



# **USBA Leadership Academy**

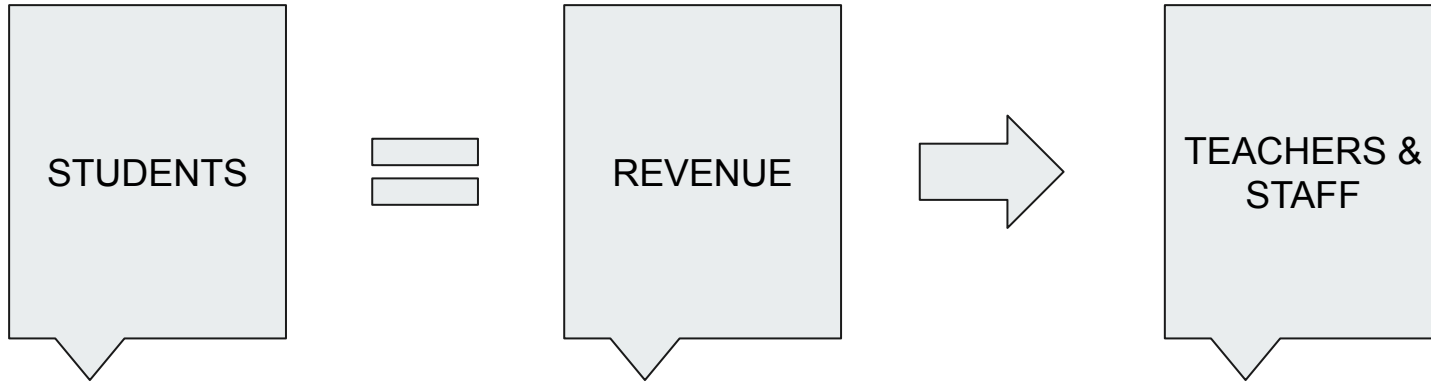
## ***“Show Me The Money”***

Rob Smith - Business Administrator  
September 17, 2021

# Board members - Have you ever felt like this?

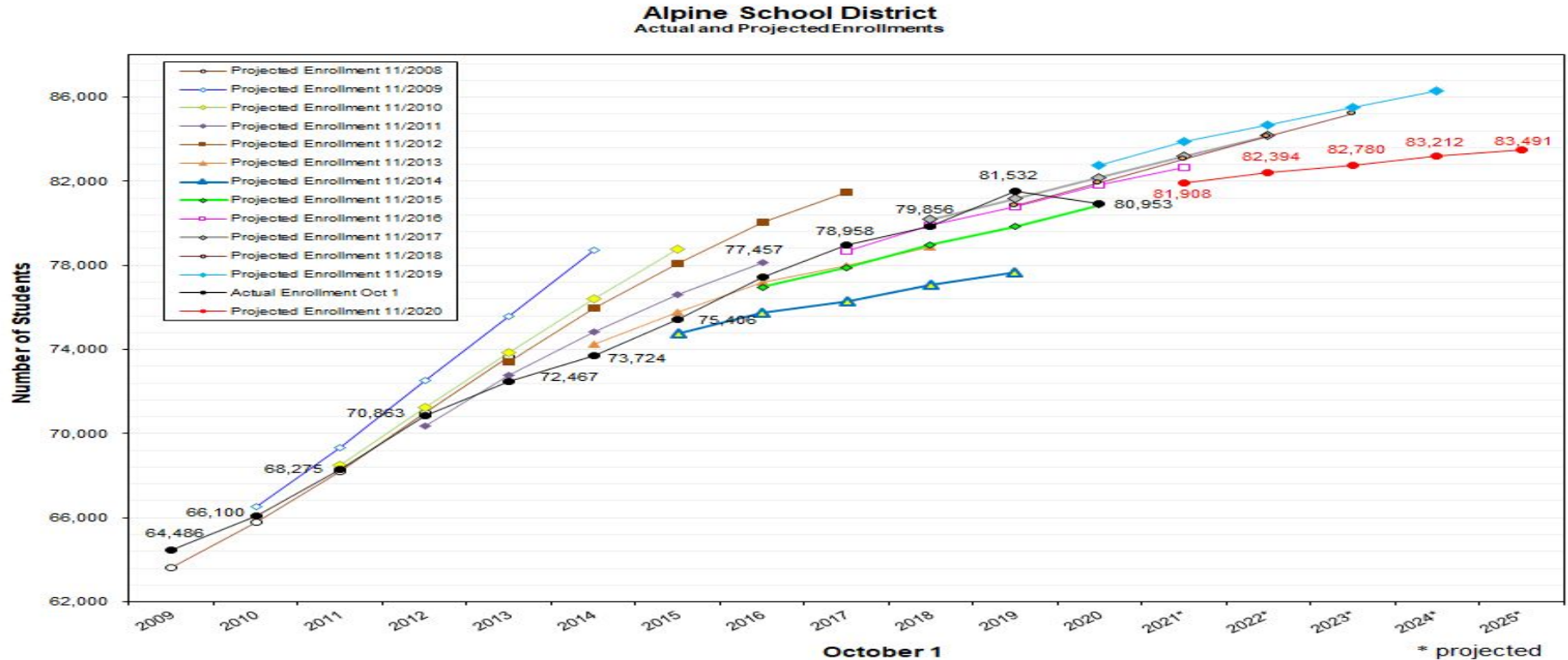


# School Funding - uber simple.....



