

FOCUS

on what matters most

ALPINE
SCHOOL DISTRICT

Utah PTA Advocacy Conference 2021 - Education Funding:

"An Investment in Knowledge Pays the
Best Interest"

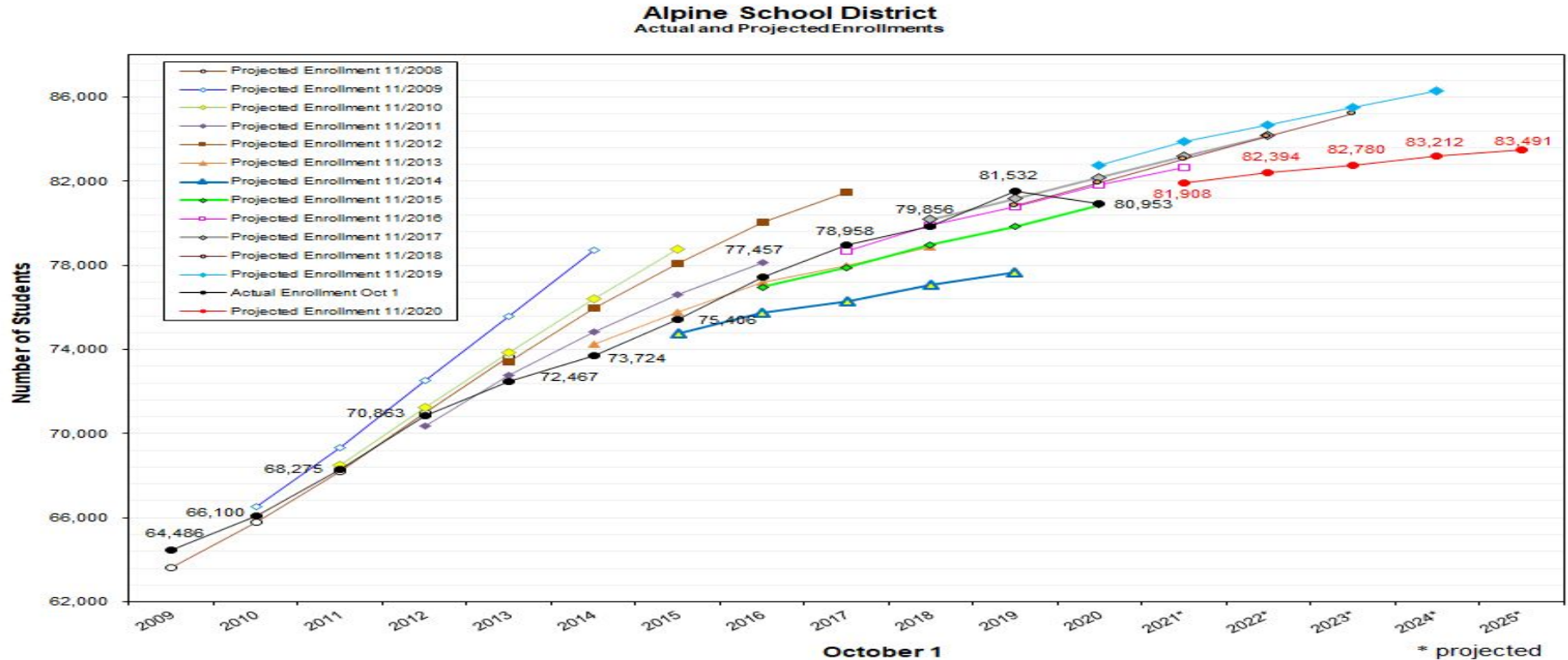
Benjamin Franklin

School Funding - uber simple.....



Cost of Facilities to support Students and Community - LOCAL

The primary driver in school funding is the number of “students” we serve



Accurate projection of students served is super-important!!

➤ Enrollment Projection book

- Consider enrollment trend over time for proximate schools
- Enrollment drives Weighted Pupil Units (WPU's)
- Look at single family housing trends
 - Single family homes bring the highest number of students per address point

➤ Students per address point

A few “Basic” school funding concepts....

Local Funding

➤ Property Tax

- Every school district is required to assess a “Basic Property Tax Levy”. The tax rate for the current year, FY2020-2021, is **.001628**. You will see this rate on your property tax notice and bill, listed as “Alpine School District (Basic)”. This is the local piece of the Weighted Pupil Unit.

➤ Donations

➤ Fees

➤ Interest on investments

NOTICE OF PROPERTY VALUATION			APPEAL INFORMATION
ASSESSMENT TYPE	2019	2020	If you believe the assessed value of your property is incorrect, you may begin the appeal process by filing an appeal (online, mail or email) with the County Auditor by <u>September 15, 2020</u> Please see the back of this notice for phone numbers, website, and more information.
FULL MARKET VALUE	398,100	444,000	
RESIDENTIAL EXEMPTION	-179,145	-199,800	
TOTAL TAXABLE VALUE	218,955	244,200	

THIS IS NOT A BILL. DO NOT PAY FROM THIS NOTICE. ADJUSTMENTS FOR TAX RELIEF PROGRAMS ARE NOT LISTED.

