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**Board of Education Study Session**  
Tuesday, March 24, 2026 5:00 PM  
Eisenhower Junior High

A regular meeting of the Board of Education of Granite School District. The Board may vote to meet in a closed executive session for any of the purposes set forth in Section 52-4-205 of Utah's Open and Public Meetings Act.

1. **WELCOME** President McDermott
2. **STUDY ITEM**
  - A. Budget Discussion FY27 Todd Hauber and Brian Ipson 2
3. **ADJOURN**

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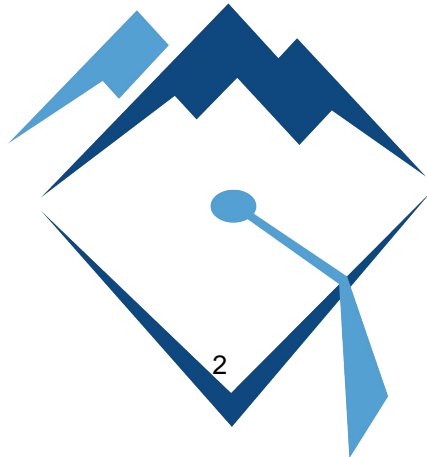
Complete texts of agenda are available at [www.graniteschools.org](http://www.graniteschools.org).

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Stacy Bushell at 385-646-4523 (alternate TDD number 801-298-9484) at least three working days prior to the meeting.

Members of the Board of Education may participate electronically.

# FY27 Board Budget Discussion

March 24, 2026, Study Session



# Agenda



1. Review Estimated Revenue
2. Present FY27 Preliminary Budget Challenges
3. Review FY26 Budget Disruption Status
4. Discuss Capital Plan
5. Present Truth in Taxation law changes



# Revenues

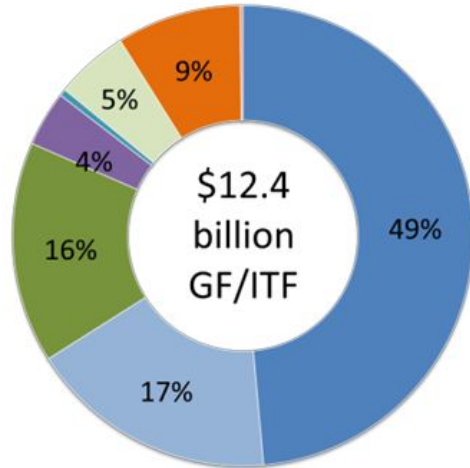
Fiscal Year 2027

- State Funding
- Property Tax
- Reserves
- Federal Funding



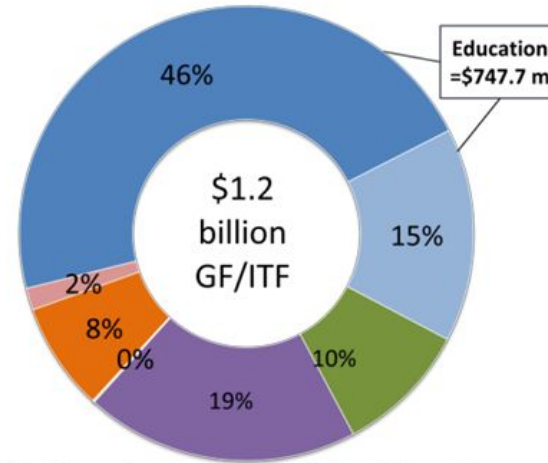
# State Funding Only

Where It Goes: State Funds Only



- Public Education
- Social Services
- Debt Service
- Law Enforcement
- Higher Education
- Other Capital Budgets
- General Gov't
- Transportation


Where It Goes: New State Funds\*



- Public Education
- Social Services
- Economic Development
- Law Enforcement
- Higher Education
- State Buildings
- General Gov't/Other
- Transportation

\* Note: Includes budgetary transfers and one-time expenditures from the Public Education Economic Stabilization Account. Final Data will be Reported in the Annual Budget of the State of Utah, May 2026





Before looking at new spending, the Legislature examined existing resources, finding \$364 million (3.2%) in state tax fund offsets, reductions, and program eliminations that were reinvested for better results.