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 <b>September 15, 2020</b>  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		
	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:

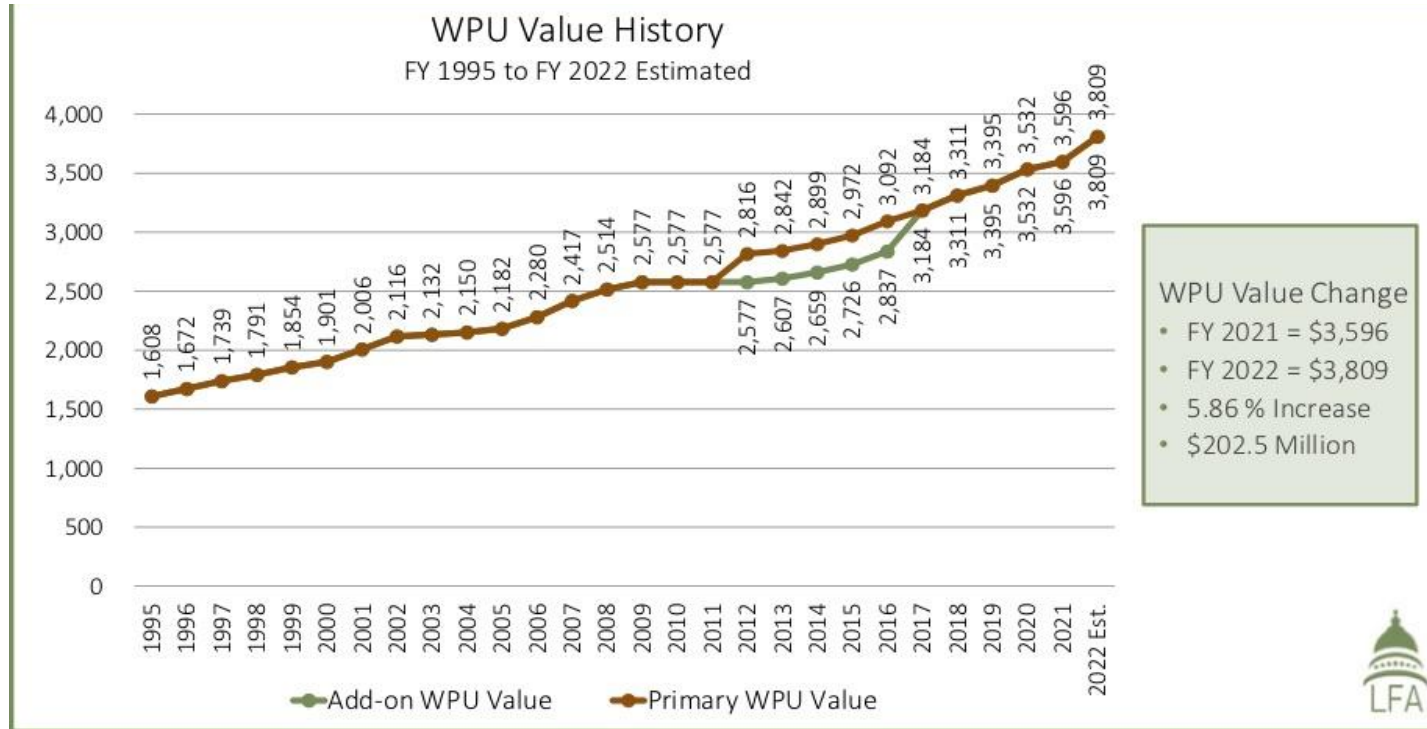
1. Utah Certified Tax Rate website
2. Publicly issued comprehensive annual financial reports where available
3. An increment equals 0.0001



