



**MINUTES
SPECIAL MEETING OF THE BOARD OF EDUCATION
Washington County School District
121 West Tabernacle, St. George, Utah
June 23, 2025
8:00 a.m.**

Present: Board President David Stirland, Board Member Craig Seegmiller, Board Member Burke Staheli, Board Member Ron Wade, Board Member Heidi Gunn, Superintendent Richard Holmes, Business Administrator Brent Bills, Assistant Superintendent Nate Esplin, Assistant Superintendent Cheri Stevenson, Executive Director Rusty Taylor, Executive HR Director Darin Thomas, Executive Director Susan Harrah, Executive Director Wade Jensen, Technology Director Jeremy Cox, Director of Teaching & Learning Brian Stevenson, and Communications Director Steven Dunham.

Minutes: Executive Secretary Kajsia Boyer

Reverence offered by Board Member Seegmiller.

PUBLIC NOTICE OF BUDGET HEARING

PUBLIC NOTICE IS HEREBY GIVEN that Washington County School District is conducting a public hearing on Monday, June 23, 2025 at 8:00 a.m. to receive input from the public with respect to the proposed 2024-2025 Final Budget and the adoption of the proposed 2025-2026 Budget.

A copy of the 2024-2025 Final Budget and the 2025-2026 Proposed Adopted Budget are available on the District website (www.washk12.org) or may be obtained by contacting the District Business Administrator.

Brent Bills reviewed the proposed 2024-2025 final budget and the proposed 2025-2026 budget with the tax rates. There were a few changes from the last meeting. The state basic rate was changed. He shared the executive summary that gives a three-year comparison. The debt service has gone away and is now in the capital project funds and shows a decent sized increase from 2023-24 to 2025-26. He shared the 2023-2024 expenditures per student of \$9,907 compared to the state at \$11,545, and the national average of \$17,360. The expenditures per student have been going up and with inflation have been pretty brutal the last few years. We received some substantial and effective increases in the WPU. They gave us a 6% increase and then gave us the equivalent of another four by doing that legislative salary adjustment for teachers. Burke Staheli asked how other districts are getting more money to spend per student. Brent Bills said smaller districts will get more money per student because all of the formulas with the exceptions of the basic student have a base in it, so everyone gets "x" amount of money and then get a plus amount based on student enrollment count. That helps smaller districts be able to function. Then there is the NESS formula that affects smaller rural districts more than the larger districts. With the NESS formula, they have a portion of it that is just based on district size, so smaller districts get some additional money because they are smaller. When you compare most of the districts, it comes down to your voted and board levy. How much you are getting per student in those levies is really what differentiates everybody in the state. Washington County School District is third from the bottom for student spending but that shows that we are being very efficient in how we are spending our money. Other districts have more services than we have such as adding on more assistant principals even in elementary schools, more school nurses, or putting more money into psychologists or licensed clinical social workers and those types of things. We do have one of the lower certified teacher to pupil ratios for the larger districts in the state. We are putting our money in teachers. When looking back at the past 25

