

Office of the
Legislative Fiscal Analyst

FY 2004 Budget Recommendations

Joint Appropriations Subcommittee for
Public Education

Utah State Office of Education
School Building Program

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1.0 School Building Programs

Recommendation The Analyst's recommendation for the Capital Outlay Foundation Program is \$28,358,000. The funding recommendation is all from the Uniform School Fund for FY 2004.

Summary For a number of years the Critical School Building Aid Program was funded at a level of \$6,458,000. With the implementation of the new Capital Equalization Program by the 1992 Legislature additional state funds (Uniform School Fund) have been appropriated under provisions of that law. Senate Bill 1 enacted during the 1993 First Special Session called for a continuing commitment of increasing state dollars to both programs. That statutory commitment reached \$28,358,000 in on going funding in FY 1999.

The 1996 Legislature passed Senate Bill 46, "Capital Outlay Amendments," which rewrote the statutes for school building aid programs. This act established the Capital Outlay foundation program that included an emergency school building needs program through June 30, 2001. The act provided for 20 percent of the funds appropriated for the capital outlay foundation program to be used in an emergency school building needs program. The current FY 2004 no longer contains the emergency school building needs program as it was terminated on June 30, 2001. The original FY 2002 appropriation included a \$10,000,000 increase for a total of \$38,358,000. Because of revenue shortfalls, the 2002 Legislature reduced the appropriation to \$28,358,000. This base amount is also recommended for FY 2004. These funds are provided solely for school district capital outlay and debt service purposes.

Statutory Provisions

The statutes for the Capital Outlay Foundation Program are as follows: 53A-21-103. Qualifications for participation in the foundation program -- Distribution of monies -- Distribution formulas.

(1) In order for a school district to qualify for monies under the capital outlay foundation program established in Subsection 53A-21-102(1), a local school board must levy a tax rate of up to .0024 per dollar of taxable value for capital outlay and debt service.

(2) (a) The State Board of Education shall adopt a rule in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, that allows a school district levying less than the full .0024 tax rate to receive proportional funding under the foundation program based upon the percentage of the .0024 tax rate levied by the district.

(b) The rules may include hold harmless provisions for up to two years.

(3) The State Board of Education shall distribute monies in the capital outlay foundation program in accordance with a formula developed by the state superintendent of public instruction based on a minimum guarantee per average daily membership as computed by the state superintendent using:

(a) available monies; and

(b) the assessed valuation per average daily membership in each school district. Amended by Chapter 234, 2001 General Session

School Building Expenditures

School Building allocation for FY 2002 is represented in the following table as provided by the Utah State Office of Education:

