

MEMORANDUM

To: David Bunker, David Dobbins, Chandler Goodwin, Shane Sorensen, Jason Walker, Erin Wells
 From: LRB Public Finance Advisors
 Date: June 18, 2024
 RE: New Central School District Feasibility Study Findings

Pursuant to UCA 53G-3-301.4(7)(b), LRB was commissioned to assess the financial viability, the financial impact, and the tax impact of the creation of a new school district made up of the municipal boundaries of Lehi, Highland, Alpine, Cedar Hills, American Fork, and the portion of Draper that is within Utah County (the New Central District). This analysis focuses primarily on the impacts of creating a new school district and reviewing the impacts to major funds including the General Fund, Capital Projects Fund and Debt Service Fund. It outlines projections based on reasonable assumptions and available data from Alpine School District (ASD), the Utah State Board of Education (USB E) and other sources. This report also includes projections regarding start-up costs and the potential for new capital facilities as currently contemplated by ASD. The financial analysis concludes by outlining the tax burden on property owners within the proposed new school district.

This study assumes that a new district consisting of the municipalities of Eagle Mountain, Saratoga Springs, Cedar Fort, and Fairfield (the New West District) will be created, as the New West District has entered into an Interlocal Agreement to begin the creation of a new school district.¹ Therefore, the Reorganized District in this study includes the cities of Lindon, Orem, Vineyard, and Pleasant Grove.

BASE FINANCIAL ASSUMPTIONS

The enrollment projections developed use FY 2023 projected enrollment growth from ASD as the base. For purposes of determining the projected enrollment, LRB evaluated historic enrollment data from ASD for each City within ASD and applied an annual average growth rate (AAGR) to subsequent years that aligns with those findings.

The ratio of enrollment for each district was used to forecast weighted pupil units (WPU s). The number of WPU s provided to each school district within the State is based on number of students enrolled, number of special education students, and other weighted factors. Beginning in 2025, the forecasted WPU s are calculated based on an historic average of 0.996 WPU s per student (calculated using WPU data from ASD FY 2024 estimates). WPU s are calculated for each district based on percent enrollment and average WPU s per student.

TABLE 1.1: ENROLLMENT AND WPU PROJECTIONS

FISCAL YEAR	ASD (AS CURRENTLY CONSTITUTED)		NEW CENTRAL DISTRICT		REORGANIZED ^[2] ASD		NEW CENTRAL DISTRICT % OF TOTAL	REORGANIZED DISTRICT % OF TOTAL
	ENROLLMENT	WPU s	ENROLLMENT	WPU s	ENROLLMENT	WPU s		
2023 ^[1]	84,668	81,170	34,812	33,374	25,672	24,611	41.12%	30.32%
2024	84,250	83,939	34,606	34,478	24,964	24,872	41.08%	29.63%
2025	85,252	84,937	35,078	34,948	24,632	24,542	41.15%	28.89%
2026	86,323	86,005	35,579	35,448	24,311	24,221	41.22%	28.16%
2027	87,466	87,144	36,111	35,978	24,000	23,911	41.29%	27.44%

¹ Saratoga Springs. (May 21, 2024). Notice of the Possible Creation of a New School District, Receipt of Feasibility Studies, the Beginning of a 45-Day Public Comment Period, and Public Hearings with the City Council. <https://www.saratogasprings-ut.gov/492/Public-Notices>

FISCAL YEAR	ASD (AS CURRENTLY CONSTITUTED)		NEW CENTRAL DISTRICT		REORGANIZED ^[2] ASD		NEW CENTRAL DISTRICT % OF TOTAL	REORGANIZED DISTRICT % OF TOTAL
	ENROLLMENT	WPUs	ENROLLMENT	WPUs	ENROLLMENT	WPUs		
2028	88,682	88,355	36,674	36,539	23,698	23,610	41.35%	26.72%
2029	89,973	89,641	37,269	37,131	23,405	23,319	41.42%	26.01%

^[1] Projections reflect ASD projections (see *Alpine School District Reconfiguration Data, May 8, 2024*).

^[2] Reorganized ASD assumes New West District creation due to the notice to begin the creation of a new school district.

