15,917,708	19,541,897	16,683,167	14,204,789	13,427,486
Total expenditures	755,259,121	684,785,290	642,085,475	592,722,521	546,468,297
Revenues over (under) expenditures	26,819,925	23,053,112	14,299,017	9,165,019	17,727,567
Net change in fund balances	26,819,925	23,053,112	14,299,017	9,165,019	17,727,567
Fund balances—beginning	146,219,594	123,163,482	108,864,465	99,699,446	81,971,879
Fund balances—ending	\$173,039,519	\$146,216,594	\$123,163,482	\$108,864,465	\$99,699,446

(Source: Information taken from the District’s audited basic financial statements. Compiled by the Municipal Advisor. This summary has not been audited.)

Additional Information. For a 10–year financial history of various District funds see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024” at the indicated pages as set forth below.

- (i) “Net Position by Component Last Ten Fiscal Years June 30, 2015 to 2024” (ACFR page 100);
- (ii) “Expenses, Program Revenue, and Net (Expense) Revenue Last Ten Fiscal Years—Years Ended June 30, 2015 to 2024” (ACFR page 101);
- (iii) “Fund Balances—Governmental Funds Last Ten Fiscal Years—Years Ended June 30, 2015 to 2024” (ACFR page 102);
- (iv) “Changes in Fund Balances—Governmental Funds Last Ten Fiscal Years—Years Ended June 30, 2015 to 2024” (ACFR page 103); and
- (iv) “Expenditures by Function—General Fund Last Ten Fiscal Years—Years Ended June 30, 2015 to 2024” (ACFR page 119).

Ad Valorem Tax Levy And Collection

The Utah State Tax Commission (the “State Tax Commission”) must assess all centrally assessed property (as defined under “Property Tax Matters” below) by May 1 of each year. County assessors must assess all locally assessed property (as defined under “Property Tax Matters” below) before May 22 of each year. The State Tax Commission apportions the value of centrally assessed property to the various taxing entities within each county and reports such values to county auditors before June 8. The governing body of each taxing entity must adopt a proposed tax rate or,

if the tax rate is not more than the certified tax rate, a final tax rate before June 22; provided if the governing body has not received the taxing entity's certified tax rate at least seven days prior to June 22, the governing body of the taxing entity must, no later than 14 days after receiving the certified tax rate from the county auditor, adopt a proposed tax rate or, if the tax rate is not more than the certified tax rate, a final tax rate. County auditors must forward to the State Tax Commission a statement prepared by the legislative body of each taxing entity showing the amount and purpose of each levy. Upon determination by the State Tax Commission that the tax levies comply with applicable law and do not exceed maximum permitted rates, the State Tax Commission notifies county auditors to implement the levies. If the State Tax Commission determines that a tax levy established by a taxing entity exceeds the maximum levy permitted by law, the State Tax Commission must lower the levy to the maximum levy permitted by law, notify the taxing entity that the rate has been lowered and notify the county auditor (of the county in which the taxing entity is located) to implement the rate established by the State Tax Commission.

On or before July 22 of each year, the county auditors must mail to all owners of real estate shown on their assessment rolls notice of, among other things, the value of the property, itemized tax information for all taxing entities and the date their respective county boards of equalization will meet to hear complaints. Taxpayers owning property assessed by a county assessor may file an application within statutorily defined time limits based on the nature of the contest with the appropriate county board of equalization for contesting the assessed valuation of their property. The county board of equalization must render a decision on each appeal in the time frame prescribed by the Property Tax Act. Under certain circumstances, the county board of equalization must hold a hearing regarding the application, at which the taxpayer has the burden of proving that the property sustained a decrease in fair market value. Decisions of the county board of equalization may be appealed to the State Tax Commission, which must decide all appeals relating to real property by March 1 of the following year. Owners of centrally-assessed property or any county showing reasonable cause, may, on or before the later of August 1 or a day within 90 days of the date the notice of assessment is mailed by the State Tax Commission, apply to the State Tax Commission for a hearing to contest the assessment of centrally-assessed property. The State Tax Commission must render a written decision within 120 days after the hearing is completed and all post-hearing briefs are submitted. The county auditor makes a record of all changes, corrections and orders, and delivers before November 1 the corrected assessment rolls to the county treasurers. On or before November 1, each county treasurer furnishes each taxpayer a notice containing, among other things, the kind and value of the property assessed to the taxpayer, the street address of the property, where applicable, the amount of the tax levied on the property and the year the property is subject to a detailed review.

Without an extension by a county legislative body, taxes are due November 30 (and if a Saturday, Sunday or holiday, the next business day). Each county treasurer is responsible for collecting all taxes levied on real property within that county. There are no prior claims to such taxes. As taxes are collected, each county treasurer must pay to the State and each taxing entity within the county its proportionate share of the taxes, on or before the tenth day of each month. Delinquent taxes are subject to a penalty of 2.5% of the amount of the taxes or \$10 whichever is greater (delinquent taxes paid on or before January 31 immediately following the delinquency date the penalty is 1% of the amount of the delinquent tax or \$10 whichever is greater). Unless the delinquent taxes and penalty are paid before January 31 of the following year, the amount of delinquent taxes and penalty bears interest at the federal funds rate target established by the Federal Open Market Committee plus 6% from the January 1 following the delinquency date until paid (said interest may not be less than 7% nor more than 10%). If delinquent taxes have not been paid by March 15 following the lapse of four years from the delinquency date, the affected county advertises and sells the property at a final tax sale held in May or June of the fifth year after assessment.

The process described above changes if a county or other taxing entity proposes a tax rate in excess of the certified tax rate (as described under "Public Hearing On Certain Tax Increases" below). If such an increase is proposed, the taxing entity must adopt a proposed tax rate before June 22. In addition, the county auditor must include certain information in the notices to be mailed by July 22, as described above, including information concerning the tax impact of the proposed increase on the property and the time and place of the public hearing described in "Public Hearing On Certain Tax Increases" below. In most cases, notice of the public hearing must also be advertised by publication. After the public hearing is held, the taxing entity may adopt a resolution levying a tax more than the certified tax rate. A resolution levying a tax more than the certified tax rate must be forwarded to the county auditor by August 17. The final tax notice is then mailed by November 1.

Public Hearing On Certain Tax Increases

Each taxing entity that proposes to levy a tax rate that exceeds the "certified tax rate" may do so (by resolution) only after holding a properly noticed public hearing. Generally, the certified tax rate is the rate necessary to generate

the same property tax revenue that the taxing entity budgeted for the prior year, with certain exclusions. For purposes of calculating the certified tax rate, county auditors are to use the taxable value of property on the assessment rolls, exclusive of eligible new growth. With certain exceptions, the certified tax rate for the minimum school levy, debt service voted on by the public and certain state and county assessing and collecting levies are the actual levies imposed for such purposes and no hearing is required for these levies.

Among other requirements, on or before July 22 of the year in which such an increase is proposed, the county auditor must mail to all property owners a notice of the public hearing. In most cases, the taxing entity must advertise the notice of public hearing by publication in a newspaper. Such notices must state, among other things, the value of the property, the time and place of the public hearing, and the tax impact of the proposed increase.

Property Tax Matters

The Property Tax Act provides that all taxable property is required to be assessed and taxed at a uniform and equal rate based on its “fair market value” as of January 1 of each year, unless otherwise provided by law. “Fair market value” is defined in the Property Tax Act as “the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.” Pursuant to an exemption for residential property provided for under the Property Tax Act and Article XIII of the State Constitution, the “fair market value” of residential property is reduced by 45%. The residential exemption is limited to one acre of land per residential unit and to one primary residence per household, except that an owner of multiple residential properties may exempt his or her primary residence and each residential property that is the primary residence of a tenant.

The Property Tax Act provides that the State Tax Commission shall assess certain types of property (“centrally assessed property”), including (i) properties that operate as a unit across county lines that must be apportioned among more than one county or state, (ii) public utility (including railroad) properties, (iii) airline operating properties, (iv) geothermal resources and (v) mines, mining claims and appurtenant machinery, facilities, and improvements. All other taxable property (“locally-assessed property”) is required to be assessed by the county assessor of the county in which such locally-assessed property is located. Each county assessor must update property values annually based upon a systematic review of current market data by using a State mandated mass appraisal system and must also complete a detailed review of property characteristics for each parcel of property at least once every five years. The Property Tax Act requires that the State Tax Commission conduct an annual investigation in each county to determine whether all property subject to taxation is on the assessment rolls and whether the property is being assessed at its “fair market value.”

The State Tax Commission and the county assessors utilize various valuation methods, as determined by statute, administrative regulation or accepted practice, to determine the “fair market value” of taxable property.

Uniform Fees. An annual statewide uniform fee is levied on certain tangible personal property in lieu of the ad valorem tax. Subject to certain exemptions, the current uniform fee on motor vehicles that weigh 12,001 pounds or more and certain watercraft is equal up to 1.5% of the market value. Motor vehicles weighing 12,000 pounds or less are subject to an “age based” fee that is due each time the vehicle is registered. Such fees range from \$5 to \$150. Various uniform fees are also levied against other types of tangible personal property required to be registered with the State, including recreational vehicles, in lieu of the ad valorem property tax. The revenues collected from the various uniform fees are distributed by the county of 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.

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Historical Tax Rates Of The District

	Maximum Tax Rate ⁽¹⁾	Tax Rate (Fiscal Year)				
		2025-26	2024-25	2023-24	2022-23	2021-22
General Fund						
Board local levy	0.002500 ⁽⁸⁾	0.001306	0.001328	0.001386	0.001382	0.001738
Basic school levy ⁽²⁾	formula	0.001379	0.001408	0.001406	0.001652	0.001661
Voted local levy ⁽³⁾	0.1800	0.001409	0.001234	0.001288	0.001268	0.001600
Totals		0.004094	0.003970	0.004080	0.004302	0.004999
Debt service (general obligation bonds)						
Debt service ⁽⁴⁾	none	0.001615	0.001629	0.001629	0.001629	0.002015
Capital local levy ⁽⁵⁾	0.00300	0.000518	0.000417	0.000435	0.000428	0.000540
Charter school levy ⁽⁶⁾	(8)	0.000079	0.000083	0.000084	0.000065	0.000088
Judgment recovery levy ⁽⁷⁾	none	—	—	—	—	—
Total all funds		0.006306	0.006099	0.006228	0.006424	0.007642

- (1) Maximum tax rate where applicable under current State law.
- (2) Set by law for the District's portion of the State Minimum School Program.
- (3) General maintenance and operation revenue. In the early 1980's, District residents approved a Voted Leeway Program of not to exceed a .000600 tax rate; in 1993, District residents approved an additional .000400 tax rate to the Voted Leeway Program; and in 1997, District residents approved an additional .000800 tax rate to the Voted Leeway Program (which results in a maximum tax rate of .001800).
- (4) This maximum limitation is not applicable to levies made to provide for payment of the principal of and interest on general obligation bonds authorized by vote of school district electors.
- (5) Construction remodeling projects and purchase of school sites/equipment, etc.
- (6) Charter school levy revenues to be directed to State Charter School program.
- (7) A "judgment levy" is levied for collecting additional revenues. The Board has the legal right to levy a "judgment levy" in the succeeding tax year to make up for any tax revenue shortfall due to tax or revaluation "judgment" circumstances that the Board had no control over.
- (8) The Board local levy and the Charter school levy are both included in calculating the maximum tax rate for the Board local levy of .002500.

(Source: From records of the Utah State Tax Commission, compiled by the Municipal Advisor.)

Comparative Ad Valorem Total Property Tax Rates Within Davis County

Tax Levying Entity ⁽¹⁾	Total Tax Rate Within Taxing Area (Calendar Year)				
	2025	2024	2023	2022	2021
Davis School District:					
Bountiful City.....	0.000789	0.010066	0.010061	0.010158	0.011987
Centerville City.....	0.001200	0.010339	0.010453	0.010391	0.012189
Clearfield City.....	0.001288	0.011078	0.010974	0.011159	0.013429
Clinton City.....	0.002159	0.010542	0.010366	0.010304	0.012634
Farmington City.....	0.001660	0.010002	0.009980	0.096650	0.011804
Fruit Heights City.....	0.001717	0.010098	0.010150	0.010083	0.012402
Kaysville City.....	0.001917	0.009821	0.010096	0.009898	0.012115
Layton City.....	0.001143	0.009457	0.009755	0.009880	0.012045
North Salt Lake City.....	0.000855	0.010064	0.010126	0.010142	0.012161
South Weber City.....	0.001434	0.009851	0.009911	0.009904	0.011795
Sunset City.....	0.001022	0.010961	0.010931	0.011107	0.012850
Syracuse City.....	0.001981	0.010295	0.010273	0.010306	0.012105
West Bountiful City.....	0.001368	0.010487	0.010472	0.010343	0.012240
West Point City.....	0.000730	0.010820	0.010700	0.010425	0.013069
Woods Cross City.....	0.001456	0.010642	0.010421	0.010425	0.011909
Unincorporated areas ⁽²⁾	0.010558	0.010466	0.010150	0.010142	0.012402

- (1) These tax rates represent a taxing district within the city or town with the highest combined total tax rates of all overlapping taxing districts.
- (2) These tax rates represent a taxing district within the unincorporated areas within the County with the highest combined total tax rates of all overlapping taxing districts.

(Source: Reports from the Utah State Tax Commission, compiled by the Municipal Advisor.)

Additional Information. For the District’s presentation of property tax rates based on a Calendar Year see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024—Direct and Overlapping Property Tax Rates Last Ten Tax Years—December 31, 2014 through December 31, 2023” (ACFR page 105).

Taxable, Fair Market And Market Value Of Property

Calendar Year	Taxable Value ⁽¹⁾	% Change Over Prior Year	Fair Market/Market Value ⁽²⁾	% Change Over Prior Year
2025*.....	\$46,450,957,011	5.1	\$74,430,920,581	5.2
2024.....	44,202,926,550	5.4	70,747,969,528	5.6
2023.....	41,923,743,776	1.5	67,026,628,761	1.3
2022.....	41,308,974,067	28.6	66,195,840,817	31.3
2021.....	32,111,765,922	13.2	50,413,903,124	14.5

* Preliminary; subject to change.

(1) Taxable valuation includes redevelopment agency valuation but excludes semi-conductor manufacturing equipment (“SCME”). The estimated redevelopment agency valuation for Calendar Year 2025 was \$1.630 million; for Calendar Year 2024 was \$1.978 million; for Calendar Year 2023 was \$1.472 million; for Calendar Year 2022 was approximately \$1,194.6 million; and for Calendar Year 2021 was approximately \$1,076.7 million.

(2) Estimated fair market values were calculated by dividing the taxable value of primary residential property by 55%, which eliminates the 45% exemption on primary residential property granted under the Property Tax Act. Does not include market valuation for SCME.

(Source: Information taken from reports of the State Tax Commission. Compiled by the Municipal Advisor.)

Historical Summaries Of Taxable Value Of Property

	Calendar Year					
	2025*	% of TV	2024	2023	2022	2021
	Taxable Value*		Taxable Value	Taxable Value	Taxable Value	Taxable Value
Set by State Tax Commission (<i>centrally assessed</i>)						
Total centrally assessed	\$792,140,790	1.7	\$735,193,960	\$744,298,717	\$909,663,900	\$866,641,781
Set by County Assessor (<i>locally assessed</i>)						
Real property (land and buildings)						
Primary residential	34,118,581,744	73.5	32,364,789,910	30,590,236,047	30,354,492,363	22,319,786,205
Secondary residential	295,739,360	0.6	280,537,518	295,674,018	406,200,064	290,738,916
Commercial and industrial	6,977,432,895	15.0	6,618,773,062	6,252,761,712	6,074,154,310	5,274,334,844
FAA (greenbelt)	205,182,014	0.4	194,635,077	186,508,904	5,773,564	5,677,416
Unimproved non FAA (vacant)	1,021,985,864	2.2	969,452,893	805,592,926	753,915,375	633,311,758
Agricultural	6,813,138	0.0	6,462,923	6,218,487	12,743,494	13,295,911
Total real property	42,625,735,014	91.8	40,434,651,383	38,136,992,094	37,607,279,170	28,537,145,050
Personal property						
Primary mobile homes	79,151,508	0.2	79,151,508	91,067,823	62,789,220	49,492,597
Secondary mobile homes	663,571	0.0	663,571	1,261,331	658,801	439,852
Other business	2,953,266,128	6.4	2,953,266,128	2,950,123,811	2,728,582,976	2,658,046,642
Total personal property	3,033,081,207	0.0	3,033,081,207	2,792,030,997	2,792,030,997	2,792,030,997
Total locally assessed	\$45,658,816,221	6.5	\$43,467,732,590	\$40,399,310,167	\$40,399,310,167	\$31,245,124,141
Total taxable value (1)	\$46,450,957,011	98.3	\$44,202,926,550	\$41,308,974,067	\$41,308,974,067	\$32,111,765,922

* Preliminary; subject to change.

(Source: Utah State Tax Commission.)

Additional Information. For the District’s presentation of a 10–year history of taxable valuations and estimated actual valuations based on a Calendar Year see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024–Assessed Value and Estimated Actual Value of Taxable Property Last Ten Tax Years December 31, 2014 through 2023” (ACFR page 104).

Tax Collection Record

Ad valorem property taxes are due on November 30 of each year.

Tax Year End June/30 (¹)	Total Taxes Levied (²)	Treasurer's Relief (³)	Net Taxes Assessed	Current Collections	Delinquent, Personal Property, and Miscel- laneous Col- lections (⁴)	Total Collections	% of Cur- rent Col- lections to Net Taxes As- sessed	% of Total Collec- tions to Net Taxes Assessed
2024	\$269,984,917	\$8,444,192	\$253,286,560	\$253,286,560	\$8,454,749	\$261,741,310	100.0%	103.3%
2023	261,697,397	7,668,740	254,028,657	246,117,795	9,892,500	256,010,294	96.9	100.8
2022	268,769,551	7,566,461	261,203,090	254,531,803	11,276,750	265,808,553	97.4	101.8
2021	245,494,794	5,781,377	239,713,417	232,588,264	8,535,080	241,123,344	97.0	100.6
2020	217,939,049	5,121,138	212,817,911	206,498,082	8,199,948	214,698,030	97.0	100.9

(1) Excludes redevelopment agencies valuation.

(2) Treasurer’s Relief includes abatements established by statute to low–income, elderly and for hardship situations. These Treasurer’s Relief items are levied against the property but are never collected and paid to the entity.

(3) Delinquent Collections include interest; sales of real and personal property; and miscellaneous delinquent collections.

(4) In addition to the Total Collections indicated above, the District also collected Uniform Fees (fees–in–lieu payments) for tax year of 2024 of \$13,607,984.37, for tax year of 2023 of \$14,177,057.53; for tax year of 2022 of \$14,259,798; for tax year 2021 of \$14,535,267; for tax year 2020 of \$13,007,424; and for tax year 2019 of \$13,206,698; from tax equivalent property associated with motor vehicles, water–craft, recreational vehicles, and all other tangible personal property required to be registered with the State.

(Source: Information taken from Utah State Tax Commission reports and compiled by the Municipal Advisor.)

Additional Information. For the District’s presentation of a 10–year history of property tax levies and collections see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024–Property Tax levies and Collections Last Ten Tax Years December 31, 2014 through 2023” (ACFR page 107).

Some Of The Largest Taxpayers

Information for Calendar Year 2024 is currently not available. The District’s single largest property taxpayer in Calendar Year 2023 was Chevron US Inc., Chevron Pipeline and California Oil. The company comprised approximately 2.0% of the District’s total taxable valuation for Calendar Year 2023. The top 10 largest property taxpayers comprised approximately 6.6% of the District total taxable valuation for Calendar Year 2023.

For a list of the District’s 10 largest property taxpayers for Calendar Year 2023 and Calendar Year 2014 see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024–Principal Property Taxpayers Current Year and Nine Years Ago December 31, 2023 and 2014” (ACFR page 106).

STATE OF UTAH SCHOOL FINANCE

Sources Of Funds

Funding for schools in the State is provided from local school district sources consisting of property taxes imposed by the local school district (“Local District Funding”), State sources that are funded primarily by State imposed personal income taxes and corporate franchise taxes (“State Funding”) and federal sources (“Federal Funding”). For Fiscal Year 2024, approximately 67.9% of the District’s funding was provided by State Funding, approximately 25.4% was provided by Local District Funding, and approximately 6.7% was provided from Federal Funding.

Local District Funding

School districts are authorized by State law to levy taxes, certain of which require voter approval, on real property for various purposes. Funding for operation and maintenance is derived primarily through a minimum tax levy (the “Minimum Tax Levy”) by each school district at a rate established each year by the State. Imposition of this Minimum Tax Levy is required for a school district to qualify for receipt of contributions by the State for such purposes. Additional tax levies for, among other things, educational programs and capital outlay and debt service to finance capital outlays may be made at the option of a school district. Certain of such levies will entitle a school district to State guaranteed levels of funding or receipt of specific additional contributions from the State. The Board has received all voter approval necessary for the taxes it currently levies. See “FINANCIAL INFORMATION REGARDING DAVIS SCHOOL DISTRICT, UTAH—Historical Tax Rates Of The District” above.

State Funding

Under its school funding program, the State guarantees that in connection with the Minimum Tax Levy and certain of a school district’s additional tax levies each school district will receive certain amounts based primarily on the number of students attending schools in such district. To the extent that such levies do not generate receipts at least equal to such guaranteed amounts, the State contributes funds to the school district in the amount of the shortfall. If a school district’s receipts from such levies reach such prescribed levels, there is no State contribution to such district. Further, school district receipts from the Minimum Tax Levy in excess of the guaranteed amounts are required to be paid over to the State for distribution to other school districts.

In addition to any contributions relating to shortfalls described above, the State annually appropriates fixed amounts to fund certain programs and services statewide. Funds for contributions to school districts and for other programs and services are appropriated from the State Uniform School Fund and the Education Fund, which are funded primarily from personal income taxes and corporate franchise taxes. State Funding is also available, under certain circumstances, to school districts for payment of a portion of capital costs.

Federal Funding

Federal funding is provided for various school programs including child nutrition, vocational education, and special education.

Summary Of State And Federal Funding

During the past five years the District received the following in State and federal funding:

	Fiscal Year				
	2024	2023	2022	2021	2020
State Funds					
General	\$531,277,406	\$407,916,893	\$407,916,893	\$413,973,147	\$395,594,943
Other governmental	7,017,074	5,269,575	5,269,575	4,227,244	4,834,762
Capital projects	-	4,252,279	4,252,279	241,068	6,346,846
Total	<u>\$538,294,480</u>	<u>\$417,438,747</u>	<u>\$417,438,747</u>	<u>\$418,441,459</u>	<u>\$406,776,551</u>
% change over prior year	18.4	8.9	(0.2)	2.9	6.2
Federal Funds					
General	\$52,058,660	\$ 63,217,756	\$71,613,678	\$47,024,269	\$32,067,217
Other governmental	20,153,791	18,772,924	33,313,150	16,717,674	13,644,737
Debt service	-	-	-	7,000	442,190
Total	<u>\$72,212,451</u>	<u>\$81,990,680</u>	<u>\$104,926,828</u>	<u>\$63,748,943</u>	<u>\$46,154,144</u>
% change over prior year	(11.9)	(21.9)	64.6	38.1	7.1

(Source: Information taken from the District’s audited financial statements for the indicated years. This summary has not been audited.)

LEGAL MATTERS

Absence Of Litigation

The attorneys for the Board, Fabian VanCott, Salt Lake City, Utah, have advised that, to the best of their knowledge after due inquiry, there is no pending or threatened litigation that would legally stop, enjoin, or prohibit the issuance, sale, or delivery of the 2025B Bonds.

General

The authorization and issuance of the 2025B Bonds are subject to the approval of Gilmore & Bell, P.C., Bond Counsel to the Board. Certain legal matters will be passed upon for the Board by the attorneys for the Board, Fabian VanCott, Salt Lake City, Utah. The approving opinion of Bond Counsel will be delivered with the 2025B Bonds. A copy of the opinion of Bond Counsel in substantially the form set forth in “APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL” will be made available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” above.

Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness, or sufficiency of the OFFICIAL STATEMENT or other offering material relating to the 2025B Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this OFFICIAL STATEMENT.

The various legal opinions to be delivered concurrently with the delivery of the 2025B Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the 2025B Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the 2025B Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the 2025B Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the 2025B Bonds.

Opinion Of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Board, under the law currently existing as of the issue date of the 2025B Bonds:

Federal Tax Exemption. The interest on the 2025B Bonds (including an original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the 2025B Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

State of Utah Tax Exemption. The interest on the 2025B Bonds is exempt from State of Utah individual income taxes.

Bond Counsel's opinions are provided as of the date of the original issue of the 2025B Bonds, subject to the condition that the Board comply with all requirements of the Code that must be satisfied subsequent to the issuance of the 2025B Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Board has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the 2025B Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the 2025B Bonds.

No Other Opinion. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the 2025B Bonds, except as expressly provided herein.

Other Tax Consequences

[Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a 2025B Bond over its issue price. The stated redemption price at maturity of a 2025B Bond is the sum of all payments on the 2025B Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a 2025B Bond is generally the first price at which a substantial amount of the 2025B Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a 2025B Bond during any accrual period generally equals (1) the issue price of that 2025B Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that 2025B Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that 2025B Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that 2025B Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

[Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a 2025B Bond over its stated redemption price at maturity. The stated redemption price at maturity of a 2025B Bond is the sum of all payments on the 2025B Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a 2025B Bond is generally the first price at which a substantial amount of the 2025B Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the 2025B Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the 2025B Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the 2025B Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a 2025B Bond, an owner of the 2025B Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the 2025B Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the 2025B Bond. To the extent a 2025B Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the 2025B Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the 2025B Bonds, and to the proceeds paid on the sale of the 2025B Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the 2025B Bonds should be aware that ownership of the 2025B Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial

institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,” foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the 2025B Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2025B Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the 2025B Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that the interest on the 2025B Bonds may be included in adjustment for financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

MISCELLANEOUS

Bond Ratings

As of the date of this OFFICIAL STATEMENT, the 2025B Bonds have been rated “___” by Moody’s based upon the School District Bond Guaranty. An explanation of the above rating may be obtained from Moody’s. The Board has not directly applied to Fitch or S&P for a rating on the 2025B Bonds.

Additionally, as of the date of this OFFICIAL STATEMENT, Moody’s has given the 2025B Bonds an underlying rating of “___.”

Any explanation of the significance of these outstanding ratings may only be obtained from the rating service furnishing the same. There is no assurance that the ratings given the outstanding general obligation bonds will continue for any given period or that the ratings will not be revised downward or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2025B Bonds.

