



# Granite School District Budget Hearing

June 14, 2022

Brian Ipson, Director of Budget Development

# Granite's Budget Timeline

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- ▶ March 4 – last day of legislative general session
- ▶ June 1 – law requires that budget be published online, and budget hearing advertised
- ▶ June 22 – law requires budget hearing and adoption of budget
  - ▶ Action to be taken on 3 items tonight:
    - ▶ Approve the revised 2021-22 budget
    - ▶ Adopt the proposed 2022-23 budget
    - ▶ Set a proposed property tax rate for 2022-23
- ▶ August – truth-in-taxation hearing – time & date must be coordinated with SL County Auditor's Office



# Where is the GSD budget published?

- ▶ [www.graniteschools.org](http://www.graniteschools.org) – Budget Development webpage



[Students & Families](#) [Community](#) [Schools](#) [District](#) [Calendar](#) [Contact](#)

[Granite School District](#) > Budget Development

## Budget Development

The Budget Development Office constructs and monitors the district's annual budget under the direction of the Superintendent and the Board of Education.

## Annual Budget

- [Annual Budget](#)

## Employee Resources


- [Accounting/Finance Knowledgebase – Budgeting Page](#)
  - Contains links to:
    - Benefits Calculator
    - Budget Transfer/Journal Entry request forms
    - Planned Spending program

## Website Search

## Contact Information


### Director

 [Brian Ipson](#)

 385-646-4554

### Secretary

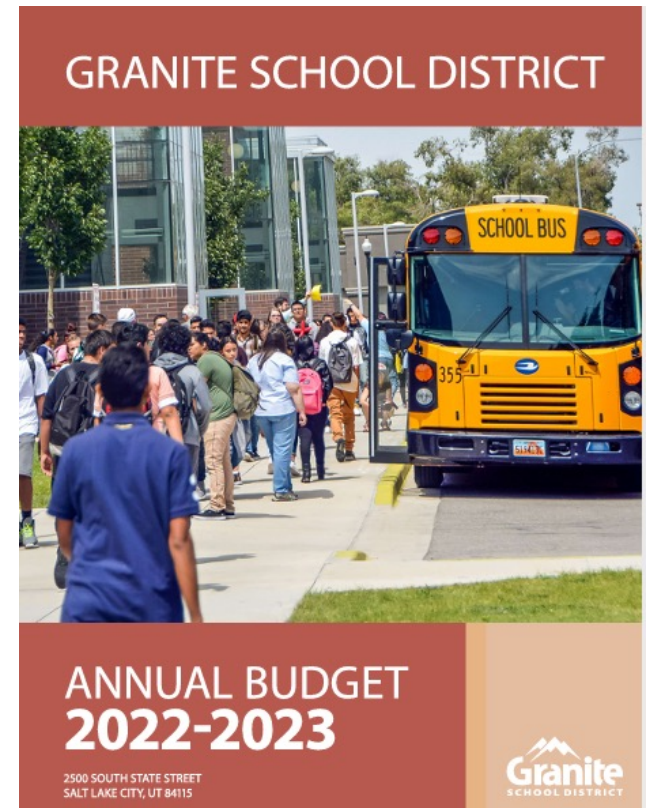
 [Michelle Foster](#)

 385-646-4554

# Annual Budget Book

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- ▶ **Budget for all funds for which the Board has legal responsibility:**
  - ▶ General Fund (M&O)
  - ▶ District Activity: School funds (fees, donations, fundraisers, etc.)
  - ▶ Pass-Through Tax: Taxes for redevelopment & charter schools
  - ▶ Granite Education Foundation
  - ▶ Capital Outlay / Bond Projects: Construction projects
  - ▶ Debt Service: Payment of bonds
  - ▶ School Lunch: Breakfast & lunch



# Budget Process

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- ▶ Estimate revenues: funds from federal, state, and local sources
- ▶ Estimate expenditures: consideration of budget requests from schools, district departments, superintendency
- ▶ Each fund's budget is balanced, meaning budgeted expenditures are planned to remain within available revenue and resources.
- ▶ Budgets can be amended by board action throughout the year, but typically the budget is formally adjusted one time each fiscal year, in June (at the same time the new year budget is approved)