Taxable value is fundamental to projections of future fiscal impact on the New Central District and the division of assets and liabilities, including debt. Taxable value forms the basis for local revenues, as well as the ability of a district to bond for capital infrastructure.² Based on historic certified tax rate data for Lehi, Highland, Alpine, Cedar Hills, American Fork, and the portion of Draper, this analysis assumes the New Central District would experience an estimated three percent new growth multiplier, with the Reorganized District at 0.5 percent. To determine taxable value growth for ASD, new growth from the New Central District, New West District (Eagle Mountain, Saratoga Springs, Cedar Fort, and Fairfield) and the Reorganized District were added together to reflect total new growth for ASD. Based on these assumptions, it is estimated that the New Central District's taxable value will slightly decrease from 45 percent of the taxable value in 2025 to 44 percent by 2029, due to higher projected growth in the New West District.

TABLE 1.2: FORECASTED TAXABLE VALUE

FISCAL YEAR	ASD	NEW CENTRAL DISTRICT	REORGANIZED ^[1] ASD	NEW CENTRAL DISTRICT % OF TOTAL	REORGANIZED DISTRICT % OF TOTAL
2025	\$55,064,613,951	\$24,662,757,432	\$18,940,115,371	45%	34%
2026	\$56,816,136,543	\$25,402,640,155	\$19,034,815,948	45%	34%
2027	\$58,663,684,263	\$26,164,719,359	\$19,129,990,028	45%	33%
2028	\$60,613,793,784	\$26,949,660,940	\$19,225,639,978	44%	32%
2029	\$62,673,491,241	\$27,758,150,768	\$19,321,768,178	44%	31%
AAGR	3.29%	3.00%	0.50%		

^[1] Reorganized ASD assumes New West District creation due to the notice to begin the creation of a new school district.

A comparison of the taxable value per student illustrates that the New Central District is slightly higher than projected for the Reorganized ASD. The higher taxable value will provide the New Central District with more local revenues per pupil but will impact to some degree some decrease in State revenues relative to ASD, as discussed in the General Fund analysis of this report.

TABLE 1.3: COMPARISON OF TAXABLE VALUE RATIOS (FY 2023)

	TOTAL VALUE	TV % OF TOTAL	ENROLLMENT	% ENROLLMENT	TV PER STUDENT
ASD	\$50,111,489,706	100%	84,668	100%	\$591,859
New Central District	\$23,247,014,263	46%	34,812	41%	\$667,787
Reorganized ASD ^[1]	\$17,037,879,808	34%	25,672	30%	\$663,676

^[1] Reorganized ASD assumes New West District creation due to the notice to begin the creation of a new school district.

GENERAL FUND ANALYSIS

The General Fund includes all financial resources necessary for the general operation of the District, including instructional employment costs (72 percent of the 2024 budget). The General Fund is comprised of three major revenue sources: local, state and federal. Local funding is generated through the property taxes collected by

² UCA 53G-3-307(3)



the County. State Funds are distributed based on WPU assumptions and federal funds are earmarked for special purposes such as special education, special programs, vocational education, and nutrition services.

As a ratio of local revenues per pupil, the New Central District is projected to receive higher local revenues per pupil than the other scenarios due to a higher taxable value per student. It is anticipated that State funds³ will be decreased to account for increased local revenues as illustrated in Table 1.4.