years the percentage of our M&O budget spent on instruction has remained flat over that period of time. We are keeping that percentage going into instruction the same even with increased costs for other things such as technology, computer programs, counselors, etc. The percentage of our budget going to instruction is staying the same which means everything else is getting tighter. Craig Seegmiller said he hates to see us always at the bottom but on the other hand is really proud as we are doing more with less. David Stirland said that is a huge thing to talk about with our constituents. Our data shows we are doing more with less. We are very conscientious about how we spend our money. Look at our academics, our learning, our teacher retention. All those markers show what we are doing, and he appreciates what we do with the money and the stewardship the district has. Looking at the graph shows that Washington County School District spends less of the taxpayer dollars to get some pretty significant results. That is something we should talk about. Ron Wade asked about the comparison of our compensation to teachers with other districts. Brent Bills said there is someone at the state office putting something together to send out. Our Fund 10 shows we have stayed between 68.5% and 69% for instructional costs. Instruction is a very narrow national definition which includes classroom teachers, classroom aides, textbook money, and instructional supply money. School nurses, school counselors, media and supervision all fall in other categories and are not considered instruction. Compared to the nation, we have a smaller budget per pupil and are spending more than the national average on instruction. We do actually quite well. The buildings and grounds include our maintenance people, custodians, heating and cooling, water and sewer, and those types of things. Transportation is interesting as our District still transports quite a few kids. At the same time the transportation funding has become a smaller and smaller percentage of the budget. With 36,000 kids we are actually transporting the same number of students as when our enrollment was 18,000. More kids live in walking boundaries with the new schools we have built. The business services include a lot of technology, human resources, and the business department. He explained that with grants from the federal or state government we are allowed to peel off a certain percentage based on the actual costs from the prior year. We have a restricted indirect cost rate and an unrestricted rate. Because technology counts as part of the business services, when programs are added and demand more for those areas. It allows us to increase our indirect cost rate which is money we get to shave off the top. It helps pay for those programs. PowerSchool software and parent communication systems both fall under business services. School administration is another narrowly defined area for principals, assistant principals, secretaries, and a small travel budget. The media and supervision budget is for support service for staff such as professional development and executive directors. Ron Wade said one take away from the conference in Atlanta is how we manage our outward projection of positive news. He asked how proactive we are, can, or should we be with information like our annual budget information like this to release. Are we proactive in releasing these positive numbers? Steven Dunham said we can do it except the media won't cover it. It isn't a news story because it is just general stuff. He is constantly feeding our reporters with positive stories that happen in the schools, things with accolades such as our JROTC receiving the national award and things of that nature. Those are news stories that the reporters want to write about. They don't want to write about the business things. Steven Dunham shared examples of stories and how he tries to highlight some of those things on the radio. Brent Bills shared the student to teacher ratio for 2023-2024. We are at 21.8. Many of the other districts before COVID were at 24 and we were at 21.8. He shared some of the other district's ratios. Brent Bills feels we have a good budget. He said we are going a little bit tight. In Fund 10, the interest is now based into the budget. We can take a half of a percent drop in interest rates, and we will still be fine. After that we will start cutting into fund balance. We are living within our means and making it work. We did take a little bit of the hit with the reallocation on property tax rates. Last year our local levy was .000033. They did a recalculation which changed ours to .000088. The amount of money that is being peeled out of our board local levy has gone up by about \$2,000,000. That was a nice little surprise, and we are working with the state office on that. Brent Bills said the state had projected the basic levy at .001409. The official number was actually .001379. The legislature approved the rate, but they are really approving the money. They approve whatever rate will bring in the specific amount of money and put that in the law. When all the counties have submitted their valuations, the State Tax Commission then goes and calculates what amount of money will generate that. The state was able to get that information back to us on Friday and we received the number .001379. When the Board approves the budget, they will need to approve the budget as posted with the exception that the basic rate levied will be the new legislative amount. The total budget

