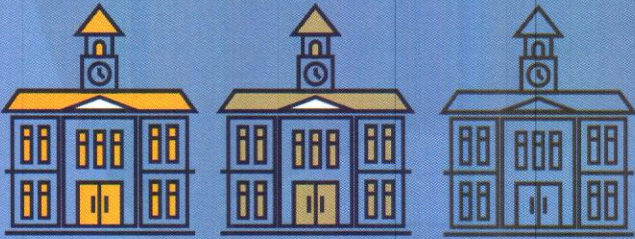


LONG-TERM CAPITAL OUTLOOK  
AND PLANNING



# THE FUTURE OF OUR SCHOOLS





**DID YOU KNOW NEARLY HALF  
OF ALL GRANITE SCHOOLS ARE  
MORE THAN 50 YEARS OLD?**

**Granite School District  
has been educating kids  
since 1904. Much has  
changed in all those  
years, but a significant  
portion of our school  
buildings have stayed  
the same for decades.**

It's a wonderful thing to see communities grow and develop around schools, but there's also a challenge.

As school buildings age, they need more improvements, renovations and general upkeep before eventually needing to be re-

placed. Granite School District currently has a large list of required building projects that need to be completed in order to keep our schools safe, functional, and conducive to learning. **Unfortunately, the current need greatly outweighs the available funding for school buildings or 'capital.'**



#### **CURRENT SCHOOL BUILDING NEEDS**

Current capital needs in the district, including rebuilds, remodels and renovations total more than \$1 billion.



## A SNAPSHOT OF OUR SCHOOL BUILDINGS

### FACILITY CONDITION INDEX

This chart represents all school buildings in Granite distributed by their Facility Condition Index rating.

The district receives ongoing facility reports from independent engineers who assess every square foot of our schools. From these assessments each school is given a rating, which is called a **Facility Condition Index**.

Here's what we know from these building assessments:

1

#### THE NEED FOR CAPITAL PROJECTS IS SUBSTANTIAL

The average school facility in Granite School District needs renovations, remodels or complete overhauls to more than 60% of the building's square footage and systems.

2

#### A LARGE NUMBER OF AGING SCHOOLS

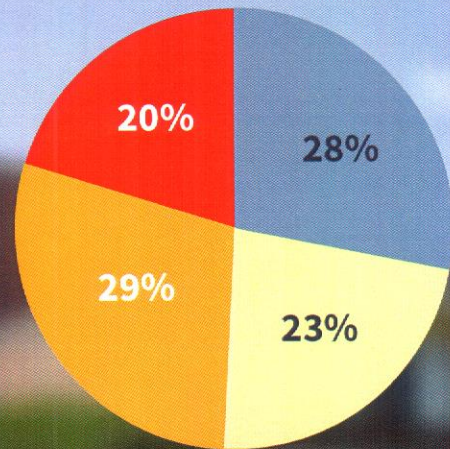
Based on expert analysis from outside engineers, the most we can expect from our buildings is lifespan of 60-70 years. Granite has 44 schools that are more than 50 years old.

3

#### OLD BUILDINGS STRUGGLE WITH TECHNOLOGY

New educational technologies greatly enhance the learning experience for students. Unfortunately, many older buildings are not equipped to facilitate emerging technology.

FCI DISTRIBUTION FOR ALL GRANITE SCHOOLS



- >85% of facility needs repairs/renovations
- 75-85% of facility needs repairs/renovations
- 50-75% of facility needs repairs/renovations
- 0-50% of facility needs repairs/renovations



### SECURITY UPGRADES

A majority of schools do not have entry systems that allow office staff to track and approve school visitors.

Security upgrades would alter entry layouts and prevent individuals from entering the school without first being approved by front office staff, who would have the ability to lock/unlock doors.