Municipal Advisor

The Board has entered into an agreement with the Municipal Advisor where under the Municipal Advisor provides financial recommendations and guidance to the Board with respect to preparation for sale of the 2025B Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the 2025B Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this OFFICIAL STATEMENT and has supervised the completion and editing thereof. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the OFFICIAL STATEMENT, or any other related information available to the Board, with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the OFFICIAL STATEMENT or any other matter related to the OFFICIAL STATEMENT.

Independent Auditors

The financial statements of the Board as of June 30, 2024 and for the year then ended, included in this OFFICIAL STATEMENT, have been audited by Squire & Company, PC, Orem, Utah (“Squire”), as stated in their report in “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024” (ACFR page 23).

Squire has not participated in the preparation or review of this OFFICIAL STATEMENT. Based upon their non-participation, they have not consented to the use of their name in this OFFICIAL STATEMENT.

Additional Information

All quotations contained herein from and summaries and explanations of the State Constitution, statutes, programs and laws of the State, court decisions and the Resolutions, do not purport to be complete, and reference is made to

said State Constitution, statutes, programs, laws, court decisions and the Resolutions for full and complete statements of their respective provisions.

Any statements in this OFFICIAL STATEMENT involving matters of opinion, whether or not expressly so stated, are intended as such and not as representation of fact.

The appendices attached hereto are an integral part of this OFFICIAL STATEMENT and should be read in conjunction with the foregoing material.

This PRELIMINARY OFFICIAL STATEMENT is in a form deemed final for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.

This OFFICIAL STATEMENT and its distribution and use have been duly authorized by the Board.

Board of Education of Davis School District, Utah

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APPENDIX A

ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2024

The ACFR of the Board for Fiscal Year 2024 is contained herein. Copies of current and prior financial reports are available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” above.

The District’s basic financial statements for Fiscal Year 2025 must be completed under State law by November 30, 2025.

Government Finance Officers Association—Financial Reporting

Certificate of Achievement for Excellence in Financial Reporting. The Government Finance Officers Association of the United States and Canada (“GFOA”) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board for its ACFR for the 41st consecutive year, beginning with Fiscal Year 1982 through Fiscal Year 2023. For the Fiscal Year 2023 certificate see “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF DAVIS SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2023—Section 1. Introductory—Certificate of Achievement” (ACFR page 18).

To be awarded a certificate of achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A certificate of achievement is valid for a period of one year only.

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Davis School District

LEARNING FIRST

Utah



2024

Annual Comprehensive FINANCIAL REPORT

For fiscal year ended June 30, 2024

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Annual Comprehensive Financial Report

of the

DAVIS SCHOOL DISTRICT

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

For the Fiscal Year Ended June 30, 2024

**Liz Mumford, President of the Board
Daniel Linford, Superintendent
Craig Carter, Business Administrator**

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

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DAVIS SCHOOL DISTRICT

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INTRODUCTORY



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Davis School District

Established 1911

Learning First!

November 13, 2024

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

State law requires that school districts publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller of the United States. Pursuant to that requirement, we hereby issue the annual comprehensive financial report (ACFR) of the Davis School District (District) for the fiscal year ended June 30, 2024.

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

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

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

Independent audits. Squire & Company, PC, a firm of licensed certified public accountants, has audited the District's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2024 are free from material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion, and that the District's financial statements for the fiscal year ended June 30, 2024 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

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

The major purpose of the District is to provide public education for those who reside within the boundaries of the District. To accomplish this purpose, as of fall 2023, the District operates nine traditional high schools, seventeen junior high schools, and 62 elementary schools. The District also offers two special purpose programs: the Family Enrichment Center (providing preschool and Head Start programs), and Farmington Bay (a youth correctional facility). In addition, the District operates two alternative schools, Mountain High and the Renaissance Academy. The District serves 69,602 students based on the October 1, 2024 enrollment report.

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

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

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

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

Economic condition and outlook. The economic outlook of the District is tied to and dependent on the economic condition and outlook of the state of Utah since State aid provided approximately 68% of general fund revenues in 2024. Utah's economy experienced above average growth over the last three years increasing funding for the weighted pupil unit by 6.0%, 6.0%, and 5.9% respectively. For fiscal year 2025, the State increased per student funding by 45.0%. Current revenue projections for fiscal year 2025 show an upward trend for State revenues. The District projects a slight decline in the student population of approximately 1,000 students in 2024-25 and approximately 900 students in 2025-26.

The District continues to monitor budgets and evaluate District programs. For the 2024-25 school year, the Board maintained taxes at the certified rate which allows the District to generate the budgeted revenue from the prior year plus new growth.

The District's taxing authority rests with property taxes on residential and commercial property within the District. For tax year 2023, the District's taxable property values increased 6%. This is compared to an increase of 1% in 2022. For 2024, local taxation accounts for only 22% of general fund revenues and 28% of all governmental fund revenues.

Economic and residential expansion continues primarily in the Northwest corner of the district. The West Davis Corridor highway completed construction in January 2024 allowing major access to both commercial and residential growth in that section of the District. In the successful bond election of November 2022, the school board has planned for a new elementary and one junior high school in this area. The District has utilized local building authority bonds to begin an elementary school in West Point in June of 2022 which opened August 2024. District-wide, the average age of schools is approximately 38.3 years' however, in the northwest, the average age is only 28.0 years, demonstrating the recent growth in this section of the District.

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

The District projects slight decreases in student enrollment over the next five years measured from October 2024 to October 2029. No large increases or decreases are expected. The State 2025 fiscal year school finance program is designed to provide every Utah school district with a basic operation program of \$4,494 per weighted pupil unit (WPU).

In response to continued student growth in the Northwest section of the District and aging schools throughout, the County citizens passed a bond for \$475 million on the November 2022 election. The District will utilize the funding for 2 school rebuilds, 2 new schools, and several remodel projects.

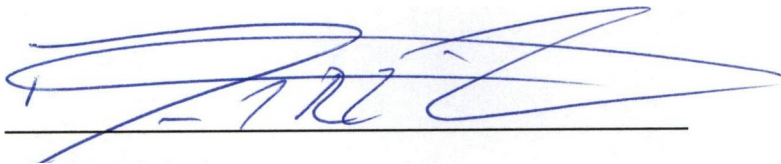
Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

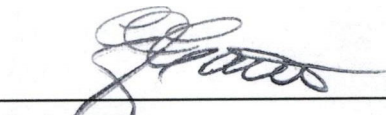
A Certificate of Achievement is valid for a period of one year. This is the forty-first year that the District has received this prestigious award. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

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

Respectfully submitted,

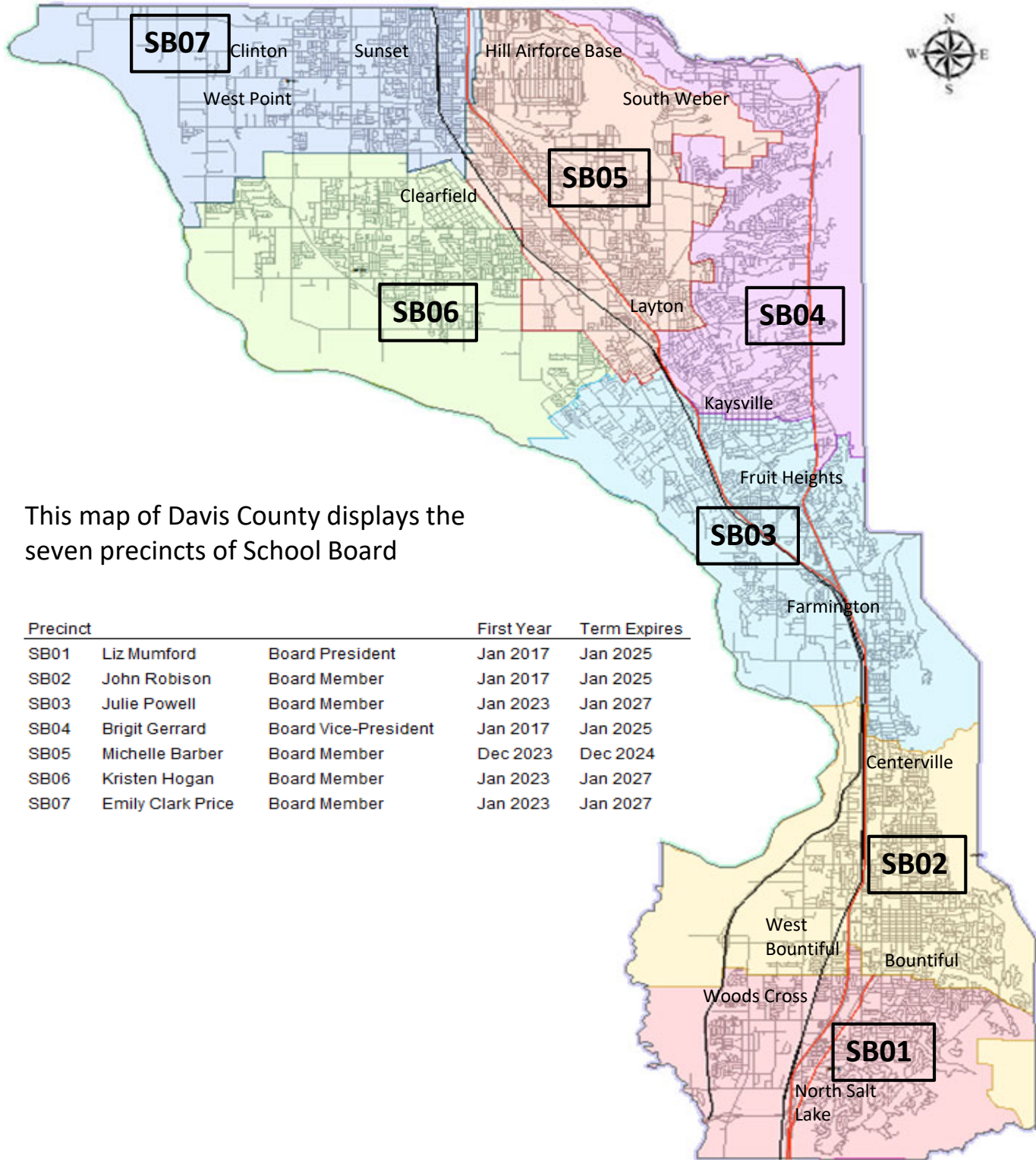


Daniel R. Linford
Superintendent



Craig Carter
Business Administrator

DAVIS SCHOOL DISTRICT
School Board Precinct Boundaries
 Year Ended June 30, 2024



DAVIS SCHOOL DISTRICT

List of Elected and Appointed Officials Year Ended June 30, 2024

Elected Officials

<u>Members of the Board of Education</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
Liz Mumford Precinct 1	January 2021	January 2025	January 2017
John Robison Precinct 2	January 2021	January 2025	January 2017
Julie Powell Precinct 3	January 2023	January 2027	January 2023
Brigit Gerrard Precinct 4	January 2021	January 2025	January 2017
Michelle Barber Precinct 5	December 2023	January 2025	December 2023
Kristen Hogan Precinct 6	January 2023	January 2027	January 2023
Emily Clark Price Precinct 7	January 2023	January 2027	January 2023

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

Appointed Officials

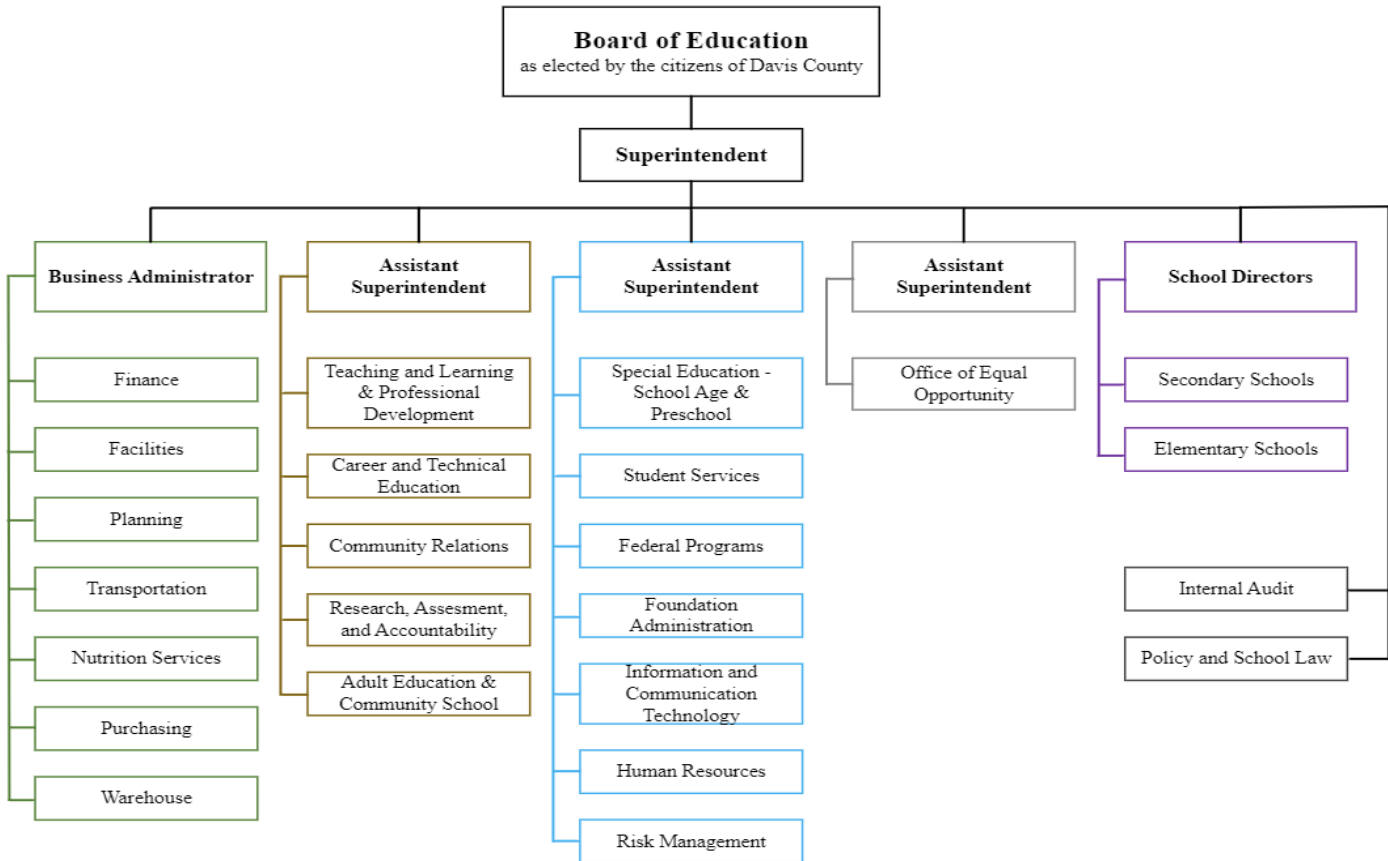
	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
Daniel Linford Superintendent	July 2022	July 2026	July 2022
Craig Carter Business Administrator	July 2023	July 2025	January 2010

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

DAVIS SCHOOL DISTRICT

Organizational Chart

Year Ended June 30, 2024





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Davis County School District
Utah**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

LEARNING FIRST!

VISION

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

MISSION

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



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FINANCIAL



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Independent Auditor's Report

Board of Education
Davis School District

Report on the Basic Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Davis School District (the District) as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Davis School District as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Davis School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Davis School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Davis School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Davis School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the introductory and statistical sections included in the annual report. The introductory and statistical sections do not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the introductory and statistical sections, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the introductory and statistical sections and consider whether a material inconsistency exists between the introductory and statistical sections and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the introductory and statistical sections exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Squire & Company, PC

Orem, Utah
November 13, 2024

Management's Discussion and Analysis

This section of Davis School District's (the District) annual comprehensive financial report presents management's discussion and analysis of the District's financial performance during the year ended June 30, 2024. Please read it in conjunction with the transmittal letter found on pages 11 through 14 of this report and the District's financial statements, which follow this section.

Financial Highlights

- The District's total net position was \$590.8 million at the close of the most recent fiscal year, most of which is invested in capital assets.
- The District is dependent on revenues generated by property taxes. Property tax revenues decreased by 3.6% in 2024 to \$265.9 million. This was due to a decrease in the statutory rate set by the State Legislature.
- During the year, expenses were \$75.1 million less than the \$959.2 million generated in taxes and other revenues for governmental activities.
- As directed by the District's School Board, the District has increased its fund balance commitment to economic stabilization in the *General Fund*. At June 30, 2024, the District has committed \$39.8 million of the *General Fund* balance to economic stabilization. At June 30, 2024, the District has \$63.8 million of unassigned fund balance in the *General Fund*.

Overview of the Financial Statements

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

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

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

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

The government-wide financial statements can be found on pages 34 to 35 of this report.

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

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

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

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

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

The basic governmental fund financial statements can be found on pages 36 to 40 of this report.

- **Proprietary funds.** The District maintains one proprietary fund type. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses one internal service fund to account for the management of its retained risks. The internal service fund is included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 41 to 43 of this report.

- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The District maintained one fiduciary fund for the Northern Utah Academy for Math, Engineering and Science (NUAMES) charter school. As of July 1, 2024, the District ended its relationship with NUAMES and no longer holds their funds.

The basic fiduciary fund financial statements can be found on pages 44 and 45 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 46 to 71 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District’s progress in funding its obligation to provide pension benefits to its employees. This required supplementary information can be found on pages 75 to 77 of this report.

Individual fund statements and schedules are presented immediately following the notes to the basic financial statements. Individual fund statements and schedules can be found on pages 80 to 95 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$590.8 million at the close of the most recent fiscal year.

DAVIS SCHOOL DISTRICT'S Net Position
June 30, 2024 and 2023
(in millions of dollars)

	Governmental Activities		Total Change
	2024	2023	2024-2023
Current and other assets	\$ 697.4	\$ 781.7	\$ (84.3)
Capital assets	909.4	784.5	124.9
Total assets	<u>1,606.8</u>	<u>1,566.2</u>	<u>40.6</u>
Deferred outflows of resources	119.6	123.8	(4.2)
Current and other liabilities	153.7	113.7	40.0
Long-term liabilities outstanding	718.7	806.2	(87.5)
Total liabilities	<u>872.4</u>	<u>919.9</u>	<u>(47.5)</u>
Deferred inflows of resources	263.2	254.4	8.8
Net position:			
Net investment in capital assets	363.0	301.8	61.2
Restricted	96.0	117.3	(21.3)
Unrestricted	<u>131.8</u>	<u>96.6</u>	<u>35.2</u>
Total net position	<u>\$ 590.8</u>	<u>\$ 515.7</u>	<u>\$ 75.1</u>

The largest portion of the District’s net position (\$363.0 million) reflects its investment in capital assets less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District’s net position (\$96.0 million) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for school food services, debt service, and capital projects.

The remaining net position of \$131.8 million is unrestricted which is primarily comprised of District assigned and unassigned fund balances in the general fund.

The key elements of change in the District's net position for the year ended June 30, 2024, are as follows:

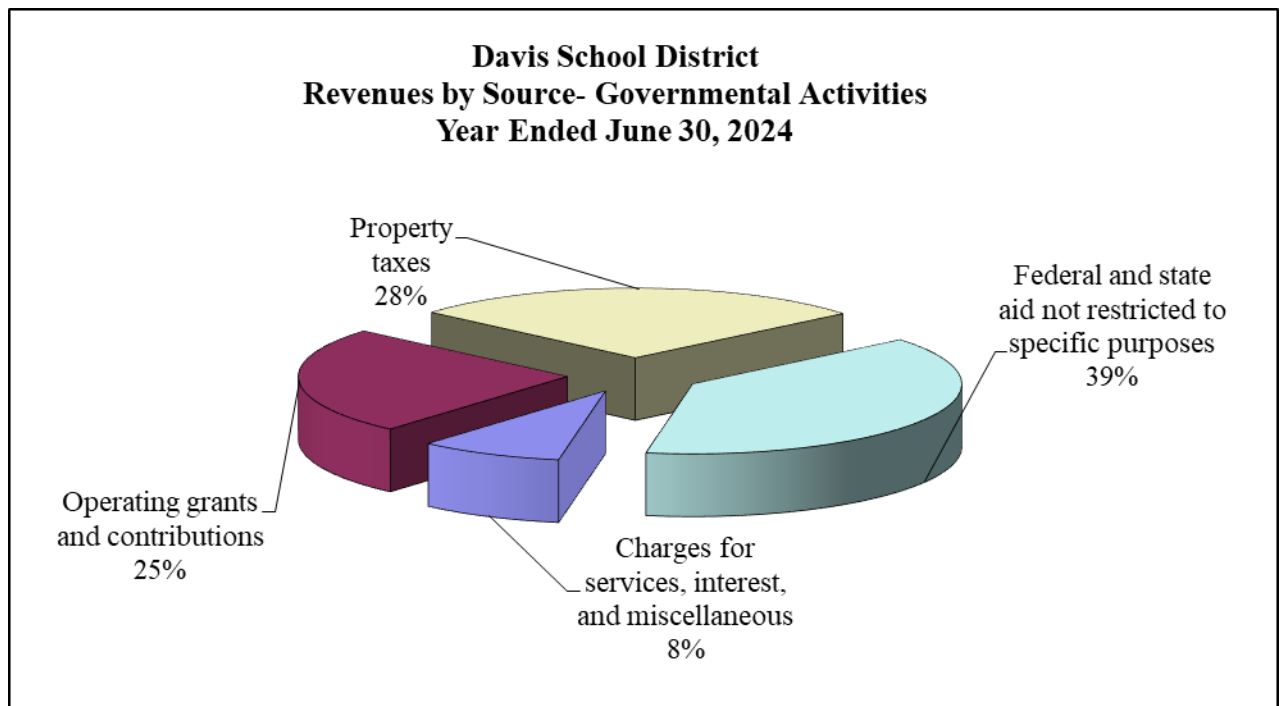
- Unrestricted net position increased by \$35.2 million during the current year. This increase primarily reflects an increase in the District's unrestricted reserves.
- Restricted net position decreased by \$21.3 million during the current year. This reflects a use of Debt Service fund balance applied to debt payments.
- The District's total revenues increased 8.9% to \$959.2 million. Federal and state aid make up 63.7% of the District's revenues; property taxes generated 27.7% of the District's revenues.
- The total cost of all programs and services increased by 9.7% to \$884.1 million. Instruction and support services represented 66.6% and 27.1%, respectively, of the District's expenses.

DAVIS SCHOOL DISTRICT'S Changes in Net Position
Years Ended June 30, 2024 and 2023
(in millions of dollars)

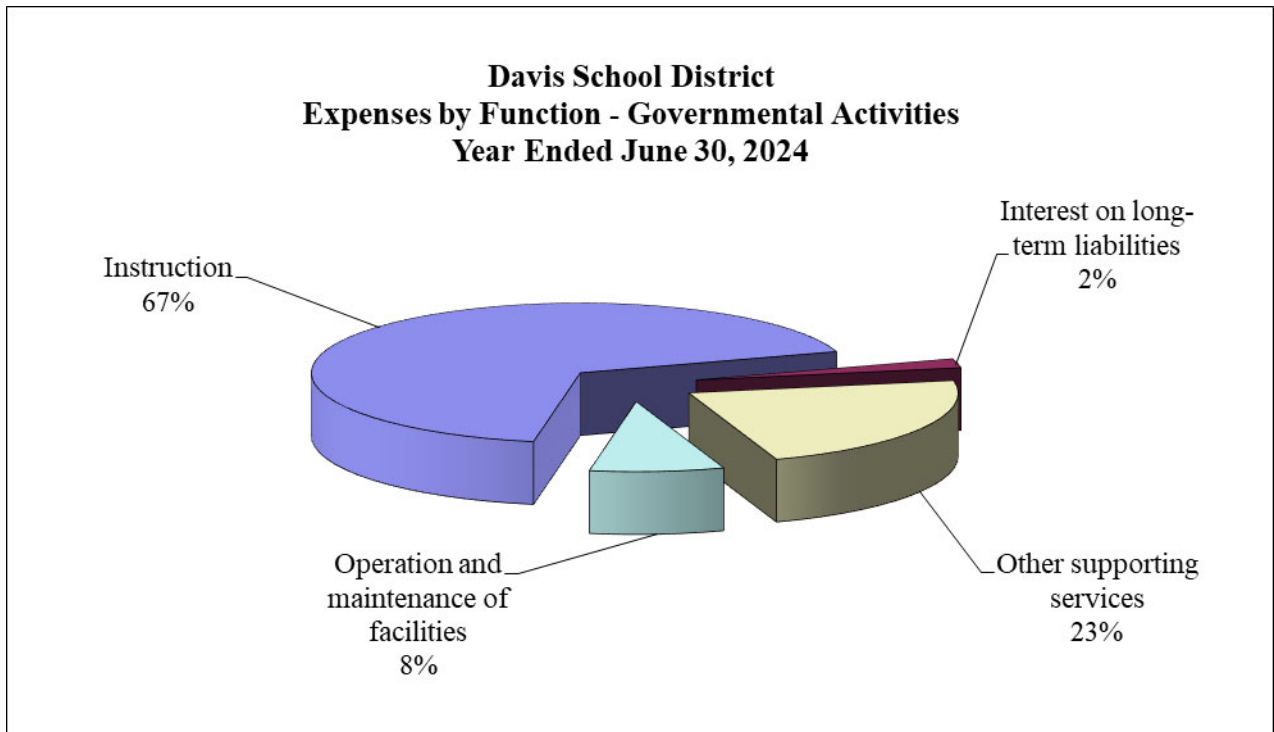
	Governmental Activities		Total Change
	2024	2023	2024-2023
Revenues:			
Program revenues:			
Charges for services	\$ 23.6	\$ 18.9	\$ 4.7
Operating grants and contributions	239.0	196.8	42.2
General revenues:			
Property taxes	265.9	276.6	(10.7)
Federal and state revenue not restricted to specific purposes	371.5	339.8	31.7
Interest	25.6	16.3	9.3
Miscellaneous	33.6	32.1	1.5
Total revenues	<u>959.2</u>	<u>880.5</u>	<u>78.7</u>
Expenses:			
Instruction	588.9	537.9	51.0
Support services:			
Student	32.7	28.6	4.1
Instructional staff	32.8	30.6	2.2
District administration	5.1	5.2	(0.1)
School administration	54.3	50.1	4.2
Business administration	24.4	22.7	1.7
Operation and maintenance of facilities	72.5	64.3	8.2
Student transportation	17.8	21.1	(3.3)
School food services	36.8	30.6	6.2
Interest on long-term liabilities	18.8	14.9	3.9
Total expenses	<u>884.1</u>	<u>806.0</u>	<u>78.1</u>
Changes in net position	75.1	74.5	0.6
Net position, beginning	<u>515.7</u>	<u>441.2</u>	<u>74.5</u>
Net position, ending	<u>\$ 590.8</u>	<u>\$ 515.7</u>	<u>\$ 75.1</u>

Governmental activities. The key elements of the increase in the District's net position for the year ended June 30, 2024 are as follows:

- Revenues increased \$78.7 million or 8.94% and continue to be primarily from federal and state revenue and property taxes.
- Federal and state revenue not restricted to specific purposes and operating grants and contributions increased by 9.3% or \$371.5 million. Total federal revenue decreased 11.9% to \$72.2 million primarily due to lower spending levels of COVID-19 grants and federal reimbursement of the school lunch program. State aid is based primarily on weighted pupil units (WPU) and other appropriations. If a student is in membership a full 180 days, the state awards the District one WPU. The state guarantees that if local taxes do not provide money equal to the amount generated by the WPU the state will make up the difference with state funding. The value of the WPU increased 6.0% from \$4,038 (2023) to \$4,280 (2024).
- Property tax revenues decreased to \$265.9 million or by 3.9%. This is due to a decrease in the statutory rate set by the State Legislature.