for Fund 10 is \$384,000,000 for the current year and \$394,000,000 for the next fiscal year. In the Fund balance we are showing a level fund balance now, but it probably won't be a level fund balance because the online school is still generating more than it's bringing in. We are still waiting to see what happens there. The dynamic of the whole schools changing. We are losing students in the elementary school, which was the fastest growing portion of that school for a lot of years, because of the Utah Fits All Scholarships that are being given out. The kids are not enrolling in the in the elementary school but are home schooling and are enrolling in private schools. We are losing enrollment there but the number of kids that are enrolling for classes in the secondary school through the state online portal has exponentially increased. We've gone from collecting around \$3,000,000 four years ago to collecting close to \$10,000,000 this year. We are still trying to figure out if the state is going to change how that is allocated before doing anything. We are not sure what will happen long term and are just watching it. Brent Bills said our fund balance is \$142,000,000. Part of that is from grants, and part is owned by school budgets. Some of the ESSER funds landed there also. The ESSER funds and the online school are what has taken our balance up so much. Brent Bills feels we are a little high, but we need to spend it on one-time expenditures otherwise you are into ongoing stuff and that causes problems. He mentioned some capital projects that the fund balance can help to cover. We are generating interest from the funds. Brent Bills mentioned that the debt service levy is gone, but he is keeping it in the budget book to show that we are paying it off. We've got about four years and then we can start to see it drop off and then it will be gone which will be huge. As that comes in, we can use it for capital costs. David Stirland said when that is gone it is something we need to scream from the rooftops. Steven Dunham said in 2023 when the capital plan was presented it was innovative and nobody in the state had done it. He pitched it to all the media up north and our local media. Our local media only ran it after I gave them a free ad in our schools, then they ran the news story. That is the dilemma, they look at it and feel it is not news. Brent Bills said others in the state are now trying to copy what we are doing. He has talked to at least half a dozen school boards that have asked him to come and talk with them. He mentioned that the others do not have 5-6 years to pull it together as we did and explained some of the problems they are having. We spent the time and did it right. Superintendent Richard Holmes suggested meeting with the local legislators in August or September to show them what we are doing. He wonders if they truly understand the vision and understand that we are self-funding for new schools and want to pay cash. Brent Bills shared the revenue amounts. The capital budget was very low, and it has gone way high. That is the truth in taxation moving the debt service levy. The debt service levy has disappeared. We are paying our debt service payments and will continue to build all our new projects from here. He shared that they also included all of the projects that are going to be constructed over the next year in the budget book. We have \$85,000,000 worth of projects being worked on this year. Some of them are not going to be completely finished during this year but that is what is budgeted. In the Student Activity budget, about 30% comes through extracurricular activity fees, 8.9% curricular activity fees, 10% for co-curricular activity fees, 5% bookstore sales, 8.5% admissions, about 9% for school vending and stores, 4.6% for rentals, and a fairly large amount through private contributions and donations. These are the school fundraisers. We still have some of the lowest extracurricular fees in the state. The group talked about some of the fees charged in other districts throughout the state for extracurricular fees. Superintendent Richard Holmes feels we operate on a shoestring budget because we have such low fees. He said that the sentiment of the Board has been not wanting to price students out of opportunities to participate. When we have teams travel up north to play in state games, the principals are extremely happy and excited but in the back of their minds are thinking about how they are going to pay for it. If they make it the first round they are thinking we've got another one. If they make it to the finals, they feel it is wonderful, but they are now flat broke. Burke Staheli reported that this year we had one team highly seeded, and the state tournament was in St. George. Last year we had two teams in the finals, and one spent \$12,000 and one spent \$10,000 for hotels. Brent Bills said the private contributions and donations help to pay for some of those costs. Brent Bills said there is about \$11,000,000 that run through the Student Activity accounts at the school level. The last account is the School Lunch account. We have a new school lunch supervisor, Kathy Torok. She worked here for about 13 years and then left to be the Food Service Director in another district. She is back now and has already started. The Food Services account got so much money from the federal government during COVID the fund balance went in in Food Services. They are working to get it back down to the

range we need to be in by the end of 25-26. Brent Bills shared some of the great things she did with the school lunch program previously and said we are looking forward to some new things.

David Stirland expressed appreciation to Brent Bills and his staff. There are some talking points for down the road. He would like to look at lowering the fund balance.

BOARD ACTION ITEMS

Approval of the 2024-2025 Final Budget and 2025-2026 Adopted Budget – Brent Bills

Board Member Seegmiller presented a motion to approve the 2024-2025 Final Budget and the 2025-2026 Adopted Budget with the certified tax rate at .001379. Board Member Gunn seconded the motion that passed unanimously.

Board Member Staheli presented a motion to adjourn the meeting at 9:06 a.m. Board Member Wade seconded the motion that passed unanimously.

ADJOURNMENT