- Income Tax Decreases: \$314 million in FY 2026 and \$201 million ongoing in FY 2027 for state income tax decreases related to federal policy.
- Rate Cut: An income tax rate cut from 4.5% to 4.45% (\$101 million ongoing and \$23.3 million one-time).
- Targeted Credits: \$7.1 million for expanding the nonrefundable child tax credit and \$2.9 million for an expanded child care business credit.
- Adjustments: A \$39.7 million one-time decrease for fuel tax rates , balanced by a \$17.1 million ongoing increase from certain nicotine products and a \$4 million one-time bump from state and local tax (SALT) deduction changes.
- WPU Value: \$191.4 million to increase the WPU Value by 4.2% to \$4,870 for FY 2027.
- Early Success: \$25.6 million for Early Literacy and \$25.0 million for the At-Risk Student WPU Weighting Phase-in.
- One-Time Projects: \$404.9 million from the Public Education Economic Stabilization Restricted Account



# State Funding - WPU

<b>GSD Impact</b>	
<b>WPU</b>	<b>4.20</b>
Defunded Programs	-0.85
School Fees	-0.67
Voted & Board Change	-1.12
Health Insurance	-1.46
<b>Net Funding Impact</b>	<b>0.10</b>



# Property Tax

- **CDC Assessed Valuation 2026 increase of 2.55%**
- **Conservative estimate of “new growth” revenue for operations in 2026 = \$1,000,000**
- **Revenues lost following denial from Tax Commission of 2025 property tax increase:**
  - **\$14.6 million for operations (board local levy)**
  - **\$2.2 million for school rebuilds and renovations on the pay-go strategy (capital local levy)**
  - **\$1.0 million for deferred maintenance on school buildings (capital local levy)**



# Reserves

## New Law Implementation

Funds set aside to pay for costs associated with new laws, including school safety requirements and school fee changes.

## Other

Available to meet other unanticipated future needs.

3.0%

As of June 30, 2025, GSD had a total of approximately **\$309 million** saved.

The pie chart below shows a breakdown of these funds.

## Planned Projects

Funds set aside for planned future projects, such as a second employee wellness center or technology upgrades.

12.2%

8.2%

## Rainy Day Fund

Funds set aside for emergencies, at the level permitted by Utah law.

12.3%

16.9%

## Special Purpose

Funds raised by the Granite Education Foundation; funds collected by GSD schools through fundraising, donations, and fees; funds restricted to providing meals at schools; and inventory and prepaid items that will be expensed in the next period.

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## Employee Benefits

Funds required to maintain the District's self-funded health insurance and provide a sustainable benefits package for employees.

25.1%

22.3%

## Capital Projects and Debt Service

Funds legally restricted to pay for capital projects (like new building construction and upgrades/renovations to existing buildings) and district bond payments.



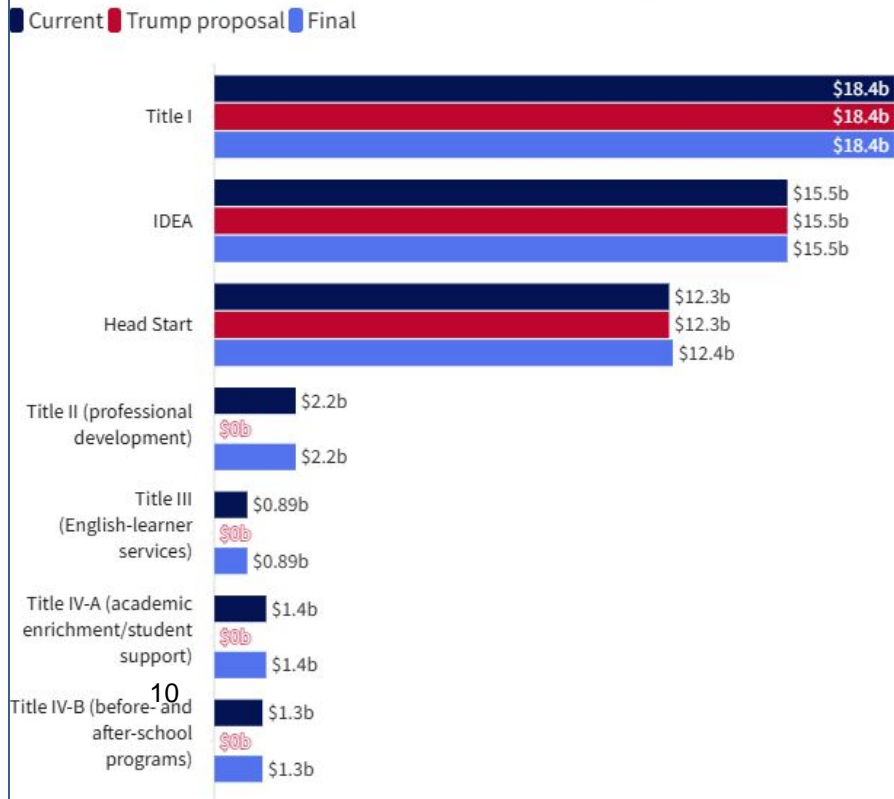
# Federal Funding Developments

The House voted 217-214 on Feb. 3 to approve a package of five spending bills the Senate had already voted to support, including for the U.S. departments of Education and Health and Human Services. Trump signed the budget bill into law shortly afterward.