NOTICE OF TAX CHANGES - PRIOR, CURRENT, AND PROPOSED TAXES COMPARISON						
TAXING ENTITIES Each entity sets its own budget. For questions about taxes charged, please contact that specific entity.	CURRENT TAX DUE NO BUDGET CHANGE		PROPOSED TAX DUE IF BUDGET APPROVED		CHANGE IN TAXES	
	2019	2020	2020	2020	2020	
	TAXES	RATE	TAXES	RATE	CHG TAX	% CHG
ALPINE SCHOOL DIST (BASIC)	363.68	.001628	397.56	.001628	397.56	0.00
ALPINE SCHOOL DIST (OTHER)	1,089.08	.004916	1,200.49	.005116	1,249.33	48.84
STATE CHARTER SCHOOL-ALPINE	14.01	.000056	13.68	.000056	13.68	0.00
UTAH COUNTY - LOCAL ASSESSING	34.59	.000149	36.39	.000149	36.39	0.00
MULTI COUNTY ASSESSING	1.97	.000012	2.93	.000012	2.93	0.00
UTAH COUNTY	147.14	.000635	155.07	.001041	254.21	99.14
CENTRAL UTAH WATER CONS DIST	87.58	.000382	93.28	.000400	97.68	4.40
EAGLE MOUNTAIN CITY	180.64	.000769	187.79	.000769	187.79	0.00
UNIFIED FIRE DISTRICT-EAGLE MT	382.08	.001715	418.80	.001715	418.80	0.00
TOTALS	2,300.78	.010262	2,505.98	.010886	2,658.36	152.38

PUBLIC HEARINGS FOR PROPOSED TAX INCREASES			
TAXING ENTITIES	DATE	TIME	LOCATION
ALPINE SCHOOL DIST (OTHER)	08/11/2020	6:00 PM	LEHI HIGH SCHOOL, 180 N 500 E LEHI, UT 84043
CENTRAL UTAH WATER CONS DIST	08/25/2020	6:00 PM	DISTRICT OFFICE, 1426 E 750 N OREM, UT 84097

A few “Basic” school funding concepts....

Tax Rates

The ASD Board of Education determines its local property tax rates with the exception of the Basic and Charter School rates, which are set by the state. The District's property tax rates for the past five years were as follows:

Levy	Tax Year				
	2016	2017	2018	2019	2020
Basic Rate (Set by the State)	0.001675	0.001568	0.001666	0.001661	0.001628
Charter School (Set by the State)	-	0.000080	0.000069	0.000064	0.000056
Voted Local	0.001280	0.001188	0.001188	0.001188	0.001600
Board Local	0.001135	0.001036	0.001036	0.001003	0.000682
Capital Local	0.000661	0.000550	0.000550	0.000558	0.000529
General Obligation Debt	0.002967	0.002745	0.002524	0.002225	0.002305
Total	0.007718	0.007167	0.007033	0.006699	0.006800

ASD has experienced dynamic growth the past several years as a result of commercial and residential development. Taxable values of property within the District totaled \$36.1 billion in tax year 2020, an increase of 10.8% over the prior year. Total taxable value increased 61.3% over the past five years.

Additional Taxing Capacity of Wasatch Front School Districts

As of 3.18.2021

Statutory Maximums		Calculated	Calculated	0.002500	0.003000	0.002000														
USTC Budget Code		210	527	526	246	510	230	190												
District	Tax Year 2020 Proposed Certified Tax Rate Value	Required Basic State Supported Program 53F-2-301.5	Charter School Levy 53F-2-703	Board Local Levy 0.002500 53F-8-302	Capital Local Levy 53F-8-303	Voted Local Levy 53F-8-301	Debt Service 51-5-4	Discharge of Judgement 59-2-1328/1330	Total Tax Levy	Truth in Taxation? (Yes/No)	Auditor's Certified Rate	Rate Increase	% Rate was Increased	Voted Limit on Voted Local Levy	Collection Rate (5 Yr Avg)	Tax Year 2020 Proposed Certified Tax Rate Value	Board Local Levy Estimated Additional Capacity	Capital Local Levy Estimated Additional Capacity	Voted Local Levy Estimated Additional Capacity	Total Estimated Additional Taxing Capacity
Alpine	\$31,276,922,292	0.001628	0.000056	0.000682	0.000529	0.001600	0.002305	0.000000	0.006800	Yes	0.006600	0.000200	3.0%	0.001600	93.89%	\$ 29,366,527,878	\$ 53,388,348	\$ 72,564,690	\$ -	\$ 125,953,038
Nebo	10,481,938,661	0.001628	0.000086	0.001681	0.001525	0.001053	0.002776	0.000000	0.008749	Yes	0.008068	0.000681	8.4%	0.001300	93.04%	9,752,815,008	7,987,555	14,385,402	2,408,945	24,781,903
Davis	25,767,390,621	0.001628	0.000083	0.001938	0.000598	0.000854	0.002569	0.000000	0.007670	No	0.007670	0.000000	0.0%	0.001800	93.58%	24,114,154,839	13,552,155	57,922,200	22,811,990	94,286,345
Granite	31,622,731,643	0.001628	0.000113	0.002023	0.000607	0.001069	0.001957	0.000000	0.007397	No	0.007397	0.000000	0.0%	0.001600	94.19%	29,786,083,389	14,207,962	71,278,098	15,816,410	101,302,470
Provo	6,700,263,317	0.001628	0.000093	0.001997	0.001198	0.000968	0.001453	0.000000	0.007337	Yes	0.006814	0.000523	7.7%	0.001300	92.95%	6,227,760,748	3,132,564	11,222,425	2,067,616.57	16,422,605
Canyons	24,375,285,104	0.001628	0.000072	0.001594	0.000838	0.001600	0.001162	0.000000	0.006894	No	0.006894	0.000000	0.0%	0.001600	97.75%	23,827,328,695	21,587,560	51,514,685	-	73,102,244
Jordan	24,477,054,745	0.001628	0.000131	0.000737	0.001634	0.001571	0.000866	0.000000	0.006567	No	0.006567	0.000000	0.0%	0.001600	98.64%	24,145,145,883	42,567,892	32,982,269	700,209	76,250,371
Weber	13,367,887,720	0.001628	0.000062	0.000952	0.001037	0.000846	0.001343	0.000000	0.005868	No	0.005868	0.000000	0.0%	0.001091	95.56%	12,774,620,863	19,775,113	25,076,581	3,129,782	47,981,476
Salt Lake	29,895,885,357	0.001628	0.000081	0.001682	0.000703	0.000659	0.000294	0.000000	0.005047	No	0.005047	0.000000	0.0%	0.001800	98.04%	29,310,523,922	23,976,009	67,326,273	33,443,308	124,745,590
#####		0.000086	0.001476	0.000963	0.001136	0.001636	0.000000	0.006925						0.001521	95.30%	\$189,304,961,224	\$200,175,157	\$ 404,272,623	\$ 80,378,262	\$ 684,826,042
Total		Average	Average	Average	Average	Average	Average	Average	Average					Average	Average	Total	Total	Total	Total	Total

