NORTH SANPETE SCHOOL DISTRICT
BOARD OF EDUCATION
TRUTH IN TAXATION PUBLIC HEARING
August 11, 2026

Minutes of the North Sanpete School District Board of Education Truth in Taxation Public Hearing held Tuesday, August 11, 2026, at the North Sanpete High School Auditorium. President Richard Brotherson called the meeting to order at 6:01 p.m.

Board members in attendance were President Richard Brotherson, Vice President Jeremy Madsen, Stacey Goble, and Joseph Cook. Greg Bailey was excused.

Other in attendance were Superintendent O'Dee Hansen, Assistant Superintendent Rena Orton, Business Administrator Rickie Stewart, Accountant Bryce Warby, and Board Secretary Brittany Stubbs.

PUBLIC HEARING ON PROPOSED PROPERTY TAX INCREASE

Business Administrator Rickie Stewart presented the proposed property tax increase and explained the purpose and anticipated use of the additional revenue. The proposed increase would generate approximately $750,000 in additional district revenue, including approximately $100,000 through the voted levy and $650,000 through the capital levy. The additional revenue would support curriculum, software, literacy support, HVAC, facility and grounds improvements, parking lot maintenance, and student transportation. Mrs. Stewart noted that the proposed increase would not be used for salaries, benefits, district overhead, new positions, or staff raises.

Mrs. Stewart reviewed the district's capital needs and reported that approximately $4.3 million in capital projects were requested for FY27, while approximately $2.2 million in projects were approved, leaving a capital needs budget shortfall of approximately $2.09 million. She explained that maintaining district facilities and addressing necessary improvements are important to extending the useful life of district buildings.

Mrs. Stewart also explained the relationship between local property tax effort and state-guaranteed funding. Changes to the state's funding structure require districts to maintain sufficient local tax effort to maximize state-guaranteed revenue associated with the board and voted levies. Without sufficient local effort, the district's guaranteed state revenue will gradually decrease. She noted that these changes may require the district to adjust property tax rates more frequently than it has historically.

The presentation included historical and comparative tax information. Mrs. Stewart explained that the district's tax rate has declined as the local tax base has grown and that additional property tax revenue generally results from new growth or an approved tax-rate increase. North Sanpete ranked 30th of Utah's 41 school districts in FY26 local levy revenue per student, at 23.3 percent below the statewide district average. The district also had the lowest 2025 school-related property tax rate among neighboring county school districts; with the proposed increase, Millard School District would be the only neighboring district shown with a lower rate.

Mrs. Stewart reviewed the estimated impact of the proposed increase on taxpayers. For a $400,000 primary residence, the district tax associated with the affected levies would increase by approximately $87.56 per year, or $7.30 per month. For a $400,000 commercial property, the estimated increase would be $159.20 per year, or $13.26 per month.

Superintendent O'Dee Hansen discussed the district's capital needs and the process used to prioritize facility projects. He explained that maintenance needs are evaluated and available funding is directed toward the most urgent projects. He emphasized the importance of maintaining district facilities and providing appropriate learning environments for students. Superintendent Hansen also discussed the district's efforts to evaluate programs, control costs, and use available resources responsibly.

President Brotherson commented on the district's capital funding needs and the use of reserves to address necessary projects. He also emphasized the importance of maintaining sufficient local tax effort to preserve state-guaranteed funding and avoid shifting a greater financial burden to local taxpayers in future years.

PUBLIC COMMENT

Dale Lewis, Spring City, asked how the district would address its funding needs if the proposed tax increase were not approved and what efforts had been made to reduce expenditures or obtain revenue from other sources. President Brotherson noted the district's use of grant funding. Superintendent Hansen and Business Administrator Stewart discussed the district's capital needs, explaining that approximately $4.3 million in requested capital projects had been reduced to approximately $2.2 million in approved projects and that, without additional funding, some facility maintenance and curriculum needs would remain unfunded.

Mr. Lewis discussed changes in district enrollment and the district budget over time and questioned how growth in property values and the number of homes within the district affect district revenue. Mrs. Stewart explained that the district's responsibilities and expenditures have also changed over time due to additional programs and requirements established by the state, some of which are funded and some of which are not.

Mr. Lewis also asked about the district's use of artificial intelligence in instruction. Superintendent Hansen stated that there is not currently a dedicated AI course at the middle school or high school, but AI is being incorporated into instruction, with SchoolAI currently being used by the district. Mr. Lewis asked whether district funding or employee compensation is tied to student performance. Superintendent Hansen explained that district funding is not tied directly to student performance and that the district does not use performance-based compensation for teachers. Mr. Lewis also asked about teacher hiring for the upcoming school year. Superintendent Hansen reported that the district had four teacher openings and received multiple applicants for the positions.

Bonnie Mellor, Spring City, expressed concern about difficulty reaching district personnel after receiving her property tax notice and suggested that future notices include a direct telephone number for taxpayers with questions. She discussed concerns about requirements associated with accepting state and federal funding and asked whether similar requirements apply to locally generated tax revenue.

Mrs. Mellor questioned why property tax increases are not submitted directly to voters and discussed the financial impact of property taxes on residents, including senior citizens and others who may not currently have students attending district schools. She also asked about the district's outstanding bond and whether property taxes would decrease once the bond is paid. President Brotherson explained that bonds are subject to voter approval and stated that the district's current bond, issued in 2012, is scheduled to expire in 2032. He indicated that he could not predict whether taxes would decrease at that time because future circumstances, including population growth, are unknown.