- Expenses for governmental activities increased \$78.1 million or by 9.7%. This increase was primarily the result of increased pension related expenses to URS liabilities and increased personnel expenditures for instruction.



Financial Analysis of the District's Funds

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

Governmental funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. As the District completed the year, its governmental funds reported a combined fund balance of \$257.1 million, \$131.2 million less than the previous year. The *General Fund* and the *Debt Service Fund* had a \$26.8 million increase and a \$26.9 million decrease in fund balance, respectively. The *Capital Projects Fund* saw a decrease of \$130.1 million due to spending of unspent bond proceeds that were a portion of last year's fund balance. In addition, the following changes in revenues and expenditures should be noted:

- Revenues for the *General Fund* totaled \$782.1 million, an increase of 10.5%, during the current fiscal year. This increase is primarily due to increased State revenues from increased per pupil funding.
- Expenditures for the *General Fund* totaled \$755.3 million, an increase of 10.3% during the current fiscal year. Instruction represents 68.9% of *General Fund* expenditures. *Capital Project* expenditures increased 143.2% due to the construction of 2 new schools and a rebuild of a junior high school.
- *General Fund* salaries totaled \$465.2 million while the associated employee benefits of retirement, social security, and insurance (health and accident, industrial, and unemployment) added \$193.4 million to arrive at 87.2% of total *General Fund* expenditures.
- Revenues for the *Debt Service* fund in 2023 totaled \$67.9 million and for 2024 totaled \$67.3 million, representing a minor decrease of 1.0%.

Governmental funds report the differences between their assets, deferred outflows of resources, liabilities, and deferred inflows of resources as fund balance, which is divided into nonspendable, restricted, and

unrestricted portions. Nonspendable fund balance represents items such as inventories which are not resources that can be readily converted to cash. Restricted fund balance includes net fund resources of the District that are subject to external constraints due to state or federal laws, or externally-imposed conditions by grantors or creditors. The unrestricted fund balance is, in turn, subdivided between committed, assigned, and unassigned portions. Committed balances reflect the District's self-imposed limitation on the use of otherwise available expendable financial resources in governmental funds. Assigned balances in the *General Fund* and in other governmental funds are those that do not meet the requirements of restricted or committed but are intended to be used for specific purposes. Unassigned balances in the *General Fund* are all other available net fund resources. As of June 30, 2024, the District's combined governmental fund balance is \$257.1 million (\$11.1 million in nonspendable, \$63.6 million in restricted, \$62.5 million in committed, \$56.1 million in assigned, and \$63.8 million in unassigned fund balances).

General Fund Budgetary Highlights

During the year, the Board revised the District's budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$29.0 million or 3.9% in total *General Fund* expenditures.

During the year, final budgeted revenues were more than original budgetary estimates by \$29.0 million or 3.9%. The increase primarily reflects Federal COVID-19 grant expenditures.

In addition to these adjustments, the District maintained cost-cutting measures to hold expenditures below the amended budget in order to build reserves for unanticipated future costs. Consequently, actual expenditures were \$23.9 million below final budgeted amounts.

Capital Asset and Debt Administration

Capital Assets. The *Capital Projects Fund* is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students within the District. The District spent \$160.8 million for capital assets, the majority being new construction and existing building improvements.

The District continues to enhance school and District facilities. The District is currently building a junior high school in West Point and rebuilding Sunset Junior High with both junior high schools scheduled to open fall 2025.

Capital assets at June 30, 2024 and 2023 are outlined below:

DAVIS SCHOOL DISTRICT'S Capital Assets
June 30, 2024 and 2023
(net of accumulated depreciation in millions of dollars)

	Governmental Activities		Total Change
	2024	2023	2024-2023
Land	\$ 67.0	\$ 67.2	\$ (0.2)
Construction in progress	181.9	26.4	155.5
Buildings and improvements	641.6	673.2	(31.6)
Furniture and equipment	6.0	5.0	1.0
Transportation equipment	12.9	12.7	0.2
Total capital assets	<u>\$ 909.4</u>	<u>\$ 784.5</u>	<u>\$ 124.9</u>

Additional information on the District's capital assets can be found in Note 6 to the basic financial statements.

Debt Administration. The general obligation bonded debt of the District is limited by state law to 4.0% of the fair market value of the total taxable property in the District. The legal debt limit on June 30, 2024 was \$3,028.6 million. General obligation debt, net of unamortized premiums, on June 30, 2024 was \$476.4 million, resulting in a legal debt margin of \$2,552.2 million.

DAVIS SCHOOL DISTRICT'S Outstanding Debt
June 30, 2024 and 2023
Net of Accumulated Amortization
(in millions of dollars)

	Governmental activities		
	2024	2023	Total Change 2024-2023
Net general obligation bonds	\$ 476.4	\$ 553.4	\$ (77.0)
Lease revenue bonds	36.9	38.4	(1.5)
	<u>\$ 513.3</u>	<u>\$ 591.8</u>	<u>\$ (78.5)</u>

Although it is not unusual for governments to have a 30-year bond payoff schedule, the District maintains an aggressive schedule to retire all its general obligation bonds by 2043.

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

Changing Enrollment within the District

Student enrollment counts are officially taken on October 1 of each year. The District anticipated a slight student decline of approximately 1,000 students for the 2023-24 school year; actual enrollment decreased 861 students. The chart below reflects the counts taken between October 1, 2020 and October 1, 2024, and shows total student decline of 2,661 students over the five-year period, a 3.7% decrease.

DAVIS SCHOOL DISTRICT'S Student Enrollment
Years Ended June 30, 2020 to 2024

	2020	2021	2022	2023	2024	Total
October 1st enrollment	70,643	72,540	71,564	70,703	69,602	
Total enrollment change	(2,254)	1,897	(976)	(861)	(1,101)	(2,661)
Percentage change	-3.1%	2.7%	-1.3%	-1.2%	-1.6%	-3.7%

Requests for Information

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

DAVIS SCHOOL DISTRICT

Statement of Net Position

June 30, 2024

	Governmental Activities
Assets:	
Cash and investments	\$ 397,527,553
Receivables:	
Property taxes	265,572,427
Other local	2,728,838
Leases	5,112,844
State of Utah	7,243,744
Federal government	8,425,394
Inventories	11,073,870
Capital assets:	
Land and construction in progress	248,962,970
Other capital assets, net of accumulated depreciation	660,476,833
Total assets	<u>1,607,124,473</u>
Deferred outflows of resources:	
Deferred charges on refunding	3,060,284
Related to pensions	116,569,132
Total deferred outflows of resources	<u>119,629,416</u>
Liabilities:	
Accounts payable	52,467,263
Retainage payable	6,882,193
Accrued interest	1,236,507
Accrued salaries and benefits	79,920,751
Unearned revenue:	
State of Utah	13,225,430
Federal government	221,324
Noncurrent liabilities:	
Due or payable within one year	50,425,705
Due or payable after one year	668,313,579
Total liabilities	<u>872,692,752</u>
Deferred inflows of resources:	
Property taxes levied for future year	256,729,838
Related to leases	5,112,844
Related to pensions	1,387,543
Total deferred inflows of resources	<u>263,230,225</u>
Net position:	
Net investment in capital assets	362,998,824
Restricted for:	
Debt service	11,514,363
Capital projects	63,261,586
School food services	21,226,313
Unrestricted	131,829,826
Total net position	<u><u>\$ 590,830,912</u></u>

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

DAVIS SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2024

Activities/Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary government:				
Governmental activities:				
Instruction	\$ 588,871,316	\$ 10,033,669	\$ 172,878,310	\$ (405,959,337)
Supporting services:				
Students	32,639,138	-	10,801,506	(21,837,632)
Instructional staff	32,812,413	-	6,934,595	(25,877,818)
District administration	5,108,166	-	72,710	(5,035,456)
School administration	54,343,671	-	4,380,362	(49,963,309)
Central	24,375,191	-	2,705,448	(21,669,743)
Operation and maintenance of facilities	72,527,737	4,358,438	2,235,996	(65,933,303)
Student transportation	17,792,643	-	11,843,598	(5,949,045)
School food services	36,823,179	9,227,916	27,170,865	(424,398)
Interest on long-term liabilities	18,771,262	-	-	(18,771,262)
Total primary government	<u>\$ 884,064,716</u>	<u>\$ 23,620,023</u>	<u>\$ 239,023,390</u>	<u>(621,421,303)</u>
General revenues:				
Property taxes levied for:				
Basic				64,782,784
Voted local				49,586,495
Board local				54,047,066
Debt service				67,286,368
Capital outlay				17,971,262
Pass-through taxes				12,198,762
Federal and state revenue not restricted to specific purposes				371,483,541
Earnings on investments				25,592,443
Other local				33,615,396
Total general revenues				<u>696,564,117</u>
Change in net position				75,142,814
Net position - beginning				<u>515,688,098</u>
Net position - ending				<u>\$ 590,830,912</u>

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

DAVIS SCHOOL DISTRICT

Balance Sheet Governmental Funds June 30, 2024

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 243,847,570	\$ 10,448,193	\$ 64,904,044	\$ 35,414,573	\$ 354,614,380
Receivables:					
Property taxes	166,791,542	68,375,346	17,528,526	12,877,013	265,572,427
Other local	-	-	-	26,002	26,002
Leases	5,112,844	-	-	-	5,112,844
State of Utah	6,438,759	-	-	804,985	7,243,744
Federal government	8,084,881	-	-	340,513	8,425,394
Inventories	7,777,579	-	-	3,296,291	11,073,870
Total assets	<u>\$ 438,053,175</u>	<u>\$ 78,823,539</u>	<u>\$ 82,432,570</u>	<u>\$ 52,759,377</u>	<u>\$ 652,068,661</u>
Liabilities:					
Accounts payable	\$ 3,408,202	\$ -	\$ 31,577,964	\$ 1,431,384	\$ 36,417,550
Accrued salaries and benefits	79,920,751	-	-	-	79,920,751
Unearned revenue:					
State of Utah	13,225,430	-	-	-	13,225,430
Federal government	221,324	-	-	-	221,324
Total liabilities	<u>96,775,707</u>	<u>-</u>	<u>31,577,964</u>	<u>1,431,384</u>	<u>129,785,055</u>
Deferred inflows of resources:					
Unavailable property tax revenue	2,100,858	838,798	223,988	157,719	3,321,363
Related to leases	5,112,844	-	-	-	5,112,844
Property taxes levied for future year	161,024,247	66,072,669	16,913,628	12,719,294	256,729,838
Total deferred inflows of resources	<u>168,237,949</u>	<u>66,911,467</u>	<u>17,137,616</u>	<u>12,877,013</u>	<u>265,164,045</u>
Fund balances:					
Nonspendable:					
Inventories	7,777,579	-	-	3,296,291	11,073,870
Restricted for:					
Debt service	-	11,912,072	-	-	11,912,072
Capital projects	-	-	33,716,990	-	33,716,990
School food services	-	-	-	17,930,022	17,930,022
Committed to:					
Workers compensation	2,000,000	-	-	-	2,000,000
Termination benefits	7,000,000	-	-	-	7,000,000
Schools	-	-	-	13,759,634	13,759,634
Economic stabilization	39,800,000	-	-	-	39,800,000
Assigned to:					
Foundation	-	-	-	3,465,033	3,465,033
Programs	18,800,000	-	-	-	18,800,000
Textbooks	20,000,000	-	-	-	20,000,000
Employee compensation	12,000,000	-	-	-	12,000,000
Schools	325,000	-	-	-	325,000
Medical insurance	1,500,000	-	-	-	1,500,000
Unassigned	63,836,940	-	-	-	63,836,940
Total fund balances	<u>173,039,519</u>	<u>11,912,072</u>	<u>33,716,990</u>	<u>38,450,980</u>	<u>257,119,561</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 438,053,175</u>	<u>\$ 78,823,539</u>	<u>\$ 82,432,570</u>	<u>\$ 52,759,377</u>	<u>\$ 652,068,661</u>

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

DAVIS SCHOOL DISTRICT

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

June 30, 2024

Total fund balances for governmental funds	\$	257,119,561
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Total net position reported for governmental activities in the statement of net position is different because:

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

Those assets consist of:

Land	\$ 67,053,036	
Construction in progress	181,909,934	
Buildings and improvements, net of \$585,317,831 accumulated depreciation	641,605,709	
Furniture and equipment, net of \$22,316,806 accumulated depreciation	5,992,485	
Transportation equipment, net of \$29,266,322 accumulated depreciation	<u>12,878,639</u>	909,439,803

Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds.		3,321,363
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Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		(1,236,507)
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An internal service fund is used by management to charge the costs of self insurance to individual funds and programs. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. Internal service fund net position at year-end is:		29,566,296
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Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

Bonds payable	(442,765,000)	
Lease revenue bonds payable	(36,935,000)	
Deferred charges on refunding	3,060,284	
Unamortized premiums	(33,598,462)	
Retainage payable	(6,882,193)	
Accrued vacation	(8,533,848)	
Accrued sick leave	(4,377,952)	
Accrued personal leave	(2,615,732)	
Early retirement payable	(11,779,287)	
Net pension liability	(178,134,003)	
Deferred outflows of resources related to pensions	116,569,132	
Deferred inflows of resources related to pensions	<u>(1,387,543)</u>	<u>(607,379,604)</u>

Total net position - governmental activities	\$	<u>590,830,912</u>
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The notes to basic financial statements are an integral part of this statement.

DAVIS SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2024

	Major Governmental Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 168,434,791	\$ 67,250,068	\$ 17,958,121	\$ 12,184,829	\$ 265,827,809
Earnings on investments	16,706,456	-	6,594,786	2,291,201	25,592,443
Other local	13,601,733	-	6,005,643	29,277,997	48,885,373
School lunch sales	-	-	-	7,790,873	7,790,873
State of Utah	531,277,406	-	-	7,017,074	538,294,480
Federal government	52,058,660	-	-	20,153,791	72,212,451
Total revenues	782,079,046	67,250,068	30,558,550	78,715,765	958,603,429
Expenditures:					
Current:					
Instruction	520,488,714	-	-	42,952,639	563,441,353
Supporting services:					
Students	32,722,418	-	-	-	32,722,418
Instructional staff	33,016,487	-	-	-	33,016,487
District administration	5,123,597	-	-	-	5,123,597
School administration	53,797,977	-	-	-	53,797,977
Central	23,774,099	-	-	-	23,774,099
Operation and maintenance of facilities	70,418,121	-	-	-	70,418,121
Student transportation	15,917,708	-	-	-	15,917,708
School food services	-	-	-	36,715,327	36,715,327
Capital outlay	-	-	158,560,262	-	158,560,262
Debt service:					
Bond principal	-	74,065,000	1,450,000	-	75,515,000
Bond interest	-	20,105,989	1,362,668	-	21,468,657
Fees and miscellaneous charges	-	12,343	-	-	12,343
Total expenditures	755,259,121	94,183,332	161,372,930	79,667,966	1,090,483,349
Excess (deficiency) of revenues over (under) expenditures	26,819,925	(26,933,264)	(130,814,380)	(952,201)	(131,879,920)
Other financing sources (uses):					
Proceeds from sale of capital assets	-	-	669,025	-	669,025
Net change in fund balances	26,819,925	(26,933,264)	(130,145,355)	(952,201)	(131,210,895)
Fund balances - beginning	146,219,594	38,845,336	163,862,345	39,403,181	388,330,456
Fund balances - ending	\$ 173,039,519	\$ 11,912,072	\$ 33,716,990	\$ 38,450,980	\$ 257,119,561

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

DAVIS SCHOOL DISTRICT

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

Year Ended June 30, 2024

Net change in fund balances-total governmental funds	\$ (131,210,895)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlays	\$ 153,907,728	
Gain on sale of capital assets	559,173	
Proceeds from sale of capital assets	(669,025)	
Depreciation expense	<u>(35,730,130)</u>	118,067,746

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

Amortization of deferred amounts on refunding	(536,149)	
Amortization of bond premiums	3,001,844	
Repayment of bond principal	75,515,000	
Interest expense - general obligation bonds	<u>244,043</u>	78,224,738

Property tax revenue is recognized when levied (claim to resources established) rather than when available. The portion not available soon enough to pay for the current period's expenditures is reported as deferred inflows of resources in the funds.	44,928
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In the statement of activities, certain operating expenses - compensated absences (vacation and sick and personal leave) and termination benefits (early retirement) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year, benefit obligations changed by the following amounts:

Accrued vacation	(551,024)	
Accrued sick and personal leave	(354,299)	
Early retirement payable	150,113	
Pension expense	<u>6,745,001</u>	5,989,791

An internal service fund is used by the District to charge the costs of health and dental insurance to individual funds. The assets and liabilities of this internal service fund are included with governmental activities in the statement of net position. The change in net position of this internal service fund is:	<u>4,026,506</u>
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Change in net position of governmental activities	<u><u>\$ 75,142,814</u></u>
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The notes to basic financial statements are an integral part of this statement.

DAVIS SCHOOL DISTRICT

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

General Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 169,259,700	\$ 169,520,200	\$ 168,434,791	\$ (1,085,409)
Earnings on investments	11,892,800	19,500,000	16,706,456	(2,793,544)
Other local	12,358,400	12,763,800	13,601,733	837,933
State of Utah	514,064,300	524,235,100	531,277,406	7,042,306
Federal government	42,527,200	53,112,200	52,058,660	(1,053,540)
Total revenues	750,102,400	779,131,300	782,079,046	2,947,746
Expenditures:				
Current:				
Instruction	516,735,400	538,417,200	520,488,714	17,928,486
Supporting services:				
Students	32,704,500	33,817,000	32,722,418	1,094,582
Instructional staff	33,420,000	33,430,700	33,016,487	414,213
District administration	5,223,900	5,198,900	5,123,597	75,303
School administration	53,631,900	53,199,900	53,797,977	(598,077)
Central	22,923,700	23,983,100	23,774,099	209,001
Operation and maintenance of facilities	66,832,700	72,908,000	70,418,121	2,489,879
Student transportation	18,630,300	18,176,500	15,917,708	2,258,792
Total expenditures	750,102,400	779,131,300	755,259,121	23,872,179
Excess of revenues over expenditures / net change in fund balances	-	-	26,819,925	26,819,925
Fund balances - beginning	146,219,594	146,219,594	146,219,594	-
Fund balances - ending	\$ 146,219,594	\$ 146,219,594	\$ 173,039,519	\$ 26,819,925

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

DAVIS SCHOOL DISTRICT

Statement of Fund Net Position
Proprietary Fund
June 30, 2024

	Governmental Activities- Internal Service Fund Self Insurance
Assets:	
Current assets:	
Cash and investments	\$ 42,913,173
Accounts receivable	<u>2,702,836</u>
Total current assets	<u>45,616,009</u>
Liabilities:	
Current liabilities:	
Claims payable	<u>16,049,713</u>
Net position:	
Unrestricted	<u><u>\$ 29,566,296</u></u>

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

DAVIS SCHOOL DISTRICT

Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund

Year Ended June 30, 2024

	Governmental Activities- Internal Service Fund Self Insurance
Operating revenues:	
Charges for services	\$ 79,971,764
Operating expenses:	
Other	75,945,258
Operating income / change in net position	4,026,506
Net position - beginning	25,539,790
Net position - ending	\$ 29,566,296

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

DAVIS SCHOOL DISTRICT

Statement of Fund Cash Flows Proprietary Fund Year Ended June 30, 2024

	Governmental Activities- Internal Service Fund Self Insurance
Cash flows from operating activities:	
Receipts from interfund services provided	\$ 78,975,399
Payments to suppliers	<u>(75,459,169)</u>
Net cash provided by operating activities	3,516,230
Cash and cash equivalents - beginning	<u>39,396,943</u>
Cash and cash equivalents - ending (displayed as cash and investments on the statement of fund net position)	<u><u>\$ 42,913,173</u></u>
 Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 4,026,506
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Accounts receivable	(996,365)
Claims payable	<u>486,089</u>
Total adjustments	<u>(510,276)</u>
Net cash provided by operating activities	<u><u>\$ 3,516,230</u></u>
 Noncash investing, capital, and financing activities:	<u><u>None</u></u>

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

DAVIS SCHOOL DISTRICT
Statement of Fiduciary Net Position
Custodial Fund
June 30, 2024

	NUAMES Charter School
Assets:	
Cash and investments	\$ 4,173,750
Accounts receivable	286,894
Total assets	<u>4,460,644</u>
Liabilities:	
Accounts payable	<u>1,275,282</u>
Net position:	
Restricted for individuals, organizations, and other governments	<u><u>\$ 3,185,362</u></u>

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

DAVIS SCHOOL DISTRICT

Statement of Changes in Fiduciary Net Position Custodial Fund

Year Ended June 30, 2024

	<u>NUAMES Charter School</u>
Additions:	
Local	\$ 573,005
State	13,031,089
Federal	<u>156,292</u>
Deposits from individuals, organizations, and other governments / total additions	<u>13,760,386</u>
Deductions:	
Salaries and benefits	9,839,470
Other	<u>3,647,873</u>
Payments to individuals, organizations, and other governments / total deductions	<u>13,487,343</u>
Change in net position	273,043
Net position - beginning	<u>2,912,319</u>
Net position - ending	<u><u>\$ 3,185,362</u></u>

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The Board of Education, comprised of seven elected individuals, is the primary governing authority for the District. As required by GAAP, these financial statements present the activities of the District and its blended component units, Davis School District Foundation (the Foundation) and the Local Building Authority of Davis School District (the Building Authority), for which the District is considered to be financially accountable. The District is not a component unit of any other government. Although legally separate entities, blended component units are, in substance, part of the District's operations.

- The Foundation exclusively services the District. The District makes all personnel decisions for the Foundation and pays for all operating costs of the Foundation. The Foundation does not issue separate financial statements.
- The Building Authority has the same board as the District and provides financing services exclusively to the District. The District has committed resources to service debt obligations of the Building Authority. The Building Authority is reported with the governmental funds of the District. The Building Authority does not issue separate financial statements.

Government-Wide and Fund Financial Statements

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

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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

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

The District reports the following major governmental funds:

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

Additionally, the District reports the following fund types:

- The *Self Insurance Fund* (an internal service fund) which accounts for employee benefits provided to other funds of the District on a cost-reimbursement basis.
- The *Custodial Fund* (a fiduciary fund) accounts for resources held by the District as a custodian for individuals, organizations, and other governments. Custodial funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The District's custodial fund includes resources held for the *Northern Utah Academy for Math, Engineering and Science (NUAMES)*.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within thirty days after year-end. Property taxes and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, early

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

retirement, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Budgetary Data

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

- By June 1 of each year, the District business administrator prepares a proposed annual budget (for the fiscal year beginning July 1) for all applicable funds. The budget is presented to the Board of Education by the superintendent. This budget includes proposed expenditures and the means of financing them. Also included is a final budget for the current fiscal year ending June 30.
- Copies of the proposed budget are made available for public inspection and review by the District's patrons.
- If the District does not exceed the certified tax rate, a public hearing is held prior to June 30 at which time the budget is legally adopted by resolution of the Board after obtaining taxpayer input. If the District exceeds the certified tax rate, the budget is adopted in August when additional data is available to set the rates.
- Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with Utah state law, interim adjustments may be made by administrative transfer of money from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2023, have been included in the final budget approved by the Board, as presented in the financial statements.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

Deposits and Investments

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

Cash and Cash Equivalents

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

Inventories

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

Leases

The District follows Governmental Accounting Standards Board Statement No. 87, *Leases*. The standard establishes a single model for lease accounting based on the foundation principle that leases are financings of the right-to-use an underlying asset. The statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Lessor – The District is a lessor for noncancelable leases of cell tower sites. The District recognizes a lease receivable and a deferred inflow of resources in the government wide and governmental fund financial statements.

At the commencement of the leases, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (a) the discount rate it uses to discount the expected lease receipts to present value, (b) least term, and (c) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessees.

The District monitors changes in the circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of lease receivable.

Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, and transportation equipment are reported in the government-wide financial statements and proprietary fund financial statements. The District defines capital assets as assets with an initial, individual cost of more

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

than \$5,000 for land, furniture and equipment, and transportation equipment and \$100,000 for buildings and improvements. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of the assets are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Buildings and improvements, furniture and equipment, and transportation equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

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

Unearned Revenue

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

Compensated Absences

Under terms of association agreements, twelve-month or full-year employees earn vacation and sick leave in amounts varying with tenure and classification. Nine-month full-time employees earn sick leave and personal leave in amounts varying with tenure and classification. In the event of termination or death, an employee is reimbursed for the current value of accumulated vacation days to a maximum of 60 days, and is reimbursed for unused personal leave days at an appropriate substitute rate. Upon retirement, employees are compensated for accumulated sick leave at 21.5% of the current value. All vacation pay, personal leave pay, and an estimated potential amount for sick leave pay, are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences will be paid by the fund in which the employee worked (typically the *General Fund*).

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

of the Utah Retirement Systems (URS) and additions to/deductions from the URS's fiduciary net position have been determined on the same basis as they are reported by the URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

Long-Term Obligations

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

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

Deferred Outflows of Resources

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

Deferred Inflows of Resources

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

Net Position/Fund Balances

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

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

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

Fund balance classifications are summarized as follows:

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

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

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

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

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

Unassigned – Residual balances in the *General Fund* are classified as unassigned. The *General Fund* is the only fund that reports a positive unassigned fund balance amount.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

Net Position/Fund Balance Flow Assumption

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

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

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

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits and investments are carried at fair value. A reconciliation of cash and investments on June 30, 2024, as shown on the financial statements, is as follows:

Carrying amount of deposits	\$ 44,730,134
Carrying amount of investments	<u>356,971,169</u>
Total cash and investments	<u><u>\$ 401,701,303</u></u>
Governmental funds cash and investments	\$ 354,614,380
Internal service fund cash and investments	<u>42,913,173</u>
Cash and investments - government-wide	397,527,553
Cash and investments custodial fund	<u>4,173,750</u>
Total cash and investments	<u><u>\$ 401,701,303</u></u>

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

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

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

Deposits

At June 30, 2024, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Davis School District	\$ 44,705,483	\$ 44,109,045	\$ 250,000
Davis School District Foundation, a component unit of the District	24,651	24,651	-
Total deposits	<u>\$ 44,730,134</u>	<u>\$ 44,133,696</u>	<u>\$ 250,000</u>

Custodial Credit Risk – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government’s deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk. At June 30, 2024, the uninsured amount of the District’s and Foundation’s pooled bank deposits was uncollateralized.