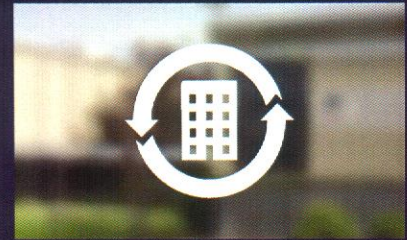
All upgrades are intended to provide a safe and secure learning environment



### SEISMIC RETROFITTING

Some schools, especially older facilities, are at risk of collapsing if a sizeable earthquake were to hit the Wasatch Front.

Most schools, even some newer facilities, in the district are in need of some form of seismic upgrades so that buildings are able to better withstand the effects of a large earthquake.



### RENOVATIONS & FIXES

All school buildings need various renovations during their life cycle. However, the need has drastically outpaced funding.

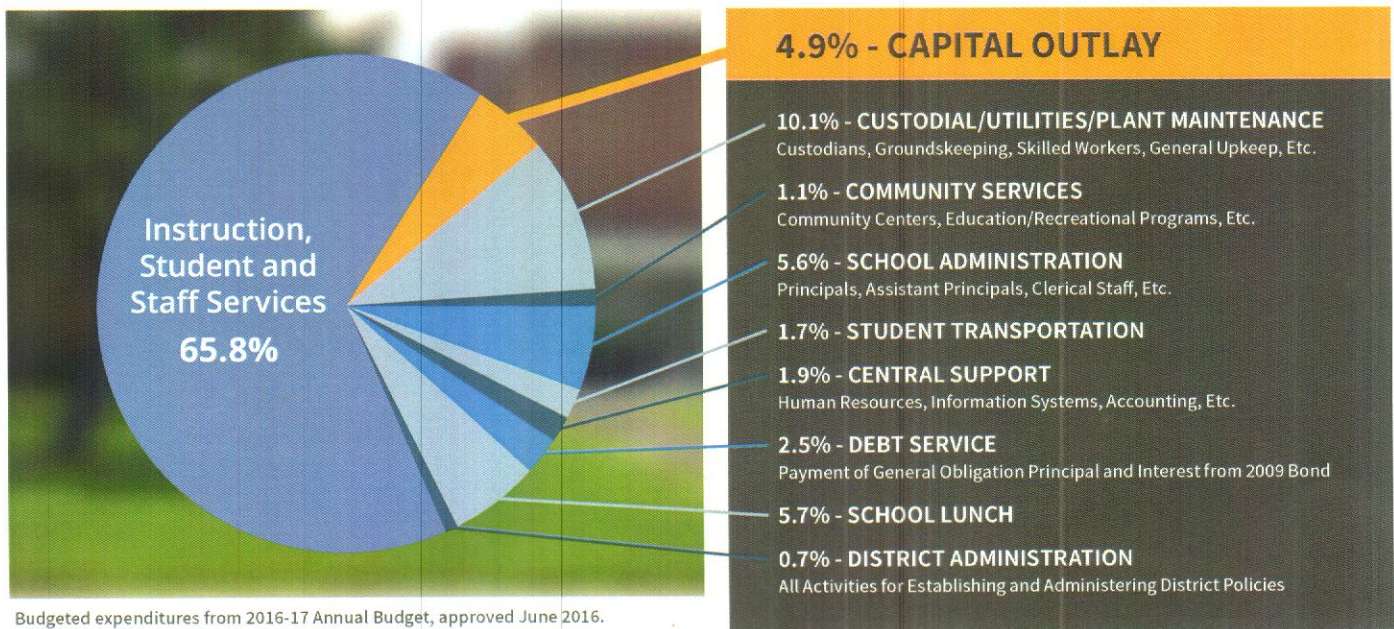
These renovations include simple projects like paint and carpet, as well as larger operations like heating, air conditioning, roofing, playgrounds, athletic fields, and other major systems.



# FUNDING

## CAPITAL PROJECTS

Ongoing capital projects are funded at the district level. By law, the district cannot pull funding from another portion of the budget to fund capital projects. Below is a breakdown of Granite's annual budget by expenditure.