Mrs. Mellor discussed the growth in the local population and tax base compared with student enrollment and encouraged the district to seek alternative sources of revenue rather than increasing the burden on local taxpayers. She emphasized that households also face increasing expenses and maintenance needs and expressed concern about the effect of additional taxes on residents.

President Brotherson and Business Administrator Stewart discussed the district's comparatively low property tax rate and expenditures per student. President Brotherson also discussed the district's use of grant funding, including grant funding used to establish the new automotive program, as an example of obtaining outside funding to expand opportunities for students. Vice President Madsen noted that school districts are subject to requirements established by the state regardless of whether additional funding accompanies those requirements.

Richard Tree, Mt. Pleasant, expressed appreciation for the opportunity to address the Board and complimented Business Administrator Stewart on the presentation explaining the proposed tax increase. He expressed support for education while also raising concerns about the growth and use of public education funding.

Mr. Tree encouraged the Board to conduct an in-depth review of district expenditures and consider whether programs or requirements could be reduced so that resources could be focused on teachers and classroom instruction. He stated that households must make difficult spending decisions when costs increase and asked the district to similarly evaluate its priorities before seeking additional revenue from taxpayers.

Mr. Tree referenced public opposition expressed during the previous year's tax increase process and asked the Board to carefully consider that feedback. He acknowledged the difficulty of the Board's responsibilities and emphasized the shared goal of helping students succeed, while expressing his view that taxpayers cannot afford additional increases.

Michael Rose, Moroni, asked for clarification regarding state-guaranteed funding and why some school districts do not receive state equalization funding. Business Administrator Stewart explained that the amount of state-guaranteed funding a district receives depends on its ability to generate revenue through local property taxes. Districts with higher property values may generate enough local revenue that they do not receive state equalization funding, while the state provides additional funding to districts with lower local taxing capacity to help equalize funding available to students.

Mr. Rose asked what alternatives might be available if the district did not increase taxes and specifically asked whether charter schools could provide an alternative funding structure. Mrs. Stewart explained that charter schools do not have local property taxing authority and rely on state funding and discussed the effect of charter school funding on funding available to traditional public-school districts.

Mr. Rose also asked whether increases in assessed property values due to inflation automatically result in increased property tax revenue for the district. President Brotherson explained that as existing property values increase, the certified tax rate generally decreases so that taxing entities do not automatically receive additional revenue solely from increased property values. He also noted that a property owner's total tax bill includes taxes from multiple taxing entities. Mrs. Stewart discussed the effect of inflation on district expenses, including food service, student transportation, and facility maintenance, and noted that increasing costs affect school districts in many of the same ways they affect individual households.

Susan Taylor, Mt. Pleasant, shared her experience working for another Utah school district and expressed concern about public funds being spent inefficiently. She emphasized the importance of citizen input and oversight regarding school district expenditures, including facility maintenance, transportation, and other operational costs.

Mrs. Taylor discussed the financial impact of tax increases on older residents and others who no longer have children attending district schools and asked the Board to consider the effect of additional taxes on household budgets. She expressed support for North

Sanpete School District while encouraging the Board to carefully evaluate spending and avoid waste.

Mrs. Taylor expressed concern about what she understood to be a $4 million funding request. President Brotherson and Business Administrator Stewart clarified that approximately $4.3 million in capital projects had been identified for FY27, approximately $2.2 million had been approved within the existing capital budget, and the proposed property tax increase would generate approximately $750,000 in additional revenue toward the district's needs.

Following the in-person comments, President Brotherson asked for comments from virtual participants. Accountant Bryce Warby confirmed that no comments or questions had been submitted by virtual participants.

CLOSE PUBLIC HEARING

President Brotherson thanked those in attendance for their participation and stated that the Board takes the impact of property taxes on residents seriously. He noted the district's comparatively low tax rate and expenditures per student and then closed the public hearing portion of the meeting.

CONSIDERATION OF RESOLUTION ADOPTING A TAX RATE EXCEEDING THE CERTIFIED TAX RATE

President Brotherson explained that the Board could consider adoption of the proposed tax rate at the current meeting or postpone action until the August 18, 2026, regular Board Meeting.

Mrs. Goble asked about additional financial information she had previously requested regarding alternative options. Business Administrator Stewart indicated that the additional information had not yet been prepared. Board members discussed allowing additional time to review the proposal and requested information before making a final decision.

During the discussion, Mr. Cook asked about grant funding recently received by North Sanpete High School. Principal Christy Straatman provided information regarding the Small School District Capital Facilities Grant and the application process. Mrs. Stewart provided additional information regarding the district's financial participation in the grant.

Motion: President Brotherson moved to postpone consideration of the proposed tax rate until the August 18, 2026, regular Board Meeting. Mrs. Goble seconded the motion. Voting went as follows:

Vice President Madsen: Yes	President Brotherson: Yes
Mrs. Goble: Yes	Mr. Cook: Yes

The motion carried unanimously.

CONSIDERATION AND ADOPTION OF THE FY 2026-2027 FINAL BUDGET

The Board postponed consideration and adoption of the FY 2026-2027 Final Budget until the August 18, 2026, regular Board Meeting. No motion was made.

ADJOURNMENT

Vice President Madsen moved to adjourn the meeting. Mr. Cook seconded the motion. The motion carried unanimously.

The meeting adjourned at 6:57 p.m.