Averages (excluding ASD):	0.000090	0.001576	0.001018	0.001078	0.001553	0.008941	0.001511	95.47%
Less: Alpine's Current Tax Rates:	0.000682	0.000529	0.001600	0.002305	0.006800			
Difference:	0.000894	0.000489	(0.000523)	(0.000753)	0.000141			

Notes/Sources:

1. Utah Certified Tax Rate website
2. Publicly issued comprehensive annual financial reports where available
3. An increment equals 0.0001

A few “Basic” school funding concepts....

State Funding - “Amendment G”

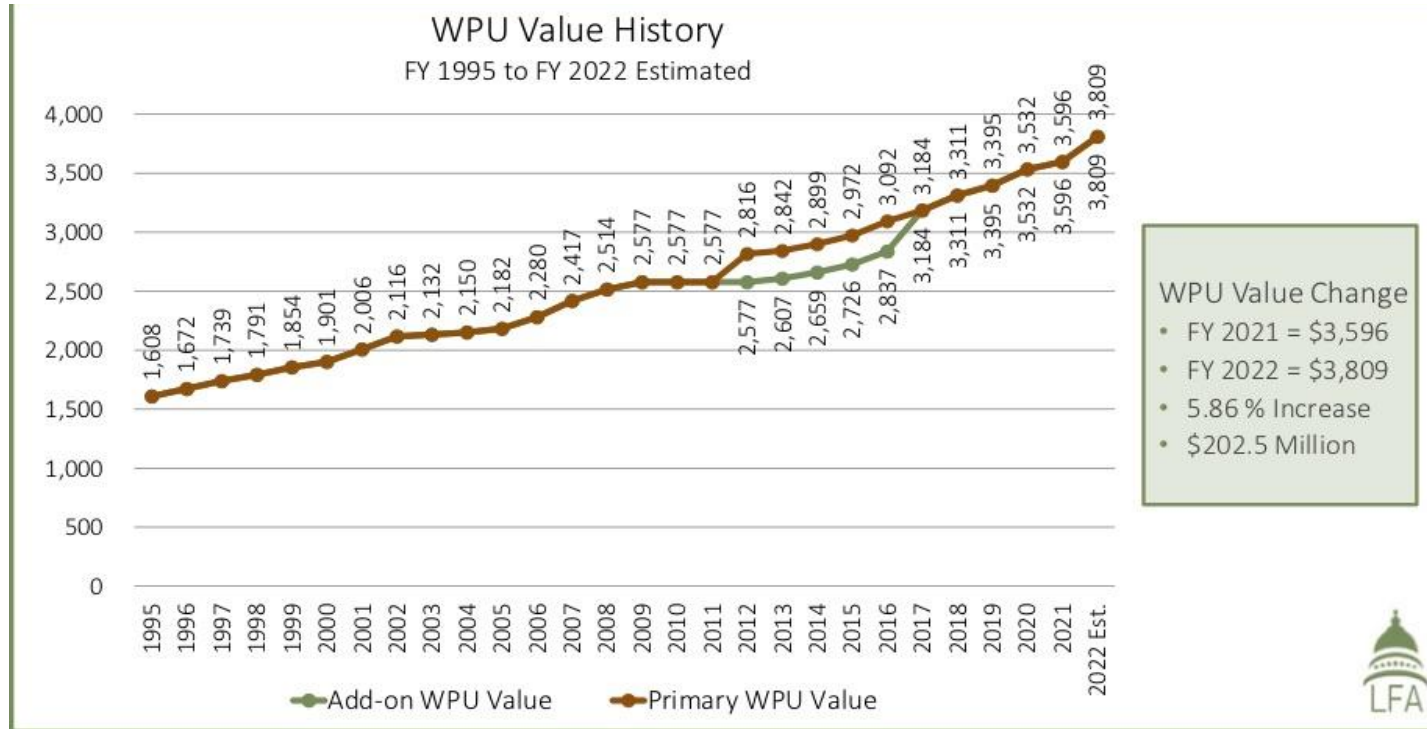
- Used to be primarily - Personal Income Taxes & Corporate Income Taxes
- **Weighted Pupil Unit** or “**WPU**” - funding for each student enrolled in school membership for 180 days will generate \$3,809 for Fiscal Year (FY) 2021-22