# Monthly Board Financial Reports

**Granite School District  
Expenditure Report  
April 30, 2022**

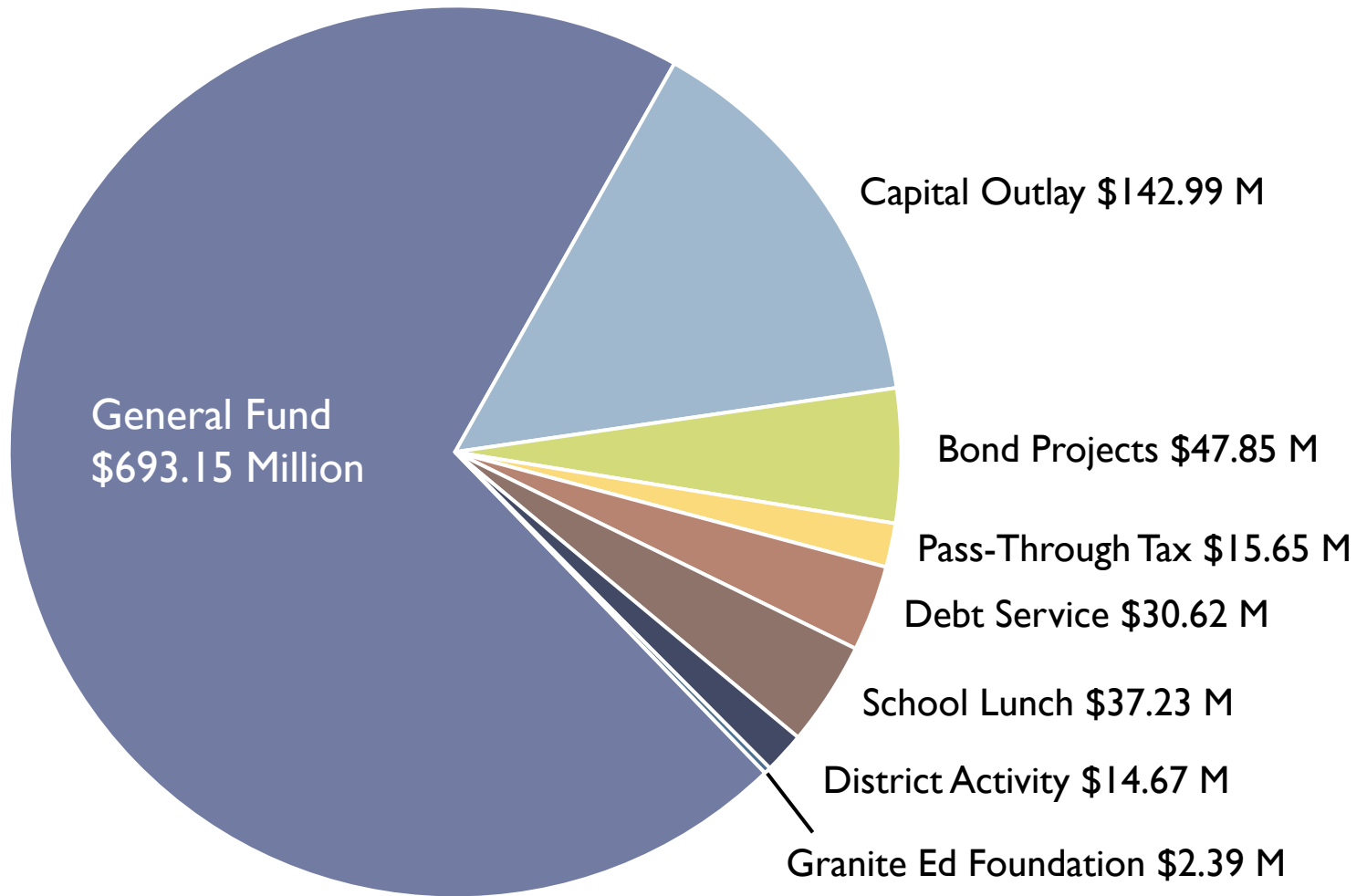
	Approved Budget	Working Budget	Expended Year to Date	Balance	% Expended
<b><u>MAINTENANCE AND OPERATION FUND</u></b>					
<b><u>Salaries:</u></b>					
District Administrative Salaries	\$ 9,775,949	\$ 10,013,580	\$ 8,166,114	\$ 1,847,466	81.55%
School Administrative Salaries	22,043,834	21,465,628	17,683,274	3,782,354	82.38%
Teachers & Substitutes	234,996,122	249,654,149	156,201,859	93,452,290	62.57%
Other Certificated Salaries	30,070,531	32,703,444	20,019,886	12,683,558	61.22%
Office Salaries	15,674,432	15,791,805	11,774,630	4,017,175	74.56%
Para-Professional Salaries	24,691,911	28,157,194	18,058,927	10,098,267	64.14%
Student Transportation Salaries	6,191,685	6,298,861	4,742,615	1,556,246	75.29%
Operation & Maintenance Salaries	32,301,300	31,870,830	24,155,827	7,715,003	75.79%
Other Salaries	1,680,625	1,960,639	1,387,387	573,252	70.76%
<b>Total Salaries</b>	<b>377,426,389</b>	<b>397,916,130</b>	<b>262,190,519</b>	<b>135,725,611</b>	<b>65.89%</b>