Investments

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

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

At June 30, 2024, the District has \$341,799,758 invested in the Utah Public Treasurer’s Investment Fund; the PTIF is not rated. The District has \$983,109 invested in government agencies rated AA+ and AAA or higher by Standard & Poor’s and Moody’s Investors Service, respectively. The District also has \$499,948 invested in international bonds rated BBB+ and A3 or higher by Standard & Poor’s and Moody’s Investors Service, Inc., respectively. The District also has \$9,991,978 invested in corporate bonds rated BBB- and BAA3 or higher by Standard & Poor’s and Moody’s Investors Service, Inc., respectively. The District has \$230,427 invested in certificates of deposits that are unrated. The Foundation has \$354,126 invested in government agencies rated Aaa and AAA or higher by Standard & Poor’s and Moody’s Investors Service, Inc., respectively. The Foundation has \$300,278 invested in corporate bonds rated A3 or higher by Moody’s Investors Service, Inc. The Foundation has \$1,676,532 invested in certificates of deposit that are unrated. The Foundation has \$511,646 invested in equity securities that are unrated. The Foundation has \$623,367 invested in mutual funds that are unrated.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	5-10	More Than 10
Davis School District:					
Utah Public Treasurers' Investment Fund (PTIF)	\$ 341,799,758	\$ 341,799,758	\$ -	\$ -	\$ -
Government agencies	983,109	500,063	483,046	-	-
Internation bonds	499,948	499,948	-	-	-
Corporate bonds	9,991,978	1,802,553	8,189,425	-	-
Certificates of deposit	230,427	230,427	-	-	-
Total District	353,505,220	344,832,749	8,672,471	-	-
Davis School District Foundation, a component unit of the District:					
Government agencies	354,126	195,593	142,043	-	16,490
Corporate bonds	300,278	99,984	200,294	-	-
Certificates of deposit	1,676,532	472,974	1,203,558	-	-
Equity securities	511,646	511,646	-	-	-
Mutual funds	623,367	623,367	-	-	-
Total Foundation	3,465,949	1,903,564	1,545,895	-	16,490
Total investments	\$ 356,971,169	\$ 346,736,313	\$ 10,218,366	\$ -	\$ 16,490

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

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

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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

NOTE 3 – FAIR VALUE MEASUREMENTS

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

The District and Foundation have the following recurring fair value measurements as of June 30, 2024:

- Government agency securities are valued using quoted market prices (Level 1 inputs).
- International bonds are valued using a market pricing model (Level 2 inputs).
- International stocks are valued using quoted market prices (Level 1 inputs).
- Corporate bonds are valued using a matrix pricing model (Level 2 inputs).
- Certificates of deposit are valued at the original amount deposited at the financial institution plus interest earned on the certificate through the end of the fiscal year (Level 2 inputs).
- Equity securities are valued using quoted market prices (Level 1 inputs).
- Mutual funds are valued using quoted market prices (Level 1 inputs).

NOTE 4 – PROPERTY TAXES

District Property Tax Revenue

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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

As of June 30, 2024, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2024, or earlier. It is expected that all assessed taxes (including delinquencies plus accrued interest and penalties) will be collected within a five-year period, after which time the county treasurer may force sale of property to collect the delinquent portion.

Incremental Taxes

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

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

During the year ended June 30, 2024, incremental taxes levied by the District for the redevelopment agencies totaling \$8,693,037 were recorded as revenue with an equivalent amount of expenditure for instruction in the other governmental funds (in the *Pass-Through Taxes Fund*).

Per *Utah Code* 53F-2-703, a portion of the District’s board local levy is paid to the statewide charter school levy account. The portion is based on the number of charter school students residing within the District’s boundaries. In 2024, the amount collected by the county and paid directly to the state was \$3,491,792; this amount was reported in the District’s *Pass-Through Taxes Fund*.

NOTE 5 – LEASE RECEIVABLE

The District leases sites to third parties for cell tower operations under lease terms ranging from 25 to 45 years. The District will receive annual payments ranging from \$6,000 to \$21,000. For the year ended June 30, 2024, the District recognized lease revenue of \$264,972 and interest revenue of \$134,445. At June 30, 2024, the District reports a lease receivable and an equal deferred inflow of resources related to leases of \$5,112,844.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 67,162,888	\$ -	\$ (109,852)	\$ 67,053,036
Construction in progress	<u>26,398,577</u>	<u>155,511,357</u>	<u>-</u>	<u>181,909,934</u>
Total capital assets, not being depreciated	93,561,465	155,511,357	(109,852)	248,962,970
Capital assets, being depreciated:				
Buildings and improvements	1,226,923,540	-	-	1,226,923,540
Furniture and equipment	26,261,786	2,273,904	(226,399)	28,309,291
Transportation equipment	<u>40,652,852</u>	<u>3,004,660</u>	<u>(1,512,551)</u>	<u>42,144,961</u>
Total capital assets, being depreciated	1,293,838,178	5,278,564	(1,738,950)	1,297,377,792
Accumulated depreciation for:				
Buildings and improvements	(553,695,417)	(31,622,414)	-	(585,317,831)
Furniture and equipment	(21,243,313)	(1,299,892)	226,399	(22,316,806)
Transportation equipment	<u>(27,971,049)</u>	<u>(2,807,824)</u>	<u>1,512,551</u>	<u>(29,266,322)</u>
Total accumulated depreciation	<u>(602,909,779)</u>	<u>(35,730,130)</u>	<u>1,738,950</u>	<u>(636,900,959)</u>
Total capital assets, being depreciated, net	<u>690,928,399</u>	<u>(30,451,566)</u>	<u>-</u>	<u>660,476,833</u>
Governmental activities capital assets, net	<u><u>\$ 784,489,864</u></u>	<u><u>\$ 125,059,791</u></u>	<u><u>\$ (109,852)</u></u>	<u><u>\$ 909,439,803</u></u>

For the year ended June 30, 2024, depreciation expense was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 27,557,069
Supporting services:	
Students	275,479
Instructional staff	334,555
District administration	35,723
School administration	1,485,866
Business administration	969,886
Operation and maintenance of facilities	2,723,033
Student transportation	2,045,530
School food services	<u>302,989</u>
Total depreciation expense, governmental activities	<u><u>\$ 35,730,130</u></u>

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

The District is obligated at June 30, 2024 under construction commitments as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Junior High CTE Center Syracuse	\$ 3,585,381	\$ 3,585,381	\$ -
Sunset Jr High Rebuild	99,799,957	46,417,355	53,382,602
Junior High School - West Point	107,624,790	50,251,399	57,373,391
Bountiful Elementary Rebuild	44,762,688	21,911,100	22,851,588
Bountiful High School Remodel	14,531,528	10,062,278	4,469,250
Clearfield High School Remodel	2,013,775	1,885,121	128,654
Clinton Elementary Remodel	14,347,551	1,961,085	12,386,466
Layton High School Addition	35,707,554	6,819,902	28,887,652
Elementary School - Syracuse	1,642,630	1,232,446	410,184
Elementary School - West Point	38,540,430	37,783,867	756,563
Total	<u>\$ 362,556,284</u>	<u>\$ 181,909,934</u>	<u>\$ 180,646,350</u>

General obligation school building bonds and the capital fund balance will be used to finance the costs to complete these projects (See Note 9).

NOTE 7 – RETIREMENT PLANS

Description of Plans

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

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

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

Defined Contribution Plans (individual account plans):

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

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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

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

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

Benefits Provided

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

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

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

Contributions

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

For the year ended June 30, 2024, District required contribution rates for the plans were as follows:

	Defined Benefit Plans Rates			District Rates for 401(k) Plan	Totals
	District Contribution *	Amortization of UAAL **	Paid by District for Employee		
Tier 1 Noncontributory System	12.25%	9.94%	0.00%	1.50%	23.69%
Tier 1 Contributory System	5.45%	12.25%	6.00%	0.00%	23.70%
Tier 2 Contributory System	9.90%	9.94%	0.00%	0.18%	20.02%
Tier 2 Defined Contribution Plan	0.08%	9.94%	0.00%	10.00%	20.02%

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

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

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

For the year ended June 30, 2024, District and employee contributions to the plans were as follows:

	District Contributions *	Employee Contributions
Tier 1 Noncontributory System	\$ 47,739,655	\$ -
Tier 1 Contributory System	41,031	13,909
Tier 2 Contributory System	30,634,017	-
Tier 2 Defined Benefit Plan	3,547,011	-
401(k) Plan	6,271,113	6,904,856
457 Plan and other individual plans	-	2,012,657

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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

At June 30, 2024, the District reported a net pension liability of \$178,134,003 and no net pension asset for the following plans:

	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	\$ -	\$ 166,979,751
Tier 1 Contributory System	-	541,830
Tier 2 Contributory System	-	10,612,422
Total	<u>\$ -</u>	<u>\$ 178,134,003</u>

The net pension liability (asset) was measured as of December 31, 2023 and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2023, rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability (asset) is equal to the ratio of actual contributions compared to the total of all employer contributions during the plan year. The following presents the District's proportion (percentage) of the collective net pension liability (asset) at December 31, 2023 and the change in its proportion since the prior measurement date for each plan:

	Proportionate Share	
	2023	Change
Tier 1 Noncontributory System	8.1493836%	-0.2284874%
Tier 1 Contributory System	5.8345300%	-1.4385881%
Tier 2 Contributory System	5.4523866%	-0.0581927%

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

For the year ended June 30, 2024, the District recognized pension expense for the plans as follows:

	Pension Expense
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 55,785,916
Tier 1 Contributory System	(434,298)
Tier 2 Contributory System	13,871,352
Total	<u>\$ 69,222,970</u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	\$ 3,547,010
401(k) Plan	6,271,113
Total	<u>\$ 9,818,123</u>

At June 30, 2024, the District reported deferred outflows of resources related to defined benefit pension plans from the following sources:

	Deferred Outflows of Resources Related to Pensions			
	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
Differences between expected and actual experience	\$ 32,506,732	\$ -	\$ 3,399,084	\$ 35,905,816
Changes of assumptions	16,009,080	-	6,074,500	22,083,580
Net difference between projected and actual earnings on pension plan investments	21,228,281	269,524	1,198,386	22,696,191
Changes in proportion and differences between District contributions and proportionate share of contributions	1,301,477	-	1,491,760	2,793,237
Contributions subsequent to the measurement date	23,255,460	19,505	16,995,175	40,270,140
Total	<u>\$ 94,301,030</u>	<u>\$ 289,029</u>	<u>\$ 29,158,905</u>	<u>\$ 123,748,964</u>

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

At June 30, 2024, the District reported deferred inflows of resources related to defined benefit pension plans from the following sources:

	Deferred Inflows of Resources Related to Pensions			
	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
Differences between expected and actual experience	\$ -	\$ -	\$ 173,791	\$ 173,791
Changes of assumptions	-	-	8,391	8,391
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,221,029	-	253,720	2,474,749
Total	<u>\$ 2,221,029</u>	<u>\$ -</u>	<u>\$ 435,902</u>	<u>\$ 2,656,931</u>

The \$40,270,140 reported as deferred outflows of resources related to pensions resulting from our contributions subsequent to the measurement date of December 31, 2023 will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

Year Ending June 30,	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
2025	\$ 17,586,674	\$ (393,574)	\$ 1,012,032	\$ 18,205,132
2026	19,216,741	22,263	1,434,714	20,673,718
2027	41,005,316	805,369	2,455,965	44,266,650
2028	(8,984,190)	(164,534)	809,929	(8,338,795)
2029	-	-	1,097,550	1,097,550
Thereafter	-	-	4,917,638	4,917,638

Actuarial Assumptions

The total pension liability (asset) in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.5% to 9.5%, average, including inflation
Investment rate of return	6.85%, net of pension plan investment expense, including inflation

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

The actuarial assumptions used in the January 1, 2023 valuation were based on an experience study of the demographic assumptions as of December 31, 2022. The wage inflation assumption increased by 0.25% to a range of 3.50% to 9.50% from the prior measurement date.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity securities	35%	2.40%
Debt securities	20%	0.31%
Real assets	18%	0.98%
Private equity	12%	1.18%
Absolute return	15%	0.58%
Cash and cash equivalents	0%	0.00%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability (asset) was 6.85%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates, actuarially determined and certified by the Utah State Retirement Board. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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

The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.85%, as well as what its proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
District's proportionate share of the net pension (asset) liability:			
Tier 1 Noncontributory System	\$ 442,583,892	\$ 166,979,751	\$ (64,023,784)
Tier 1 Contributory System	3,702,701	541,830	(2,191,957)
Tier 2 Contributory System	36,462,765	10,612,422	(9,434,515)
Total	<u>\$ 482,749,358</u>	<u>\$ 178,134,003</u>	<u>\$ (75,650,256)</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, 2024, the District reported payables of \$19,394,199 for contributions to defined benefit pension plans and defined contribution plans.

NOTE 8 – RISK MANAGEMENT

The *Self Insurance Fund*, an internal service fund, was established to pay self-insurance claims for health and dental coverage provided to qualified District employees. The District carries commercial insurance, which covers claims in excess of \$200,000. The fund collects premiums, established by the District and plan administrator, from other District funds. The District has recorded current unpaid claims and an estimate of claims incurred but not reported (IBNR) of \$16,049,713 as of June 30, 2024. This liability is based on experience and information provided by the plan administrator.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

The following table shows a history of accrued claims payable for the years ended June 30, 2024 and 2023:

	2024	2023
Beginning accrued claims payable	\$ 15,563,624	\$ 15,699,693
Claims (including incurred but not reported)	75,945,257	75,569,473
Payment of claims and administrative costs	<u>(75,459,168)</u>	<u>(75,705,542)</u>
Ending accrued claims payable	<u><u>\$ 16,049,713</u></u>	<u><u>\$ 15,563,624</u></u>

Unemployment compensation is handled on a cost of benefits reimbursement basis with the state of Utah. The District is self-insured for worker's compensation claims up to \$250,000 per incident which are processed by a third party administrator. During the year ended June 30, 2024, the District paid worker's compensation claims in the amount of \$1,355,054. A co-insurance policy provides for individual worker's compensation claims in excess of \$250,000. The District has not established a liability for either claims outstanding or for the claims incurred but not reported (IBNR) because management believes the amount would be immaterial to the financial statements.

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

NOTE 9 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 495,590,000	\$ -	\$ (71,800,000)	\$ 423,790,000	\$ 33,040,000
General obligation bonds (Direct placement)	21,240,000	-	(2,265,000)	18,975,000	2,285,000
Lease revenue bonds	38,385,000	-	(1,450,000)	36,935,000	1,500,000
Unamortized premiums	36,600,306	-	(3,001,844)	33,598,462	-
Total bonds payable, net	591,815,306	-	(78,516,844)	513,298,462	36,825,000
Accrued vacation	7,982,824	5,198,093	(4,647,069)	8,533,848	4,967,839
Accrued sick leave	4,006,419	1,275,040	(903,506)	4,377,953	987,292
Accrued personal leave	2,632,967	1,523,757	(1,540,992)	2,615,732	1,530,905
Early retirement payable	11,929,399	6,980,353	(7,130,465)	11,779,287	6,114,669
Net pension liability	187,852,226	72,160,192	(81,878,415)	178,134,003	-
Total governmental activity long-term liabilities	<u>\$ 806,219,141</u>	<u>\$ 87,137,435</u>	<u>\$ (174,617,291)</u>	<u>\$ 718,739,285</u>	<u>\$ 50,425,705</u>

General Obligation Bonds

The District issues general obligation bonds to provide funds for the construction of new facilities, acquisition of property, renovation and improvement of facilities, and procurement of other equipment. As of June 30, 2024, the District had unspent bond proceeds of \$ 2,257,356. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

The annual requirements to amortize all general obligation bonds outstanding (competitive and direct placements) as of June 30, 2024, including interest payments, are listed as follows:

Year Ending June 30,	Outstanding Bonds		Outstanding Bonds (Direct Placement)		Total
	Principal	Interest	Principal	Interest	
2025	\$ 33,040,000	\$ 15,598,988	\$ 2,285,000	\$ 237,233	\$ 51,161,220
2026	34,430,000	14,189,338	2,300,000	217,810	51,137,148
2027	35,830,000	12,818,388	2,325,000	194,810	51,168,198
2028	37,135,000	11,494,738	2,350,000	169,235	51,148,973
2029	33,655,000	10,188,863	2,380,000	141,035	46,364,898
2030-2034	137,850,000	34,402,444	7,335,000	226,130	179,813,574
2035-2039	92,240,000	12,143,906	-	-	104,383,906
2040-2043	19,610,000	1,791,188	-	-	21,401,188
Total	<u>\$ 423,790,000</u>	<u>\$ 112,627,850</u>	<u>\$ 18,975,000</u>	<u>\$ 1,186,253</u>	<u>\$ 556,579,103</u>

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

General obligation school building bonds payable at June 30, 2024 with their outstanding balances are comprised of the following individual issues:

Bond Series 2014 - GO Bonds - original issue of \$25,000,000 with interest rates ranging from 2.25% to 5.0%	\$ 18,980,000
Bond Series 2015A - GO Bonds - original issue of \$40,000,000 with interest rates ranging from 2.0% to 5.0%	25,740,000
Bond Series 2015B - GO Refunding Bonds - original issue of \$67,025,000 with interest rates ranging from 2.0% to 5.0%	29,900,000
Bond Series 2016 - GO Bonds - original issue of \$68,500,000 with interest rates ranging from 2.0% to 3.375%	48,375,000
Bond Series 2017A - GO Bonds - original issue of \$80,000,000 with interest rates ranging from 3.0% to 5.0%	66,275,000
Bond Series 2017B - GO Refunding Bonds - original issue of \$36,805,000 with interest rate of 2% to 5%	25,300,000
Bond Series 2018 - GO Bonds - original issue of \$69,375,000 with interest rates ranging from 3.0% to 5.0%	56,625,000
Bond Series 2019 - GO Bonds - original issue of \$50,000,000 with interest rates ranging from 3.0% to 5.0%	33,225,000
Bond Series 2019B - GO Refunding Bonds - original issue of crossover \$43,565,000 with interest rates of 5%	26,510,000
Bond Series 2020A - GO Bonds - original issue of \$55,170,000 with interest rates ranging from 2.5% to 5.0%	34,830,000
Bond Series 2021A - (Direct Placement) GO Refunding Bonds - original issue of \$30,645,000 with interest rates ranging from 0.5% to 1.75%	18,975,000
Bond Series 2023 - GO Bonds - original issue of \$100,000,000 with interest rates ranging from 4% to 5%	58,030,000
	<u>\$ 442,765,000</u>

The general obligation bonded debt of the District is limited by state law to 4.0% of the fair market value of the total taxable property in Davis County. The legal debt limit at June 30, 2024 was \$3,028,648,328 with general obligation debt outstanding, net of issuance premiums, of \$476,363,462 resulting in a legal debt margin of \$2,552,284,866.

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

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

Lease Revenue Bonds

The annual requirements to amortize lease revenue bonds outstanding (direct placements) as of June 30, 2024, including interest payments, are listed as follows:

Year Ending June 30,	Lease Revenue Bonds (Direct Placement)		Total
	Principal	Interest	
2025	\$ 1,500,000	\$ 1,321,193	\$ 2,821,193
2026	1,555,000	1,257,943	2,812,943
2027	1,610,000	1,202,740	2,812,740
2028	1,665,000	1,145,858	2,810,858
2029	1,725,000	1,086,478	2,811,478
2030-2034	9,590,000	4,469,273	14,059,273
2035-2039	11,415,000	2,641,733	14,056,733
2040-2042	7,875,000	565,515	8,440,515
Total	<u>\$ 36,935,000</u>	<u>\$ 13,690,731</u>	<u>\$ 50,625,731</u>

Early Retirement Payable

The District provides an early retirement incentive program. Eligibility is restricted to those employees with a minimum of ten years of service in the District, and who meet the eligibility requirements for and will be receiving Utah Retirement System benefits. Eligible retirees will receive a contribution of 16% of their annual salary per year, for up to three consecutive years, into a qualified 401(a) and/or 403(b) plan, or until they become eligible to receive unreduced social security benefits, whichever occurs first. Employees who retire under the incentive program will continue to be enrolled in group medical and dental programs until they become eligible for Medicare, or for 10 consecutive years following retirement, whichever comes first. Enrollment is contingent upon the retiree contributing the same premium as required of active employees for the first 3 years and the full premium for the following 7 years. For the years ended June 30, 2024 and 2023, the District's direct payments to retirees were \$4,163,998 and \$4,443,564, respectively, and payments of insurance premiums on behalf of retirees were \$2,966,467 and \$2,813,937 respectively. Future retirement payments of employees who have elected early retirement are recognized on an accrual basis as an expense in the government-wide financial statements in the year of retirement. This liability is paid from the fund from which the employee retires.

NOTE 10 – LITIGATION AND LEGAL COMPLIANCE

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

All fund balances are positive at June 30, 2024 and fund expenditures are within budgeted amounts during the year ended June 30, 2024, except expenditures in the *district foundation fund* exceeded budgeted appropriations by \$1,517,298.

DAVIS SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

NOTE 11 – GRANTS

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

NOTE 12 – SUBSEQUENT EVENT

In August 2024, the District issued \$100,000,000 of general obligation bonds to finance the acquisition of equipment and construction projects. The bonds accrue interest at rates ranging from 4.0% to 5.0%, payable semi-annually, and will mature on June 1, 2044.

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REQUIRED SUPPLEMENTARY INFORMATION



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

	District's Proportion of Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Tier 1 Noncontributory System:					
2023	8.1493836 %	\$ 166,979,751	\$ 211,934,809	78.79 %	92.5 %
2022	8.3778710 %	180,901,283	211,451,323	85.55 %	91.6 %
2021	8.1396957 %	(55,614,007)	204,783,395	(27.16)%	102.7 %
2020	8.2960004 %	110,595,792	207,317,804	53.35 %	94.3 %
2019	8.1759167 %	179,422,790	202,069,759	88.79 %	90.1 %
2018	7.6723075 %	285,449,516	206,443,337	138.27 %	84.1 %
2017	7.6525134 %	187,131,668	205,549,266	91.04 %	89.2 %
2016	7.4624207 %	241,850,854	204,451,285	118.29 %	84.9 %
2015	7.3414109 %	230,614,740	201,027,809	114.72 %	84.5 %
2014	7.4134528 %	186,265,127	207,180,521	89.90 %	87.2 %
Tier 1 Contributory System:					
2023	5.8345300 %	\$ 541,830	\$ 302,939	178.86 %	98.5 %
2022	7.2731181 %	950,508	477,554	199.04 %	97.9 %
2021	8.9792288 %	(8,085,802)	760,030	(1063.88)%	114.1 %
2020	8.7786054 %	(2,087,893)	846,632	(246.61)%	103.7 %
2019	8.6681669 %	598,435	967,056	61.88 %	98.9 %
2018	5.7948812 %	4,114,389	1,124,634	365.84 %	91.4 %
2017	5.1517894 %	339,009	1,172,178	28.92 %	99.2 %
2016	5.2048370 %	2,852,030	1,395,246	204.41 %	93.4 %
2015	5.4310774 %	3,403,396	1,720,443	197.82 %	92.4 %
2014	5.2473969 %	575,369	1,924,123	29.90 %	98.7 %
Tier 2 Contributory System:					
2023	5.4523866 %	\$ 10,612,422	\$ 140,976,914	7.53 %	89.6 %
2022	5.5105793 %	6,000,435	121,052,149	4.96 %	92.3 %
2021	5.3664036 %	(2,271,261)	100,069,620	(2.27)%	103.8 %
2020	5.3553339 %	770,246	85,788,475	0.90 %	98.3 %
2019	4.9948043 %	1,123,369	69,560,590	1.61 %	96.5 %
2018	4.9937037 %	2,138,696	58,736,946	3.64 %	90.8 %
2017	4.8680402 %	429,202	47,803,221	0.90 %	97.4 %
2016	7.3903033 %	489,735	36,003,896	1.36 %	95.1 %
2015	4.0722871 %	(8,890)	26,295,729	(0.03)%	100.2 %
2014	4.0284960 %	(122,081)	19,714,988	(0.62)%	103.5 %

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

	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Tier 1 Noncontributory System:					
2024	\$ 47,739,655	\$ 47,739,655	\$ -	\$ 216,615,358	22.04 %
2023	45,807,490	45,807,490	-	207,912,779	22.03 %
2022	45,569,171	45,569,171	-	207,192,979	21.99 %
2021	45,851,205	45,851,205	-	208,607,737	21.98 %
2020	44,593,815	44,593,815	-	203,101,805	21.96 %
2019	44,722,327	44,722,327	-	204,195,524	21.90 %
2018	45,159,337	45,159,337	-	205,977,365	21.92 %
2017	44,408,786	44,408,786	-	202,863,727	21.89 %
2016	44,466,708	44,466,708	-	203,305,674	21.87 %
2015	43,924,810	43,924,810	-	203,539,652	21.58 %
Tier 1 Contributory System:					
2024	\$ 41,031	\$ 41,031	\$ -	\$ 231,811	17.70 %
2023	65,318	65,318	-	369,028	17.70 %
2022	117,221	117,221	-	662,267	17.70 %
2021	143,884	143,884	-	812,907	17.70 %
2020	155,708	155,708	-	879,706	17.70 %
2019	189,512	189,512	-	1,070,688	17.70 %
2018	202,455	202,455	-	1,143,812	17.70 %
2017	216,832	216,832	-	1,225,041	17.70 %
2016	279,041	279,041	-	1,576,505	17.70 %
2015	323,810	323,810	-	1,858,776	17.42 %
Tier 2 Contributory System:					
2024	\$ 30,634,017	\$ 30,634,017	\$ -	\$ 154,419,761	19.84 %
2023	25,423,650	25,423,650	-	128,584,505	19.77 %
2022	21,221,606	21,221,606	-	109,631,063	19.36 %
2021	18,058,563	18,058,563	-	94,504,683	19.11 %
2020	14,593,405	14,593,405	-	76,935,704	18.97 %
2019	12,001,010	12,001,010	-	63,826,558	18.80 %
2018	9,857,397	9,857,397	-	53,538,967	18.41 %
2017	7,523,441	7,523,441	-	41,247,955	18.24 %
2016	5,662,572	5,662,572	-	31,044,581	18.24 %
2015	4,210,264	4,210,264	-	23,294,076	18.07 %
Tier 2 Defined Contribution Plan:					
2024	\$ 3,547,011	\$ 3,547,011	\$ -	\$ 35,407,664	10.02 %
2023	2,825,339	2,825,339	-	28,198,201	10.02 %
2022	2,355,880	2,355,880	-	23,511,777	10.02 %
2021	1,991,759	1,991,759	-	19,879,454	10.02 %
2020	1,512,314	1,512,314	-	15,093,309	10.02 %
2019	1,179,379	1,179,379	-	11,770,253	10.02 %
2018	890,338	890,338	-	8,886,308	10.02 %
2017	659,433	659,433	-	6,583,245	10.02 %
2016	497,744	497,744	-	4,965,692	10.02 %
2015	340,779	340,779	-	3,467,162	9.83 %

DAVIS SCHOOL DISTRICT
Notes to Required Supplementary Information

NOTE A – CHANGES IN ASSUMPTIONS – UTAH RETIREMENT SYSTEMS

The information presented was determined as part of actuarial valuations performed. Over time the actuarial assumptions are periodically changed. Amounts reported in the current and prior plan years include the following significant actuarial assumption changes:

Plan Year	Discount Rate	Payroll Growth Rate	Wage Inflation Rate	Inflation Rate
2023	6.85%	2.90%	3.50 to 9.50%	2.50%
2022	6.85%	2.90%	3.25 to 9.25%	2.50%
2021	6.85%	2.90%	3.25 to 9.25%	2.50%
2020	6.95%	2.90%	3.25 to 9.25%	2.50%
2019	6.95%	3.00%	3.25 to 9.25%	2.50%
2018	6.95%	3.00%	3.25 to 9.25%	2.50%
2017	6.95%	3.00%	3.25 to 9.25%	2.50%
2016	7.20%	3.25%	3.35 to 9.35%	2.60%
2015	7.50%	3.25%	3.50 to 9.50%	2.75%
2014	7.50%	3.50%	3.75 to 9.75%	2.75%

NOTE B – SCHEDULES OF DISTRICT CONTRIBUTIONS – UTAH RETIREMENT SYSTEMS

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

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Individual Fund Statements and Schedules

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

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

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

School Food Services Fund – The School Food Services Fund is used to account for the food service activities of the District as required by state and federal law. Financing is provided by local sales along with substantial subsidies from the State of Utah and the U.S. Government to help ensure that students receive low cost, nutritionally balanced meals.