Federal Funding

- Title 1, IDEA (Special Ed) and School Lunch

Value of WPU:		\$38,580	Utah State Supported Minimum School Program		
Voted Local Levy:		0.001089	FY 2022 Legislative Estimates		
Board Local Levy:		0.000708	Recipiant: Alpine		
Adjusted Assessed Valuation:		5	3		
Collection Rate:		35,552,554.971			
Basic Program Tax Rate:		0.000693			
Local Revenue Produced:		\$4,635,970.00			
Local Revenue Required:		\$4,635,970.00			
Requirement:		0.00			
Charter School Levy Local Revenue:		2,422,021.00			
A. BASIC SCHOOL PROGRAMS			Local & State Amount Generated	Local Amount	State Support Amount
A. REGULAR BASIC SCHOOL PROGRAMS					
1. Grade K-12	77,561,257	295,430,826.20	\$4,635,970.00	240,794,956.20	
2. Rec. District Special Rural Schools	0.00	0.00	0.00	0.00	
3. Professional Staff	6,492,033	24,728,153.00	0.00	24,728,153.00	
4. Administrative Costs	200.00	0.00	0.00	0.00	
5. Foreign Exchange Students	1,000.00	3,809.00	0.00	3,809.00	
B. RESTRICTED BASIC SCHOOL PROGRAM					
1. Special Education - Add-On	8,996,960	34,369,422.03	0.00	34,369,422.03	
2. Special Education - Self-Contained	1,568,800	5,973,749.65	0.00	5,973,749.65	
3. Special Education - Pre-School	2,711,448	6,515,010.00	0.00	6,515,010.00	
4. Extended N. Ryan - Severe/Disabling	40,964	155,804.79	0.00	155,804.79	
5. Special Education - Impact Aid	205,113	788,277.09	0.00	788,277.09	
6. Special Education - Intensive Services	0.00	0.00	0.00	0.00	
7. Special Ed - Extended Year for Special Educators	0.00	0.00	0.00	0.00	
8. Career and Technical Ed - Add-On	3,446,776	11,128,768.44	0.00	11,128,768.44	
9. Students at Risk - Add-On	1,022,800	3,893,840.75	0.00	3,893,840.75	
10. Class Size Reduction - K - 8th grade	6,078,613	19,344,437.00	0.00	19,344,437.00	
TOTAL BASIC SCHOOL PROGRAM (A and B)	106,125,786	400,237,887.47	\$4,635,970.00	348,601,917.47	
C. RELATED TO BASIC PROGRAMS					
1. Lunch Transportation	0.00	13,033,563.24	0.00	13,033,563.24	
2. Rural School District Transportation Grants	0.00	0.00	0.00	0.00	
3. Rural School Transportation Reimbursement	0.00	0.00	0.00	0.00	
4. Teacher Allocation - Voucher Students	0.00	0.00	0.00	0.00	
D. Enhancement For At-Risk Students					
5. Gang Prevention	0.00	0.00	0.00	0.00	
6. Youth in Custody	0.00	0.00	0.00	0.00	
8. Adult Education	487,055.00	0.00	0.00	487,055.00	
9. Adult Education Supplemental	0.00	0.00	0.00	0.00	
10. Adult Education - Corrections Institutions	0.00	0.00	0.00	0.00	
11. Enhancement for Accredited Students	0.00	0.00	0.00	0.00	
12. Concurrent Enrollment	782,144.25	0.00	0.00	782,144.25	
13. Postsecondary Funding	0.00	0.00	0.00	0.00	
14. Early Literacy Program	4,894,899.99	3,448,225.49	1,350,665.00	0.00	
15. Early Intervention	1,815,904.24	0.00	0.00	1,815,904.24	
16. Special Education Intensive Services	0.00	0.00	0.00	0.00	
17. English Language Learner Software Grants	0.00	0.00	0.00	0.00	
18. Education Salary Additions	25,108,607.86	0.00	0.00	25,108,607.86	
19. Teacher Safety Supplement Program	0.00	0.00	0.00	0.00	
20. National Board Certified Teacher Program	0.00	0.00	0.00	0.00	
21. Teacher Supplies and Materials	594,629.17	0.00	0.00	594,629.17	
22. Effective Teachers in High Poverty Schools Incentive Program	0.00	0.00	0.00	0.00	
23. Grants for Education in High-Rate Schools	0.00	0.00	0.00	0.00	
24. Elementary School Counselor Program	0.00	0.00	0.00	0.00	
25. Grants for Professional Learning	0.00	0.00	0.00	0.00	
26. Grow Your Own Teacher and Counselor Program	0.00	0.00	0.00	0.00	
27. School LANO Trust	10,342,207.00	0.00	0.00	10,342,207.00	
28. Teacher & Students Access to Arts	12,453,000.00	0.00	0.00	12,453,000.00	
29. Student Health & Counseling Support	86,985.08	0.00	0.00	86,985.08	
30. Library Books & Electronic Resource	156,775.00	0.00	0.00	156,775.00	
31. School Buses	0.00	0.00	0.00	0.00	
32. Dual Immersion	0.00	0.00	0.00	0.00	
39. AMSE	0.00	0.00	0.00	0.00	
34. Beechley Taylor Sorenson Elementary Arts	0.00	0.00	0.00	0.00	
41. Critical Teaching and Learning	0.00	0.00	0.00	0.00	
D. OTHER PROGRAMS					
1. Voted Local Levy Program, Min. Basic Growth, and Local Levy Growth		88,162,631.93	\$7,571,954.55	30,579,677.37	
2. Board Local Levy Program, Min. Basic Growth, and Local Levy Growth		23,029,227.77	18,757,729.28	0.00	
TOTAL:		569,135,183.31	130,515,719.29	452,605,464.04	
RE: OTHER STATE PROGRAMS					
A. Capital Outlay					Total
1. Capital Outlay Foundation				133,127.99	
2. Foundation Guarantee Min. Basic Growth				158,748.76	
3. Endowment Growth				155,809.89	
4. Endowment Growth Min. Basic Growth				276,114.87	
TOTAL:				453,691,461.51	
TOTAL STATE SUPPORT FUNDING					