TABLE 1.4: FORECASTED GENERAL FUND REVENUES

FY	LOCAL REVENUE	STATE REVENUE	STATE ADD-ON	FEDERAL	TOTAL	PER STUDENT					DIFFERENCE FROM ASD
						LOCAL	STATE	STATE ADD-ON	FEDERAL	TOTAL	
ASD											
2025	\$203,639,934	\$542,516,755	\$51,863,517	\$34,492,270	\$832,512,476	\$2,389	\$6,364	\$608	\$405	\$9,765	
2026	\$209,985,402	\$565,798,557	\$53,639,244	\$35,624,369	\$865,047,572	\$2,433	\$6,554	\$621	\$413	\$10,021	
2027	\$216,673,754	\$591,322,675	\$55,842,371	\$36,818,045	\$900,656,845	\$2,477	\$6,761	\$638	\$421	\$10,297	
2028	\$223,728,072	\$618,386,599	\$58,146,958	\$38,076,521	\$938,338,150	\$2,523	\$6,973	\$656	\$429	\$10,581	
2029	\$231,173,158	\$647,085,882	\$60,620,904	\$39,403,198	\$978,283,141	\$2,569	\$7,192	\$674	\$438	\$10,873	
NEW CENTRAL DISTRICT											
2025	\$91,203,898	\$220,728,779	\$22,100,242	\$14,192,223	\$348,225,143	\$2,600	\$6,293	\$630	\$405	\$9,927	\$162
2026	\$93,889,874	\$230,736,753	\$22,903,912	\$14,683,020	\$362,213,558	\$2,639	\$6,485	\$644	\$413	\$10,181	\$159
2027	\$96,656,679	\$241,724,834	\$23,918,653	\$15,200,569	\$377,500,735	\$2,677	\$6,694	\$662	\$421	\$10,454	\$157
2028	\$99,506,747	\$253,408,862	\$25,011,003	\$15,746,270	\$393,672,883	\$2,713	\$6,910	\$682	\$429	\$10,734	\$154
2029	\$102,442,584	\$265,833,418	\$26,213,959	\$16,321,599	\$410,811,559	\$2,749	\$7,133	\$703	\$438	\$11,023	\$150
REORGANIZED DISTRICT⁽¹⁾											
2025	\$70,130,307	\$151,397,116	\$13,038,817	\$9,966,153	\$244,532,393	\$2,847	\$6,146	\$529	\$405	\$9,927	\$162
2026	\$70,539,843	\$153,976,526	\$13,081,693	\$10,032,868	\$247,630,929	\$2,902	\$6,334	\$538	\$413	\$10,186	\$165
2027	\$70,953,586	\$156,876,561	\$13,230,935	\$10,102,433	\$251,163,515	\$2,956	\$6,537	\$551	\$421	\$10,465	\$168
2028	\$71,371,629	\$159,871,121	\$13,387,711	\$10,174,893	\$254,805,354	\$3,012	\$6,746	\$565	\$429	\$10,752	\$171
2029	\$71,794,065	\$162,963,168	\$13,571,294	\$10,250,293	\$258,578,820	\$3,067	\$6,963	\$580	\$438	\$11,048	\$175

⁽¹⁾ Reorganized ASD assumes New West District creation due to the notice to begin the creation of a new school district.

General fund expenditures for each district scenario have been estimated based on existing ASD budget expenditures. LRB used ASD FY 2024 budget growth rates, analyzed each expenditure function to determine any duplication of expenditures, and apportioned expenditures based on two financial scenarios.

SCENARIO 1

The first financial scenario primarily apportioned general fund expenditures on a percentage of enrollment basis for the following expenditure functions: instruction, student support services, instructional support services, and student transportation services. Operation and maintenance of plant expenditures are apportioned based on the percent of district facilities within each district, with district administration and central support functions primarily being based on the percent of full-time equivalent (FTE) employees, including duplicate administrative facilities. Last, school administration expenditures were determined using the percentage of schools within each district. Under this scenario, the most recent ASD budget estimates were

³ UCA 53F-3



used as the base (FY 2024) and LRB inflated expenditures for subsequent years,⁴ (2.5% for employment costs 1% for other) plus an additional enrollment multiplier based on WPU growth.

TABLE 1.5. GENERAL FUND EXPENSE ASSUMPTIONS COMPARISON

	2024 ENROLLMENT % OF TOTAL	WPU GROWTH MULTIPLIER	CURRENT SCHOOL COUNT % OF TOTAL	CURRENT FACILITIES COUNT % OF TOTAL	ALL FACILITIES COUNT % OF TOTAL	MGT STUDY EXPENSE ALLOCATION
ASD	100%	1.50%	100%	100%	100%	100%
New Central District	41%	1.70%	40%	60%	42%	43%
Reorganized ASD	30%	-1.20%	36%	20%	35%	34%

Under Scenario 1, it is anticipated that the division of ASD could result in a combined duplicated O&M cost of approximately \$4.9M in 2025 for all districts. This is a result of duplicate administrative expenses necessary for multiple districts. For the first financial scenario, the New Central District is projected to have higher per pupil expenditures relative to ASD in the early years. This is a result of the higher ratio of duplicate administrative costs as well as the enrollment multiplier, in which the New Central District has higher projection growth relative to the District as shown in **Table 1.6**.