Source: EducationWeek, Mark Lieberman - Feb. 3, 2026

Below is a list of key K-12 programs with their allocations expressed in billions of dollars.



# Revenues Available

Revenue		FY26 Totals
WPU		11,233,910
Property Tax Growth		1,000,000
MSP Reductions		(5,263,309)
MSP - At-Risk		4,453,305
Turnover savings		1,659,285
Reallocations:		
Information Systems		2,024,270
Teaching & Learning		3,307,173
School Leadership		127,456
Business Office		410,768
Support Services		3,187,013
Superintendent Office		972,111
Tax Increase Reinstated		14,571,888
Reserve Set Asides		4,325,566
<b>Revenue Available</b>	11	42,009,436



# Expenditures

Fiscal Year 2027

- Compensation
- Defunded Programs
- One-Time Funding
- Preliminary Reductions



# Budget Overview

Revenue	FY27 Totals	Compensation	Defunded Programs	One-time Funded	TNT Reinstatement	Budget Adjustments	Totals
WPU	11,233,910	11,233,910					11,233,910
Property Tax Growth	1,000,000	1,000,000					1,000,000
MSP Reductions	(5,263,309)		(5,263,309)				(5,263,309)
MSP - At-Risk	4,453,305		4,453,305				4,453,305
Leg Salary Adj 3% Increase	1,231,812	1,231,812					1,231,812
Turnover savings	1,659,285	1,659,285					1,659,285
Reallocations:							
Information Systems	2,024,270					2,024,270	2,024,270
Teaching & Learning	3,307,173					3,307,173	3,307,173
School Leadership	127,456					127,456	127,456
Business Office	410,768					410,768	410,768
Support Services	3,187,013					3,187,013	3,187,013
Superintendent Office	972,111					972,111	972,111
Tax Increase Reinstated	14,571,888				14,571,888		14,571,888
Reserve Set Asides	4,325,566		1,800,000	2,525,566			4,325,566
State One-Time Funding							0
<b>Revenue Available</b>	<b>43,241,248</b>	<b>15,125,007</b>	<b>989,996</b>	<b>2,525,566</b>	<b>14,571,888</b>	<b>10,028,791</b>	<b>43,241,248</b>
<b>Budget Needs</b>							
Step & Lane		(6,494,908)					(6,494,908)
Health Insurance Premium		(3,900,000)					(3,900,000)
COLA @ 1%		(4,374,249)					(4,374,249)
Leg Salary Adj 3% Increase		(1,231,812)					(1,231,812)
Family Leave Changes		(250,000)					(250,000)
Tier II Retirement Increase		(532,616)					(532,616)
Early Literacy Software			(811,471)				(811,471)
Digital Teaching and Learning			(1,451,838)				(1,451,838)
School Fees			(1,800,000)				(1,800,000)
Grades K-2 Class Size Adjustment					(3,832,938)		(3,832,938)
English Learners Software					(750,000)		(750,000)
Behavior supports in classroom					(285,000)		(285,000)
Gang Prevention					(493,841)		(493,841)
Elementary Prep Time					(1,408,579)		(1,408,579)
Instructional coaches					(4,484,000)		(4,484,000)
Additional Admin support					(1,105,000)		(1,105,000)
School Safety - guardians					(1,598,977)		(1,598,977)
Custodial supports					(447,165)		(447,165)
Preschool				(900,000)			(900,000)
Evolv Pilot				(340,566)			(340,566)
Promise Partnership				(252,000)			(252,000)
Panorama				(168,000)			(168,000)
Admin subs				(265,000)			(265,000)
Medicaid				(1,500,000)			(1,500,000)
GSDPD						(957,000)	(957,000)
							0
							0
							0
<b>Budget Needs Totals</b>		<b>(16,783,585)</b>	<b>(4,063,309)</b>	<b>(3,425,566)</b>	<b>(14,405,500)</b>	<b>(957,000)</b>	<b>(39,634,960)</b>
<b>Balance</b>		<b>(1,658,578)</b>	<b>(3,073,313)</b>	<b>(900,000)</b>	<b>166,388</b>	<b>9,071,791</b>	<b>3,606,288</b>



# Compensation

Revenue	Compensation
WPU	11,233,910
Property Tax Growth	1,000,000
MSP Reductions	
MSP - At-Risk	
Leg Salary Adj 3% Increase	1,231,812
Turnover savings	1,659,285
<b>Revenue Available</b>	<b>15,125,007</b>
<b>Budget Needs</b>	
Step & Lane	(6,494,908)
Health Insurance Premium	(3,900,000)
COLA @ 1%	(4,374,249)
Leg Salary Adj 3% Increase	(1,231,812)
Family Leave Changes	(250,000)
Tier II Retirement Increase	(532,616)
<b>Budget Needs Totals</b> 14	<b>(16,783,585)</b>
<b>Balance</b>	<b>(1,658,578)</b>