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

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

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

DAVIS SCHOOL DISTRICT

Comparative Balance Sheets

General Fund

June 30, 2024

With Comparative Totals for 2023

	2024	2023
Assets:		
Cash and investments	\$ 243,847,570	\$ 202,061,711
Receivables:		
Property taxes	166,791,542	162,636,257
Lease	5,112,844	5,377,816
State of Utah	6,438,759	3,441,505
Federal government	8,084,881	11,183,700
Inventories	7,777,579	7,972,052
Total assets	<u>\$ 438,053,175</u>	<u>\$ 392,673,041</u>
Liabilities:		
Accounts payable	\$ 3,408,202	\$ 4,449,326
Accrued salaries and benefits	79,920,751	62,953,053
Unearned revenue:		
State of Utah	13,225,430	15,248,084
Federal government	221,324	302,053
Total liabilities	<u>96,775,707</u>	<u>82,952,516</u>
Deferred Inflows of Resources:		
Unavailable property tax revenue	2,100,858	2,119,304
Property taxes levied for future year	161,024,247	156,003,811
Deferred Inflows related to leases	5,112,844	5,377,816
Total deferred inflows of resources	<u>168,237,949</u>	<u>163,500,931</u>
Fund Balances:		
Nonspendable:		
Inventories	7,777,579	7,972,052
Committed to:		
Workers compensation	2,000,000	2,000,000
Termination benefits	7,000,000	7,000,000
Economic stabilization	39,800,000	37,500,000
Assigned to:		
Programs	18,800,000	17,050,000
Textbooks	20,000,000	5,000,000
Employee compensation	12,000,000	12,000,000
Schools	325,000	325,000
Medical insurance	1,500,000	1,500,000
Unassigned	63,836,940	55,872,542
Total fund balances	<u>173,039,519</u>	<u>146,219,594</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 438,053,175</u>	<u>\$ 392,673,041</u>

DAVIS SCHOOL DISTRICT

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

Year Ended June 30, 2024
With Comparative Totals for 2023

	2024			2023
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 169,520,200	\$ 168,434,791	\$ (1,085,409)	\$ 179,318,780
Earnings on investments	19,500,000	16,706,456	(2,793,544)	8,646,964
Other local	12,763,800	13,601,733	837,933	13,841,829
State of Utah	524,235,100	531,277,406	7,042,306	442,813,072
Federal government	53,112,200	52,058,660	(1,053,540)	63,217,756
Total revenues	779,131,300	782,079,046	2,947,746	707,838,401
Expenditures:				
Current:				
Instruction	538,417,200	520,488,714	17,928,486	466,675,390
Supporting services:				
Students	33,817,000	32,722,418	1,094,582	28,904,260
Instructional staff	33,430,700	33,016,487	414,213	30,844,875
District administration	5,198,900	5,123,597	75,303	4,880,000
School administration	53,199,900	53,797,977	(598,077)	49,616,369
Central	23,983,100	23,774,099	209,001	22,136,649
Operation and maintenance of facilities	72,908,000	70,418,121	2,489,879	62,182,849
Student transportation	18,176,500	15,917,708	2,258,792	19,541,897
Total expenditures	779,131,300	755,259,121	23,872,179	684,782,289
Excess of revenues over expenditures / net change in fund balances	-	26,819,925	26,819,925	23,056,112
Fund balances - beginning	146,219,594	146,219,594	-	123,163,482
Fund balances - ending	\$ 146,219,594	\$ 173,039,519	\$ 26,819,925	\$ 146,219,594

DAVIS SCHOOL DISTRICT

Comparative Balance Sheets *Debt Service Fund*

June 30, 2024

With Comparative Totals for 2023

	<u>2024</u>	<u>2023</u>
Assets:		
Cash and investments	\$ 10,448,193	\$ 37,136,385
Receivables:		
Property taxes	<u>68,375,346</u>	<u>64,798,265</u>
Total assets	<u><u>\$ 78,823,539</u></u>	<u><u>\$ 101,934,650</u></u>
 Deferred inflows of resources:		
Unavailable property tax revenue	\$ 838,798	\$ 802,498
Property taxes levied for future year	<u>66,072,669</u>	<u>62,286,816</u>
Total deferred inflows of resources	<u><u>66,911,467</u></u>	<u><u>63,089,314</u></u>
 Fund balances:		
Restricted for:		
Debt service	<u>11,912,072</u>	<u>38,845,336</u>
Total deferred inflows of resources and fund balances	<u><u>\$ 78,823,539</u></u>	<u><u>\$ 101,934,650</u></u>

DAVIS SCHOOL DISTRICT

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

Debt Service Fund

Year Ended June 30, 2024

With Comparative Totals for 2023

	2024			2023
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 69,130,800	\$ 67,250,068	\$ (1,880,732)	\$ 67,901,043
Expenditures:				
Debt service:				
Bond principal	74,065,000	74,065,000	-	46,587,000
Bond interest	20,109,394	20,105,989	3,405	15,869,081
Fees and miscellaneous charges	3,746,306	12,343	3,733,963	2,500
Total expenditures	97,920,700	94,183,332	3,737,368	62,458,581
Excess (deficiency) of revenues over (under) expenditures / net change in fund balance	(28,789,900)	(26,933,264)	1,856,636	5,442,462
Fund balances - beginning	38,845,336	38,845,336	-	33,402,874
Fund balances - ending	\$ 10,055,436	\$ 11,912,072	\$ 1,856,636	\$ 38,845,336

DAVIS SCHOOL DISTRICT

Comparative Balance Sheets *Capital Projects Fund*

June 30, 2024

With Comparative Totals for 2023

	<u>2024</u>	<u>2023</u>
Assets:		
Cash and investments	\$ 64,904,044	\$ 176,090,708
Receivables:		
Property taxes	<u>17,528,526</u>	<u>17,292,613</u>
Total assets	<u>\$ 82,432,570</u>	<u>\$ 193,383,321</u>
 Liabilities:		
Accounts payable	\$ 31,577,964	\$ 12,677,371
 Deferred inflows of resources:		
Unavailable property tax revenue	223,988	210,847
Property taxes levied for future year	<u>16,913,628</u>	<u>16,632,758</u>
Total deferred inflows of resources	<u>17,137,616</u>	<u>16,843,605</u>
 Fund balances:		
Restricted for:		
Capital projects	<u>33,716,990</u>	<u>43,148,764</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 82,432,570</u>	<u>\$ 72,669,740</u>

DAVIS SCHOOL DISTRICT

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

Year Ended June 30, 2024
With Comparative Totals for 2023

	2024			2023
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 18,137,200	\$ 17,958,121	\$ (179,079)	\$ 17,840,176
Earnings on investments	6,000,000	6,594,786	594,786	5,057,223
Other local	2,112,100	6,005,643	3,893,543	635,938
State of Utah	-	-	-	8,081,706
Total revenues	26,249,300	30,558,550	4,309,250	31,615,043
Expenditures:				
Capital outlay:				
Buildings and improvements	182,111,645	152,021,465	30,090,180	61,043,804
Equipment	4,500,000	5,200,005	(700,005)	2,003,893
Other	1,513,351	1,338,792	174,559	144,658
Debt service:				
Bond principal	1,450,000	1,450,000	-	1,615,000
Bond interest	1,188,111	1,362,668	(174,557)	1,188,111
Bond issuance costs	-	-	-	367,000
Total expenditures	190,763,107	161,372,930	29,564,734	66,362,466
Excess (deficiency) of revenues over (under) expenditures	(164,513,807)	(130,814,380)	33,699,427	(34,747,423)
Other financing sources:				
General obligation bonds issued	100,000,000	-	(100,000,000)	100,000,000
General obligation bonds premiums	8,670,800	-	(8,670,800)	8,066,787
Lease revenue bonds issued	-	-	-	40,000,000
Proceeds from sale of capital assets	7,400,000	669,025	(6,730,975)	7,394,217
Total other financing sources	116,070,800	669,025	(115,401,775)	155,461,004
Net change in fund balances	(48,443,007)	(130,145,355)	(81,702,348)	120,713,581
Fund balances - beginning	163,862,345	163,862,345	-	43,148,764
Fund balances - ending	<u>\$ 115,419,338</u>	<u>\$ 33,716,990</u>	<u>\$ (81,702,348)</u>	<u>\$ 163,862,345</u>

DAVIS SCHOOL DISTRICT

Combining Balance Sheet Nonmajor Governmental Funds

June 30, 2024

With Comparative Totals for 2023

	Special Revenue				Total
	School Food Services	Student Activities Fund	District Foundation Fund	Pass-Through Taxes Fund	Nonmajor Governmental Funds
Assets:					
Cash and investments	\$ 17,104,065	\$ 14,819,911	\$ 3,490,597	\$ -	\$ 35,414,573
Receivables:					
Property taxes	-	-	-	12,877,013	12,877,013
Other local	26,002	-	-	-	26,002
State of Utah	804,985	-	-	-	804,985
Federal government	340,513	-	-	-	340,513
Inventories	3,296,291	-	-	-	3,296,291
Total assets	<u>\$ 21,571,856</u>	<u>\$ 14,819,911</u>	<u>\$ 3,490,597</u>	<u>\$ 12,877,013</u>	<u>\$ 52,759,377</u>
Liabilities:					
Accounts payable	\$ 345,543	\$ 1,060,277	\$ 25,564	\$ -	\$ 1,431,384
Deferred inflows of resources:					
Unavailable property tax revenue	-	-	-	157,719	157,719
Property taxes levied for future year	-	-	-	12,719,294	12,719,294
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,877,013</u>	<u>12,877,013</u>
Fund balances:					
Nonspendable:					
Inventories	3,296,291	-	-	-	3,296,291
Restricted for:					
School food services	17,930,022	-	-	-	17,930,022
Committed to:					
Schools	-	13,759,634	-	-	13,759,634
Assigned to:					
Foundation	-	-	3,465,033	-	3,465,033
Total fund balances	<u>21,226,313</u>	<u>13,759,634</u>	<u>3,465,033</u>	<u>-</u>	<u>38,450,980</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,571,856</u>	<u>\$ 14,819,911</u>	<u>\$ 3,490,597</u>	<u>\$ 12,877,013</u>	<u>\$ 52,759,377</u>

DAVIS SCHOOL DISTRICT

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2024

	Special Revenue			Total
	School Food Services	Student Activities Fund	District Foundation Fund	Nonmajor Governmental Funds
Revenues:				
Local sources:				
Property taxes	\$ -	\$ -	\$ -	\$ 12,184,829
Earnings on investments	1,006,264	554,527	730,410	-
School lunch sales	7,790,873	-	-	-
Student fees	-	15,587,512	-	-
Other local	1,437,043	7,390,235	4,863,207	-
State of Utah	7,017,074	-	-	-
Federal government	20,153,791	-	-	-
Total revenues	<u>37,405,045</u>	<u>23,532,274</u>	<u>5,593,617</u>	<u>12,184,829</u>
Expenditures:				
Current:				
Food	18,575,665	-	-	-
Salaries and benefits	13,318,683	1,716,459	-	-
Indirect charges	1,669,113	-	-	-
Purchased services	-	2,739,455	22,892	-
Grants and awards	-	-	6,217,771	-
Supplies and equipment	-	18,694,598	1,376,635	-
Other	3,151,866	-	-	12,184,829
Total expenditures	<u>36,715,327</u>	<u>23,150,512</u>	<u>7,617,298</u>	<u>12,184,829</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	689,718	381,762	(2,023,681)	-
Fund balances - beginning	<u>20,536,595</u>	<u>13,377,872</u>	<u>5,488,714</u>	<u>-</u>
Fund balances - ending	<u>\$ 21,226,313</u>	<u>\$ 13,759,634</u>	<u>\$ 3,465,033</u>	<u>\$ -</u>

DAVIS SCHOOL DISTRICT

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

June 30, 2024
With Comparative Totals for 2023

	2024	2023
Assets:		
Cash and investments	\$ 17,104,065	\$ 17,844,980
Receivables:		
Other local	26,002	26,104
State of Utah	804,985	16,938
Federal government	340,513	96,171
Inventories	3,296,291	2,686,822
Total assets	<u>\$ 21,571,856</u>	<u>\$ 20,671,015</u>
Liabilities:		
Accounts payable	\$ 345,543	\$ 134,420
Fund balances:		
Nonspendable:		
Inventories	3,296,291	2,686,822
Restricted for:		
School food services	17,930,022	17,849,773
Total fund balances	<u>21,226,313</u>	<u>20,536,595</u>
Total liabilities and fund balances	<u>\$ 21,571,856</u>	<u>\$ 20,671,015</u>

DAVIS SCHOOL DISTRICT

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

School Food Services Fund

Nonmajor Special Revenue Fund

Year Ended June 30, 2024

With Comparative Totals for 2023

	2024			2023
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
School lunch sales	\$ 7,935,100	\$ 7,790,873	\$ (144,227)	\$ 6,904,370
Earnings on investments	1,006,264	1,006,264	-	1,200,000
Other local	1,382,500	1,437,043	54,543	1,208,404
State of Utah	4,993,736	7,017,074	2,023,338	3,739,699
Federal sources:				
Federal government	12,072,600	12,516,325	443,725	12,600,264
Contributed food commodities	6,000,000	7,637,466	1,637,466	6,172,660
Total revenues	<u>33,390,200</u>	<u>37,405,045</u>	<u>4,014,845</u>	<u>31,825,397</u>
Expenditures:				
Current:				
Food	21,601,000	18,575,665	3,025,335	16,584,177
Salaries and benefits	13,227,600	13,318,683	(91,083)	11,922,800
Indirect charges	1,656,100	1,669,113	(13,013)	1,586,353
Other	3,405,500	3,151,866	253,634	435,491
Total expenditures	<u>39,890,200</u>	<u>36,715,327</u>	<u>3,174,873</u>	<u>30,528,821</u>
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(6,500,000)	689,718	7,189,718	1,296,576
Fund balances - beginning	<u>20,536,595</u>	<u>20,536,595</u>	<u>-</u>	<u>19,240,019</u>
Fund balances - ending	<u>\$ 14,036,595</u>	<u>\$ 21,226,313</u>	<u>\$ 7,189,718</u>	<u>\$ 20,536,595</u>

DAVIS SCHOOL DISTRICT

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

June 30, 2024

With Comparative Totals for 2023

	2024	2023
Assets:		
Cash and investments	\$ 14,819,911	\$ 14,202,289
Liabilities:		
Accounts payable	\$ 1,060,277	\$ 824,417
Fund balances:		
Committed to:		
Schools	13,759,634	13,377,872
Total liabilities and fund balances	\$ 14,819,911	\$ 14,202,289

DAVIS SCHOOL DISTRICT

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

Student Activities Fund

Nonmajor Special Revenue Fund

Year Ended June 30, 2024

With Comparative Totals for 2023

	2024			2023
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Earnings on investments	\$ 554,500	\$ 554,527	\$ 27	\$ 191,601
Student fees	21,402,000	15,587,512	(5,814,488)	14,222,638
Other local	2,838,200	7,390,235	4,552,035	6,264,223
Total revenues	24,794,700	23,532,274	(1,262,426)	20,678,462
Expenditures:				
Current:				
Salaries and benefits	1,666,056	1,716,459	(50,403)	1,587,109
Purchased services	2,961,718	2,739,455	222,263	2,601,424
Supplies and equipment	20,166,926	18,694,598	1,472,328	17,017,228
Total expenditures	24,794,700	23,150,512	1,644,188	21,205,761
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	-	381,762	381,762	(527,299)
Fund balances - beginning	13,377,872	13,377,872	-	13,905,171
Fund balances - ending	\$ 13,377,872	\$ 13,759,634	\$ 381,762	\$ 13,377,872

DAVIS SCHOOL DISTRICT

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

June 30, 2024

With Comparative Totals for 2023

	2024	2023
Assets:		
Cash and investments	\$ 3,490,597	\$ 5,533,188
Liabilities:		
Accounts payable	\$ 25,564	\$ 44,474
Fund balances:		
Assigned to:		
Foundation	3,465,033	5,488,714
Total liabilities and fund balances	\$ 3,490,597	\$ 5,533,188

DAVIS SCHOOL DISTRICT

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

District Foundation Fund

Nonmajor Special Revenue Fund

Year Ended June 30, 2024

With Comparative Totals for 2023

	2024			2023
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Earnings on investments	\$ 100,000	\$ 730,410	\$ 630,410	\$ 175,119
Other local	6,000,000	4,863,207	(1,136,793)	4,882,592
Total revenues	6,100,000	5,593,617	(506,383)	5,057,711
Expenditures:				
Current:				
Purchased services	22,500	22,892	(392)	27,150
Grants and awards	5,527,500	6,217,771	(690,271)	2,549,221
Supplies and equipment	550,000	1,376,635	(826,635)	2,078,599
Total expenditures	6,100,000	7,617,298	(1,517,298)	4,654,970
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	-	(2,023,681)	(2,023,681)	402,741
Fund balances - beginning	5,488,714	5,488,714	-	5,085,973
Fund balances - ending	\$ 5,488,714	\$ 3,465,033	\$ (2,023,681)	\$ 5,488,714

DAVIS SCHOOL DISTRICT

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

June 30, 2024
With Comparative Totals for 2023

	<u>2024</u>	<u>2023</u>
Assets:		
Receivables:		
Property taxes	<u>\$ 12,877,013</u>	<u>\$ 12,244,798</u>
Deferred inflows of resources:		
Unavailable property tax revenue	\$ 157,719	\$ 143,786
Property taxes levied for future year	<u>12,719,294</u>	<u>12,101,012</u>
Total deferred inflows of resources	12,877,013	12,244,798
Fund balances	<u>-</u>	<u>-</u>
Total deferred inflows of resources and fund balances	<u>\$ 12,877,013</u>	<u>\$ 12,244,798</u>

DAVIS SCHOOL DISTRICT

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

Pass-Through Taxes Fund

Nonmajor Special Revenue Fund

Year Ended June 30, 2024

With Comparative Totals for 2023

	2024			2023
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 15,000,000	\$ 12,184,829	\$ (2,815,171)	\$ 10,740,690
Expenditures:				
Current:				
Other	15,000,000	12,184,829	2,815,171	10,740,690
Excess of revenues over expenditures / net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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STATISTICAL



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STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	100-103
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	104-107
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	108-112
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	113-115
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	117-124

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

DAVIS SCHOOL DISTRICT

**Net Position by Component
Last Ten Fiscal Years
June 30, 2015 to 2024
(accrual basis of accounting)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities:										
Net investment in capital assets	\$ 362,998,824	\$ 301,758,050	\$ 278,631,268	\$ 269,655,845	\$ 237,477,296	\$ 218,078,080	\$ 200,404,848	\$ 186,641,372	\$ 185,028,083	\$ 178,471,364
Restricted	96,002,262	117,290,012	95,549,764	77,182,270	75,622,104	62,955,401	58,720,137	61,927,219	51,683,936	44,438,605
Unrestricted	131,829,826	96,640,036	66,990,997	(51,229,357)	(96,081,476)	(99,817,465)	(92,883,941)	(109,885,211)	(130,113,889)	(140,185,908)
Total governmental activities net position	590,830,912	515,688,098	441,172,029	295,608,758	217,017,924	181,216,016	166,241,044	138,683,380	106,598,130	82,724,061
Business-type activities:										
Net investment in capital assets	-	-	-	-	-	1,640,352	1,773,438	1,906,524	1,922,205	1,947,186
Unrestricted	-	-	-	-	-	5,745,139	4,409,120	4,642,562	7,124,464	7,560,585
Total business-type activities net position	-	-	-	-	-	7,385,491	6,182,558	6,549,086	9,046,669	9,507,771
Primary government:										
Net investment in capital assets	362,998,824	301,758,050	278,631,268	269,655,845	237,477,296	219,718,432	202,178,286	188,547,896	186,950,288	180,418,550
Restricted	96,002,262	117,290,012	95,549,764	77,182,270	75,622,104	62,955,401	58,720,137	61,927,219	51,683,936	44,438,605
Unrestricted	131,829,826	96,640,036	66,990,997	(51,229,357)	(96,081,476)	(94,072,326)	(88,474,821)	(105,242,649)	(122,989,425)	(132,625,323)
Total primary government net position	\$ 590,830,912	\$ 515,688,098	\$ 441,172,029	\$ 295,608,758	\$ 217,017,924	\$ 188,601,507	\$ 172,423,602	\$ 145,232,466	\$ 115,644,799	\$ 92,231,832

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

DAVIS SCHOOL DISTRICT
Expenses, Program Revenue, and Net (Expense) Revenue
Last Ten Fiscal Years
Years Ended June 30, 2015 to 2024
(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental activities:										
Instruction	\$ 588,871,316	\$ 537,878,731	\$ 449,675,506	\$ 450,137,605	\$ 455,948,346	\$ 439,258,677	\$ 407,166,170	\$ 387,976,967	\$ 366,385,053	\$ 326,885,284
Supporting services:										
Student	32,639,138	28,618,501	23,140,740	23,805,768	21,919,087	20,084,536	17,614,204	16,319,254	15,761,163	14,178,453
Instructional staff	32,812,413	30,584,488	23,071,275	23,605,569	24,718,994	23,947,889	21,771,252	21,131,799	20,349,554	17,728,205
District administration	5,108,166	5,231,071	3,890,191	3,598,880	4,130,873	3,172,504	2,911,698	2,830,987	3,054,420	2,958,948
School administration	54,343,671	50,079,094	39,497,880	43,589,718	44,514,433	43,094,742	37,856,767	35,805,440	29,552,403	26,500,999
Central	24,375,191	22,734,429	17,204,238	19,841,989	19,569,399	18,808,698	17,615,021	15,994,617	15,074,694	13,256,245
Operation and maintenance of facilities	72,527,737	64,245,613	56,445,322	55,183,499	55,286,476	56,418,687	52,507,282	45,090,934	44,891,036	41,033,443
Student transportation	17,792,643	21,072,655	16,832,367	14,940,301	14,789,155	14,327,938	18,047,620	14,623,262	14,326,152	14,170,991
School food service	36,823,179	30,630,178	28,067,433	21,725,001	25,520,122	26,116,859	25,159,895	23,891,856	18,562,809	21,796,126
Interest on long-term liabilities	18,771,262	14,893,523	16,285,380	17,581,979	18,596,281	19,170,017	17,546,012	16,099,119	14,182,733	16,265,030
Total governmental activities expenses	884,064,716	805,968,283	674,110,332	674,010,309	684,993,166	664,600,547	618,195,922	579,764,235	542,140,017	494,773,724
Business-type activities:										
Pioneer Adult Rehabilitation Center	-	-	-	-	9,230,363	9,590,575	9,069,798	10,130,337	11,235,889	13,826,446
Total business-type activities expenses	-	-	-	-	9,230,363	9,590,575	9,069,798	10,130,337	11,235,889	13,826,446
Total primary government expenses	\$ 884,064,716	\$ 805,968,283	\$ 674,110,332	\$ 674,010,309	\$ 694,223,529	\$ 674,191,122	\$ 627,265,720	\$ 589,894,572	\$ 553,375,906	\$ 508,600,170
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 10,033,669	\$ 10,418,188	\$ 9,206,179	\$ 9,949,091	\$ 6,930,472	\$ 7,925,829	\$ 6,232,304	\$ 5,896,445	\$ 6,509,349	\$ 6,347,013
Operation and maintenance of facilities	4,358,438	338,472	358,619	269,657	164,912	330,225	234,978	354,790	317,443	302,692
School food service	9,227,916	8,112,774	993,595	1,170,072	6,992,988	8,673,759	8,569,757	8,513,417	8,440,270	8,314,193
Operating grants and contributions	239,023,390	196,832,096	204,332,174	163,714,389	135,014,969	125,049,800	128,948,262	123,749,980	118,045,419	111,025,916
Total governmental activities program revenues	262,643,413	215,701,530	214,890,567	175,103,209	149,103,341	141,979,613	143,985,301	138,514,632	133,312,481	125,989,814
Business-type activities:										
Charges for services:										
Pioneer Adult Rehabilitation Center	-	-	-	-	7,297,815	9,712,059	7,567,108	7,467,276	9,993,209	14,460,197
Operating grants and contributions	-	-	-	-	891,019	946,318	1,023,397	957,532	732,755	731,952
Total business-type activities program revenues	-	-	-	-	8,188,834	10,658,377	8,592,505	8,424,808	10,725,964	15,192,149
Total primary government program revenues	\$ 262,643,413	\$ 215,701,530	\$ 214,890,567	\$ 175,103,209	\$ 157,292,175	\$ 152,637,990	\$ 152,577,806	\$ 146,939,440	\$ 144,038,445	\$ 141,181,963
Net (expense)/revenue										
Governmental activities	\$ (621,421,303)	\$ (590,266,753)	\$ (459,219,765)	\$ (498,907,100)	\$ (535,889,825)	\$ (522,620,934)	\$ (474,210,621)	\$ (441,249,603)	\$ (408,827,536)	\$ (368,783,910)
Business-type activities	-	-	-	-	(1,041,529)	1,067,802	(477,293)	(1,705,529)	(509,925)	1,365,703
Total primary government net expense	\$ (621,421,303)	\$ (590,266,753)	\$ (459,219,765)	\$ (498,907,100)	\$ (536,931,354)	\$ (521,553,132)	\$ (474,687,914)	\$ (442,955,132)	\$ (409,337,461)	\$ (367,418,207)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for:										
General purposes	\$ 168,416,342	\$ 179,859,517	\$ 162,777,212	\$ 130,414,488	\$ 123,146,606	\$ 111,954,761	\$ 106,779,827	\$ 100,101,398	\$ 94,816,471	\$ 85,964,463
Debt service	67,286,368	68,067,251	65,305,503	75,821,440	69,721,833	65,350,647	54,462,817	50,008,667	48,146,166	46,572,252
Capital outlay	17,971,262	17,880,504	17,536,482	17,643,570	16,705,640	16,629,549	16,722,137	18,162,423	17,337,683	16,930,993
Federal and state revenue not restricted to specific purposes	371,483,541	339,793,062	318,033,401	320,656,013	317,915,726	301,156,982	287,384,030	265,470,952	246,318,610	227,240,368
Earnings on investments	25,592,443	16,270,907	1,453,912	1,709,876	5,172,269	6,845,936	4,026,286	2,346,999	1,326,808	669,366
Miscellaneous	45,814,161	42,911,581	39,676,526	31,252,546	38,407,860	35,658,028	32,393,188	29,593,138	24,755,867	24,765,168
Business-type activities:										
Earnings on investments	-	-	-	-	115,657	135,131	110,765	79,900	48,823	11,800
Total primary government general revenues	\$ 696,564,117	\$ 664,782,822	\$ 604,783,036	\$ 577,497,933	\$ 571,185,591	\$ 537,731,034	\$ 501,879,050	\$ 465,763,477	\$ 432,750,428	\$ 402,154,410
Change in Net Position										
Governmental activities	\$ 75,142,814	\$ 74,516,069	\$ 145,563,271	\$ 78,590,833	\$ 35,180,109	\$ 14,974,969	\$ 27,557,664	\$ 24,433,974	\$ 23,874,069	\$ 33,358,700
Business-type activities	-	-	-	-	(925,872)	1,202,933	(366,528)	(1,625,529)	(461,102)	1,377,503
Total primary government	\$ 75,142,814	\$ 74,516,069	\$ 145,563,271	\$ 78,590,833	\$ 34,254,237	\$ 16,177,902	\$ 27,191,136	\$ 22,808,345	\$ 23,412,967	\$ 34,736,203