State investments in the WPU over time



Investment in students - equalized regardless of zip code

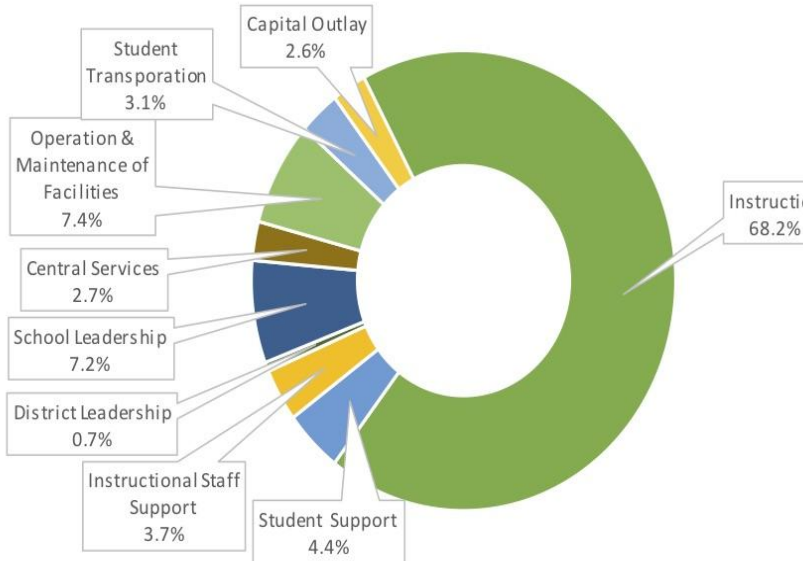
Equalization affect - both districts yield the same total revenue - Levy proceeds + state funds

	District A	District B
Students	1,000	1,000
Assessed Value	15,000,000	5,000,000
WPU	\$2,000	\$2,000
WPU Funds	2,000,000	2,000,000
Basic Levy	10%	10%
Levy Proceeds	1,500,000	500,000
State Funds	500,000	1,500,000

How does ASD use the resources our Taxpayers give us?

GENERAL FUND EXPENDITURES

General Fund Expenditures by Function



General Fund Expenditures by Object (Type). Object codes are used to describe the service or commodity obtained as the result of a specific expenditure.

General Fund Expenditures	Fiscal Year 2020	Percent of Total
Salaries & Benefits includes salaries, wages, benefits for employees.	\$ 517,184,259	86.9%
Professional & Property Services includes services provided to the District by individuals, firms, utility companies, insurance companies, and other organizations.	26,618,858	4.5%
Supplies & Materials includes textbooks, instructional supplies, software, fuel for buses, custodial supplies, and other general operating supplies.	36,094,175	6.1%
Property & Equipment includes fixed assets like furniture, fixtures, equipment, improvements, and land.	14,728,801	2.4%
Other includes miscellaneous expenditures, membership dues, and indirect costs.	372,352	0.1%
Total	\$ 594,998,445	100.0%



How One District invests or distributes \$\$'s to their Schools

- **FTE's**
 - FTE's are allocated based on a set board approved class size staffing ratio and the coming year student projections
- **School Supply Funds**
 - Distributed to schools based on a base plus amount per student formula
 - Includes basic supplies, custodial funds, playground and lunchroom supervision, secretarial assistance, etc.
- **Textbook Funds**
 - Schools are allocated textbook dollars based on the number of students in the school.

Expenditure Analysis by School and Student

BASIC GOVERNMENTAL BONDS

GENERAL GOVERNMENT PROJECT FINANCING

TYPE	USES	SECURITY	CONSIDERATIONS
General Obligation Bonds	Any capital improvement/project (G.O. pledge) <u>approved by voters</u> .	Full faith and credit (taxing power)	<ul style="list-style-type: none"> - Requires a majority vote - Subject to statutory limits - Lowest interest rates - No reserve fund required
Revenue Bonds			
Sales Tax (Excise Tax)	Any general governmental purpose project (new construction or upgrades). Very limited project restrictions.	Sales tax revenues, excise tax revenues, franchise tax revenues.	<ul style="list-style-type: none"> - No vote required - May require a reserve fund - Coverage considerations
Lease Revenue	Essential purpose governmental projects (new construction or upgrades).	Annual appropriations from the general fund budget to make lease payments.	<ul style="list-style-type: none"> - No vote required - Lien on financed property/project - May require a reserve fund - May require capitalized interest
Enterprise Revenue (Water/Sewer/Storm/Electric)	Revenue generating enterprise projects (new construction or upgrades). Typical enterprise fund projects (water, sewer, electric, storm drains, etc.).	Revenues generated from enterprise system.	<ul style="list-style-type: none"> - No vote required - Typically require a reserve fund - Coverage considerations