TABLE 1.6. SCENARIO 1 GENERAL FUND SUMMARY

YEAR	TOTAL GF REVS	GF REVS PER STUDENT	TOTAL GF EXPENDITURES	GF EXPENDITURES PER STUDENT	NET GF	NET GF PER STUDENT
ASD						
2025 ²	\$832,512,476	\$9,765	\$849,702,675	\$9,967	(\$17,190,199)	(\$202)
2026	\$865,047,572	\$10,021	\$881,120,853	\$10,207	(\$16,073,281)	(\$186)
2027	\$900,656,845	\$10,297	\$913,731,490	\$10,447	(\$13,074,645)	(\$149)
2028	\$938,338,150	\$10,581	\$947,580,697	\$10,685	(\$9,242,548)	(\$104)
2029	\$978,283,141	\$10,873	\$982,716,394	\$10,922	(\$4,433,253)	(\$49)
NEW CENTRAL DISTRICT						
2025	\$348,225,143	\$9,927	\$355,054,804	\$10,122	(\$6,829,660)	(\$195)
2026	\$362,213,558	\$10,181	\$368,845,241	\$10,367	(\$6,631,683)	(\$186)
2027	\$377,500,735	\$10,454	\$383,184,751	\$10,611	(\$5,684,016)	(\$157)
2028	\$393,672,883	\$10,734	\$398,095,597	\$10,855	(\$4,422,714)	(\$121)
2029	\$410,811,559	\$11,023	\$413,600,958	\$11,098	(\$2,789,399)	(\$75)
REORGANIZED DISTRICT^[1]						
2025	\$244,532,393	\$9,927	\$251,283,519	\$10,201	(\$6,751,126)	(\$274)
2026	\$247,630,929	\$10,186	\$253,571,859	\$10,430	(\$5,940,929)	(\$244)
2027	\$251,163,515	\$10,465	\$255,890,244	\$10,662	(\$4,726,729)	(\$197)
2028	\$254,805,354	\$10,752	\$258,239,048	\$10,897	(\$3,433,695)	(\$145)
2029	\$258,578,820	\$11,048	\$260,618,648	\$11,135	(\$2,039,828)	(\$87)

^[1] Reorganized ASD assumes New West District creation due to the notice to begin the creation of a new school district.

^[2] ASD begins at a slight deficit due to changes in projected state funding and inflation in General Fund expenses. While ASD may adjust spending to mitigate this funding shortfall for comparison purposes, this analysis assumes the calculated funding and expense when making comparison between scenarios.

⁴ See ASD FY2024 Budget, p. 147 for inflationary increases utilized.



SCENARIO 2

Under the second financial scenario, expenditure functions are largely allocated based on the percentages used in the existing April 2024 MGT Reconfiguration Feasibility Study (see Table 1.5)⁵, with operation and maintenance of plant expenditure functions allocated based on the proportion of total education and district facilities within each district and student transportation services expenditures allocated on an enrollment basis. Similarly, the most recent ASD budget estimates were utilized as the base (FY 2024) and LRB inflated expenditures for subsequent years. However, this scenario does not apply the additional enrollment multiplier based on WPU growth to the expense projections. Instead, new operational and maintenance (O&M) costs were added to the projected cost to capture the additional costs of the proposed school buildings. ⁶ New O&M costs were calculated using general fund expenditure by location data from the District.

Under Scenario 2, it is anticipated that the division of ASD could result in a combined duplicated O&M cost of approximately \$6.1M in 2025 for all districts. This is a result of duplicate administrative expenses necessary for multiple districts. Using the MGT allocation methodology, the New Central District is projected to have higher per pupil expenditures relative to ASD in the early years. Similar to the first scenario, this is a result of the higher ratio of duplicate administrative costs as well as the higher ratio of expense apportioned the New Central District as shown in **Table 1.7**.