# Defunded Programs

Revenue	Defunded Programs
WPU	
Property Tax Growth	
MSP Reductions	(5,263,309)
MSP - At-Risk	4,453,305
Turnover savings	
Reallocations:	
Information Systems	
Teaching & Learning	
School Leadership	
Business Office	
Support Services	
Superintendent Office	
Tax Increase Reinstated	
Reserve Set Asides	1,800,000
State One-Time Funding	
<b>Revenue Available</b>	989,996
<b>Budget Needs</b>	
Early Literacy Software	(811,471)
Digital Teaching and Learning	(1,451,838)
School Fees	(1,800,000)
<b>Budget Needs Totals</b>	(4,063,309)
<b>Balance</b>	(3,073,313)



# One-Time Funding

Revenue	One-time Funded
WPU	
Property Tax Growth	
MSP Reductions	
MSP - At-Risk	
Turnover savings	
Reallocations:	
Information Systems	
Teaching & Learning	
School Leadership	
Business Office	
Support Services	
Superintendent Office	
<b>Tax Increase Reinstated</b>	
Reserve Set Asides	2,525,566
State One-Time Funding	
<b>Revenue Available</b>	<b>2,525,566</b>
<b>Budget Needs</b>	
Preschool	(900,000)
Evolv Pilot	(340,566)
Promise Partnership	(252,000)
Panorama	(168,000)
Admin subs                     16	(265,000)
Medicaid	(1,500,000)
<b>Budget Needs Totals</b>	<b>(3,425,566)</b>
<b>Balance</b>	<b>(900,000)</b>



# TNT Reinstatement

Revenue	TNT Reinstatement
WPU	
Property Tax Growth	
MSP Reductions	
MSP - At-Risk	
Turnover savings	
Reallocations:	
Information Systems	
Teaching & Learning	
School Leadership	
Business Office	
Support Services	
Superintendent Office	
Tax Increase Reinstated	14,571,888
Reserve Set Asides	
<b>Revenue Available</b>	<b>14,571,888</b>
<b>Budget Needs</b>	
Grades K-2 Class Size Adjustment	(3,832,938)
English Learners Software	(750,000)
Behavior supports in classroom	(285,000)
Gang Prevention	(493,841)
Elementary Prep Time	(1,408,579)
Instructional coaches	(4,484,000)
Additional Admin support	(1,105,000)
School Safety - guardian <sup>17</sup>	(1,598,977)
Custodial supports	(447,165)
<b>Budget Needs Totals</b>	<b>(14,405,500)</b>
<b>Balance</b>	<b>166,388</b>



# Preliminary Requests

Revenue	Budget Adjustments
WPU	
Property Tax Growth	
MSP Reductions	
MSP - At-Risk	
Turnover savings	
Reallocations:	
Information Systems	2,024,270
Teaching & Learning	3,307,173
School Leadership	127,456
Business Office	410,768
Support Services	3,187,013
Superintendent Office	972,111
Tax Increase Reinstated	
Reserve Set Asides	
<b>Revenue Available</b>	10,028,791
<b>Budget Needs</b>	
GSDPD                      18	(957,000)
<b>Budget Needs Totals</b>	(957,000)
<b>Balance</b>	9,071,791



# Budget Overview

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Turnover savings	1,659,285	1,659,285					1,659,285
Reallocations:							
Information Systems	2,024,270					2,024,270	2,024,270
Teaching & Learning	3,307,173					3,307,173	3,307,173
School Leadership	127,456					127,456	127,456
Business Office	410,768					410,768	410,768
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Superintendent Office	972,111					972,111	972,111
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Reserve Set Asides	4,325,566		1,800,000	2,525,566			4,325,566
State One-Time Funding							0
<b>Revenue Available</b>	<b>43,241,248</b>	<b>15,125,007</b>	<b>989,996</b>	<b>2,525,566</b>	<b>14,571,888</b>	<b>10,028,791</b>	<b>43,241,248</b>
<b>Budget Needs</b>							
Step & Lane		(6,494,908)					(6,494,908)
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Medicaid				(1,500,000)			(1,500,000)
GSDPD						(957,000)	(957,000)
							0
							0
<b>Budget Needs Totals</b>		<b>(16,783,585)</b>	<b>(4,063,309)</b>	<b>(3,425,566)</b>	<b>(14,405,500)</b>	<b>(957,000)</b>	<b>(39,634,960)</b>
<b>Balance</b>		<b>(1,658,578)</b>	<b>(3,073,313)</b>	<b>(900,000)</b>	<b>166,388</b>	<b>9,071,791</b>	<b>3,606,288</b>