## Federal Funding

- | Value of WPU:   | \$1,800,000           | Utah State Supported Minimum School Program |                       |
|---|-----------------------|---|-----------------------|
| Interest Local Levy:  | 0.001000              | Local Support Summary                       |                       |
| Board Local Levy:   | 0.000708              | FY 2022 Legislative Estimates               |                       |
| Adjusted Available Valuation:                                       | \$1,400,000           | Recipient: Alpine                           |                       |
| Local Program Tax Rate:   | 0.006663              |   |                       |
| Local Revenue Produced:   | \$5,430,870           |   |                       |
| Local Revenue Required:   | \$4,630,870           |   |                       |
| Revenue:  | 2,472,023             |   |                       |
| Chapter School Levy Local Revenue:                                  |                       |   |                       |
| WPU's   |                       |   |                       |
| Local & State Amount Generated                                      |                       | Local Amount                                | State Support Amount  |
| <b>1. BASIC SCHOOL PROGRAMS</b>                                     |                       |   |                       |
| <b>A. REGULAR BASIC SCHOOL PROGRAMS</b>                             |                       |   |                       |
| 1. Grades K-12  | 77,561,257            | 291,940,826.20                              | \$4,635,820.00        |
| 2. Pre-Elementary/School Readiness                                  | 0.00                  | 0.00  | 0.00                  |
| 3. Professional Staff   | 6,492,032             | 24,728,151.01                               | 0.00                  |
| 4. Administrative Costs   | 0.00                  | 0.00  | 0.00                  |
| 5. Exchange Students  | 0.00                  | 0.00  | 0.00                  |
| <b>B. RESTRICTED BASIC SCHOOL PROGRAM</b>                           |                       |   |                       |
| 1. Special Education - All On                                       | 8,996,860             | 34,269,423.03                               | 0.00                  |
| 2. Special Education - Self-Contained                               | 1,868,800             | 5,973,749.05                                | 0.00                  |
| 3. Special Education - Pre-School                                   | 1,711,481             | 6,515,010.00                                | 0.00                  |
| 4. Extended Yr. Pgm. - Severely Disabled                            | 40,004                | 155,854.79                                  | 0.00                  |
| 5. Special Education - Impact Aid                                   | 205,113               | 781,727.09                                  | 0.00                  |
| 6. Special Education - Intensive Services                           | 0.00                  | 0.00  | 0.00                  |
| 7. Special Ed. - Extended Year For Special Educators                | 0.00                  | 0.00  | 0.00                  |
| 8. General and Technical - All-On                                   | 8,486,776             | 31,138,768.44                               | 0.00                  |
| 9. Students At Risk - All-On  | 1,022,800             | 3,883,640.79                                | 0.00                  |
| 10. Class Size Reduction - K-6, Grade 7-12                          | 1,078,613             | 19,344,437.00                               | 0.00                  |
| <b>TOTAL BASIC SCHOOL PROGRAMS</b>                                  | <b>106,135,386</b>    | <b>406,230,371.47</b>                       | <b>\$4,635,820.00</b> |
| <b>C. RELATED TO BASIC SCHOOL PROGRAMS</b>                          |                       |   |                       |
| 1. Rural Transportation   | 0.00                  | 13,033,562.34                               | 0.00                  |
| 2. Rural School District Transportation Grants                      | 0.00                  | 0.00  | 0.00                  |
| 3. Rural School Transportation Reimbursement                        | 0.00                  | 0.00  | 0.00                  |
| <del>4. Student Allocation For All Students</del>                   | 0.00                  | 0.00  | 0.00                  |
| <del>5. Enrollment For All Students</del>                           | 0.00                  | 0.00  | 0.00                  |
| 6. Gang Prevention  | 0.00                  | 0.00  | 0.00                  |