TABLE 1.7. GENERAL FUND SUMMARY BASED ON MGT ALLOCATION

YEAR	TOTAL GF REVS	GF REVS PER STUDENT	TOTAL GF EXPENDITURES	GF EXPENDITURES PER STUDENT	NET GF	NET GF PER STUDENT
ASD						
2025	\$832,512,476	\$9,765	\$837,145,493	\$9,820	(\$4,633,016)	(\$54)
2026	\$865,047,572	\$10,021	\$877,152,177	\$10,161	(\$12,104,605)	(\$140)
2027	\$900,656,845	\$10,297	\$921,562,814	\$10,536	(\$20,905,970)	(\$239)
2028	\$938,338,150	\$10,581	\$949,871,962	\$10,711	(\$11,533,813)	(\$130)
2029	\$978,283,141	\$10,873	\$970,719,922	\$10,789	\$7,563,219	\$84
NEW CENTRAL DISTRICT						
2025	\$348,225,143	\$9,927	\$357,221,191	\$10,184	(\$8,996,048)	(\$256)
2026	\$362,213,558	\$10,181	\$371,481,067	\$10,441	(\$9,267,509)	(\$260)
2027	\$377,500,735	\$10,454	\$379,541,605	\$10,510	(\$2,040,871)	(\$57)
2028	\$393,672,883	\$10,734	\$387,789,982	\$10,574	\$5,882,901	\$160
2029	\$410,811,559	\$11,023	\$396,230,727	\$10,632	\$14,580,833	\$391
REORGANIZED DISTRICT^[1]						
2025	\$244,532,393	\$9,927	\$265,932,200	\$10,796	(\$21,399,808)	(\$869)
2026	\$247,630,929	\$10,186	\$271,646,582	\$11,174	(\$24,015,653)	(\$988)
2027	\$251,163,515	\$10,465	\$277,493,465	\$11,562	(\$26,329,950)	(\$1,097)
2028	\$254,805,354	\$10,752	\$283,476,037	\$11,962	(\$28,670,684)	(\$1,210)
2029	\$258,578,820	\$11,048	\$289,597,566	\$12,373	(\$31,018,745)	(\$1,325)

^[1] Reorganized ASD assumes New West District creation due to the notice to begin the creation of a new school district.

⁵ District Configuration Information, Alpine School District, <https://alpineschools.org/configuration/>

⁶ It is assumed that increases to O&M expenses due to the construction of new elementary and high schools are accounted for based on the first scenario's methodology based on enrollment. However, to capture the impacts of the new schools on ASD, the New District and the Reorganized District, additional O&M expenses are added to the pro forma for the second scenario.



While the New Central District is projected to have a fund deficit initially upon creation, both financial scenarios presented illustrate the New Central District may overcome the General Fund deficit within the study period or within the 10-year horizon.

CAPITAL PROJECTS ANALYSIS

Based on the current tax levies provided from ASD, LRB projected future capital outlay revenues for each scenario. The Capital Projects Fund can be augmented by state support programs titled Enrollment Growth and Foundation Guarantee. Through these funds, districts with a smaller tax base (per pupil) and higher growth can receive additional support revenues. LRB projected these funds using state allocation formulas provided by the Utah State Board of Education (USBE).

Expenditures are allocated to each district based primarily on the percentage of education buildings within each district, including technical and specialty schools, which are inflated at one percent. Land acquisition, land improvement, building acquisition and construction, and building improvement costs from the ASD budget were removed for future projections to prevent a duplication of costs as the known capital cost were accounted for in the Debt Service Fund (see **Table 1.6**). This results in a positive fund balance within the Capital Projects Fund for each district and thus there is no tax increase within the Capital Projects Fund.

DEBT SERVICE ANALYSIS

The majority of the Debt Service Fund revenues come from local property taxes, with a small portion of revenue coming from interest and other categories. The current ASD Debt Service tax rate is 0.001020. As a result of the Debt Service Fund revenue relying on local property tax, the feasibility of a New Central District will be influenced by the level of debt needed versus the taxable value available to assess the necessary revenues. Thus, the capital facility needs above the capital fund rates combined with each district’s taxable value per pupil will likely result in a need to increase the rate necessary for the repayment of debt in the short term within the new school district.