# Multi-Year Outlook

- Voted and Board Leeway State Guarantee

- Projection in Spring 2025:

<b>Voted and Board Guarantee Phase Out</b>			
FY26	FY27	FY28	FY29
\$20,726,579	\$14,034,056	\$7,538,372	\$1,042,688

- Current Projection (higher guarantee rate):

<b>Voted and Board Guarantee Phase Out</b>			
FY26	FY27	FY28	FY29
\$20,558,367	\$17,554,224	\$11,014,758	\$4,475,292



# Multi-Year Outlook

- State School Fee Phase-Out

- Projection in Spring 2025:

<b>School Fees Phase Out</b>			
FY26	FY27	FY28	FY29
\$1,500,000	\$900,000	\$600,000	\$0

- Current Projection (no funding FY27-FY28):

<b>School Fees Phase Out</b>			
FY26	FY27	FY28	FY29
\$1,500,000	\$0	\$0	\$0



# Capital Projects

Fiscal Year 2027

- Revised Process
- Prioritized Projects
- Capital Levies



# Process

## FY26 Revenues:

Property Taxes	22,061,225.00
Interest Earnings	2,000,000.00
<b>Total:</b>	<b>24,061,225.00</b>

## FY26 Planned Expenditures:

Design Services Budget	1,200,000.00
Department Equipment Capital Budgets	110,000.00
Condemnation Budgets	450,000.00
Maintenance	3,717,149.00
Police	560,003.00
Relocatables	640,000.00
Property Management	1,593,000.00
School Allocations	822,500.00
Transportation (Buses)	1,872,000.00
Support Services	680,000.00
Legal Fees	200,000.00
Info Systems Technology	4,802,011.60
<b>Total:</b>	<b>16,646,663.60</b>

23

<b>Difference</b>	<b>7,414,561.40</b>
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Carryover Estimate	20,580,764.71
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# Process

Category	Cost Estimate Totals
ADA	\$ 7,269,821
Auditorium Sound & Lighting	\$ 2,480,000
Building	\$ 5,305,000
Bleachers	\$ 650,000
Cabinetry & Counters	\$ 320,000
Ceilings	\$ 400,000
Concrete	\$ 130,000
Doors & Hardware	\$ 2,091,297
Electrical	\$ 625,000
Fencing	\$ 22,288,401
Fire Systems	\$ 5,513,173
Flooring	\$ 2,074,500
General Grounds	\$ 748,200
Gym_Dance Floors	\$ 331,000
HVAC	\$ 8,539,000
Irrigation	\$ 3,392,086
Lighting	\$ 475,000
Lockers	\$ 125,000
Paint	\$ 54,000
Pavement	\$ 8,265,860
Playground	\$ 2,165,000
Plumbing	\$ 10,655,300
Restroom Dividers	\$ 362,000
Roofing	\$ 7,365,860
Stage Curtains	\$ 1,570,100
Security Systems	\$ 1,009,500
Window Coverings	\$ -
Generators	\$ 60,664
<b>Totals</b>	<b>\$ 94,265,761</b>



# Process

## Electrical

General notes:  
 Panel upgrades or new services  
 Ice melting systems (roof, sidewalk, etc.)  
 New signage or sign/scoreboard replacement.

## Criteria

**Lighting Upgrades**  
 Failure of old fluorescent, HID, and incandescent lamps. Trying to upgrad all lights to LED for energy conserva  
 Lack of product availability because of discontinuation in manufacturing.  
 we go in and assess the overall appearance of the lighting (type of fixture, matching lamp color, and overall l

**Lighting Controls**  
 Emergency repairs. Old systems that are obsolete and where the parts are no longer manufactured or supp  
 functionality and performance of the existing system and availability of replacement parts.

**Varilble Frequency Drive**  
 Failure of equipment is our main reason to replace a VFD. We try to get as many years out of a VFD as poss  
 Mostly it is based on emergency replacement, and with that the overall comfort of students and staff

**Automatic Transfer Switches**  
 Failure of equipment, age, and availability of replacement parts  
 Mostly it is based on emergency replacement and reliability of the equipment