| 7. Youth in Custody   | 0.00                  | 0.00  | 0.00                  |
| 8. Adult Education  | 487,055.00            | 0.00  | 487,055.00            |
| 9. Adult Education - Supplemental                                   | 0.00                  | 0.00  | 0.00                  |
| 10. Adult Education - Corrections Institutions                      | 0.00                  | 0.00  | 0.00                  |
| 11. Enrollment for Accredited Students                              | 0.00                  | 0.00  | 0.00                  |
| 12. Counselor Employment  | 762,344.75            | 0.00  | 762,344.75            |
| 13. Professional Funding  | 0.00                  | 0.00  | 0.00                  |
| 14. Early Release Program   | 8,908,899.09          | 3,486,224.44                                | 1,350,461.50          |
| 15. Early Intervention  | 1,815,904.24          | 0.00  | 1,815,904.24          |
| 16. Special Education Intensive Services                            | 0.00                  | 0.00  | 0.00                  |
| 17. English Language Learner Software Grants                        | 0.00                  | 0.00  | 0.00                  |
| 18. Education Salary Additions                                      | 20,598,407.86         | 0.00  | 20,598,407.86         |
| 19. Teacher Salary Supplement Program                               | 0.00                  | 0.00  | 0.00                  |
| <del>20. National Board Certified Teacher Program</del>             | 0.00                  | 0.00  | 0.00                  |
| 21. Teacher Supplies and Materials                                  | 554,824.17            | 0.00  | 554,824.17            |
| 22. Effective Teachers in High-Poverty Schools Incentive Program    | 0.00                  | 0.00  | 0.00                  |
| 23. Grants for Education in High-Poverty Schools                    | 0.00                  | 0.00  | 0.00                  |
| 24. Elementary School Counselor Program                             | 0.00                  | 0.00  | 0.00                  |
| 25. Grants for Professional Learning                                | 0.00                  | 0.00  | 0.00                  |
| 26. Grow Your Own Teacher and Counselor Program                     | 0.00                  | 0.00  | 0.00                  |
| 27. School LAND Trust   | 10,342,207.00         | 0.00  | 10,342,207.00         |
| 28. Teacher & Students Success Act Program                          | 11,453,626.85         | 0.00  | 11,453,626.85         |
| 29. Student Health & Counseling Support Program                     | 0.00                  | 0.00  | 0.00                  |
| 30. Library Books and Electronic Support                            | 86,985.58             | 0.00  | 86,985.58             |
| 31. School Buses  | 146,775.50            | 0.00  | 146,775.50            |
| 32. Dual Immersion  | 0.00                  | 0.00  | 0.00                  |
| <del>33. Magnet</del>   | 0.00                  | 0.00  | 0.00                  |
| 34. Beverly Taylor Sorenson Elementary Arts                         | 0.00                  | 0.00  | 0.00                  |
| 35. Digital Teaching and Learning                                   | 0.00                  | 0.00  | 0.00                  |
| <b>D. LEANED PROGRAMS</b>   |                       |   |                       |
| 1. Volont Local Levy Prgm, Min. Basic Growth, and Local Levy Growth | 88,162,631.93         | 57,571,954.56                               | 30,570,677.37         |
| 2. Board Local Levy Prgm, Min. Basic Growth, and Local Levy Growth  | 23,626,227.77         | 14,251,719.24                               | 8,217,719.24          |
| <b>TOTAL:</b>   | <b>588,135,183.31</b> | <b>130,551,519.29</b>                       | <b>452,405,446.64</b> |
| <b>E. OTHER STATE PROGRAMS</b>                                      |                       |   |                       |
| <b>A. Capital Outlay</b>  |                       |   |                       |
| 1. Capital Outlay Foundation  | 0.00                  | 0.00  | 133,127.99            |
| 2. Foundation Guarantee Min. Basic Growth                           | 0.00                  | 0.00  | 156,448.70            |
| 3. Endowment Growth   | 0.00                  | 0.00  | 155,808.89            |
| 4. Endowment Growth Min. Basic Growth                               | 0.00                  | 0.00  | 178,114.87            |
| <b>TOTAL:</b>   | <b>0.00</b>           | <b>0.00</b>                                 | <b>423,496,448.45</b> |
| <b>TOTAL STATE SUPPORT FUNDING</b>                                  |                       |   |                       |