Financially speaking, Granite has maintained a strong structure that benefits students while staying within our means.



The district has been repeatedly recognized by the Association of School Business Officials International for financial accountability and transparency.

Granite also has among the lowest administrative costs in the entire country, and our current property tax rate is well below the state average (see Finance section).

While these are all great indicators of a healthy budget, our current capital funding format is not enough to meet the needs of our school buildings.

Under the current capital funding format, Granite spends about \$17 million annually on renovations and building fixes district wide. With the

wide scope of needed projects, the district is only able to save about \$2 million annually in discretionary funds that can be put toward major school rebuild projects.

On this current track, Granite can rebuild one elementary school about every eight years.

This means that several schools all throughout the district would reach, and surpass, 100 years of operation in the same facility before receiving necessary renovations and rebuilds.



Based on the expertise of outside engineers, the most we can expect from our school buildings is a **60-70 year lifespan**. In order to put the district on a path that follows this schedule, we would need to rebuild:



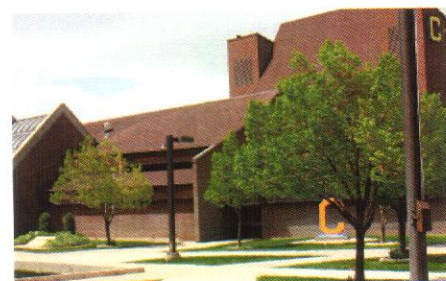
ONE ELEMENTARY  
EVERY YEAR



ONE JUNIOR HIGH  
EVERY FOUR YEARS



ONE HIGH SCHOOL  
EVERY EIGHT YEARS



63 Elementary schools in the district

15 Junior high schools in the district

8 High schools in the district

This plan would require \$36.6 million annually. The current capital budget is \$17 million. The Granite School District Board of Education has been exploring a myriad of long-term capital planning options to bridge the gap in funding and keep our schools the best place to learn.

The board's goals and guiding principles with regard to long-term capital planning are:

- 1 Improve facility conditions and 'leave the district better than we found it.' There's not much that can be done about decisions that were made decades ago, but we can enhance our current situation.
- 2 We need to build for 21st century education. The classroom is always evolving and adapting to advancements in technology. Our buildings need to be equipped to handle these changes for the benefit of students.
- 3 All plans for capital projects need to be fiscally responsible



**THE FUTURE  
OF OUR SCHOOLS**



# LONG-TERM PLANNING

The Granite School District Board of Education has spent several months exploring multiple long-term capital planning options. In addition to the \$36.6 million required for rebuilds, the board has narrowed down three options for ongoing school renovations, repairs and remodels. All planning options were developed in conjunction with outside engineering and financial consultants.

**Option 1** | One remodel during a building's life cycle, with costs around 10% of the building's original construction cost. Remodel includes cosmetic items such as painting, carpet, lighting, furniture, etc.

**Annual Remodel Costs to District:**  
\$3,562,500

**Annual Savings in Maintenance Costs:**  
\$659,291

Does not address life cycle maintenance or major system replacements

**Option 2** | One remodel during a building's life cycle, with costs around 25% of original construction costs. Remodel includes cosmetic items and partial updates to major systems (HVAC, roofing, etc.).

**Annual Remodel Costs to District:**  
\$10,603,125

**Annual Savings in Maintenance Costs:**  
\$3,212,354

School condition improves; renovations keep pace with learning needs

**Option 3** | Two remodels during a building's life cycle, both around 30% of original construction costs. Remodels include cosmetic items as well as complete updates to major systems, playgrounds and fields.

**Annual Remodel Costs to District:**  
\$24,588,750

**Annual Savings in Maintenance Costs:**  
\$8,586,879

Meets industry standards; School condition improves significantly

The board favors **Option 2** for long-term capital planning.



# FINANCING CAPITAL PLANS

The board of education has worked with financial consultants to develop the best possible funding options to address the capital needs in the district.