There are three major components included in the analysis of this fund: the allocation of outstanding bonds, new bonding needs as identified by ASD, and start-up costs. Utah Code stipulates the transfer of outstanding debt is based on the adjusted assessed value of the new school district and reorganized district.⁷ For the purposes of this analysis the ratio of total taxable value in the year immediately preceding the creation of the New Central District, which is 2024, is applied to apportion debt to each district scenario. This approach is utilized as opposed to changing the percentage annually based on each district’s adjusted assessed value given the uncertainty of future growth. As a result, the New Central District would be responsible for 45 percent of the outstanding debt.

TABLE 1.8: CAPITAL COST INCLUDED IN DEBT SERVICE CALCULATIONS

	ASD	NEW CENTRAL DISTRICT	NEW WEST DISTRICT	REORGANIZED ASD
Start Up Funds	\$0	\$2,556,812	\$10,029,512	\$0
High School Buildings	\$155,000,000	\$0	\$155,000,000	\$0
Middle School Buildings	\$0	\$0	\$0	\$0
Elementary Buildings	\$140,000,000	\$35,000,000	\$105,000,000	\$0
Renovation and Remodel	\$200,000,000	\$75,000,000	\$0	\$125,000,000
Land	\$9,000,000	\$0	\$9,000,000	\$0
Additional Projects	\$8,000,000	\$0	\$8,000,000	\$0

⁷UCA 53G-3-307(3)(a)(ii)



New bonding in this analysis is based on existing ASD recommendations. ASD identified \$512M in capital needs for the district, with \$110M attributed to the New Central District, \$277M to the New West District, and \$125M to the Reorganized District. Last, start-up costs relative to legal fees, computer system, and moving costs were also identified. It is important to note that \$12.5M in unassigned fund balance from ASD was allocated to each district based on the ratio of enrollment for purposes of funding start-up costs, in which the New Central District makes up 41% of total ASD enrollment.⁸

TABLE 1.9: DEBT SERVICE SUMMARY

YEAR	AUTHORIZED DEBT	PROPOSED NEW DEBT	TOTAL	OBLIGATION PER STUDENT
ASD				
2025	\$68,255,190	\$37,956,410	\$106,211,600	\$1,246
2026	\$46,585,605	\$37,956,410	\$84,542,015	\$979
2027	\$44,711,305	\$37,956,410	\$82,667,715	\$945
2028	\$39,645,005	\$37,956,410	\$77,601,415	\$875
2029	\$39,652,255	\$37,956,410	\$77,608,665	\$863
NEW CENTRAL DISTRICT				
2025	\$30,603,715	\$8,344,243	\$38,947,959	\$1,110
2026	\$20,887,681	\$8,344,243	\$29,231,924	\$822
2027	\$20,047,297	\$8,344,243	\$28,391,540	\$786
2028	\$17,775,710	\$8,344,243	\$26,119,953	\$712
2029	\$17,778,961	\$8,344,243	\$26,123,204	\$701
REORGANIZED DISTRICT^[1]				
2025	\$24,087,199	\$9,266,702	\$33,353,901	\$1,354
2026	\$16,440,021	\$9,266,702	\$25,706,723	\$1,057
2027	\$15,778,582	\$9,266,702	\$25,045,284	\$1,044
2028	\$13,990,689	\$9,266,702	\$23,257,391	\$981
2029	\$13,993,248	\$9,266,702	\$23,259,949	\$994

^[1] Reorganized ASD assumes New West District creation due to the notice to begin the creation of a new school district.

TAX IMPACT

Pursuant to UCA 53G-3-102(4)(a)(ii)(C), the following tables address the tax impact on taxpayers within the boundaries of the proposed New Central District. In summary, this analysis combines the General Fund, Capital Projects Fund, and Debt Service Fund into a comprehensive table based on the tax impact per \$500,000 primary residential home. The tables below show the projected tax rate needed within the three funds analyzed should a district division occur, with both general fund expense scenarios shown in **Tables 1.10** and **1.11**. It is important to note that for the purposes of evaluating impacts, the study assumes a starting period of FY 2025.