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



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

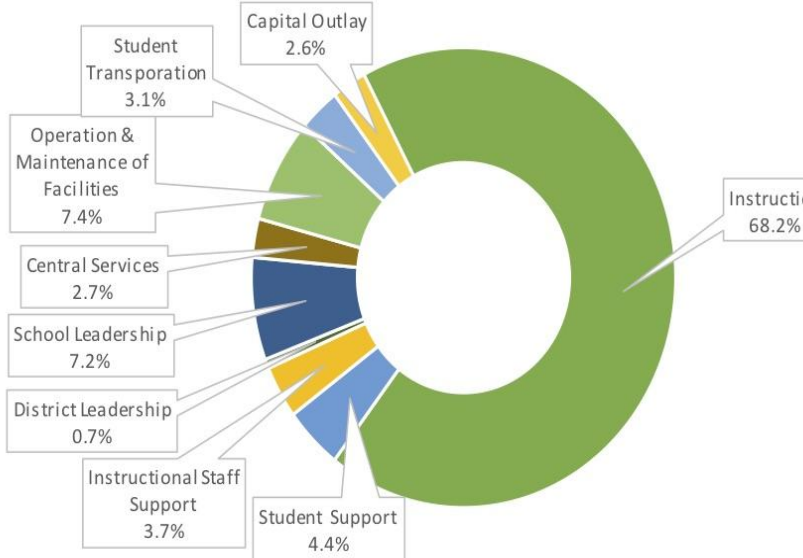
Equalization affect -  
both districts yield  
the same total  
revenue - Levy  
proceeds + state  
funds

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



# How does ASD distribute and use \$\$'s in our 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"> <li>- Requires a majority vote</li> <li>- Subject to statutory limits</li> <li>- Lowest interest rates</li> <li>- No reserve fund required</li> </ul>
Revenue Bonds			
Sales Tax (Excise Tax)	Any general governmental purpose project (new construction or upgrades). <b>Very limited project restrictions.</b>	Sales tax revenues, excise tax revenues, franchise tax revenues.	<ul style="list-style-type: none"> <li>- No vote required</li> <li>- May require a reserve fund</li> <li>- Coverage considerations</li> </ul>
Lease Revenue	<b>Essential purpose</b> governmental projects (new construction or upgrades).	Annual appropriations from the general fund budget to make lease payments.	<ul style="list-style-type: none"> <li>- No vote required</li> <li>- Lien on financed property/project</li> <li>- May require a reserve fund</li> <li>- May require capitalized interest</li> </ul>
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"> <li>- No vote required</li> <li>- Typically require a reserve fund</li> <li>- Coverage considerations</li> </ul>

## 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"> <li>- Requires property owner approval</li> <li>- Requires assessment ordinance and notices</li> <li>- Requires annual billing/collection</li> <li>- Typically require a reserve fund</li> <li>- Coverage considerations (property value)</li> </ul>
Increment Financing	Economic development projects (new construction or upgrades).	Incremental tax revenues.	<ul style="list-style-type: none"> <li>- Requires creation of RDA</li> <li>- Requires determination of base values</li> <li>- Typically require reserve fund</li> <li>- Coverage considerations</li> </ul>