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

DAVIS SCHOOL DISTRICT

Fund Balances - Governmental Funds

Last Ten Fiscal Years

Years Ended June 30, 2015 to 2024

(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General fund:										
Nonspendable (inventories & prepaids)	\$ 7,777,579	\$ 7,972,052	\$ 6,978,684	\$ 6,432,735	\$ 6,488,919	\$ 5,538,597	\$ 5,651,863	\$ 5,568,408	\$ 6,002,494	\$ 5,671,302
Committed to workers compensation	2,000,000	2,000,000	2,000,000	1,500,000	1,000,000	1,000,000	500,000	500,000	500,000	500,000
Committed to termination benefits	7,000,000	7,000,000	7,000,000	6,000,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Committed to economic stabilization	39,800,000	37,500,000	34,000,000	31,000,000	28,500,000	28,000,000	25,000,000	23,000,000	20,000,000	4,500,000
Assigned	52,625,000	35,875,000	25,625,000	23,825,000	28,025,000	15,825,000	15,325,000	11,542,000	3,435,887	5,538,661
Unassigned	63,836,940	55,872,542	47,559,798	40,106,730	31,185,527	27,108,282	20,954,371	15,947,138	11,625,750	18,497,093
Total fund balances	\$ 173,039,519	\$ 146,219,594	\$ 123,163,482	\$ 108,864,465	\$ 99,699,446	\$ 81,971,879	\$ 71,931,234	\$ 61,057,546	\$ 46,064,131	\$ 39,207,056
Debt service fund:										
Restricted for debt service	\$ 11,912,072	\$ 38,845,336	\$ 33,402,874	\$ 26,181,898	\$ 20,086,755	\$ 16,018,137	\$ 6,329,924	\$ 3,788,520	\$ 4,249,578	\$ 3,122,533
Total fund balances	\$ 11,912,072	\$ 38,845,336	\$ 33,402,874	\$ 26,181,898	\$ 20,086,755	\$ 16,018,137	\$ 6,329,924	\$ 3,788,520	\$ 4,249,578	\$ 3,122,533
Capital projects fund:										
Restricted for capital projects	\$ 33,716,990	\$ 163,862,345	\$ 43,148,764	\$ 51,249,300	\$ 81,196,192	\$ 67,958,722	\$ 61,137,332	\$ 90,387,510	\$ 79,202,839	\$ 64,391,390
Total fund balances	\$ 33,716,990	\$ 163,862,345	\$ 43,148,764	\$ 51,249,300	\$ 81,196,192	\$ 67,958,722	\$ 61,137,332	\$ 90,387,510	\$ 79,202,839	\$ 64,391,390
Other governmental funds										
Nonspendable (inventories & prepaids)	\$ 3,296,291	\$ 2,686,822	\$ 1,995,605	\$ 2,338,477	\$ 2,078,609	\$ 1,810,424	\$ 1,419,246	\$ 1,591,777	\$ 1,586,119	\$ 1,190,751
Restricted for school food services	17,930,022	17,849,773	17,244,414	6,727,860	6,880,653	7,014,418	8,730,066	8,700,460	6,838,302	4,938,127
Committed to schools	13,759,634	13,377,872	13,905,171	12,757,922	11,555,811	11,497,946	11,379,613	10,962,771	10,502,480	10,598,751
Assigned to Foundation	3,465,033	5,488,714	5,085,973	3,724,427	2,639,909	2,178,619	1,760,723	1,703,846	-	-
Total fund balances	\$ 38,450,980	\$ 39,403,181	\$ 38,231,163	\$ 25,548,686	\$ 23,154,982	\$ 22,501,407	\$ 23,289,648	\$ 22,958,854	\$ 18,926,901	\$ 16,727,629
Total Governmental Funds:										
Nonspendable (inventories & prepaids)	\$ 11,073,870	\$ 10,658,874	\$ 8,974,289	\$ 8,771,212	\$ 8,567,528	\$ 7,349,021	\$ 7,071,109	\$ 7,160,185	\$ 7,588,613	\$ 6,862,053
Restricted	63,559,084	220,557,454	93,796,052	84,159,058	108,163,600	90,991,277	76,197,322	102,876,490	90,290,719	72,452,050
Committed	62,559,634	59,877,872	56,905,171	51,257,922	45,555,811	44,997,946	41,379,613	38,962,771	35,502,480	20,098,751
Assigned	56,090,033	41,363,714	30,710,973	27,549,427	30,664,909	15,825,000	15,325,000	11,542,000	3,435,887	20,098,751
Unassigned	63,836,940	55,872,542	47,559,798	40,106,730	31,185,527	27,108,282	20,954,371	15,947,138	11,625,750	18,497,093
Total fund balances	\$ 257,119,561	\$ 388,330,456	\$ 237,946,283	\$ 211,844,349	\$ 224,137,375	\$ 186,271,526	\$ 160,927,415	\$ 176,488,584	\$ 148,443,449	\$ 138,008,698

DAVIS SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
Years Ended June 30, 2015 to 2024
(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Property taxes	\$ 265,827,809	\$ 275,800,689	\$ 256,283,095	\$ 232,977,981	\$ 221,791,304	\$ 204,117,320	\$ 187,642,159	\$ 175,846,086	\$ 167,630,513	\$ 156,139,109
Earnings on investments	25,592,443	16,270,907	1,453,912	1,709,876	5,172,269	6,845,936	4,026,286	2,846,286	1,326,808	669,366
Other local sources	48,885,373	40,055,624	41,023,361	31,951,821	33,466,195	34,270,341	30,015,022	28,762,897	25,431,575	25,608,140
School lunch sales	7,790,873	6,904,370	-	534,328	6,242,150	7,698,899	7,635,337	7,646,736	7,593,773	7,558,576
State of Utah	538,294,480	454,634,478	416,950,700	420,621,459	406,776,551	383,125,083	371,384,393	343,080,856	319,974,739	296,587,246
Federal government	72,212,451	81,990,680	105,414,875	63,748,943	46,154,144	43,081,699	44,947,899	46,140,076	44,389,290	41,679,038
Total revenues	958,603,429	875,656,748	821,125,943	751,544,408	719,602,613	679,139,278	645,651,096	603,823,650	566,346,698	528,241,475
Expenditures:										
Current:										
Instruction	563,441,353	503,276,812	472,771,848	430,005,185	403,024,572	384,243,175	365,081,401	340,732,811	325,166,810	303,792,266
Supporting services:										
Students	32,722,418	28,904,260	27,667,460	25,169,180	21,011,360	19,104,242	17,708,229	16,015,062	15,573,759	14,694,917
Instructional staff	33,016,487	30,844,875	27,826,253	25,158,932	23,998,481	23,027,859	22,001,747	20,886,518	20,244,708	18,445,968
District administration	5,123,597	4,880,000	4,225,896	3,614,428	3,526,654	3,067,813	2,711,466	2,772,126	2,505,646	2,325,792
School administration	53,797,977	49,616,369	46,884,492	45,231,000	41,875,458	40,201,664	37,375,321	34,455,761	28,518,964	26,766,307
Central	23,774,099	22,136,649	19,616,288	20,053,962	18,198,535	17,108,744	16,935,865	15,079,440	14,277,804	12,960,814
Operation and maint of facilities	70,418,121	62,182,849	58,848,428	54,462,365	52,245,457	53,118,262	51,134,507	43,193,068	43,268,575	40,514,129
Student transportation	15,917,708	19,541,897	16,683,167	14,204,789	13,427,486	13,171,601	16,928,910	13,142,063	12,881,560	13,168,618
School food services	36,715,327	30,528,821	29,402,638	22,007,915	25,338,067	25,808,135	24,951,399	23,596,878	22,094,493	21,893,048
Capital outlay	158,560,262	63,192,355	32,661,776	55,023,703	77,079,107	73,118,420	125,801,248	99,556,365	78,653,608	39,718,863
Debt service:										
Bond principal	75,515,000	48,202,000	40,845,000	49,780,000	46,045,000	36,755,000	34,530,000	34,865,000	33,230,000	26,975,000
Bond interest	21,468,657	17,057,192	17,420,219	19,771,178	20,031,801	19,635,007	18,360,825	16,660,115	14,949,568	17,468,199
Advance funding escrow	-	-	-	-	257,695	-	-	-	-	-
Bond issuance costs	-	367,000	66,600	86,900	-	-	189,182	8,400	512,741	660,188
Capital lease payments	-	-	-	-	-	-	-	-	97,271	97,271
Fees and miscellaneous charges	12,343	2,500	-	8,100	8,500	8,300	7,501	-	36,400	7,400
Total expenditures	1,090,483,349	880,733,579	794,920,065	764,577,637	746,068,173	708,368,222	733,717,601	660,963,607	612,011,907	539,488,780
Excess (deficiency) of revenues over (under) expenditures	(131,875,920)	(5,076,831)	26,205,878	(13,033,229)	(26,465,560)	(29,228,944)	(88,066,505)	(57,139,957)	(45,665,209)	(11,247,305)
Other financing sources (uses):										
General obligation bonds issued	-	140,000,000	-	-	55,170,000	50,000,000	69,375,000	80,000,000	68,500,000	40,000,000
General obligation bonds premium	-	8,066,787	-	-	6,071,793	4,989,627	2,521,000	4,990,408	1,510,053	1,138,631
Refunding bond issued	-	-	15,757,000	30,035,000	43,565,000	-	36,805,000	-	120,035,000	-
Refunding bond premium	-	-	-	-	9,579,467	3,592,355	3,592,355	-	6,930,694	-
Refunded bond escrow payment	-	-	(15,874,529)	(29,948,100)	(52,886,772)	-	(40,208,173)	-	(126,452,953)	-
Transfer out	-	-	-	-	-	-	-	-	-	(95,035)
Proceeds from sale of capital assets	669,025	7,394,217	13,585	653,303	653,303	1,323	477,031	498,049	137,256	10,225
Total other financing sources (uses)	669,025	155,461,004	(103,944)	740,203	62,152,791	54,990,950	72,562,213	85,488,457	70,660,050	41,053,821
Net change in fund balances	(131,210,895)	150,384,173	26,101,934	(12,293,026)	35,687,231	25,762,006	(15,504,292)	28,348,500	24,994,841	29,806,516
Fund balances - beginning	388,330,456	237,946,283	211,844,349	224,137,375	188,450,144	162,688,138	178,192,430	149,843,930	123,448,608	93,642,092
Fund balances - ending	\$ 257,119,561	\$ 388,330,456	\$ 237,946,283	\$ 211,844,349	\$ 224,137,375	\$ 188,450,144	\$ 162,688,138	\$ 178,192,430	\$ 148,443,449	\$ 123,448,608
Debt service	96,996,000	65,628,692	58,331,819	69,646,178	66,342,996	56,398,307	53,087,508	51,533,515	48,825,980	45,208,058
Noncapital expenditures	936,575,621	830,882,344	777,802,310	724,947,899	712,927,314	677,300,767	708,300,843	635,434,317	555,386,177	514,271,468
Debt service as a percentage of noncapital expenditures	10.4%	7.9%	7.5%	9.6%	9.3%	8.3%	7.5%	8.1%	8.8%	8.8%

DAVIS SCHOOL DISTRICT

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Tax Years December 31, 2014 through 2023

Tax Year	Commercial & Industrial			Agriculture	Personal	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential								
2023	\$ 30,885,910,065	\$ 7,006,926,957	\$ 998,320,317	\$ 3,022,052,891	\$ 41,913,210,230	0.006228	\$ 74,189,652,960	56.5%	
2022	29,755,864,787	8,496,159,998	283,773,482	2,792,031,997	41,327,830,264	0.006424	67,494,560,581	61.2%	
2021	21,963,166,243	7,212,773,989	240,934,288	2,707,978,911	32,124,853,431	0.007642	51,415,576,696	62.5%	
2020	18,800,650,460	6,889,525,804	215,864,640	2,474,101,778	28,380,142,682	0.007670	45,098,354,733	62.9%	
2019	17,729,980,985	6,631,773,284	177,542,274	2,326,866,557	26,866,163,100	0.007679	42,489,746,245	63.2%	
2018	15,953,299,180	6,173,629,223	172,539,490	2,217,414,795	24,516,882,688	0.008127	38,603,816,772	63.5%	
2017	14,481,985,166	5,538,002,128	190,558,209	2,461,629,632	22,672,175,135	0.007846	34,987,059,677	64.8%	
2016	13,172,061,449	5,021,196,704	116,721,149	2,136,054,321	20,446,033,623	0.008125	31,623,889,734	64.7%	
2015	12,137,403,230	4,633,378,279	124,107,984	1,982,261,211	18,877,150,704	0.008555	29,257,820,639	64.5%	
2014	11,769,131,872	4,393,893,837	128,848,651	1,718,928,896	18,010,803,256	0.008259	28,052,491,146	64.2%	

* Source: Davis County ACFR

DAVIS SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates Last Ten Tax Years December 31, 2014 through 2023 (rate per \$1 of assessed value)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Davis School District direct rates:										
General	0.004080	0.004302	0.004999	0.004420	0.004407	0.004833	0.004752	0.004833	0.005058	0.004752
Capital outlay & debt service	0.002064	0.002057	0.002555	0.003167	0.003185	0.003224	0.002988	0.003292	0.003497	0.003507
Charter school levy	0.000084	0.000065	0.000088	0.000083	0.000087	0.000070	0.000106	-	-	-
Total direct rate	0.006228	0.006424	0.007642	0.007670	0.007679	0.008127	0.007846	0.008125	0.008555	0.008259
Overlapping Rates: *										
County funds	0.001298	0.001233	0.001608	0.001370	0.001409	0.001473	0.002210	0.002014	0.002153	0.002161
County library	0.000234	0.000229	0.000289	0.000319	0.000329	0.000349	0.000376	0.000342	0.000361	0.000361
Average cities and towns	0.001240	0.001192	0.001327	0.002118	0.001367	0.001380	0.001463	0.001455	0.001594	0.001558
Miscellaneous taxing districts	0.000336	0.000467	0.000662	0.000419	0.000417	0.000590	0.000615	0.000490	0.000522	0.000539

* Source: Davis County ACFR

DAVIS SCHOOL DISTRICT

Principal Property Tax Payers Current Year and Nine Years Ago December 31, 2023 and 2014

Taxpayer	December 31, 2023			December 31, 2014		
	Taxable Value	Rank	Percent of District's Total Taxable Value	Taxable Value	Rank	Percent of District's Total Taxable Value
Chevron U.S. Inc, Chevron Pipeline & California Oil	\$ 837,591,270	1	2.03%	\$ 449,847,411	1	2.73%
Woods Cross Refining Comp - LLC	319,325,414	2	0.77%	248,107,301	3	1.51%
Freeport Center Associates	294,928,038	3	0.71%	192,155,177	4	1.17%
Pacificorp	240,720,861	4	0.58%	202,943,446	2	1.23%
Questar Gas	211,500,977	5	0.51%	79,227,449	7	0.48%
Big West Oil LLC	208,780,241	6	0.51%	82,237,334	8	0.50%
Station Park Centercal LLC	190,510,086	7	0.46%	163,866,406	9	n/a
Lifetime Products	152,147,223	8	0.37%	n/a	n/a	n/a
Woods Cross Operating - LLC	151,371,605	9	0.37%	n/a	n/a	n/a
United States of America	133,217,065	10	0.32%	n/a	n/a	n/a
ATK Aerospace	n/a	n/a	n/a	131,368,983	5	0.80%
Layton Hills Mall CMBS LLC	n/a	n/a	n/a	103,937,211	6	0.63%
Smith's Food King Properties	n/a	n/a	n/a	78,149,988	10	0.47%
Totals	\$ 2,740,092,780		6.63%	\$ 1,731,840,706		9.52%

* Source: Davis County Clerk / Auditor's Office

DAVIS SCHOOL DISTRICT

Property Tax Levies and Collections Last Ten Tax Years December 31, 2014 through 2023

Tax Year Ended December 31,	Property Taxes Levied For The Calendar Year	Property Taxes Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Property Tax Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2023	\$ 312,307,381	\$ 299,040,195	95.75%	\$ -	\$ 299,040,195	95.75%
2022	260,235,698	251,950,417	96.82%	6,093,680	258,044,097	99.16%
2021	236,115,030	229,897,311	97.37%	5,508,485	235,405,796	99.70%
2020	208,985,972	204,266,577	97.74%	4,482,698	208,749,275	99.89%
2019	201,177,733	196,952,867	97.90%	4,101,782	201,054,650	99.94%
2018	180,918,217	177,462,344	98.09%	3,451,570	180,913,914	100.00%
2017	170,886,005	151,891,258	88.88%	18,993,496	170,884,753	100.00%
2016	166,980,431	159,543,862	95.55%	7,436,569	166,980,431	100.00%
2015	160,846,154	153,067,636	95.16%	7,777,584	160,845,220	100.00%
2014	149,474,220	141,407,236	94.60%	8,058,210	149,465,446	99.99%

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

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

DAVIS SCHOOL DISTRICT

Ratios of Outstanding Debt Last Ten Fiscal Years December 31, 2015 through 2024

Year Ended June 30,	Outstanding Net General Obligation Bonds (2)	Net General Bonded Debt As		Net Bonded Debt Per		Lease Revenue Bonds	Capital Leases	Total Debt	Debt As		Debt As	
		Percentage of Taxable Value	Bonded Debt Per Capita	Bonded Debt Per Student	Percentage of Taxable Value				Percentage of Total Personal Income	Debt Per Capita	Debt Per Student	
2024	\$ 476,363,462	1.14%	\$ 1,288	\$ 6,656	\$ 36,935,000	\$ -	\$ 513,298,462	1.22%	NA (1)	\$ 1,387	\$ 7,260	
2023	553,430,306	1.34%	1,507	7,629	38,385,000	-	591,815,306	1.43%	2.77%	1,611	8,270	
2022	494,649,859	1.54%	1,364	7,002	-	-	494,649,859	1.54%	2.63%	1,364	6,819	
2021	538,140,362	1.90%	1,495	7,382	-	-	538,140,362	1.90%	2.91%	1,495	7,382	
2020	590,948,844	2.20%	1,662	8,107	-	-	590,948,844	2.20%	3.43%	1,662	8,107	
2019	577,906,123	2.36%	1,643	7,997	-	-	577,906,123	2.36%	3.55%	1,643	7,997	
2018	561,478,811	2.48%	1,615	7,808	-	-	561,478,811	2.48%	3.66%	1,615	7,808	
2017	523,689,501	2.56%	1,530	7,374	-	-	523,689,501	2.56%	3.70%	1,530	7,374	
2016	475,741,445	2.52%	1,416	6,808	-	-	475,741,445	2.52%	3.54%	1,416	6,808	
2015	432,179,325	2.40%	1,311	6,251	-	93,118	432,272,443	2.40%	3.38%	1,311	6,252	

- (1) Personal income data was not yet available.
(2) Presented net of original issuance discounts and premiums.

DAVIS SCHOOL DISTRICT

Overlapping and Underlying General Obligation Debt June 30, 2024

Taxing Entity	2023 Taxable Value (1)	District's Estimated Portion of Taxable Value	Estimated District's Percentage (7)	Entity's General Obligation Debt (6)	District's Estimated Portion of Debt
Overlapping:					
State of Utah	\$ 537,357,507,605	\$ 41,923,743,776	7.8%	\$ 1,469,510,000	\$ 114,621,780
Davis County	41,327,830,264	41,913,198,342	101.4%	516,830,000	524,065,620
Total overlapping					638,687,400
Underlying:					
WBWCD (2) (3)	111,010,115,653	41,910,778,420	37.8%	8,560,000	3,235,680
Bountiful City	5,104,251,284	5,145,979,568	100.8%	7,225,000	7,282,800
Farmington City	3,230,737,253	3,341,814,003	103.4%	4,080,000	4,218,720
North Davis Sewer District	22,110,031,802	19,023,925,966	86.0%	5,180,000	4,454,800
South Davis Rec. District (4)	14,380,188,423	14,545,046,442	101.1%	3,640,000	3,680,040
Total underlying					22,872,040
Total overlapping and underlying general obligation debt					\$ 661,559,440
Total overlapping general obligation debt (excluding the State) (5)					\$ 524,065,620
Total direct general obligation bonded indebtedness					476,363,462
Total lease revenue bonds					36,935,000
Total direct and overlapping debt (excluding the State) (5)					\$ 1,037,364,082

- (1) 2023 values are preliminary and subject to change. Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.
- (2) The Weber Basin Water Conservancy District ("WBWCD") covers all of Morgan County, most of Davis County and Weber County, and portions of Box Elder and Summit Counties. Principal and interest on WBWCD general obligation bonds are paid from sales of water. WBWCD's outstanding general obligation bonds are limited ad valorem tax bonds. By law, WBWCD may levy a tax rate of up to .000200 to pay, first, for any outstanding general obligation indebtedness, then for operation and maintenance expenses, and then for any other lawful purpose.
- (3) All or portions of these governmental entities' outstanding general obligation debt are supported by user fee revenues from water or sewer. The District's portion of overlapping general obligation debt has been reduced to the extent that such general obligation debt is supported by "user fee revenues".
- (4) South Davis Recreation District members are Bountiful, Centerville, North Salt Lake, Woods Cross, and West Bountiful.
- (5) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.
- (6) Governmental activities debt is limited to general obligation debt for these entities; information on other debt is not available.
- (7) Percentage based on total shared area of land in respective geographical boundaries.