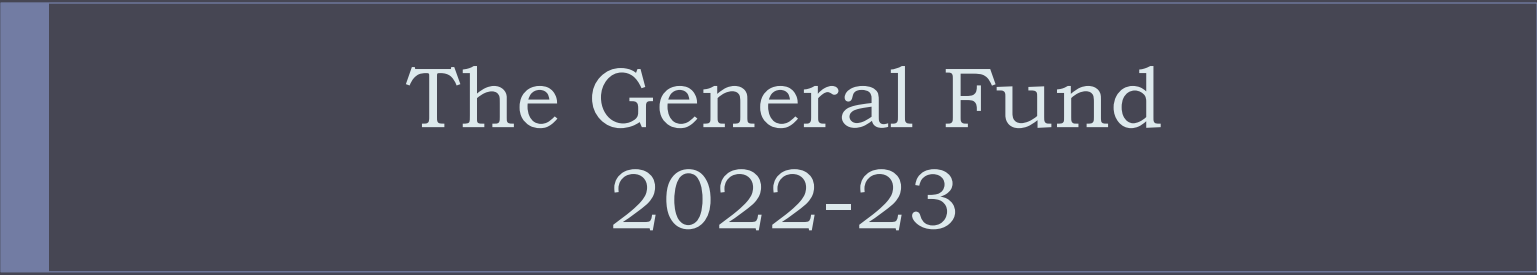


# Granite's 2022-23 Budget – All Funds

Total Budget = \$984,552,344

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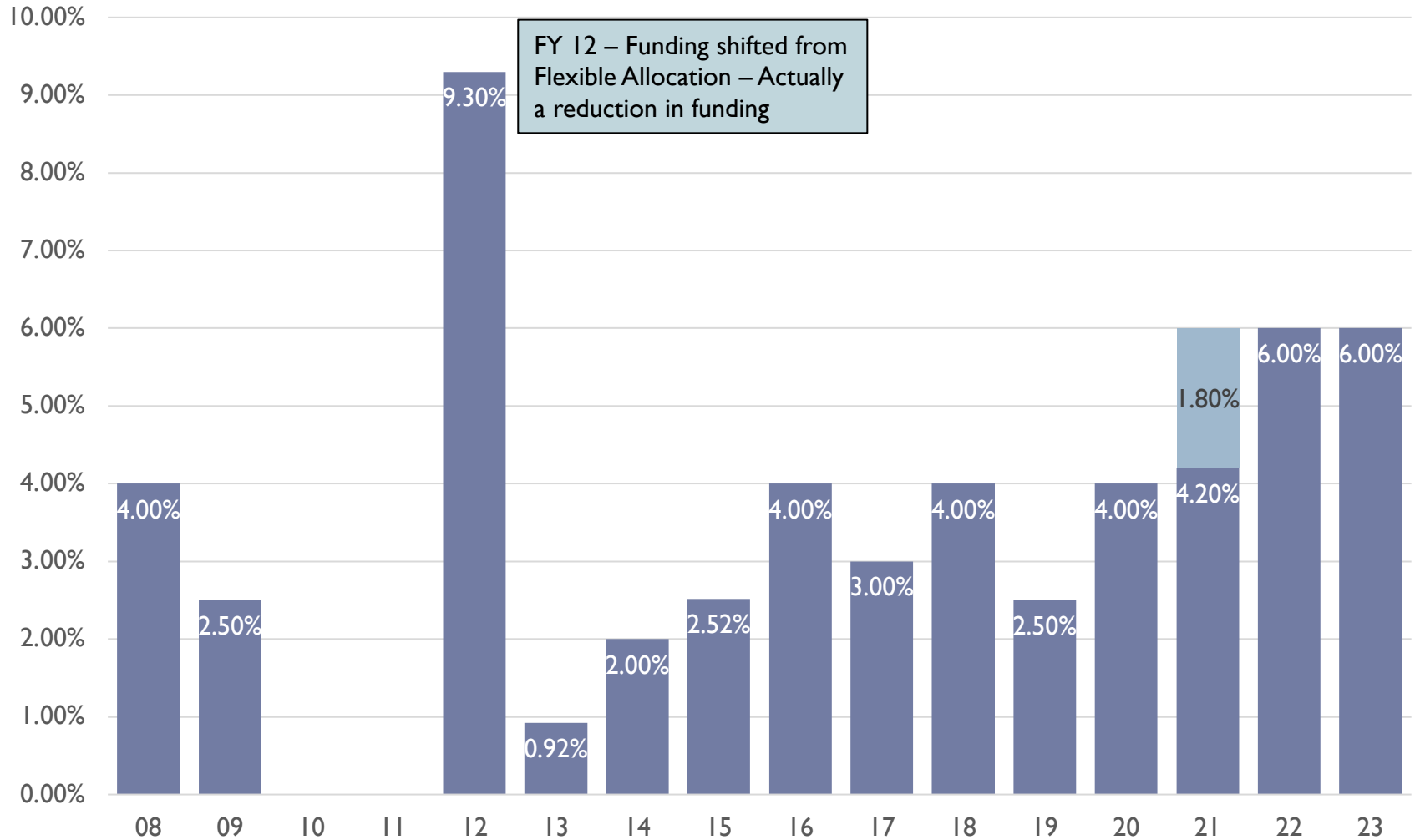