Priority	School	Project / Scope	Original Estimate	FY 25/26 Estimate	FY 26/27 Estimate	FY 27/28 Estimate	FY 28/29 Estimate	Criteria Score
1	Hunter High	Lighting System Controls (old section)	\$ 275,000	\$ 275,000				parts issue
2	014 GEC	GEC Data Center ATS-Replacemenet	\$ 20,000	\$ 20,000				life expectancy
3	014 GEC	GEC remaining ATS replacement	\$ 200,000	\$ 200,000				life expectancy
Maint	333 Penn	ATS Replacement						unavailable parts
SP	610 Cottonwood	Power to projector in counseling center conference room						
Wait	648 Taylorsville HS	Parking light replacement	\$ 70,000				\$ 70,000	rusted through at base/life safety
	253 Fox Hills	Actuated main electrical disconnect	\$ 60,000					
Total			\$ 625,000	\$ 495,000	\$ -	\$ -	\$ 70,000	



# Process

Project / Category	Original Estimate	FY 25/26 Estimate	FY 26/27 Estimate	FY 27/28 Estimate	FY 28/29 Estimate
Contingency Subtotal	\$ -	\$ 2,018,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
ADA Improvements Subtotal	\$ 7,269,821	\$ 669,821	\$ 900,000	\$ 650,000	\$ 5,000,000
Auditorium Sound Subtotal	\$ 2,210,000	\$ 1,090,000	\$ 1,120,000	\$ -	\$ -
Building Subtotal	\$ 480,000	\$ 480,000	\$ -	\$ -	\$ -
Bleachers Subtotal	\$ 650,000	\$ 100,000	\$ 550,000	\$ -	\$ -
Cabnetry & Counters Subtotal	\$ 300,000	\$ 130,000	\$ 80,000	\$ 80,000	\$ -
Ceilings Subtotal	\$ 130,000	\$ -	\$ 130,000	\$ -	\$ -
Concrete Subtotal	\$ 130,000	\$ 130,000	\$ -	\$ -	\$ -
Doors & Hardware	\$ 746,297	\$ 276,297	\$ 210,000	\$ 140,000	\$ 140,000
Electrical Subtotal	\$ 495,000	\$ 495,000	\$ -	\$ -	\$ -
Fencing Subtotal	\$ 1,461,062	\$ 261,195	\$ 345,701	\$ 578,712	\$ 275,454
Fire Systems Subtotal	\$ 2,460,074	\$ 2,460,074	\$ -	\$ -	\$ -
Flooring Subtotal	\$ 2,024,500	\$ 460,750	\$ 488,750	\$ -	\$ -
General Grounds & Turf Subtotal	\$ 360,000	\$ 235,000	\$ 175,000	\$ 50,000	\$ 50,000
Gym/Dance Floors Subtotal	\$ 131,000	\$ 131,000	\$ -	\$ -	\$ -
HVAC Subtotal	\$ 6,679,000	\$ 2,659,000	\$ 2,520,000	\$ 1,500,000	\$ -
Irrigation Subtotal	\$ 2,055,086	\$ 114,910	\$ 500,000	\$ 860,000	\$ 560,000
Lighting Subtotal	\$ 222,000	\$ 82,000	\$ 140,000	\$ -	\$ -
Lockers Subtotal	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -
Paint Subtotal	\$ 24,000	\$ 50,000	\$ -	\$ -	\$ -
Pavement Subtotal	\$ 3,042,006	\$ 1,597,056	\$ 1,165,912	\$ 279,038	\$ -
Playground Subtotal	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -
Plumbing Subtotal	\$ 1,610,300	\$ 110,300	\$ 1,500,000	\$ -	\$ -
Restroom Dividers Subtotal	\$ 332,000	\$ 115,000	\$ 92,000	\$ 125,000	\$ -
Roofing Subtotal	\$ 3,795,000	\$ -	\$ 3,795,000	\$ -	\$ -
Stage Rigging Subtotal	\$ 240,000	\$ 180,000	\$ 60,000	\$ -	\$ -
Security Systems Subtotal	\$ 897,500	\$ 547,500	\$ 350,000	\$ -	\$ -
Fleet Subtotal	\$ 143,975	\$ 143,975	\$ -	\$ -	\$ -
Generators Subtotal	\$ 60,664	\$ 60,664	\$ -	\$ -	\$ -
	\$ 39,282,284	\$ 14,774,542	\$ 17,174,363	\$ 6,314,750	\$ 8,077,454
		26			
Funding Ongoing	\$ 7,414,562	\$ 7,414,562	\$ 7,414,562	\$ 7,414,562	\$ 7,414,562
Funding Carry Over	\$ 20,580,764	\$ 7,359,980	\$ 9,759,801	\$ (1,099,812)	\$ 662,892
Uncommitted		\$ 13,220,784	\$ 3,460,982	\$ 4,560,794	\$ 3,897,902