* Source: Davis County ACFR

DAVIS SCHOOL DISTRICT

**General Obligation Legal Debt Limit and Debt Capacity
Last Ten Years
December 31, 2015 through 2024**

Year Ended June 30,	Estimated Fair Market Value	Estimated Value from Uniform Fees	Estimated Fair Market Value for Debt Incurring Capacity	Debt Limit (4% of Fair Market Value)	General Obligation Debt	Debt Issuance Premiums	Additional Debt Capacity	Percentage of Debt To Debt Limit
2024	\$ 74,189,652,960	\$ 1,526,555,241	\$ 75,716,208,201	\$ 3,028,648,328	\$ 442,765,000	\$ 33,598,462	\$ 2,552,284,866	15.73%
2023	67,494,560,581	1,489,478,458	68,984,039,039	2,759,361,562	516,830,000	36,600,306	2,205,931,256	20.06%
2022	51,415,576,696	1,532,079,896	52,947,656,592	2,117,906,264	463,417,000	31,232,859	1,623,256,405	23.36%
2021	45,098,354,733	1,393,837,012	46,492,191,745	1,859,687,670	504,010,000	34,130,362	1,321,547,308	28.94%
2020	42,489,746,245	1,417,904,321	43,907,650,566	1,756,306,023	552,700,000	38,248,846	1,165,357,177	33.65%
2019	38,603,816,772	1,398,560,802	40,002,377,574	1,600,095,103	552,670,000	25,236,122	1,022,188,981	36.12%
2018	34,987,059,677	1,345,328,581	36,332,388,258	1,453,295,530	539,425,000	22,053,811	891,816,719	38.63%
2017	31,623,889,734	1,292,725,501	32,916,615,235	1,316,664,609	505,145,000	18,544,501	792,975,108	39.77%
2016	29,257,820,639	1,258,418,555	30,516,239,194	1,220,649,568	460,010,000	15,731,445	744,908,123	38.97%
2015	28,052,491,146	1,181,154,351	29,233,645,497	1,169,345,820	420,660,000	11,519,325	737,166,495	36.96%

DAVIS SCHOOL DISTRICT

**Schedule of Annual Debt Service Requirements (General Obligation Debt)
Years Ending June 30, 2025 to 2043**

Year Ending June 30,	Principal	Interest	Total Payment
2025	\$ 35,325,000	\$ 15,836,220	\$ 51,161,220
2026	36,730,000	14,407,148	51,137,148
2027	38,155,000	13,013,198	51,168,198
2028	39,485,000	11,663,973	51,148,973
2029	36,035,000	10,329,898	46,364,898
2030	34,425,000	9,096,308	43,521,308
2031	30,430,000	7,855,136	38,285,136
2032	27,470,000	6,832,093	34,302,093
2033	25,875,000	5,881,588	31,756,588
2034	26,985,000	4,963,450	31,948,450
2035	25,695,000	4,034,238	29,729,238
2036	23,690,000	3,132,544	26,822,544
2037	19,655,000	2,291,419	21,946,419
2038	13,940,000	1,595,619	15,535,619
2039	9,260,000	1,090,088	10,350,088
2040	6,720,000	746,588	7,466,588
2041	4,130,000	515,600	4,645,600
2042	4,295,000	350,400	4,645,400
2043	4,465,000	178,600	4,643,600
	<u>\$ 442,765,000</u>	<u>\$ 113,814,103</u>	<u>\$ 556,579,103</u>

DAVIS SCHOOL DISTRICT

Debt Service Schedule of Outstanding General Obligation Bonds Year Ended June 30, 2024

PRINCIPAL

Year Ending June 30,	2014A	2015A	2015B	2016A	2017A	2017B	2018A	2019A	2019B	2020B	2021A	2023	Total
	\$ 25,000,000	\$ 40,000,000	\$ 67,025,000	\$ 68,500,000	\$ 80,000,000	\$ 36,805,000	\$ 69,375,000	\$ 50,000,000	\$ 43,565,000	\$ 55,170,000	\$ 30,035,000	\$ 100,000,000	
2025	\$ 1,650,000	\$ 1,970,000	\$ 6,495,000	\$ 3,500,000	\$ 4,000,000	\$ 3,225,000	\$ 3,250,000	\$ 1,600,000	\$ 3,900,000	\$ 1,550,000	\$ 2,285,000	\$ 1,900,000	\$ 35,325,000
2026	1,700,000	2,030,000	6,735,000	3,575,000	4,200,000	3,400,000	3,400,000	1,675,000	4,095,000	1,625,000	2,300,000	1,995,000	36,730,000
2027	1,755,000	2,090,000	6,935,000	3,650,000	4,425,000	3,575,000	3,550,000	1,750,000	4,295,000	1,710,000	2,325,000	2,095,000	38,155,000
2028	1,805,000	2,155,000	7,145,000	3,725,000	4,625,000	3,650,000	3,675,000	1,850,000	4,510,000	1,795,000	2,350,000	2,200,000	39,485,000
2029	1,860,000	2,240,000	2,590,000	3,800,000	4,775,000	3,725,000	3,800,000	1,925,000	4,735,000	1,885,000	2,380,000	2,320,000	36,035,000
2030	1,915,000	2,310,000	-	3,925,000	4,925,000	3,825,000	3,700,000	2,025,000	4,975,000	1,975,000	2,410,000	2,440,000	34,425,000
2031	1,975,000	2,400,000	-	4,050,000	5,075,000	3,900,000	3,825,000	2,125,000	-	2,075,000	2,445,000	2,560,000	30,430,000
2032	2,040,000	2,500,000	-	4,150,000	5,250,000	-	3,950,000	2,250,000	-	2,160,000	2,480,000	2,690,000	27,470,000
2033	2,105,000	2,580,000	-	4,275,000	5,425,000	-	4,075,000	2,350,000	-	2,245,000	-	2,820,000	25,875,000
2034	2,175,000	2,685,000	-	4,425,000	5,600,000	-	4,375,000	2,425,000	-	2,335,000	-	2,965,000	26,985,000
2035	-	2,780,000	-	4,575,000	5,800,000	-	4,525,000	2,500,000	-	2,405,000	-	3,110,000	25,695,000
2036	-	-	-	4,725,000	5,975,000	-	4,675,000	2,575,000	-	2,475,000	-	3,265,000	23,690,000
2037	-	-	-	-	6,200,000	-	4,825,000	2,650,000	-	2,550,000	-	3,430,000	19,655,000
2038	-	-	-	-	-	-	5,000,000	2,725,000	-	2,615,000	-	3,600,000	13,940,000
2039	-	-	-	-	-	-	-	2,800,000	-	2,680,000	-	3,780,000	9,260,000
2040	-	-	-	-	-	-	-	-	-	2,750,000	-	3,970,000	6,720,000
2041	-	-	-	-	-	-	-	-	-	-	-	4,130,000	4,130,000
2042	-	-	-	-	-	-	-	-	-	-	-	4,295,000	4,295,000
2043	-	-	-	-	-	-	-	-	-	-	-	4,465,000	4,465,000
Total	\$ 18,980,000	\$ 25,740,000	\$ 29,900,000	\$ 48,375,000	\$ 66,275,000	\$ 25,300,000	\$ 56,625,000	\$ 33,225,000	\$ 26,510,000	\$ 34,830,000	\$ 18,975,000	\$ 58,030,000	\$ 442,765,000

INTEREST

Year Ending June 30,	2014A	2015A	2015B	2016A	2017A	2017B	2018A	2019A	2019B	2020B	2021A	2023	Total
2025	600,600	906,150	961,950	1,382,781	2,408,531	769,475	1,921,481	1,307,656	1,325,500	1,270,963	237,233	2,743,900	\$ 15,836,220
2026	551,100	847,050	702,150	1,312,781	2,208,531	608,225	1,758,981	1,227,656	1,130,500	1,193,463	217,810	2,648,900	14,407,148
2027	500,100	786,150	500,100	1,241,281	1,998,531	438,225	1,622,981	1,143,906	925,750	1,112,213	194,810	2,549,150	13,013,198
2028	447,450	723,450	292,050	1,168,281	1,777,281	366,725	1,480,981	1,056,406	711,000	1,026,713	169,235	2,444,400	11,663,973
2029	393,300	637,250	77,700	1,075,156	1,638,531	286,425	1,370,731	963,906	485,500	936,963	141,035	2,323,400	10,329,898
2030	337,500	567,250	-	965,906	1,495,281	197,025	1,256,731	867,656	248,750	842,713	110,095	2,207,400	9,096,308
2031	277,656	474,850	-	848,156	1,335,219	101,400	1,145,731	766,406	-	743,963	76,355	2,085,400	7,855,136
2032	213,469	378,850	-	726,656	1,163,938	-	1,030,981	660,156	-	660,963	39,680	1,957,400	6,832,093
2033	147,169	294,475	-	602,156	980,188	-	912,481	547,656	-	574,563	-	1,822,900	5,881,588
2034	76,125	191,275	-	463,219	803,875	-	785,138	477,156	-	484,763	-	1,681,900	4,963,450
2035	-	97,300	-	313,875	621,875	-	648,419	404,406	-	414,713	-	1,533,650	4,034,238
2036	-	-	-	159,469	426,125	-	496,831	329,406	-	342,563	-	1,378,150	3,132,544
2037	-	-	-	-	217,000	-	339,050	252,156	-	268,313	-	1,214,900	2,291,419
2038	-	-	-	-	-	-	175,000	172,656	-	204,563	-	1,043,400	1,595,619
2039	-	-	-	-	-	-	-	87,500	-	139,188	-	863,400	1,090,088
2040	-	-	-	-	-	-	-	-	-	72,188	-	674,400	746,588
2041	-	-	-	-	-	-	-	-	-	-	-	515,600	515,600
2042	-	-	-	-	-	-	-	-	-	-	-	350,400	350,400
2043	-	-	-	-	-	-	-	-	-	-	-	178,600	178,600
Total	\$ 3,544,469	\$ 5,904,050	\$ 2,533,950	\$ 10,259,719	\$ 17,074,906	\$ 2,767,500	\$ 14,945,519	\$ 10,264,688	\$ 4,827,000	\$ 10,288,800	\$ 1,186,253	\$ 30,217,250	\$ 113,814,103

TOTAL PAYMENT

Year Ending June 30,	2014A	2015A	2015B	2016A	2017A	2017B	2018A	2019A	2019B	2020B	2021A	2023	Total
2025	2,250,600	2,876,150	7,456,950	4,882,781	6,408,531	3,994,475	5,171,481	2,907,656	5,225,500	2,820,963	2,522,233	4,643,900	\$ 51,161,220
2026	2,251,100	2,877,050	7,437,150	4,887,781	6,408,531	4,008,225	5,158,981	2,902,656	5,225,500	2,818,463	2,517,810	4,643,900	51,137,148
2027	2,255,100	2,876,150	7,435,100	4,891,281	6,423,531	4,013,225	5,172,981	2,893,906	5,220,750	2,822,213	2,519,810	4,644,150	51,168,198
2028	2,252,450	2,878,450	7,437,050	4,893,281	6,402,281	4,016,725	5,155,981	2,906,406	5,221,000	2,821,713	2,519,235	4,644,400	51,148,973
2029	2,253,300	2,877,250	2,667,700	4,875,156	6,413,531	4,011,425	5,170,731	2,888,906	5,220,500	2,821,963	2,521,035	4,643,400	46,364,898
2030	2,252,500	2,877,250	-	4,890,906	6,420,281	4,022,025	4,956,731	2,892,656	5,223,750	2,817,713	2,520,095	4,647,400	43,521,308
2031	2,252,656	2,874,850	-	4,898,156	6,410,219	4,001,400	4,970,731	2,891,406	-	2,818,963	2,521,355	4,645,400	38,285,136
2032	2,253,469	2,878,850	-	4,876,656	6,413,938	-	4,980,981	2,910,156	-	2,820,963	2,519,680	4,647,400	34,302,093
2033	2,252,169	2,874,475	-	4,877,156	6,405,188	-	4,987,481	2,897,656	-	2,819,563	-	4,642,900	31,756,588
2034	2,251,125	2,876,275	-	4,888,219	6,403,875	-	5,160,138	2,902,156	-	2,819,763	-	4,646,900	31,948,450
2035	-	2,877,300	-	4,888,875	6,421,875	-	5,173,419	2,904,406	-	2,819,713	-	4,643,650	29,729,238
2036	-	-	-	4,884,469	6,401,125	-	5,171,831	2,904,406	-	2,817,563	-	4,643,150	26,822,544
2037	-	-	-	-	6,417,000	-	5,164,050	2,902,156	-	2,818,313	-	4,644,900	21,946,419
2038	-	-	-	-	-	-	5,175,000	2,897,656	-	2,819,563	-	4,643,400	15,535,619
2039	-	-	-	-	-	-	-	2,887,500	-	2,819,188	-	4,643,400	10,350,088
2040	-	-	-	-	-	-	-	-	-	2,822,188	-	4,644,400	7,466,588
2041	-	-	-	-	-	-	-	-	-	-	-	4,645,600	4,645,600
2042	-	-	-	-	-	-	-	-	-	-	-	4,645,400	4,645,400
2043	-	-	-	-	-	-	-	-	-	-	-	4,643,600	4,643,600
Total	\$ 22,524,469	\$ 31,644,050	\$ 32,433,950	\$ 58,634,719	\$ 83,349,906	\$ 28,067,500	\$ 71,570,519	\$ 43,489,688	\$ 31,337,000	\$ 45,118,800	\$ 20,161,253	\$ 88,247,250	\$ 556,579,103

DAVIS SCHOOL DISTRICT

Demographic and Economic Statistics Years Ended 2014 - 2023

Year Ended December 31,	County Population (1)	Personal Income	Per Capita Income	Births	Deaths	Unemployment Rate (3)	School District October 1 Enrollment
2023	369,948	N/A (2)	N/A (2)	4,624	2,114	2.4%	70,703
2022	367,285	\$21,356,520,895	\$58,147	3,278	1,957	2.4%	71,564
2021	362,679	18,805,631,508	51,852	4,960	2,339	2.2%	72,540
2020	359,925	18,464,152,500	51,300	4,827	2,201	4.1%	70,643
2019	355,481	17,213,456,463	48,423	5,075	1,840	2.4%	72,897
2018	351,713	16,279,387,918	46,286	5,282	1,892	2.9%	72,263
2017	347,637	15,332,877,522	44,106	5,473	1,826	3.1%	71,908
2016	342,281	14,149,554,259	41,339	5,687	1,762	3.3%	71,021
2015	336,043	13,441,720,000	40,000	5,870	1,710	3.3%	69,879
2014	329,692	12,782,158,840	38,770	5,772	1,684	3.6%	69,139

(1) Davis County ACFR

(2) Personal Income data was not yet available

(3) Utah Department of Workforce Services

DAVIS SCHOOL DISTRICT

Labor Market Data Davis County Years Ended June 30, 2015 to 2024

	2024 (1)	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total civilian work force	194,716	190,617	185,047	175,905	176,250	173,800	170,592	170,335	164,977	160,321
Employed	188,144	186,297	181,390	168,737	170,922	169,589	165,587	165,116	159,781	154,896
Unemployed	6,572	4,320	3,657	7,168	5,328	4,211	5,005	5,219	5,196	5,425
Unemployment rate	3.4%	2.3%	2.0%	4.1%	3.0%	2.4%	2.9%	3.1%	3.1%	3.4%
Total non-agricultural employment	140,529	140,529	141,067	134,131	133,114	133,376	130,275	126,380	121,365	118,683
Mining	96	98	90	212	188	93	131	128	134	157
Contract construction	11,837	12,115	11,807	10,801	10,228	11,129	10,808	10,303	10,018	9,260
Manufacturing	13,928	11,445	13,120	14,067	13,289	13,992	13,739	12,087	11,786	12,031
Trade, transportation and utilities	26,903	25,998	26,971	24,443	24,020	24,185	23,742	24,257	23,106	22,367
Information	1,423	2,296	1,422	1,276	1,302	1,218	1,210	1,364	1,327	1,410
Financial services	4,776	4,582	4,451	4,501	4,674	4,539	4,451	3,981	3,864	3,852
Professional and business services	15,910	16,327	17,255	17,047	16,962	16,131	15,375	15,182	14,723	15,253
Education services	14,660	13,904	13,730	12,752	13,486	12,487	12,527	11,815	11,318	12,686
Leisure and hospitality	14,234	13,963	14,559	12,326	13,060	14,455	14,174	13,655	13,018	12,832
Other services	4,051	6,290	4,007	3,821	3,700	3,699	3,765	3,630	3,619	3,470
Government	34,875	33,511	33,655	32,885	32,205	31,448	30,353	29,978	28,452	25,365

(1) Labor Force data was available through July 2024, however, the detailed industry data was only available thru Q1 2024.

(Source: Utah Department of Workforce Services)

DAVIS SCHOOL DISTRICT

**Capital Asset Information
Last Ten Fiscal Years**

	Fiscal Year Ended June 30,									
<u>Function</u>	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction	\$ 1,058,357,482	\$ 1,056,969,456	\$ 1,056,788,146	\$ 1,022,678,893	\$ 979,938,845	\$ 919,438,300	\$ 779,068,934	\$ 778,662,256	\$ 742,031,506	\$ 733,256,750
Student Support Services	10,443,924	10,443,924	10,443,924	10,422,549	10,427,628	9,783,193	7,388,980	7,388,980	7,388,980	7,239,128
Instructional Support	13,277,403	13,277,403	3,674,002	3,674,002	3,674,002	3,674,002	3,697,325	3,697,325	3,697,325	3,673,686
General Administration	1,140,861	1,140,861	1,140,861	1,140,861	1,147,427	1,141,892	1,141,892	1,141,892	1,141,892	1,141,892
School Administration	58,060,650	58,066,673	58,066,673	56,787,299	54,729,460	51,580,809	42,822,322	42,833,317	41,014,001	40,464,542
Central	33,923,740	33,440,338	33,242,149	32,696,985	31,783,263	32,035,456	26,923,556	27,013,408	28,737,334	26,518,557
Operations and Maintenance	88,527,610	87,596,840	87,490,363	80,645,706	76,287,877	72,527,925	59,137,833	59,051,361	56,341,772	55,973,232
Student Transportation	33,646,122	32,902,683	29,475,989	23,157,578	21,418,125	20,811,919	21,777,127	22,199,665	24,488,484	24,747,712
Total capital assets	\$ 1,297,377,792	\$ 1,293,838,178	\$ 1,280,322,107	\$ 1,231,203,874	\$ 1,179,406,627	\$ 1,110,993,497	\$ 941,957,968	\$ 941,988,203	\$ 904,841,294	\$ 893,015,499

Source: District records

DAVIS SCHOOL DISTRICT

Principal Employers Prior Year and Nine Years Ago

Business	2022			2014		
	Employees	Rank	Percent of County Employment	Employees	Rank	Percent of County Employment
Hill Air Force Base	10,000 - 14,999	1	7.9%	10,000 - 14,499	1	10.2%
Davis School District	7,000 - 9,999	2	5.3%	7,000 - 9,999	2	6.8%
Northrop Grumman	2,000 - 2,999	3	1.6%	1,000 - 1,999	4	1.4%
Smith's Food & Drug Center Inc	2,000 - 2,999	4	1.6%	1,000 - 1,999	3	1.4%
Lifetime Products	2,000 - 2,999	5	1.6%	1,000 - 1,999	6	1.4%
Walmart Associates	1,000 - 1,999	6	1.1%	1,000 - 1,999	5	1.4%
Helpside Id, LLC	1,000 - 1,999	7	1.1%	n/a - n/a	n/a	n/a
Lagoon Corporation	1,000 - 1,999	8	1.1%	1,000 - 1,999	7	n/a
Fedex Ground Pkg Systems Inc	1,000 - 1,999	9	1.1%	n/a - n/a	n/a	n/a
Intermountain Health Care	1,000 - 1,999	10	1.1%	n/a - n/a	n/a	n/a
Davis County	n/a	n/a	n/a	500 - 999	8	0.7%
Utility Trailer	n/a	n/a	n/a	500 - 999	9	
Davis Hospital & Medical Center	n/a	n/a	n/a	500 - 999	10	0.7%
Totals	28,000 - 43,990		23.5%	23,500 - 37,990		24.0%

* Source: Utah Department of Workforce Services

Note: 2023 data was not available at the time this report was issued. Number of employees is based upon an annual average

Note: Smith's Food and Drug/Distribution Center change to Kroger Group Cooperative

Note: ATK Space Systems / Alliant change to Northrop Grumman

DAVIS SCHOOL DISTRICT

**District Facilities and Personnel Positions
Years Ended June 30, 2015 to 2024**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Facilities Operated:										
Elementary Schools	62	62	62	62	62	62	62	62	62	60
Junior High Schools	17	17	17	17	17	16	16	16	16	16
High Schools	9	9	9	9	9	9	8	8	8	8
Special Purpose Schools	6	6	6	5	6	6	6	6	6	6
Total Number of School Buildings	94	94	94	93	94	93	92	92	92	90
Full-Time Equivalent Positions of the District:										
Administrators, Managers	64.0	62.0	60.0	59.0	59.0	56.0	58.0	61.0	58.0	59.0
School Principals	91.0	91.0	89.0	89.0	89.0	90.0	87.0	87.0	86.0	85.0
School Assistant Principals / Interns	124.1	115.0	116.0	114.5	111.0	110.4	104.0	103.0	98.5	93.5
Elementary Classroom Teachers	1,469.6	1,433.8	1,421.0	1,457.5	1,464.6	1,468.9	1,482.0	1,476.9	1,463.0	1,451.5
Secondary Classroom Teachers	1,372.1	1,377.1	1,362.9	1,333.3	1,298.5	1,264.0	1,230.5	1,191.4	1,163.9	1,130.6
Guidance Personnel	162.4	160.8	157.1	155.9	141.9	129.3	123.3	123.3	118.8	116.8
Special Education	1,087.0	639.3	625.0	604.3	633.3	620.0	610.6	579.3	562.3	547.2
Librarians / Media Specialists	78.8	79.1	80.0	79.1	79.8	79.7	78.5	78.6	77.4	77.0
Supervisors of Instruction	20.0	27.0	21.0	18.0	16.0	17.0	28.6	29.6	30.6	29.6
Other Professional Staff	296.5	281.5	282.6	263.3	260.6	249.2	237.4	236.5	229.3	217.0
Teacher Assistants	1,029.8	1,394.2	1,354.3	1,075.2	1,103.3	1,014.2	1,005.8	950.1	862.0	825.1
Secretarial	252.5	259.1	250.4	240.6	217.7	221.7	213.7	213.0	208.6	211.9
Office Assistants	247.6	229.8	258.0	262.2	194.6	173.3	173.5	171.5	163.9	163.4
Custodial	411.6	419.1	402.2	404.2	397.5	393.1	383.0	363.5	363.3	356.6
Maintenance	126.5	124.3	122.8	121.3	121.6	120.1	120.8	120.1	119.3	121.6
Nutrition Services	251.3	251.9	249.8	255.0	265.5	264.2	257.4	257.1	258.8	257.2
Transportation	181.8	174.1	183.9	178.2	179.5	188.3	196.4	196.7	202.9	213.5
Warehouse	36.9	35.2	35.4	35.3	35.3	34.6	34.9	35.6	37.1	32.9
Total number of District positions FTE	<u>7,303.4</u>	<u>7,154.3</u>	<u>7,071.4</u>	<u>6,745.8</u>	<u>6,668.8</u>	<u>6,494.0</u>	<u>6,425.3</u>	<u>6,274.0</u>	<u>6,103.4</u>	<u>5,989.4</u>

* Source: Davis School District records

DAVIS SCHOOL DISTRICT

Average Daily Membership and October Enrollment Years Ended June 30, 2015 to 2024

<u>Year Ended June 30,</u>	<u>Average Daily Membership</u>	<u>Annual Increase (Decrease)</u>	<u>October 1st Enrollment</u>	<u>Annual Increase (Decrease)</u>
2024	67,095	(870)	69,602	(1,101)
2023	67,965	(887)	70,703	(1,837)
2022	68,852	2,001	72,540	1,897
2021	66,851	(1,868)	70,643	2,975
2020	68,719	985	67,668	(4,461)
2019	67,734	650	72,129	336
2018	67,084	676	71,793	656
2017	66,408	1,109	71,137	995
2016	65,299	750	70,142	661
2015	64,549	590	69,481	1,832

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

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

* Source: Davis School District records

DAVIS SCHOOL DISTRICT

**Expenditures by Function - General Fund
Last Ten Fiscal Years
Years Ended June 30, 2015 to 2024**

Function	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction	\$520,488,714 68.92%	\$466,675,391 68.16%	\$440,333,489 68.57%	\$404,827,865 68.30%	\$372,184,866 68.11%	\$352,816,908 67.64%	\$336,237,490 67.11%	\$314,917,995 68.40%	\$302,319,756 68.77%	\$282,326,073 68.66%
Supporting services:										
Students	32,722,418 4.33%	28,904,260 4.22%	27,667,460 4.31%	25,169,180 4.25%	21,011,360 3.84%	19,104,242 3.66%	17,708,229 3.53%	16,015,062 3.48%	15,573,759 3.54%	14,694,917 3.57%
Instructional staff	33,016,487 4.37%	30,844,875 4.50%	27,826,254 4.33%	25,158,932 4.24%	23,998,481 4.39%	23,027,859 4.41%	22,001,747 4.39%	20,886,518 4.54%	20,244,708 4.61%	18,445,968 4.49%
District administration	5,123,597 0.68%	4,880,000 0.71%	4,225,896 0.66%	3,614,428 0.61%	3,526,654 0.65%	3,067,813 0.59%	2,711,466 0.54%	2,772,126 0.60%	2,505,646 0.57%	2,325,792 0.57%
School administration	53,797,977 7.12%	49,616,369 7.25%	46,884,492 7.30%	45,231,000 7.63%	41,875,458 7.66%	40,201,664 7.71%	37,375,321 7.46%	34,455,761 7.48%	28,518,964 6.49%	26,766,307 6.51%
Central	23,774,099 3.15%	22,136,649 3.23%	19,616,289 3.06%	20,053,962 3.38%	18,198,535 3.33%	17,108,743 3.28%	16,935,865 3.38%	15,079,440 3.27%	14,277,804 3.25%	12,960,814 3.15%
Operation & maintenance of facilities	70,418,121 9.32%	62,182,849 9.08%	58,848,428 9.17%	54,462,365 9.19%	52,245,457 9.56%	53,118,262 10.18%	51,134,507 10.21%	43,193,068 9.38%	43,268,575 9.84%	40,514,129 9.85%
Student transportation	15,917,708 2.11%	19,541,897 2.85%	16,683,167 2.60%	14,204,789 2.40%	13,427,486 2.46%	13,171,601 2.53%	16,928,910 3.38%	13,142,063 2.85%	12,881,560 2.93%	13,168,618 3.20%
Total expenditures	\$755,259,121	\$684,782,290	\$642,085,475	\$592,722,521	\$546,468,297	\$521,617,092	\$501,033,535	\$460,462,033	\$439,590,772	\$411,202,618