The General Fund  
2022-23



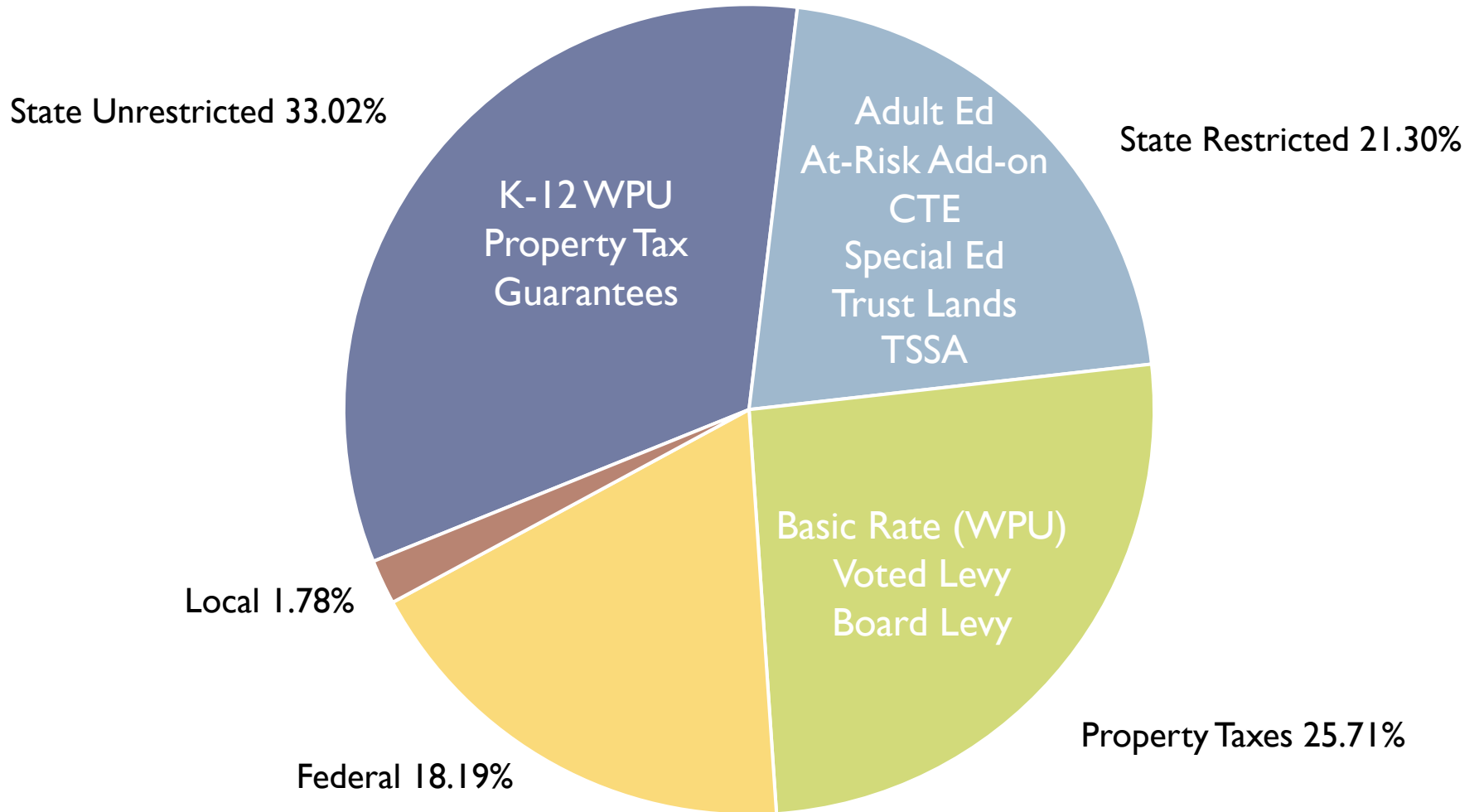
# State Funding – Changes in WPU Value



# General Fund - Revenue Sources

2022-23

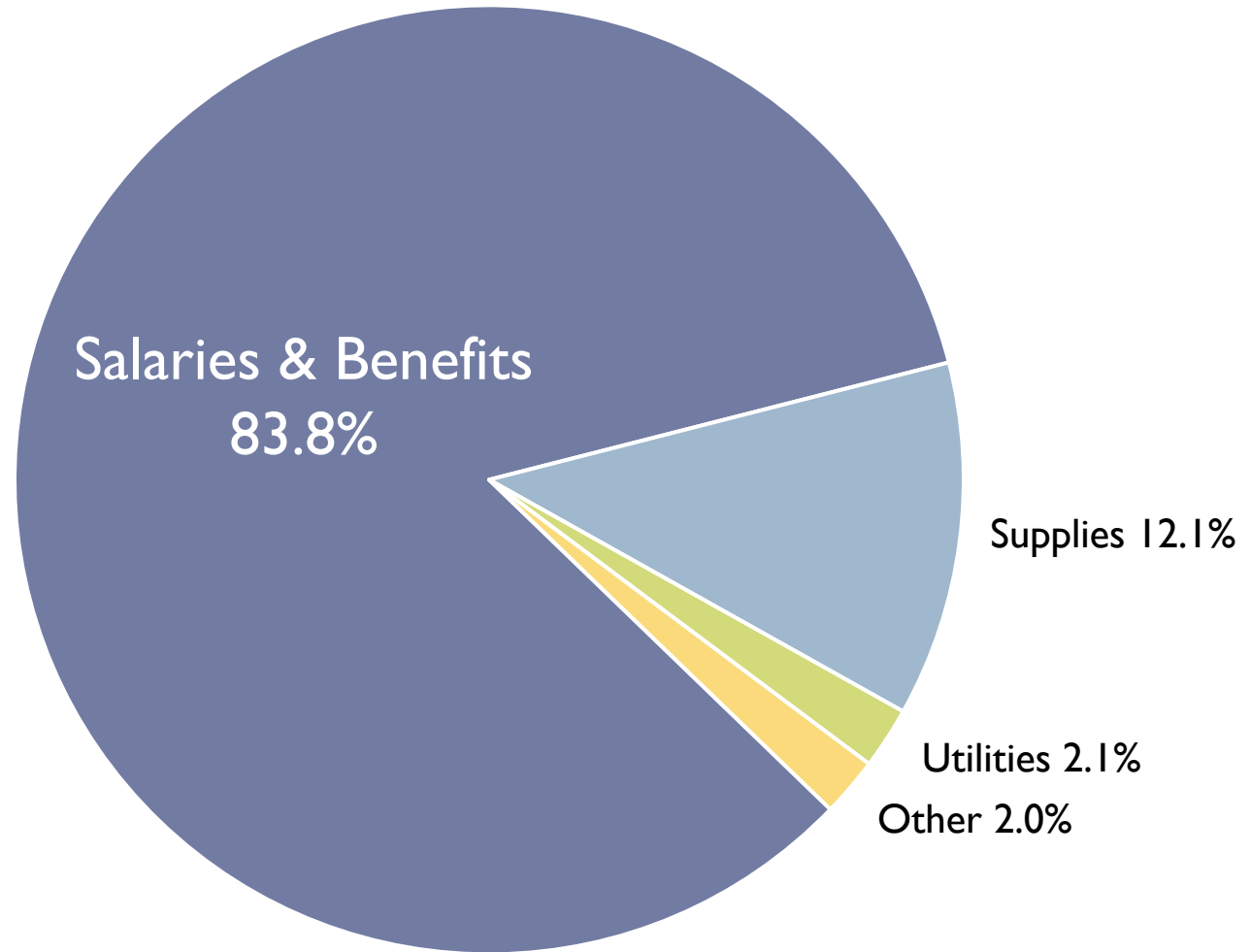
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# The General Fund – Budget Expenditures

2022-23, by object

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# General Fund Budget – 2022-23

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## New Funding Sources:

Description	Ongoing Budget
State funding (WPU increase 6.0%)	15,773,441
Tax levy guarantees	3,805,182
Property tax new growth	1,196,954
Students at-risk funding <sup>1</sup>	2,395,346
Teacher and Student Success Act <sup>2</sup>	488,975
<b>Total new funding sources</b>	<b>\$23,659,898</b>

<sup>1</sup>Granite heavily subsidizes services provided to at-risk students – this amount represents some of these services now being funded with the new at-risk add-on funds.

<sup>2</sup>The Teacher & Student Success Act allows for 25% of the funding to be used to cover classroom teacher salaries – this amount is 25% of the new funding in FY23.

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# General Fund Budget – 2022-23

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## Contractual Considerations:

Description	Ongoing Budget
Step increases (\$8.4 M total)	-\$5,899,730
Estimated employee turnover savings	1,418,022
Health insurance increases	-1,080,801
Total	-\$5,562,509

## Required Cost Increases:

Description	Ongoing Budget
CTE Maintenance of Effort	-\$608,236
Total	-\$608,236

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# General Fund Budget – FY 2022-23

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## Other New Ongoing Expenditures:

Description	Ongoing Budget
Curriculum software adoptions	-\$760,000
Textbook fee replacement funds	-600,000
Transportation (higher costs fuel, repairs, etc.)	-439,400
School resource officers	-200,000
Other Miscellaneous Items	-644,596
Total	-\$2,643,996