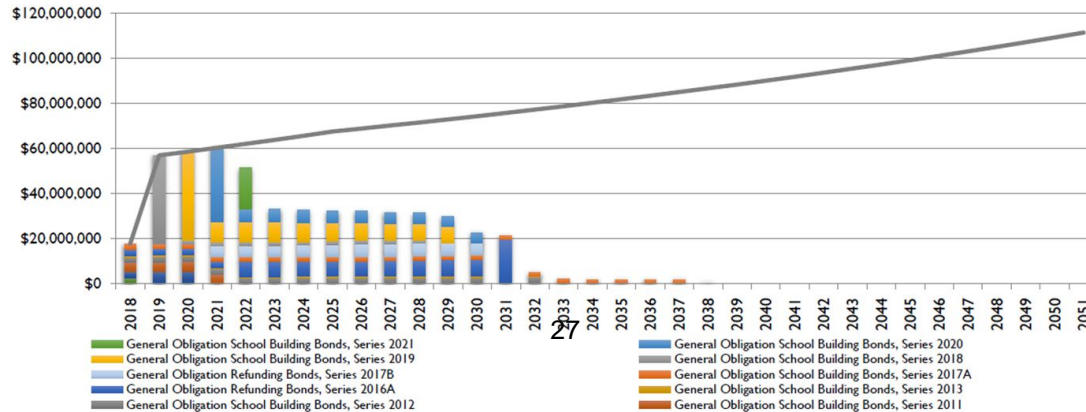


# Pay-As-You-Go Model



## Financial Model

- Tax rate increase to 0.000623 to 0.001957
- Issue four series of bonds totaling \$238M then transition to a pay-as-you-go program



# Pay-As-You-Go Projects

SCHOOL	PROJECT	ORIGINAL PROJECTED START DATE	PROJECTED START DATE - 2019	PROJECTED START DATE - 2025	Status
Cyprus High School	Rebuild	2020	2021		Completed
Skyline High School	Rebuild	2020	2020		Under construction
West Kearns Elementary	Rebuild	2019	2027	2027	
Calvin Smith Elementary	Remodel	2021	2028	2027	
Moss Elementary	Remodel	2021	2028	2028	
Plymouth Elementary	Remodel	2021	2028	2028	
Taylorsville High School	Addition	2022	2028	2026	
Arcadia	Rebuild	2022	2029	2029	
Hillsdale	Remodel	2023	2029	2029	



# Tax Policy

Fiscal Years 2026 & 2027

- Restoration of FY26 Tax Rates
  - Operational Levies
  - Capital Levies
- Paygo FY27 Tax Rates



# Declining Enrollment & Funding

Why do taxes go up when enrollments are dropping?



# Property Tax Increases

- The only property tax increases to the general fund in the last eight years were for very specific purposes:
  - **2023-24:** \$4 per hour increase to Education Support Professionals to align to market
  - **2025-26:** Increases to fund class size ratio adjustments, instructional supports, administrative support in schools, school safety, and other specific initiatives.
- Property tax increases in other years were part of the District's long-term pay-go capital plan to renovate and replace aging district buildings. Several of these were done in conjunction with a decrease in the debt service levy.



# Fixed Costs vs Variable Costs

## Fixed Costs (School)

***Costs typically remain mostly fixed even if enrollment decreases***

- Principal & assistant principals
- Head custodian & custodial staff
- Front office staff
- Media Center & Reading Specialist
- Technology Coach
- Utility Costs
- Maintenance & upkeep of building

## Variable Costs (School)

***Costs typically decrease as enrollment decreases, usually because these resources are allocated to schools based on enrollment or specific needs at the school***

- Classroom teachers
- Counselors & social workers
- Paraprofessionals
- Special ed teachers and employees



# TNT Process Changes

Two statements that must be made:

- After May 1 but before June 13<sup>th</sup>, make the following statement in a public meeting: that GSD is considering levying a tax rate that exceeds our certified tax rate:
  - the approximate dollar amount of and purpose for additional ad valorem tax revenue that would be generated by the proposed tax rate increase
  - the approximate percentage increase in ad valorem tax revenue for the fiscal year taxing entity based on the proposed tax rate increase
  - that if GSD proceeds with the proposed tax rate increase, we will provide notice of and conduct a public hearing, at which members of the public will have an opportunity to provide comments on the proposed tax rate increase
  - For this meeting, we must provide a separate item on the meeting agenda that notifies the public that we intend to make the statement described above (meaning, we should make sure each bullet above is addressed in the agenda item shown)
- At the meeting where our tentative/interim budget is first presented to the board:
  - an executive officer or budget officer of GSD states that the tentative budget includes a proposed tax rate increase and presents a property tax impact schedule
  - For this meeting, we need a separate item on the agenda notifying the public that an executive officer or budget officer of the taxing entity intends to state in the public meeting that the tentative budget includes a proposed tax rate increase