CITIES



COUNTIES



SCHOOLS

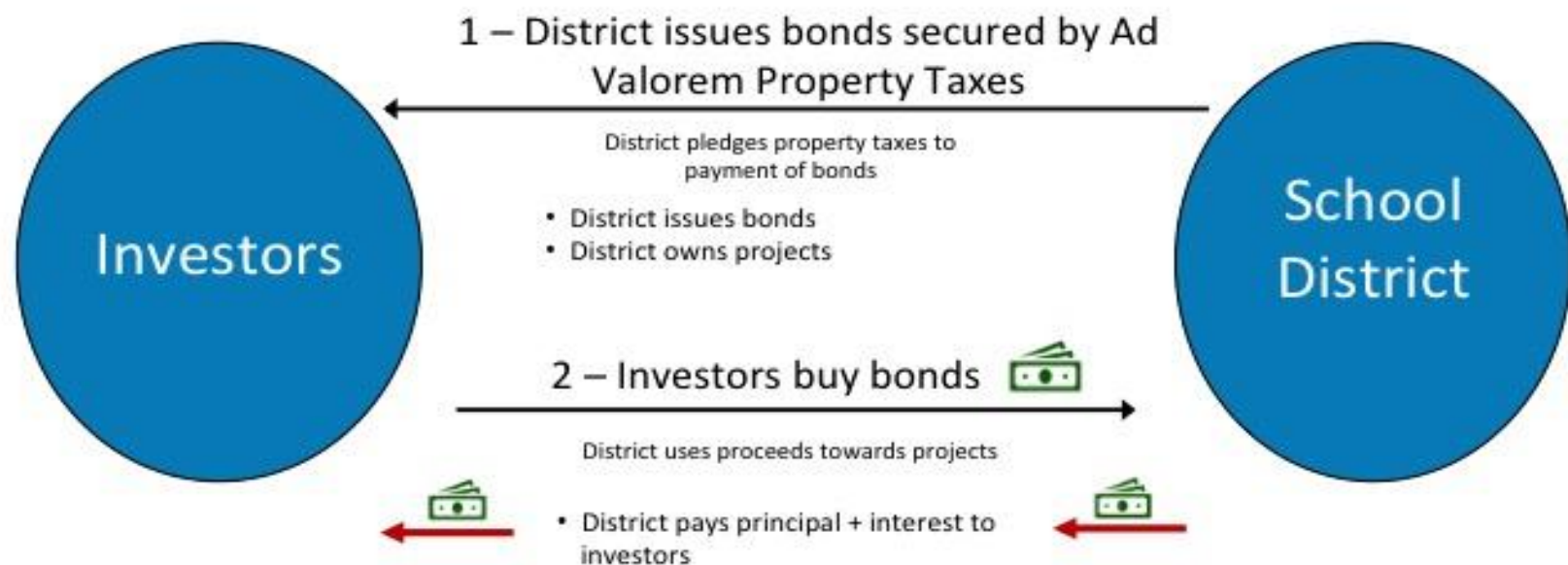


DEVELOPMENT FINANCING

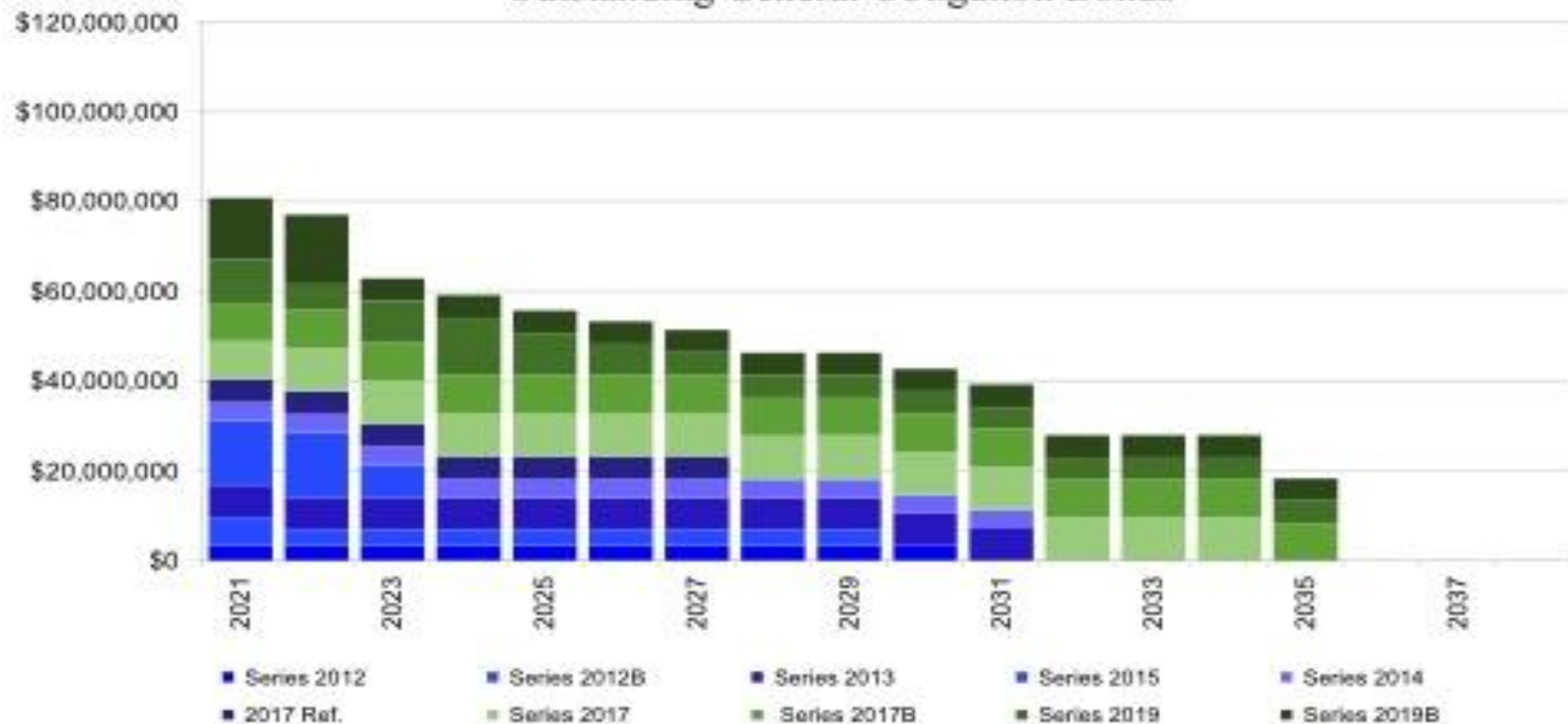
TYPE	USES	SECURITY	CONSIDERATIONS
Assessment Financing	Specific improvements within a designated improvement area (curb, gutter, streets, etc.).	Assessments levied on properties within the improvement area.	<ul style="list-style-type: none"> - Requires property owner approval - Requires assessment ordinance and notices - Requires annual billing/collection - Typically require a reserve fund - Coverage considerations (property value)
Increment Financing	Economic development projects (new construction or upgrades).	Incremental tax revenues.	<ul style="list-style-type: none"> - Requires creation of RDA - Requires determination of base values - Typically require reserve fund - Coverage considerations



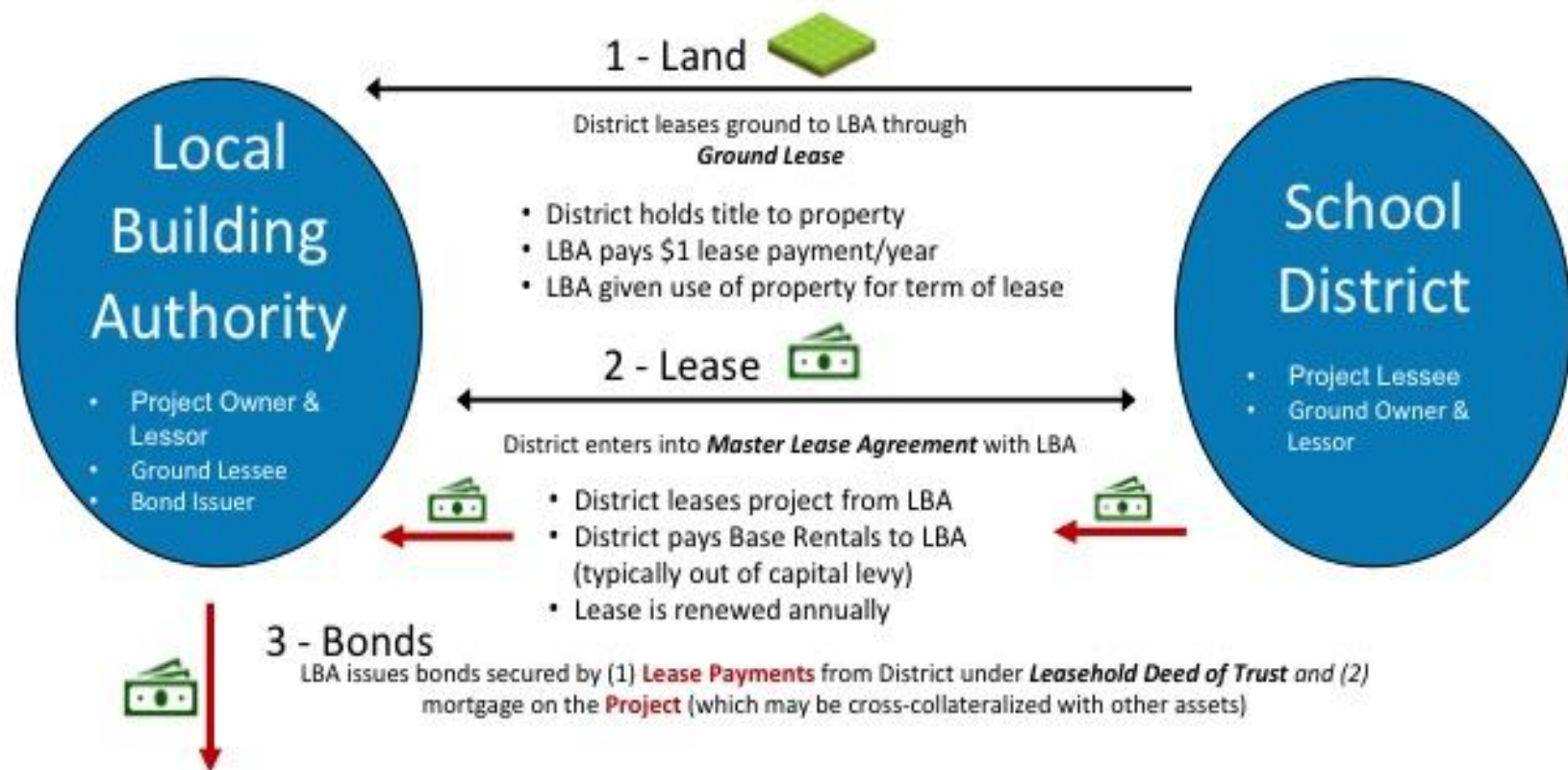
WHAT IS A GENERAL OBLIGATION BOND?