The board is sensitive to taxpayers in the Granite School District community, many of which do not have students who attend our schools. Financial planning took careful consideration of the needs of our students and the impact to property owners.



## SINGLE TAX INCREASE

A single property tax increase that would immediately raise capital funding levels.

A home valued at \$250,000 would see an annual tax increase of \$259.88.



## SERIES OF BONDS

A series of school building bonds put to voters every 4 to 5 years over a 20 to 30-year period.

Annual tax impact is dependent on the size of financed bonds.



## HYBRID OF BOTH

An initial 10-year bond put to voters, after which the district would maintain tax revenue.

Initial bond tax increase of \$183.43; tax revenue maintained afterward.

Calculations are based on the annual costs to fund major rebuilds (\$36.6 million), and Option 2 (see left page) of long-term capital planning strategies.

After in-depth analysis and consultations from outside financial experts, the board of education favors the **Hybrid Model** because it has the most successful cash flow and the least amount of impact to taxpayers.

## TAX RATES

Overview of property tax rates for school districts along the Wasatch Front (based on \$225,000 home)

School District	Tax Rate	Home	Enrollment
Nebo	0.009326	\$1,282	31,751
Davis	0.008555	\$1,176	69,588
Alpine	0.008177	\$1,124	74,927
State Average	0.007195	\$989	
Canyons	0.006997	\$962	33,801
Granite	0.006978	\$959	66,766
Jordan	0.006872	\$945	52,394
Salt Lake	0.006497	\$893	23,448

**NO FINAL DECISION HAS BEEN MADE BY THE BOARD OF EDUCATION.**

You, as community members, parents and taxpayers, are our partners in education. We want your input and ideas as we work to secure the best outcomes for students. All our kids deserve facilities that are safe, welcoming, and meet the educational needs of the children we serve.



We want your input and ideas as we work to secure the best outcomes for students.



[www.gsdfuture.org](http://www.gsdfuture.org)

You can also send questions and feedback to:

[gsdfuture@graniteschools.org](mailto:gsdfuture@graniteschools.org)



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## FACILITY CONDITION INDEX

Every school building in the district is evaluated by independent engineers. These evaluations include every square foot and system, and each school is given a final rating.

Percent of building needing repairs/renovations

- >85% of building
- 75-85% of building
- 50-74% of building
- 0-49% of building

School in Taylorsville City boundaries

### ELEMENTARY SCHOOL FACILITY CONDITION

Academy Park	Hillsdale	Roosevelt
Arcadia	Hillside	Rosecrest
Armstrong	Hunter	Sandburg
Bacchus	Jackling	Silver Hills
Beehive	Lake Ridge	South Kearns
Bennion	Lincoln	Spring Lane
Bridger	Magna	Stansbury
Calvin Smith	Mill Creek	Taylorsville
Copper Hills	Monroe	Truman
Cottonwood	Morningside	Twin Peaks
Crestview	Moss	Upland Terrace
Diamond Ridge	Oakridge	Valley Crest
Driggs	Oakwood	Vista
Eastwood	Oquirrh Hills	West Kearns
Elk Run	Orchard	West Valley
Farnsworth	Penn	Westbrook
Fox Hills	Pioneer	Western Hills
Fremont	Pleasant Green	Whittier
Frost	Plymouth	Wilson
Gourley	Redwood	Woodstock
Granger	Rolling Meadows	Wright

### JUNIOR HIGH SCHOOL FACILITY CONDITION

Bennion	Granite Park	Matheson
Bonneville	Hunter	Olympus
Churchill	Jefferson	Valley
Eisenhower	Kearns	Wasatch
Evergreen	Kennedy	West Lake STEM

### HIGH SCHOOL FACILITY CONDITION

Cottonwood	Granger	Olympus
Cyprus	Hunter	Skyline
Cyprus - Brockbank	Kearns	Taylorsville

### SPECIALTY SCHOOL FACILITY CONDITION

Granite Connection	Hartvigsen
Granite Technical Inst.	Jones Center