CITIES

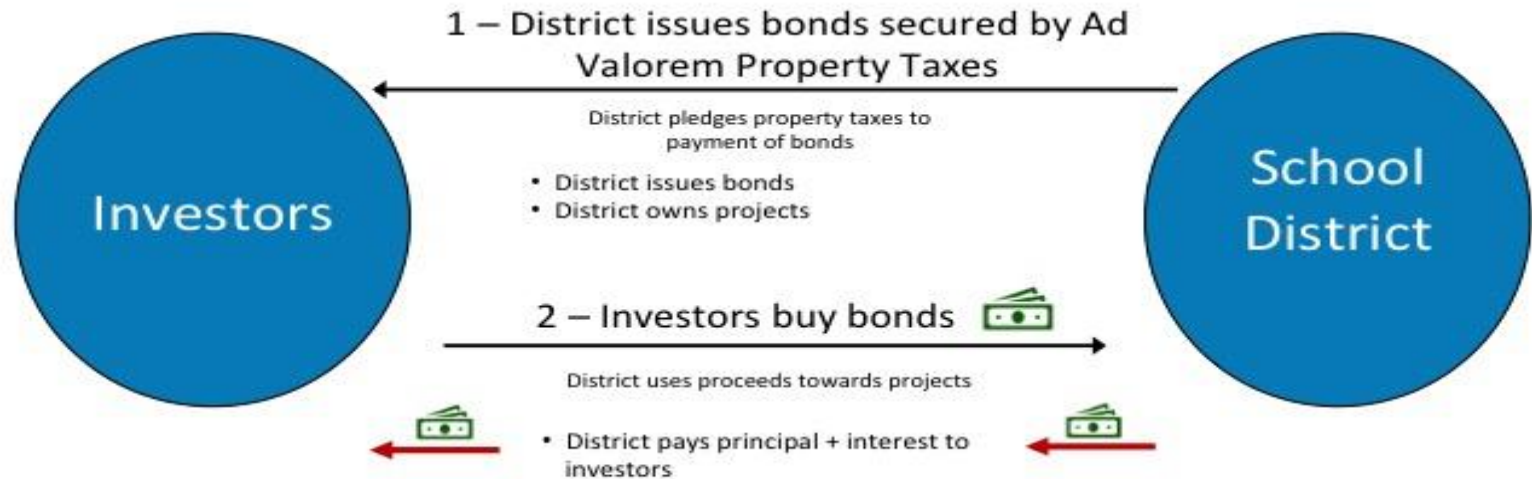
COUNTIES

SCHOOLS



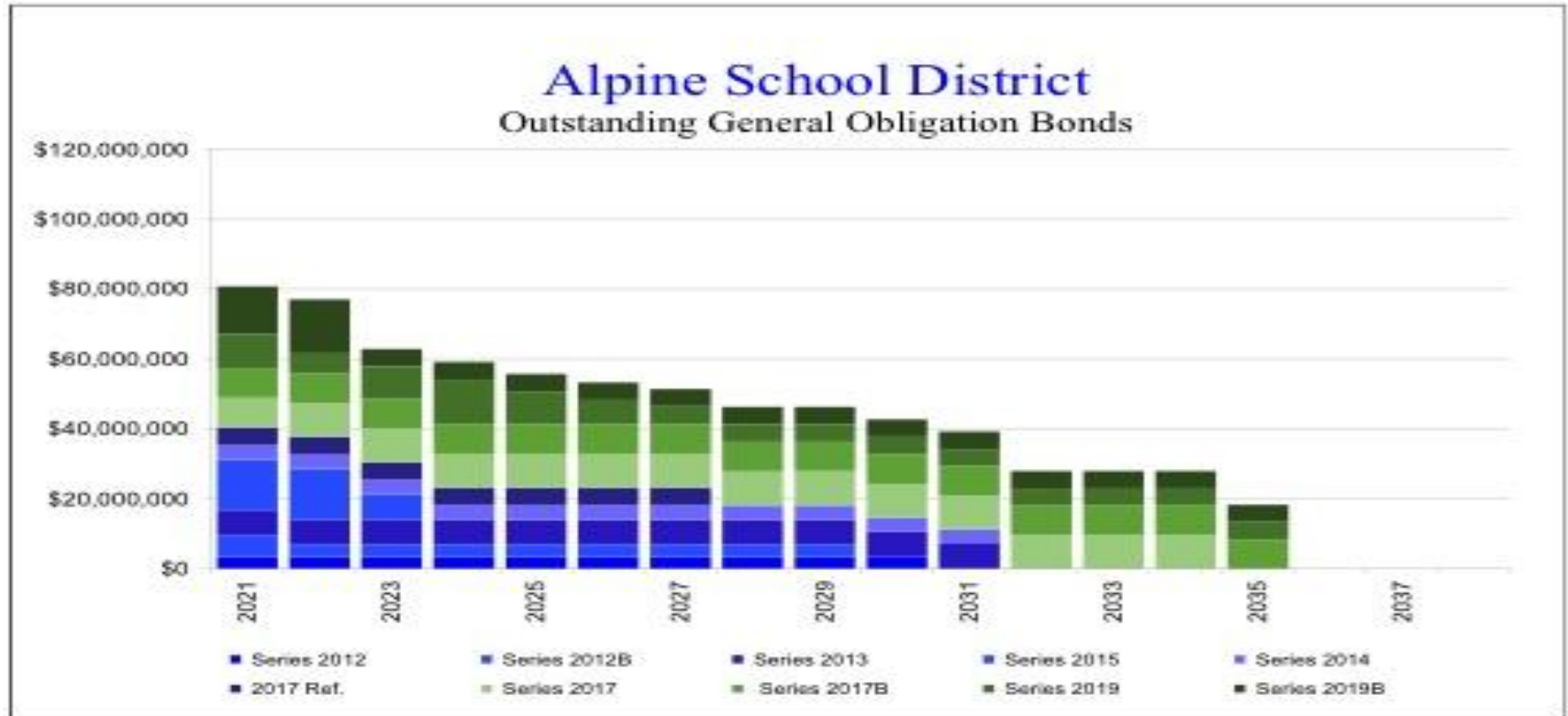
# How does ASD use the resources our Taxpayers give us?