# General Fund Budget – FY 2022-23

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## Recruitment & Retention of Employees:

Description	Ongoing Budget
COLA - 4.25%	-\$14,829,478
Total	-\$14,829,478



# General Fund Budget – FY 2022-23

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## Ongoing Budget Summary:

Description	Amount
New funding sources	\$23,659,898
Contractual considerations	-5,562,509
Required cost increases	-608,236
Other budget items	-2,643,996
Employee retention – 4.25% COLA	-14,829,478
	\$15,679



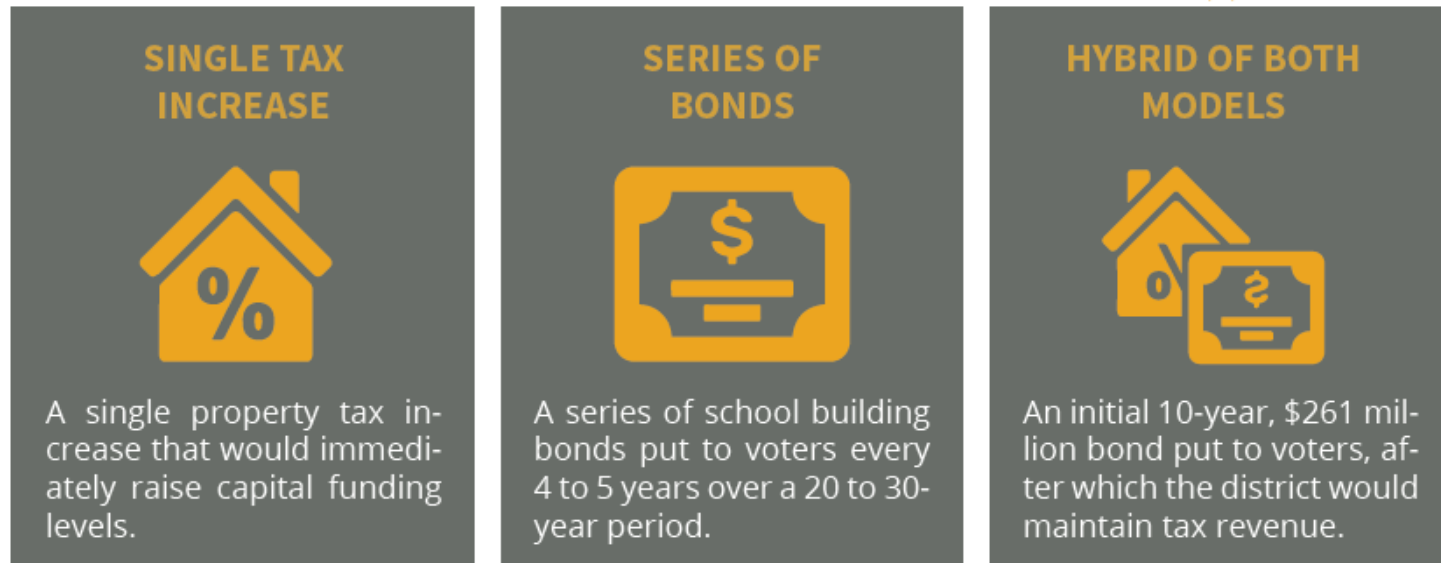




# Property Taxes & School Construction

# Long-Term Funding Strategies Studied in 2017

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- ▶ As the property tax rate for Debt Service goes down, the rate is shifted to the Capital Local Levy.
  - ▶ Proceeding forward with this plan requires a Truth-in-Taxation hearing again for 2022-23 (scheduled for a date in August)
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# School Construction Made Possible by Voter Approval of November 2017 Bond Election