DAVIS SCHOOL DISTRICT

**Expenditures Per ADM by Function - General Fund
Last Ten Fiscal Years
Years Ended June 30, 2015 to 2024**

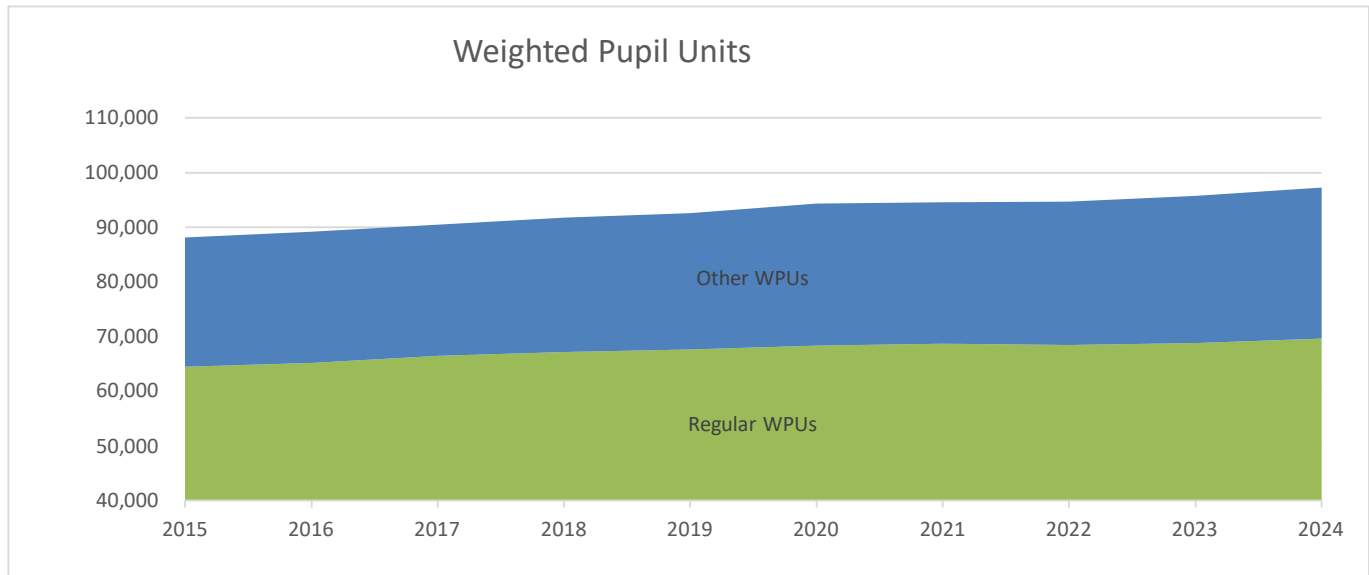
Function	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction	\$ 7,757	\$ 6,866	\$ 6,395	\$ 6,056	\$ 5,416	\$ 5,209	\$ 5,012	\$ 4,742	\$ 4,630	\$ 4,374
Supporting services:										
Students	488	425	402	376	306	282	264	241	238	228
Instructional staff	492	454	404	376	349	340	328	315	310	286
District administration	76	72	61	54	51	45	40	42	38	36
School administration	802	730	681	677	609	594	557	519	437	415
Central	354	326	285	300	265	253	252	227	219	201
Operation & maintenance of facilities	1,050	915	855	815	760	784	762	650	663	628
Student transportation	237	288	242	212	195	194	252	198	197	204
Total expenditures per ADM	<u>\$ 11,257</u>	<u>\$ 10,076</u>	<u>\$ 9,326</u>	<u>\$ 8,866</u>	<u>\$ 7,952</u>	<u>\$ 7,701</u>	<u>\$ 7,469</u>	<u>\$ 6,934</u>	<u>\$ 6,732</u>	<u>\$ 6,370</u>

DAVIS SCHOOL DISTRICT

Weighted Pupil Units (WPU) Regular WPUs and Other by Formula Years Ended June 30, 2015 to 2024

WPU TYPE	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Regular Grades K-12	69,673	68,850	68,530	68,714	68,347	67,689	67,196	66,495	65,249	64,494
<u>Other WPUs by Formula</u>										
Professional Staff	6,500	6,486	6,451	6,468	6,449	6,495	6,448	6,382	6,318	6,332
Foreign Exch Students	34	36	36	-	35	31	30	30	34	38
Special Education	12,061	11,642	11,385	11,557	11,952	11,099	10,921	10,444	10,336	10,144
Career and Technical Ed	3,154	3,179	3,093	3,403	3,136	2,779	2,734	2,783	2,955	2,952
Students At-Risk Add-On	1,444	1,101	757	-	-	-	-	-	-	-
Class-Size Reduction	4,380	4,465	4,412	4,455	4,472	4,483	4,400	4,309	4,266	4,225
Total other WPUs	27,574	26,909	26,134	25,884	26,045	24,888	24,534	23,948	23,909	23,691
TOTAL ALL WPUs	97,247	95,759	94,664	94,598	94,392	92,577	91,729	90,443	89,158	88,185

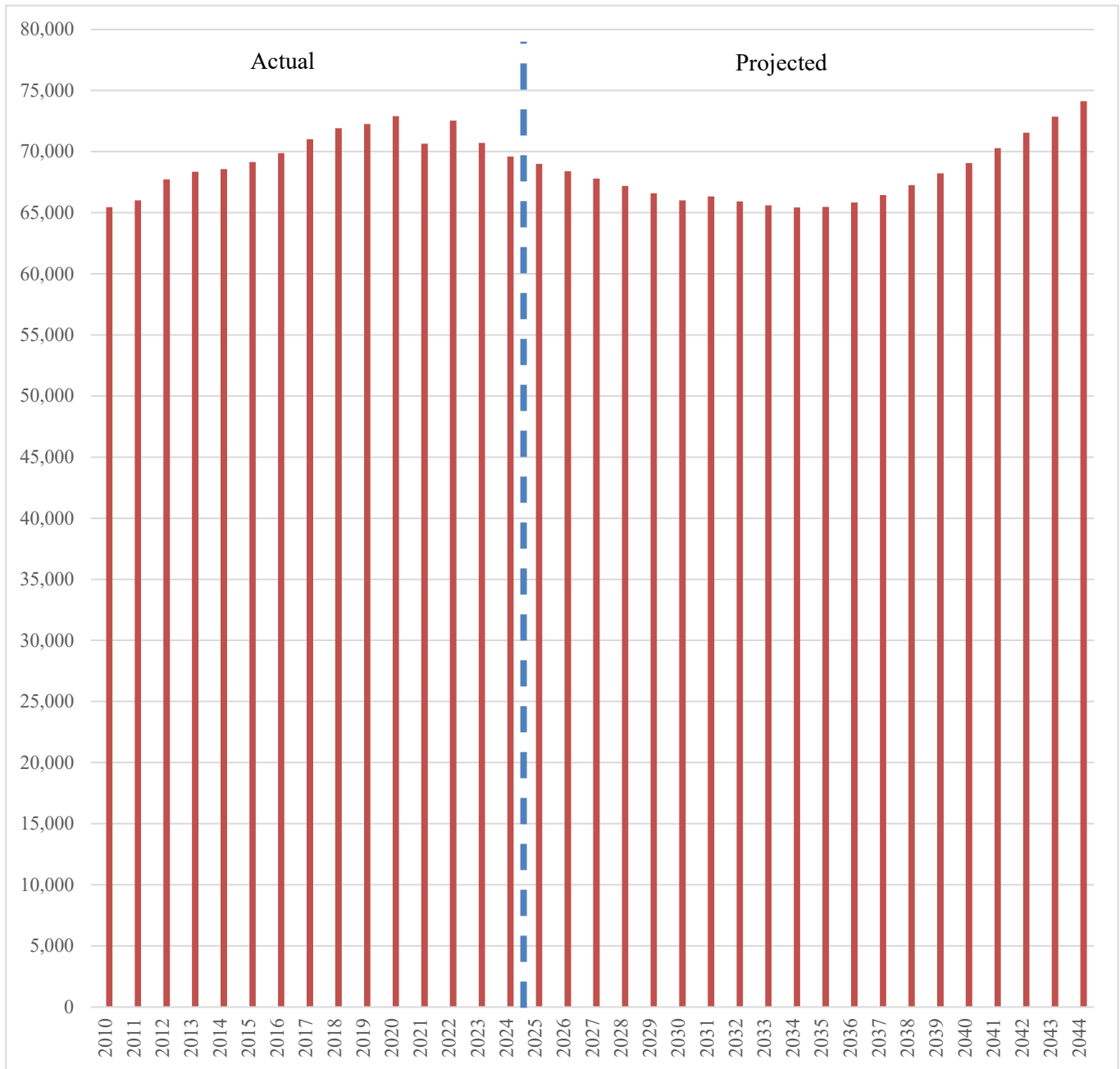
* Source: Utah State Office of Education final recipient report



DAVIS SCHOOL DISTRICT

Student Enrollment

2010 - 2044 History and Projections



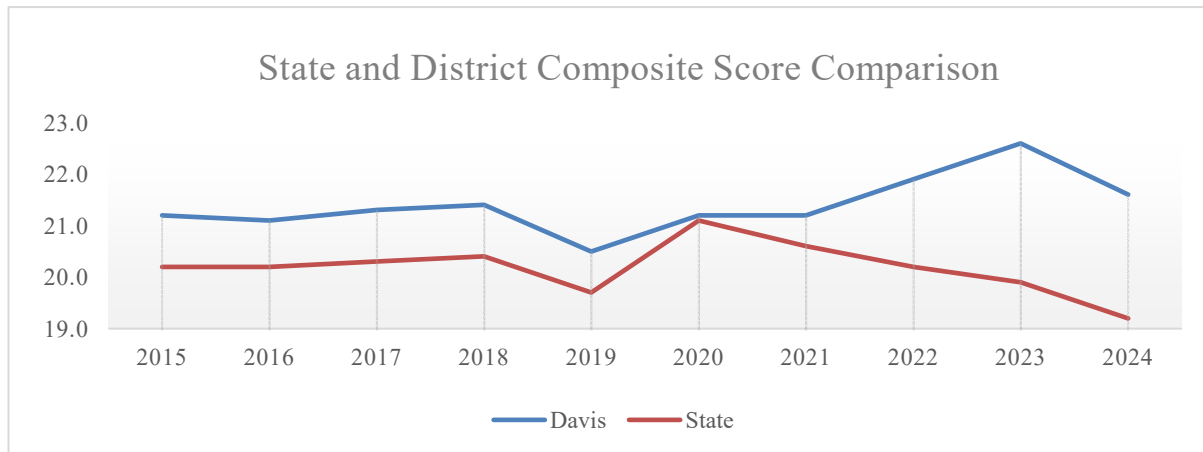
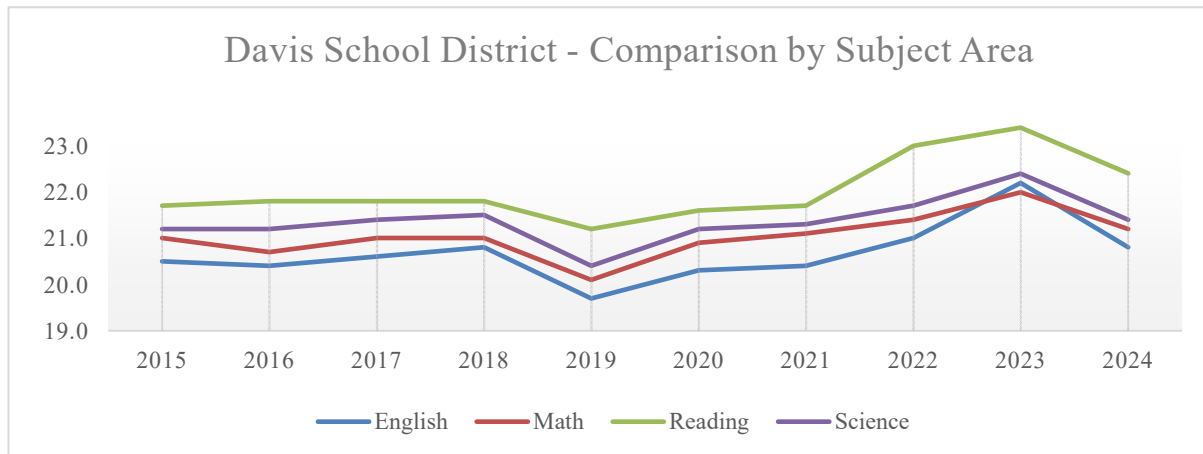
These projections are based on state and county growth projections from the Kem Gardner Policy Institute at the University of Utah (2017 baseline projections).

DAVIS SCHOOL DISTRICT

American College Test (ACT) Results Years Ended June 30, 2015 to 2024

AVERAGE SCORES on a 36 point scale

Year	English	Math	Reading	Science	Composite District	Composite State
2024	20.8	21.2	22.4	21.4	21.6	19.2
2023	22.2	22.0	23.4	22.4	22.6	19.9
2022	21.0	21.4	23.0	21.7	21.9	20.2
2021	20.4	21.1	21.7	21.3	21.2	20.6
2020	20.3	20.9	21.6	21.2	21.2	21.1
2019	19.7	20.1	21.2	20.4	20.5	19.7
2018	20.8	21.0	21.8	21.5	21.4	20.4
2017	20.6	21.0	21.8	21.4	21.3	20.3
2016	20.4	20.7	21.8	21.2	21.1	20.2
2015	20.5	21.0	21.7	21.2	21.2	20.2



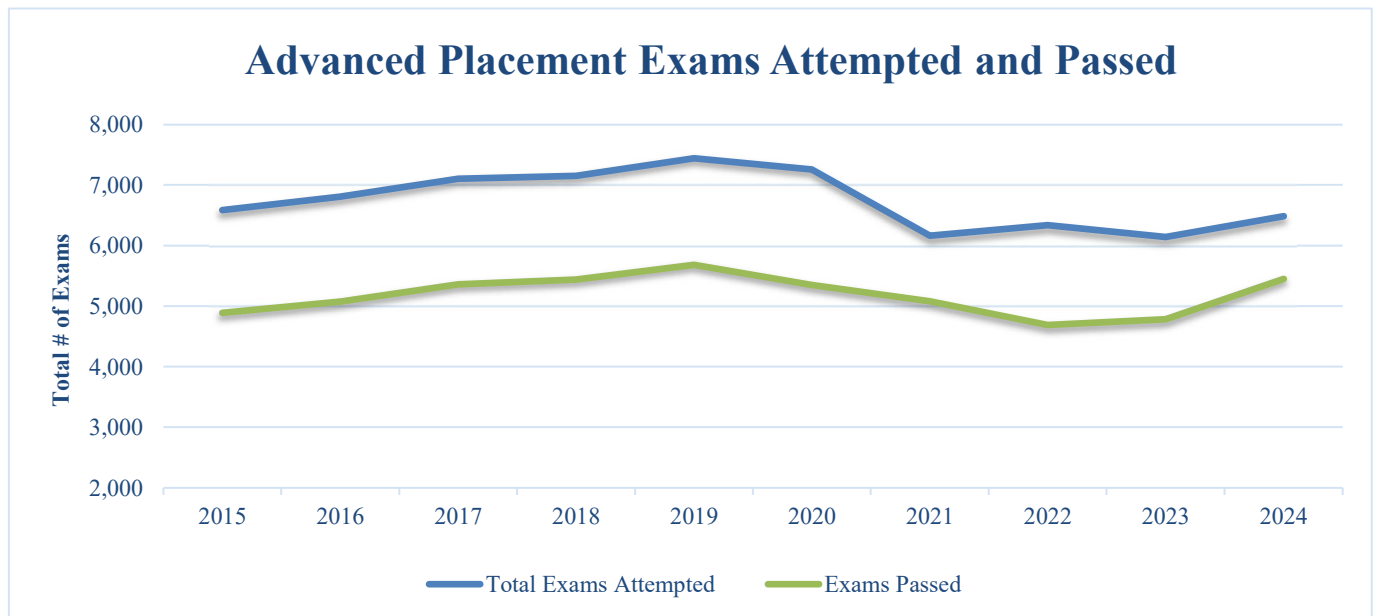
* Source: Davis School District and Utah State Office of Education records

DAVIS SCHOOL DISTRICT

Advanced Placement Exam Results Years Ended June 30, 2015 to 2024

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Mathematics	1,270	1,171	1,047	1,462	1,136	1,201	1,112	1,068	1,083	1,174
Computer Science	64	80	84	85	68	114	44	25	6	3
English	979	999	1,130	933	1,292	1,536	1,414	1,649	1,329	1,355
Science	870	842	860	771	932	1,105	931	782	767	736
Social Studies	2,502	2,279	2,495	2,173	3,189	2,966	3,092	3,116	3,190	2,891
Fine Arts	211	298	205	295	214	207	323	293	273	346
Foreign Languages	587	473	516	442	422	314	236	171	157	77
Total Exams Attempted	6,483	6,142	6,337	6,161	7,253	7,443	7,152	7,104	6,805	6,582
 Exams Passed	 5,449	 4,784	 4,689	 5,080	 5,350	 5,681	 5,439	 5,357	 5,075	 4,890
Percentage Passing	84.1%	77.9%	74.0%	82.5%	73.8%	76.3%	76.0%	75.4%	74.6%	74.3%



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

* Source: Davis School District records

DAVIS SCHOOL DISTRICT

COMPLIANCE REPORTS

Year Ended June 30, 2024

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DAVIS SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	District's Program Number	Receivable (Unearned) June 30, 2023	Received	Expenditures	Receivable (Unearned) June 30, 2024
U.S. DEPARTMENT OF AGRICULTURE:							
Passed Through Utah State Board of Education:							
<i>Child Nutrition Cluster:</i>							
School Breakfast Program	10.553	SBP	8000	\$ 128	\$ 1,296,705	\$ 1,296,582	\$ 5
National School Lunch Program (Donated Commodities)	10.555	NSLF	8000	-	7,637,466	7,637,466	-
National School Lunch Program	10.555	NSLF	8000	96,043	10,172,665	10,199,013	122,391
Fresh Fruit and Vegetable Program	10.582	FFVP	8000	-	284,460	284,460	-
Total Child Nutrition Cluster				96,171	19,391,296	19,417,521	122,396
Local Food for Schools Cooperative Agreement Program	10.185	LFS	8079	-	148,609	366,726	218,117
Child and Adult Care Food Program	10.558	CAM/CIL	8012/8013	-	363,364	363,364	-
COVID-19 Pandemic EBT Administrative Costs	10.649	PEBT	8000	-	6,180	6,180	-
Passed Through Davis County:							
<i>Forest Service Schools and Roads Cluster:</i>							
Schools and Roads - Grants to States	10.665	N/A	0010	-	13,064	13,064	-
Total U.S. Department of Agriculture				96,171	19,922,513	20,166,855	340,513
U.S. DEPARTMENT OF DEFENSE:							
Direct Programs:							
National Guard ChalleNGe Program	12.404		2945	173,820	817,540	866,554	222,834
The Language Flagship Grants to Institutions of Higher Education	12.550		7326	-	58,391	65,259	6,868
Total U.S. Department of Defense				173,820	875,931	931,813	229,702
U.S. DEPARTMENT OF TREASURY:							
Passed Through Davis County:							
COVID-19 Coronavirus Relief Fund	21.019	COVID	7503/7504	85,508	85,508	574,992	574,992
Total Coronavirus Relief Fund/Total U.S. Department of the Treasury				85,508	85,508	574,992	574,992
U.S. FEDERAL COMMUNICATIONS COMMISSION:							
Direct Programs:							
Emergency Connectivity Fund Program	32.009		7332	-	7,289,635	7,289,635	-
Total Federal Communications Commission				-	7,289,635	7,289,635	-
U.S. DEPARTMENT OF EDUCATION:							
Passed Through Utah State Board of Education:							
<i>Special Education Cluster (IDEA):</i>							
Special Education Grants to States	84.027	FTFL	7524/7551/7556/7517	2,206,446	11,241,378	12,795,562	3,760,630
Special Education Preschool Grants	84.173	PRE	7550	30,320	300,815	339,917	69,422
Total Special Education Cluster (IDEA)				2,236,766	11,542,193	13,135,479	3,830,052
Direct Programs:							
Impact Aid	84.041		0010/1220	-	1,815,482	1,815,482	-
Indian Education Grants to Local Educational Agencies	84.060		7322	25,994	58,973	62,063	29,084
Passed Through Utah State Board of Education:							
Adult Education - Basic Grants to States	84.002	SLDR	7583/7584/7585	125,905	466,087	557,525	217,343
Title I Grants to Local Educational Agencies	84.010	T1FT	7508/7511	933,340	3,544,091	3,233,103	622,352
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	NDAC	5202	-	59,115	59,115	-
Career and Technical Education - Basic Grants to States	84.048	FLEA	6900	340,955	656,277	739,348	424,026
Education for Homeless Children and Youth	84.196	MVFT	5272	-	63,326	63,326	-
Twenty-First Century Community Learning Centers	84.287	ASFT	7364/7365/7367/7368/7369	62,265	612,085	639,296	89,476
English Language Acquisition State Grants	84.365	ELFT	7628	93,537	210,190	248,887	132,234
Supporting Effective Instruction State Grants	84.367	2FT,2SA	7627/5614	318,835	1,113,700	1,356,187	561,322
Student Support and Academic Enrichment Program	84.424	4AFT	7890/7891/7895	89,128	353,620	402,915	138,423
Education Stabilization Fund:							
COVID-19 Governor's Emergency Education Relief Fund	84.425C	GEER	7506/7507	162,215	162,215	-	-
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	ESSR/ESSV	7470	3,795,087	3,795,087	-	-
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	ARPF/ARPS/ARPL/ARPH	7366/7370/7468/7516/7519	1,183,559	8,887,865	7,807,996	103,690
Total Education Stabilization Fund				5,140,861	12,845,167	7,807,996	103,690
Passed Through Utah State Department of Health:							
Special Education - Grants for Infants and Families	84.181	N/A	1299	-	617,071	617,071	-
Passed Through Utah State University:							
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	7655	88,376	88,376	-	-
Total U.S. Department of Education				9,455,962	34,045,753	30,737,793	6,148,002

The accompanying notes are an integral part of this schedule.

DAVIS SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2024

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	District's Program Number	Receivable (Unearned) June 30, 2023	Received	Expenditures	Receivable (Unearned) June 30, 2024
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:							
Direct Programs:							
<i>Head Start Cluster:</i>							
Head Start	93.600		7314/7315/7318/7320	\$ 1,247,780	\$ 7,090,559	\$ 6,787,351	\$ 944,572
Passed Through Department of Workforce Services:							
<i>CCDF Cluster:</i>							
Child Care and Development Block Grant	93.575	N/A	5653/5655/5656/5659/1290	220,632	1,430,110	1,223,474	13,996
<i>Medicaid Cluster:</i>							
Medical Assistance Program	93.778	N/A	1220/1290/1299	-	4,029,562	4,029,562	-
COVID-19 Medical Assistance Program	93.778	N/A	7552	(302,053)	138,731	329,860	(110,924)
Total Medicaid Cluster				(302,053)	4,168,293	4,359,422	(110,924)
Total U.S. Department of Health and Human Services				1,166,359	12,688,962	12,370,247	847,644
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:							
Passed Through Ogden School District:							
AmeriCorps State and National	94.006	N/A	7636	-	73,697	136,914	63,217
Total Corporation for National and Community Service				-	73,697	136,914	63,217
TOTAL FEDERAL AWARDS				\$ 10,977,820	\$ 74,981,999	\$ 72,208,249	\$ 8,204,070

The accompanying notes are an integral part of this schedule.

DAVIS SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A – BASIS FOR PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Davis School District (the District) under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Donated food commodities are recorded at acquisition value in the *School Food Services Fund* as an inventory asset and federal revenue when received totaling \$7,637,466 for the year ended June 30, 2024. Donated food commodity inventories are recorded as expenditures in the *School Food Services Fund* when they are consumed by the schools; for purposes of the Schedule, donated food commodities are also recorded as expenditures when received.

The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE C – RELATIONSHIP TO DISTRICT'S FINANCIAL STATEMENTS

A reconciliation of federal revenue reported on the District's basic financial statements and the schedule of expenditures of federal awards for the year ended June 30, 2024 is as follows:

General Fund	\$ 52,058,660
School Food Services Fund (other governmental funds)	<u>20,153,791</u>
Total amount reported in the financial statements	72,212,451
Refunds received not included on schedule	<u>(4,202)</u>
Total federal revenue reported on the schedule of expenditures of federal awards (SEFA)	<u><u>\$ 72,208,249</u></u>

NOTE D – SUBRECEIPIENTS OF FEDERAL AWARDS

The District did not provide federal award funding to any subrecipient during the year ended June 30, 2024.



Independent Auditor's Report on Internal Control over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards*

Board of Education
Davis School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Davis School District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 13, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Squire & Company, PC

Orem, Utah
November 13, 2024



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Board of Education
Davis School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited Davis School District (the District)'s compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether the noncompliance with compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the governmental activities, each major fund, and the aggregate remaining fund information of Davis School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 13, 2024, which contained unmodified opinions on those basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Squire & Company, PC

Orem, Utah
November 13, 2024

DAVIS SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2024

No findings were reported in the prior year.

DAVIS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified	No
Significant deficiency identified	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weakness identified	No
Significant deficiency identified	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a):	No

Identification of Major Federal Programs

Name of Federal Program (Assistance Listing Number)

Emergency Connectivity Fund (32.009)
Education Stabilization Fund:
 COVID-19 Governor’s Emergency Education Relief Fund (84.425C)
 COVID-19 Elementary and Secondary School Emergency Relief Fund (84.425D)
 COVID-19 American Rescue Plan – Elementary and Secondary School Emergency
 Relief (ARP ESSER) (84.425U)
Medicaid Cluster:
 Medical Assistance Program (93.778)
 COVID-19 Medical Assistance Program (93.778)

Dollar threshold used to distinguish between type A and type B programs:	\$2,166,247
Auditee qualified as low-risk auditee?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.



Independent Auditor's Report on Compliance
and Report on Internal Control over Compliance
Required by the *State Compliance Audit Guide*

Board of Education
Davis School District

Report on Compliance

Opinion on Compliance

We have audited Davis School District's (the District) compliance with the following applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2024:

Budgetary Compliance
Fund Balance
Fraud Risk Assessment
Tax Levy Revenue Recognition
Internal Control Systems
Public Education Programs

In our opinion, Davis School District complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2024.

Basis for Opinion on Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor. Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the state compliance requirements referred to above.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State Compliance Audit Guide* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the *State Compliance Audit Guide* as a whole

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *State Compliance Audit Guide*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide* and which are described below. Our opinion on compliance is not modified with respect to these matters.

Budgetary Compliance – Title 53G-7-307 requires that District expenditures do not exceed budgeted amounts. The District's actual expenditures exceeded budgeted appropriations in the district foundation fund by \$1,517,298. We recommend the District review and amend its budget when the District incurs expenditures in excess of budgeted amounts.

Views of Responsible Officials – The District will review its policies and internal controls to prevent future occurrences of non-compliance.

The District's response to the noncompliance findings identified in our audit is described above. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Squire & Company, PC

Orem, Utah
November 13, 2024

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the delivery of the 2025B Bonds, Gilmore & Bell, P.C., Bond Counsel to the Board, proposes to issue its final approving opinion in substantially the following form:

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APPENDIX C

PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING

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APPENDIX D

BOOK-ENTRY SYSTEM

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at <http://www.dtcc.com>.

Purchases of Series 2025B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2025B Bonds on DTC's records. The ownership interest of each actual purchaser of each 2025B Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2025B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2025B Bonds, except in the event that use of the book-entry system for the 2025B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2025B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2025B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2025B Bond documents. For example, Beneficial Owners of Series 2025B Bonds may wish to ascertain that the nominee holding the 2025B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2025B Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy

assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2025B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2025B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Board or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2025B Bonds at any time by giving reasonable notice to the Board or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2025B Bond certificates are required to be printed and delivered.

The Board may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2025B Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Board believes to be reliable, but the Board takes no responsibility for the accuracy thereof.

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Davis School District

Learning First