# TNT Process Changes

- We must prepare a "property tax impact schedule", which is a schedule of expenditures that is included in the interim budget for a fiscal year taxing entity that is proposing a tax rate increase for the ensuing fiscal year period. It includes:
  - the approximate dollar amount of additional ad valorem tax revenue that would be generated by the proposed tax rate increase;
  - the approximate percentage increase in tax revenue based on the proposed tax rate increase;
  - the approximate percentage increase to the amount of property taxes paid on an average residence per year as a result of the proposed tax rate increase; and
  - the approximate percentage increase to the amount of property taxes paid on an average commercial property per year as a result of the proposed tax rate increase
  - for each district department whose budget would be affected by the proposed tax rate increase, outline the budget increase or decrease to the department as a result of the proposed tax rate increase; and articulate the operational impact to the department if the proposed tax rate increase is approved.



# Property Tax Considerations - Operations

## Revenue Available FY27 (tax year 2026):

Tax Levy	State Cap Rate*	2026 Proj		Revenue Available
		Certified Rate**	Rate Available	
Voted	0.002000	0.000693	0.001307	\$70,164,078.99
Board Local	0.002500	0.001623	0.000877	\$47,080,258.06

\* State cap is 0.002000, GSD is authorized at 0.001600

\*\* Includes Charter Local Levy per statutory limits

Tax Increase per \$1 million	0.000019	5.10
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## Proposed Increase FY27 (tax year 2026):

Levy	Rate Increase Above Certified Rate	% Rate Increase	Tax Increase on Avg Home	Total Revenues Generated
Board Local - FY26 Tax Rate Recovery	0.000272	7.49%	84.55	14,601,858.83



# Property Tax Considerations - Capital

## Revenue Available FY27 (tax year 2026):

Tax Levy	State Cap Rate*	2026 Proj Certified Rate	Rate Available	Revenue Available
Capital Local	0.003000	0.001455	0.001545	\$82,940,705.47
Tax Increase per \$1 million		0.000019	5.10	

## Proposed Increases FY27 (tax year 2026):

Levy	Rate Increase Above Certified Rate	% Rate Increase	Tax Increase on Avg Home	Total Revenues Generated
Capital Local - Deferred Maintenance FY26 Tax Rate Recovery	0.000018	0.50%	5.60	966,299.48
Capital Local - School Rebuilds FY26 Tax Rate Recovery	0.000042	1.16%	13.06	2,254,698.79
<b>Subtotals</b>	<b>0.000060</b>	<b>1.65%</b>	<b>18.66</b>	<b>3,220,998.27</b>
Capital Local - School Rebuilds FY27 Rate Adjustment	0.000043	1.18%	13.37	2,308,382.09
Debt Service - Rate Reduction	36(0.000009)	-0.25%	(2.80)	(483,149.74)
<b>Grand Totals</b>	<b>0.000094</b>	<b>2.59%</b>	<b>29.23</b>	<b>5,046,230.62</b>

# Property Tax Proposed Increases

Levy	Rate Increase Above CR	% Rate Increase	Tax Increase on Avg Home	Total Revenues Generated
Board Local - FY26 Tax Rate Recovery	0.000272	7.49%	84.55	14,601,858.83
Capital Local - Deferred Maintenance FY26 Tax Rate Recovery	0.000018	0.50%	5.60	966,299.48
Capital Local - School Rebuilds FY26 Tax Rate Recovery	0.000042	1.16%	13.06	2,254,698.79
<b>Totals</b>	<b>0.000332</b>	<b>9.14%</b>	<b>103.21</b>	<b>17,822,857.10</b>
Capital Local - School Rebuilds FY27 Rate Adjustment	0.000043	1.18%	13.37	2,308,382.09
Debt Service - Rate Reduction	(0.000009)	-0.25%	(2.80)	(483,149.74)
<b>Grand Totals</b>	<b>0.000366</b>	<b>10.08%</b>	<b>113.78</b>	<b>19,648,089.45</b>



# Budget Status

Fiscal Years 2026

- Current Strategy
- Progress



# FY26 Budget Status

## Non-Capital Funds

*Impact \$14.5 million*

Area	<u>Operational</u>	
	Target	YTD*
Hiring freeze for all non-classroom positions	325,000	TBD
Excess Reserves - GSD Early Retirement Program	8,500,000	8,500,000
Restrict non-student travel	270,000	100,000
Delay/eliminate full implementation of Instructional Coach Program	1,000,000	1,500,000
Reduce IT Initiatives Setaside	2,000,000	2,000,000
Delay ERP replacement	3,000,000	995,000
Across-the-board budget slowdown	Manage	TBD
FY26 Year-end Budget Surplus	-	2,000,000
Totals	15,095,000	15,095,000

<sup>39</sup>  
\*Contains projections based on current spend



# Discussion & Comments