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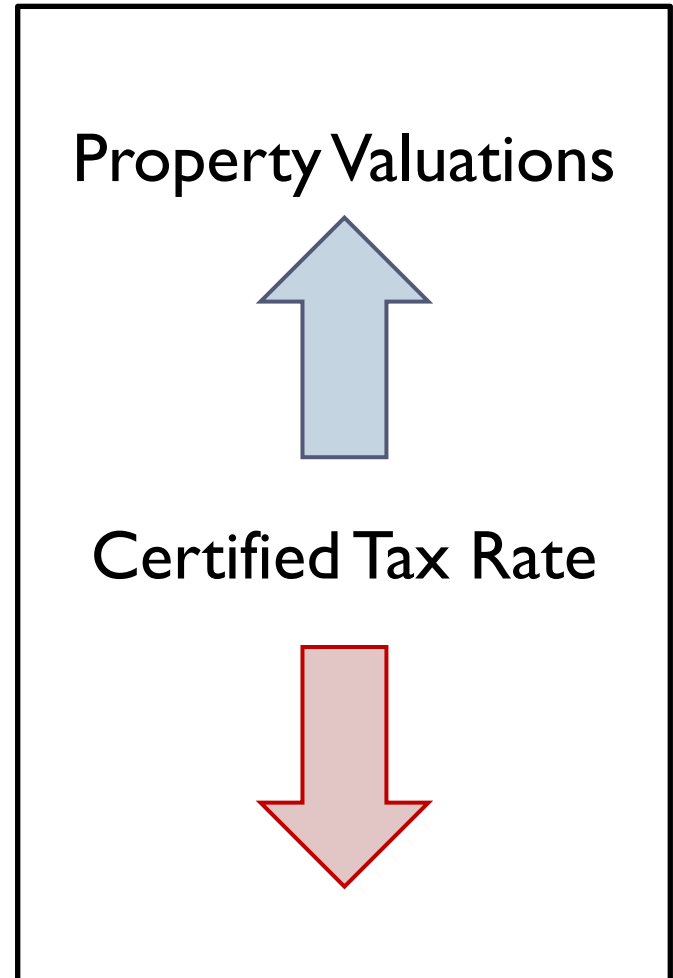
Completed Projects	Projects in Progress
Driggs Elementary Renovation	Skyline High School
Evergreen Jr High School Remodel	Cyprus High School
Hunter High School Addition	
Olene Walker Elementary	
Rosecrest Elementary Renovation	
South Kearns Elementary	
Valley Jr High School Remodel	



# Certified Tax Rates

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- ▶ As overall property valuations increase, property tax rates decrease to maintain revenue neutrality from year to year (except for new growth).
  - ▶ This decreased rate is known as the certified tax rate.
- ▶ New growth: Increased valuations due to new property developments do not reduce the property tax rate.



# Proposed FY23 Property Tax Rates

Description	FY 22 Rate	FY 23 Adj	FY 23 Shift	FY 23 Rate
Rates Subject to Truth in Taxation:				
Board Local	.001846	-.000313		.001533
Voted Local	.000978	-.000166		.000812
Capital Local (Regular)	.000555	-.000094		.000461
Capital Local (Moved from Debt)	.001126		.000141	.001267
Rates Exempt from Truth in Taxation:				
Basic Levy (Legislature)	.001661			.001661
Charter Levy (Legislature)	.000108	-.000018		.000090
Debt Service (GSD Voters)	.000831		-.000141	.000690
Totals	.007105	-.000591	0	.006514

The shift from debt service to capital and maintenance of the total .001957 rate between the two tax rates will generate an estimated additional \$14.3 million in 2022-23 for school construction, maintenance, and safety, in accordance with the District's long-term Capital plan.

# Action Required Tonight

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- ▶ Revise the 2021-2022 budget as published
- ▶ Adopt the proposed 2022-2023 budget (final approval after August tax hearing)
- ▶ Set the tax rate to be 0.006514 (subject to changes in the basic levy and a truth in taxation hearing to be scheduled in August)





# Public Comment & Board Discussion

# Board Recommendation

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- ▶ Approve the revised 2021-22 budget as published in the annual budget book
- ▶ Adopt the 2022-23 tentative budget
- ▶ Set the 2022-23 tax rate to 0.006514 subject to the following:
  - ▶ The Basic Levy will be adjusted to the rate established by the Utah Tax Commission
  - ▶ Truth in Taxation hearing to be scheduled for a date in August.