BASE GUARANTEE--Capital Facilities Aid Based on Local Tax Yield Guarantee--FY 2001-02									
District	Prior Year Derived Valuations (Prior Year Current Collections Divided by Prior Year Tax Rates) (FY 2000-01)	Current Year Capital Outlay Debt and Voted Capital Total Levies (FY 2001- 02)	Current Year Tax Rate up to 0.002400 Levy	Collection Rate (5 Yr Avg w/o Hi/Lo)	Local Tax Rate Yield @ 0.002400 (C2x0.2400xC5)	Prior Year ADM's (FY 2001)	Yield per ADM Local Generation (C6/C7)	Percent of Capital Outlay, Debt and Voted Capital Levy to 0.002400 Tax Rate (C4/0.002400)	Yield per ADM X C9 \$486.427123 State Guarantee on 0.0024 Levy \$28,358,000
1	2	3	4	5	6	7	8	9	10
1 Alpine	\$6,897,525,516	0.003146	0.002400	100.00%	\$16,554,061	47,003	352.19	100.0%	\$6,309,586
2 Beaver	390,363,886	0.004036	0.002400	100.00%	936,873	1,416	661.56	100.0%	0
3 Box Elder	2,009,366,561	0.002941	0.002400	100.00%	4,822,480	10,887	442.94	100.0%	473,460
4 Cache	1,810,154,788	0.002506	0.002400	100.00%	4,344,371	13,083	332.05	100.0%	2,019,766
5 Carbon	1,367,608,118	0.002733	0.002400	100.00%	3,282,259	4,049	810.59	100.0%	0
6 Daggett	144,908,435	0.001804	0.001804	100.00%	347,780	165	2,109.18	75.2%	0
7 Davis	8,954,755,276	0.003088	0.002400	100.00%	21,491,413	58,648	366.45	100.0%	7,036,562
8 Duchesne	565,935,470	0.003338	0.002400	100.00%	1,358,245	4,156	326.81	100.0%	663,360
9 Emery	1,383,608,602	0.003926	0.002400	100.00%	3,320,661	2,661	1,247.93	100.0%	0
10 Garfield	281,079,201	0.003775	0.002400	100.00%	674,590	1,105	610.32	100.0%	0
11 Grand	552,080,052	0.003377	0.002400	100.00%	1,324,992	1,534	864.03	100.0%	0
12 Granite	15,289,849,660	0.002673	0.002400	100.00%	36,695,639	69,708	526.42	100.0%	0
13 Iron	1,495,172,296	0.004260	0.002400	100.00%	3,588,414	7,275	493.24	100.0%	0
14 Jordan	14,058,644,499	0.004129	0.002400	100.00%	33,740,747	72,643	464.48	100.0%	1,594,538
15 Juab	372,334,005	0.004657	0.002400	100.00%	893,602	1,828	488.78	100.0%	0
16 Kane	494,357,474	0.002388	0.002388	100.00%	1,186,458	1,410	841.30	99.5%	0
17 Millard	2,073,420,661	0.001945	0.001945	100.00%	4,976,210	3,303	1,506.36	81.0%	0
18 Morgan	501,781,183	0.002016	0.002016	100.00%	1,204,275	2,007	599.93	84.0%	0
19 Nebo	2,879,522,594	0.004755	0.002400	100.00%	6,910,854	21,072	327.97	100.0%	3,339,034
20 No. Sanpete	395,868,198	0.002065	0.002400	100.00%	950,084	2,469	384.86	100.0%	250,727
21 No. Summit	325,858,296	0.002381	0.002381	100.00%	782,060	980	797.84	99.2%	0
22 Park City	4,418,297,646	0.001982	0.001982	100.00%	10,603,914	3,812	2,781.54	82.6%	0
23 Piute	41,190,913	0.003573	0.002400	100.00%	98,858	335	294.80	100.0%	64,259
24 Rich	243,774,704	0.002697	0.002400	100.00%	585,059	471	1,242.46	100.0%	0
25 San Juan	492,210,752	0.003751	0.002400	100.00%	1,181,306	3,118	378.86	100.0%	335,409
26 Sevier	720,951,625	0.004054	0.002400	100.00%	1,730,284	4,460	387.93	100.0%	439,319
27 So. Sanpete	321,245,079	0.003946	0.002400	100.00%	770,988	2,732	282.19	100.0%	558,029
28 So. Summit	991,547,371	0.002946	0.002400	100.00%	2,379,714	1,269	1,874.54	100.0%	0
29 Tintic	23,532,079	0.004692	0.002400	97.68%	55,167	270	204.31	100.0%	76,174
30 Tooele	1,428,921,434	0.005482	0.002400	100.00%	3,429,411	9,153	374.69	100.0%	1,022,700
31 Uintah	1,334,398,343	0.001964	0.001964	100.00%	3,202,556	5,871	545.47	81.8%	0
32 Wasatch	1,408,265,557	0.002177	0.002177	100.00%	3,379,837	3,630	931.01	90.7%	0
33 Washington	4,432,097,466	0.003608	0.002400	100.00%	10,637,034	18,301	581.23	100.0%	0
34 Wayne	142,989,019	0.002573	0.002400	100.00%	343,174	535	640.87	100.0%	0
35 Weber	4,338,496,415	0.002316	0.002400	100.00%	10,412,391	28,164	369.71	100.0%	3,287,285
36 Salt Lake	12,680,069,626	0.001631	0.001631	100.00%	30,432,167	24,696	1,232.26	68.0%	0
37 Ogden	2,202,891,355	0.002567	0.002400	100.00%	5,286,939	12,694	416.49	100.0%	887,791
38 Provo	3,135,543,195	0.002400	0.002400	100.00%	7,525,304	13,100	574.46	100.0%	0
39 Logan	1,282,811,028	0.002722	0.002400	100.00%	3,078,746	5,704	539.73	100.0%	0
40 Murray	2,247,482,215	0.002167	0.002167	100.00%	5,393,957	6,461	834.90	90.3%	0
Total/Average	\$104,130,910,592	0.003080		100.00%	\$249,912,875	472,182	529.27	100.0%	\$28,358,000

School District bonded indebtedness for FY 2002 is shown in the following chart:

2001-2002 Bonds

District	Bonds Outstanding at First of Year	Bonds Issued in Current Year			Bonds Retired During Year	BONDED INDEBTEDNESS YEAR END
		Capital Outlay	Refunding	TOTAL		
Alpine	\$ 159,795,000	\$ 40,000,000	\$ -	\$ 40,000,000	\$ (11,395,000)	\$ 188,400,000
Beaver	17,175,870	248,310	0	248,310	793,204	16,630,976
Box Elder	17,600,000	0	0	0	3,597,391	14,002,609
Cache	53,380,000	0	0	0	2,130,000	51,250,000
Carbon	14,794,710	3,000,000	0	3,000,000	685,029	17,109,681
Daggett	1,555,000	0	0	0	0	1,555,000
Davis	122,695,000	52,000,000	27,240,000	79,240,000	44,270,000	157,665,000
Duchesne	5,790,000	0	0	0	440,000	5,350,000
Emery	2,540,000	1,500,000	0	1,500,000	2,155,000	1,885,000
Garfield	10,681,364	5,375,000	0	5,375,000	5,831,000	10,225,364
Grand	9,140,000	0	0	0	0	9,140,000
Granite	0	0	0	0	0	0
Iron	58,940,000	0	0	0	2,555,000	56,385,000
Jordan	0	0	0	0	0	0
Juab	11,185,000	0	630,000	630,000	770,000	11,045,000
Kane	7,690,000	0	0	0	335,000	7,355,000
Millard	8,290,000	0	0	0	0	8,290,000
Morgan	3,900,000	0	0	0	245,000	3,655,000
Nebo	97,870,000	15,000,000	0	15,000,000	6,195,000	106,675,000
No. Sanpete	4,970,000	0	0	0	0	4,970,000
No. Summit	955,000	0	0	0	270,181	684,819
Park City	50,675,000	0	0	0	4,050,000	46,625,000
Piute	1,233,454	0	0	0	0	1,233,454
Rich	1,880,000	0	0	0	0	1,880,000
San Juan	5,450,000	0	0	0	0	5,450,000
Sevier	17,635,000	0	1,608,000	1,608,000	2,365,000	16,878,000
So. Sanpete	4,345,000	0	0	0	305,000	4,040,000
So. Summit	4,865,000	0	0	0	535,000	4,330,000
Tintic	950,000	0	0	0	0	950,000
Tooele	27,465,000	39,500,000	0	39,500,000	4,660,000	62,305,000
Uintah	0	0	0	0	0	0
Wasatch	21,420,000	0	0	0	1,530,000	19,890,000
Washington	97,619,000	23,525,000	0	23,525,000	9,490,000	111,654,000
Wayne	234,083	0	0	0	0	234,083
Weber	47,915,000	15,000,000	0	15,000,000	3,885,000	59,030,000
Salt Lake	54,780,000	24,742,722	0	24,742,722	3,540,000	75,982,722
Ogden	10,455,000	0	0	0	1,525,000	8,930,000
Provo	41,055,000	4,200,000	0	4,200,000	1,720,000	43,535,000
Logan	19,640,000	0	0	0	970,000	18,670,000
Murray	29,500,000	0	0	0	290,000	29,210,000
TOTAL:	\$ 1,046,063,481	\$ 224,091,032	\$ 29,478,000	\$ 253,569,032	\$ 93,741,805	\$ 1,183,100,708

School District total long term debt for FY 2002 is shown in the following chart:

2001-2002 Long-Term Debt

District	Bonded Indebtedness Year End	Non-Bonded Indebtedness at Year End				TOTAL	TOTAL GENERAL LONG-TERM DEBT YEAR END
		Contingencies Comp., etc.	School Building Loan Fund	Capital Leases	Misc. Debt		
Alpine	\$ 188,400,000	\$ 7,789,992	\$ -	\$ 1,694,000	\$ 1,091,395	\$ 10,575,387	\$ 198,975,387
Beaver	16,630,976	0	0	0	0	0	16,630,976
Box Elder	14,002,609	3,789,200	0	0	34,672	3,823,872	17,826,481
Cache	51,250,000	0	0	1,117,048	0	1,117,048	52,367,048
Carbon	17,109,681	0	0	144,409	0	144,409	17,254,090
Daggett	1,555,000	0	0	0	0	0	1,555,000
Davis	157,665,000	0	0	0	0	0	157,665,000
Duchesne	5,350,000	0	1,500,000	0	507,420	2,007,420	7,357,420
Emery	1,885,000	1,638,342	0	0	0	1,638,342	3,523,342
Garfield	10,225,364	0	600,000	571,839	0	1,171,839	11,397,203
Grand	9,140,000	0	0	0	0	0	9,140,000
Granite	0	3,967,871	0	10,164	0	3,978,035	3,978,035
Iron	56,385,000	0	0	0	0	0	56,385,000
Jordan	0	0	0	0	0	0	0
Juab	11,045,000	93,456	0	0	0	93,456	11,138,456
Kane	7,355,000	3,115,852	0	0	0	3,115,852	10,470,852
Millard	8,290,000	0	0	296,712	0	296,712	8,586,712
Morgan	3,655,000	21,580	0	3,269,717	0	3,291,297	6,946,297
Nebo	106,675,000	3,906,832	0	643,734	0	4,550,566	111,225,566
No. Sanpete	4,970,000	0	0	0	0	0	4,970,000
No. Summit	684,819	0	0	0	0	0	684,819
Park City	46,625,000	43,144	0	0	0	43,144	46,668,144
Piute	1,233,454	0	0	0	0	0	1,233,454
Rich	1,880,000	0	0	0	0	0	1,880,000
San Juan	5,450,000	1,391,028	0	1,368,989	0	2,760,017	8,210,017
Sevier	16,878,000	270,588	0	324,438	0	595,026	17,473,026
So. Sanpete	4,040,000	0	4,628,474	131,540	0	4,760,014	8,800,014
So. Summit	4,330,000	0	0	0	0	0	4,330,000
Tintic	950,000	0	0	0	0	0	950,000
Tooele	62,305,000	377,378	0	1,437,544	0	1,814,922	64,119,922
Uintah	0	0	0	0	0	0	0
Wasatch	19,890,000	301,809	0	0	0	301,809	20,191,809
Washington	111,654,000	1,524,771	0	4,201,546	2,286	5,728,603	117,382,603
Wayne	234,083	0	0	0	0	0	234,083
Weber	59,030,000	0	0	0	0	0	59,030,000
Salt Lake	75,982,722	0	0	0	0	0	75,982,722
Ogden	8,930,000	4,741,930	0	0	23,548	4,765,478	13,695,478
Provo	43,535,000	4,940,865	0	0	0	4,940,865	48,475,865
Logan	18,670,000	433,886	0	0	0	433,886	19,103,886
Murray	29,210,000	0	0	0	0	0	29,210,000
TOTAL:	\$ 1,183,100,708	\$ 38,348,524	\$ 6,728,474	\$ 15,211,680	\$ 1,659,321	\$ 61,947,999	\$ 1,245,048,707