## WHAT IS A GENERAL OBLIGATION BOND?



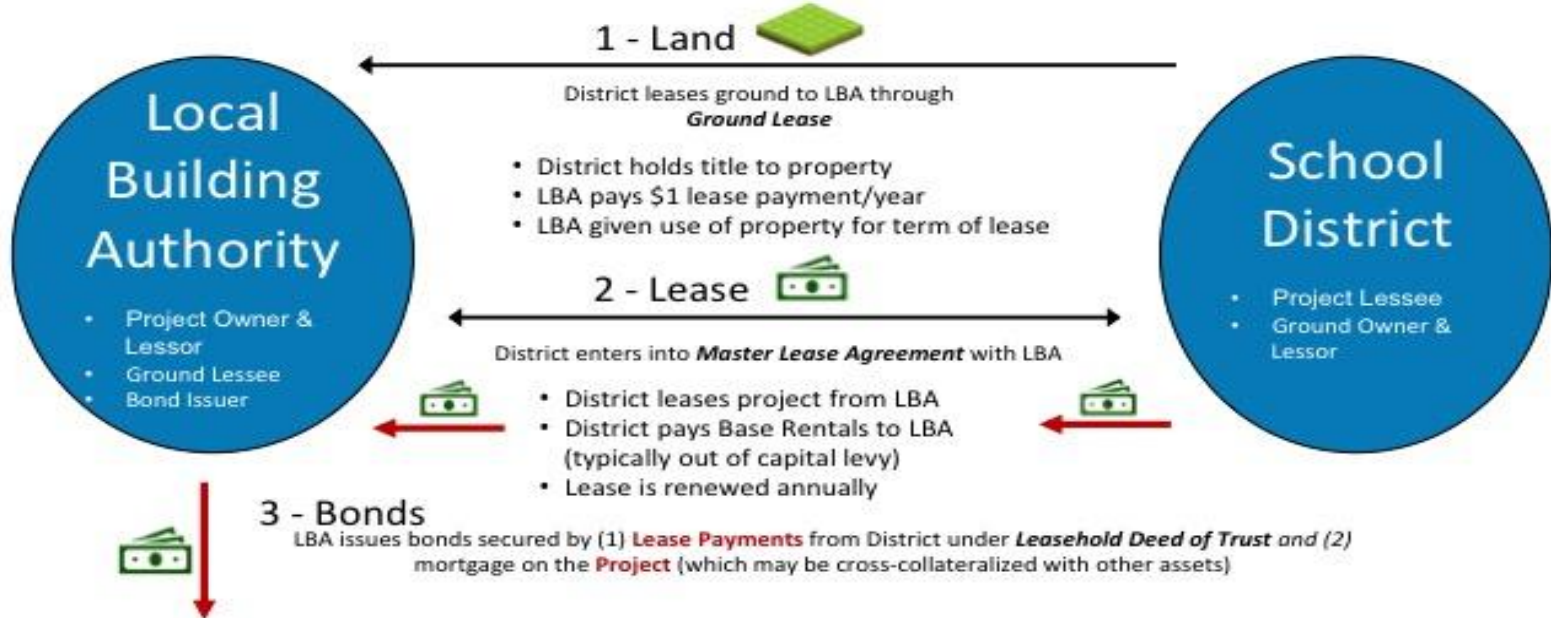


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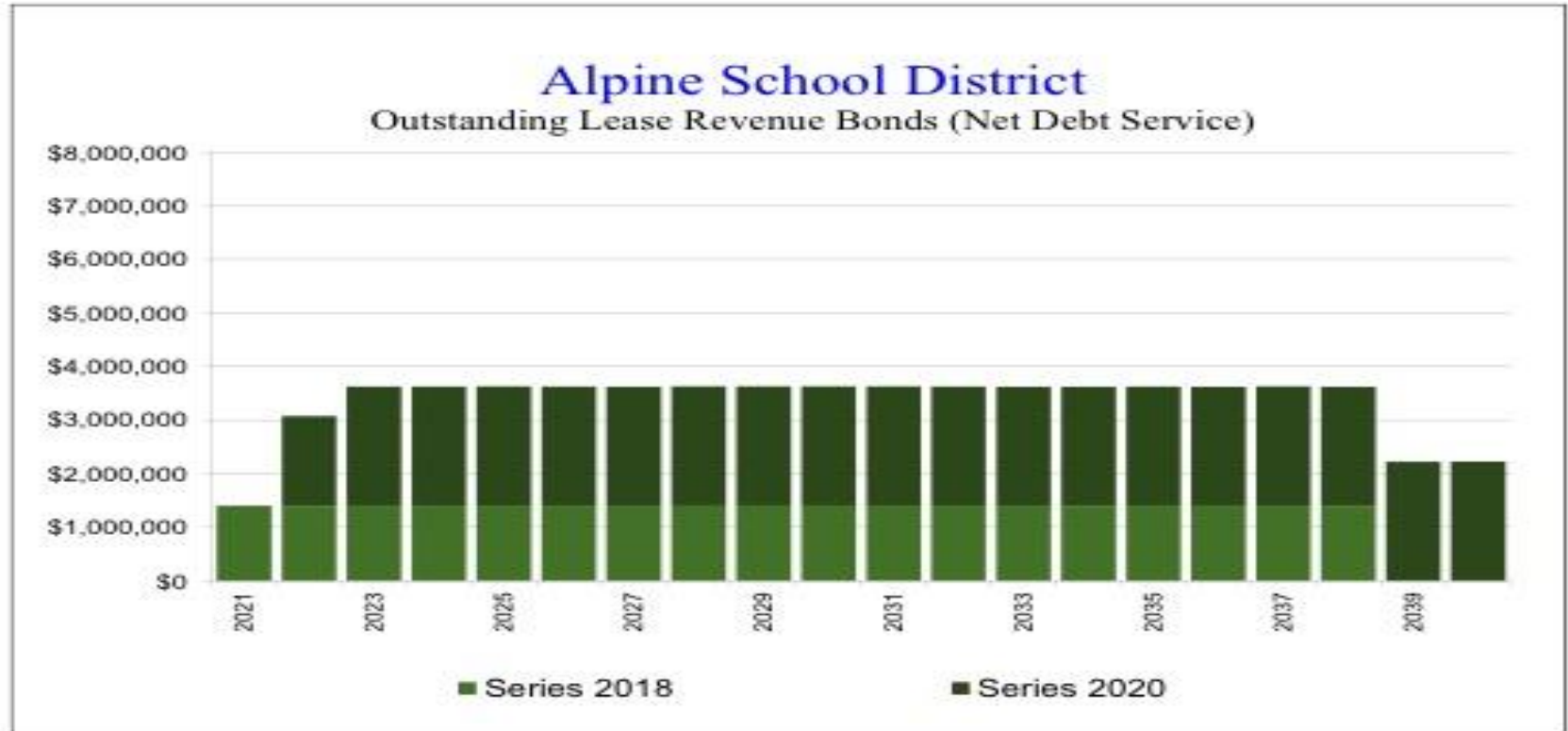


# How does ASD use the resources our Taxpayers give us?

## WHAT IS A LEASE REVENUE BOND?



# How does ASD use the resources our Taxpayers give us?



# 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 mission of Educating all students to inspire learning and to protect our freedoms!!*

# Questions?