Alpine School District
Outstanding General Obligation Bonds

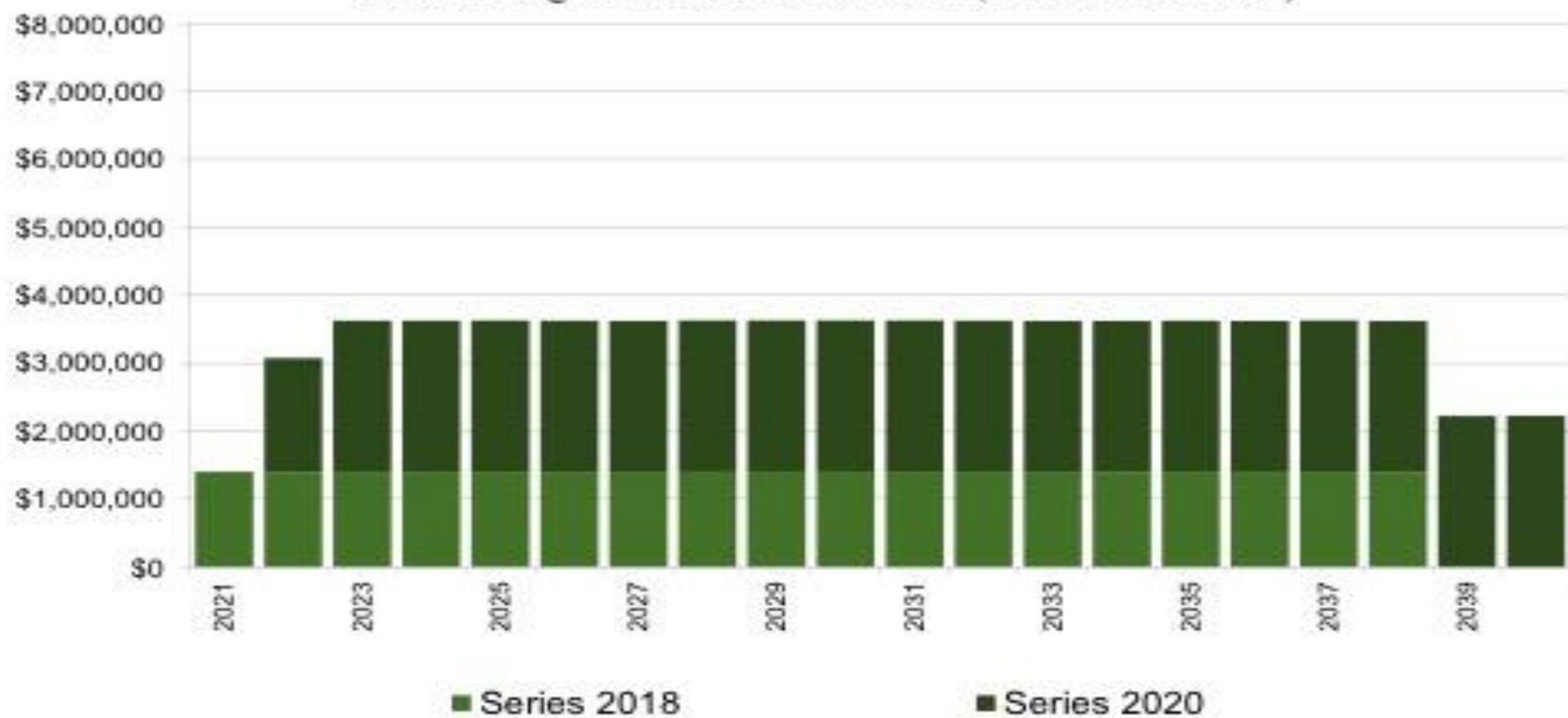


WHAT IS A LEASE REVENUE BOND?



Alpine School District

Outstanding Lease Revenue Bonds (Net Debt Service)



Team celebrations - *“We are delighted, yet not satisfied”*

- **Aaa rating by Moody’s - AAA rating by Fitch**
 - Only school district outside of Salt Lake County to achieve this recognition
- **Award for Excellence in Financial Reporting**
 - Association of School Business Officials International - 38 years
 - Government Finance Officers Association - 38 years
- **Meritorious Budget Award**
 - Association of School Business Officials International - 3rd year!!
- **Popular Annual Financial Report**
 - Government Finance Officers Association - 1st year!

Excellent forecasting, analysis and fiscal discipline support our moral imperative to help every student learn at high levels!!!

Questions?

Alpine School District 2021

FOCUS

on what matters most

PRIORITIES • PEOPLE • PROCESSES