History of School District Capital Facilities Bonding 1992 through 2002			
Date Voted	Amount Voted	School District	Passed Electorate
5-May-92	\$ 16,000,000	Nebo	Yes
12-May-92	40,000,000	Weber	Yes
19-May-92	30,000,000	Alpine	Yes
19-May-92	5,000,000	Morgan	Yes
8-Sep-92	18,000,000	Provo	Yes
8-Sep-92	8,000,000	Beaver	Yes
3-Nov-92	115,000,000	Jordan	Yes
3-Mar-93	15,000,000	Cache	Yes
4-May-93	28,500,000	Box Elder	Yes
18-May-93	50,000,000	Davis	Yes
31-Aug-93	5,500,000	No.Sanpete	Yes
7-Feb-94	28,000,000	Iron	Yes
3-May-94	30,000,000	Nebo	Yes
6-Dec-94	33,000,000	Washington	Yes
10-May-94	98,000,000	Alpine	Yes
7-Feb-95	31,550,000	Park City*	Yes
2-May-95	9,700,000	Grand	Yes
7-Nov-95	16,000,000	Cache	No
7-Nov-95	7,600,000	Garfield	No
7-Nov-95	12,000,000	Juab	Yes
7-Nov-95	11,700,000	Wasatch	Yes
13-Feb-96	10,000,000	So. Sanpete	Yes
7-May-96	30,000,000	Nebo	Yes
25-Jun-96	15,000,000	Emery	Yes
25-Jun-96	69,000,000	Washington	Yes
5-Nov-96	16,500,000	Sevier	Yes
5-Nov-96	10,000,000	Tooele	Yes
4-Feb-97	8,000,000	Garfield	Yes
4-Feb-97	7,000,000	Duchesne	Yes
6-May-97	150,000,000	Jordan	Yes
6-May-97	75,000,000	Davis	Yes
6-May-97	22,500,000	Provo	Yes
6-May-97	36,000,000	Cache	Yes
4-Nov-97	45,000,000	Tooele	No
23-Jun-98	60,000,000	Alpine	Yes
3-Nov-98	7,500,000	Kane	Yes
3-Nov-98	4,000,000	So. Summit	Yes
2-Feb-99	30,000,000	Park City	Yes
4-May-99	8,600,000	Morgan	No
4-May-99	136,000,000	Salt Lake	Yes
2-Nov-99	9,400,000	Beaver	Yes
2-Nov-99	13,250,000	Wasatch	Yes
8-Feb-00	10,000,000	Morgan	No
2-May-00	45,000,000	Nebo	Yes
2-May-00	29,500,000	Murray	Yes
2-May-00	40,000,000	Weber	Yes
27-Jun-00	49,500,000	Tooele	Yes
27-Jun-00	10,000,000	Carbon	Yes
8-May-01	200,000,000	Alpine	Yes
6-Nov-01	3,500,000	Duchesne	Yes
5-Feb-02	190,000,000	Davis	Yes
25-Jun-02	74,000,000	Washington	Pending

*Park City also passed a voted capital leeway for up to 10 years.