TABLE 1.10: NEW CENTRAL DISTRICT GENERAL FUND TAX IMPACT SCENARIO 1

YEAR	TOTAL GF EXPENDITURES	TOTAL REVENUES	NET GENERAL FUND	BASELINE TAX RATE	TAX RATE UNDER ASD	TAX RATE NEEDED	TAX RATE INCREASE
2025	\$355,054,804	\$348,225,143	(\$6,829,660)	0.003495	0.003807	0.003772	(0.000035)
2026	\$368,845,241	\$362,213,558	(\$6,631,683)	0.003495	0.003778	0.003756	(0.000022)
2027	\$383,184,751	\$377,500,735	(\$5,684,016)	0.003495	0.003718	0.003712	(0.000006)
2028	\$398,095,597	\$393,672,883	(\$4,422,714)	0.003495	0.003647	0.003659	0.000012
2029	\$413,600,958	\$410,811,559	(\$2,789,399)	0.003495	0.003566	0.003595	0.000029

⁸ UCA 53G-3-302(4)(b)



TABLE 1.11: NEW CENTRAL DISTRICT GENERAL FUND TAX IMPACT SCENARIO 2

YEAR	TOTAL GF EXPENDITURES	TOTAL REVENUES	NET GENERAL FUND	BASELINE TAX RATE	TAX RATE UNDER ASD	TAX RATE NEEDED	TAX RATE INCREASE
2025	\$357,221,191	\$348,225,143	(\$8,996,048)	0.003495	0.003579	0.003860	0.000281
2026	\$371,481,067	\$362,213,558	(\$9,267,509)	0.003495	0.003708	0.003860	0.000152
2027	\$379,541,605	\$377,500,735	(\$2,040,871)	0.003495	0.003851	0.003573	(0.000278)
2028	\$387,789,982	\$393,672,883	\$5,882,901	0.003495	0.003685	0.003277	(0.000408)
2029	\$396,230,727	\$410,811,559	\$14,580,833	0.003495	0.003374	0.002970	(0.000404)

TABLE 1.12: NEW CENTRAL DISTRICT CAPITAL OUTLAY TAX IMPACT

YEAR	CAPITAL OUTLAY EXPENDS	TOTAL REVENUES	NET CAPITAL OUTLAY	BASELINE TAX RATE	TAX RATE UNDER ASD	TAX RATE NEEDED	TAX RATE INCREASE
2025	\$12,126,565	\$27,220,066	\$15,093,502	0.001065	0.001065	0.001065	-
2026	\$12,189,793	\$27,806,295	\$15,616,502	0.001065	0.001065	0.001065	-
2027	\$12,253,653	\$28,853,578	\$16,599,925	0.001065	0.001065	0.001065	-
2028	\$12,318,152	\$29,835,863	\$17,517,711	0.001065	0.001065	0.001065	-
2029	\$12,383,296	\$30,774,501	\$18,391,205	0.001065	0.001065	0.001065	-

TABLE 1.13: NEW CENTRAL DISTRICT DEBT SERVICE TAX IMPACT

YEAR	TOTAL DEBT	TAXABLE VALUE	TAX RATE UNDER ASD	TAX RATE NEEDED	TOTAL TAX RATE INCREASE
2025	\$38,947,959	\$24,662,757,432	0.0019290	0.0015790	(0.0003500)
2026	\$29,231,924	\$25,402,640,155	0.0014880	0.0011510	(0.0003370)
2027	\$28,391,540	\$26,164,719,359	0.0014090	0.0010850	(0.0003240)
2028	\$26,119,953	\$26,949,660,940	0.0012800	0.0009690	(0.0003110)
2029	\$26,123,204	\$27,758,150,768	0.0012380	0.0009410	(0.0002970)

When all major funds are considered (General Fund, Capital Projects and Debt Service), property owners within the New Central District may experience tax savings under both methodologies. This is primarily driven by the proportional allocation of new capital needs in the New Central District when compared to ASD as a whole.

VIABLE CONCLUSION

In conclusion, based on this analysis, we are of the opinion that the new school district is a viable alternative to the existing school district, providing the following benefits:

- Potential tax savings relative to ASD.
- The opportunity for more localized control.
- Allow the Central District greater control to meet the needs of students in the New District.

TABLE 1.14: NEW CENTRAL DISTRICT TOTAL TAX IMPACT (SCENARIO 1)

YEAR	TOTAL TAX RATE NEEDED	TAX PER HOUSEHOLD (\$500,000 RESIDENTIAL) (ANNUALLY)	TAX PER HOUSEHOLD (MONTHLY)
2025	(0.000385)	(\$105.88)	(\$8.82)
2026	(0.000359)	(\$98.73)	(\$8.23)
2027	(0.000330)	(\$90.75)	(\$7.56)
2028	(0.000299)	(\$82.23)	(\$6.85)
2029	(0.000268)	(\$73.70)	(\$6.14)

TABLE 1.15: NEW CENTRAL DISTRICT TOTAL TAX IMPACT (SCENARIO 2)

YEAR	TAX RATE NEEDED	TAX PER HOUSEHOLD (\$500,000 RESIDENTIAL) (ANNUALLY)	TAX PER HOUSEHOLD (MONTHLY)
2025	(0.000069)	(\$18.98)	(\$1.58)
2026	(0.000185)	(\$50.88)	(\$4.24)
2027	(0.000602)	(\$165.55)	(\$13.80)
2028	(0.000719)	(\$197.73)	(\$16.48)
2029	(0.000701)	(\$192.78)	(\$16.06)



APPENDIX A. EXISTING STUDY COMPARISON – OPERATIONAL COSTS

TABLE: MGT STUDY FINDINGS (BASE YEAR 2023)

DISTRICT	ENROLLMENT	% OF TOTAL ENROLLMENT	TAXABLE VALUE	% OF TOTAL TAXABLE VALUE	GF REVENUE	% OF TOTAL REVENUE	GF EXPENSES	% OF TOTAL EXPENSE	SURPLUS DEFICIT
ASD	84,414	100%	\$49,249,675,861	100%	\$767,657,401	100%	\$754,733,592	100%	\$12,923,809
West District	24,623	29%	\$9,144,295,315	19%	\$223,920,537	29%	\$196,397,796	26%	\$27,522,741
Central District	34,616	41%	\$22,203,419,402	45%	\$314,796,463	41%	\$323,009,732	43%	(\$8,213,269)
Reorganized District	25,175	30%	\$17,901,961,144	36%	\$228,940,402	30%	\$235,326,064	31%	(\$6,385,662)

TABLE: LRB STUDY FINDINGS (BASE YEAR 2024) – FACILITIES METHODOLOGY SCENARIO

DISTRICT	ENROLLMENT	% OF TOTAL ENROLLMENT	TAXABLE VALUE	% OF TOTAL TAXABLE VALUE	GF REVENUE	% OF TOTAL REVENUE	GF EXPENSES	% OF TOTAL EXPENSE	SURPLUS DEFICIT
ASD	84,250	100%	\$53,403,033,918	100%	\$806,124,568	100%	\$819,432,580	100%	(\$13,308,012)
West District	24,680	29%	\$10,612,723,286	20%	\$234,562,463	29%	\$215,543,686	26%	\$19,018,777
Central District	34,606	41%	\$23,944,424,691	45%	\$336,772,813	42%	\$349,678,842	43%	(\$12,906,030)
Reorganized District	24,964	30%	\$18,845,885,941	35%	\$242,817,360	30%	\$260,347,207	32%	(\$17,529,846)

TABLE: LRB STUDY FINDINGS (BASE YEAR 2024) – ENROLLMENT METHODOLOGY SCENARIO

DISTRICT	ENROLLMENT	% OF TOTAL ENROLLMENT	TAXABLE VALUE	% OF TOTAL TAXABLE VALUE	GF REVENUE	% OF TOTAL REVENUE	GF EXPENSES	% OF TOTAL EXPENSE	SURPLUS DEFICIT
ASD	84,250	100%	\$53,403,033,918	100%	\$806,124,568	100%	\$819,432,580	100%	(\$13,308,012)
West District	24,680	29%	\$10,612,723,286	20%	\$234,562,463	29%	\$234,750,930	29%	(\$188,467)
Central District	34,606	41%	\$23,944,424,691	45%	\$336,772,813	42%	\$341,792,052	42%	(\$5,019,239)
Reorganized District	24,964	30%	\$18,845,885,941	35%	\$242,817,360	30%	\$249,024,858	30%	(\$6,207,497)