

REPORT ON CITIZEN-S PETITION
TO CREATE A NEW
PIONEER SCHOOL DISTRICT
OUT OF THE ALPINE SCHOOL DISTRICT

This report has been prepared at the request
of the Utah County Commission,
State of Utah

by the

Ad Hoc Advisory Committee

29 June 2004

To: Utah County Commission

The following report represents the work of the entire Ad Hoc Advisory Committee. It is submitted to assist the Commission as it considers whether the issue of creation of a new Pioneer School District out of the existing Alpine School District has sufficient merit to be placed before the voters on November 2, 2004.

Our report presents the decision of the full committee but allows for individual committee members to share their personal thoughts. Our desire is for the Commission to be fully informed regarding the issue insofar as time, space, and circumstances have permitted.

Notwithstanding possible conclusions individuals may draw from this study, we are confident that the success of any educational endeavor is not to be found primarily in the details of funding, facilities or boundary lines but rather in the degree to which responsibility is taken by parents for the education of their children, in the dedication and ability of the teachers engaged, and in the quality of the curriculum utilized. All other factors are secondary at best.

This process, often fatiguing and at times overwhelming, has given all of us greater appreciation for the processes of government and for the difficulties under which those in government, whether elected, appointed or hired, must work.

We have appreciated the able assistance and counsel provided by Geneel Scott (Special Projects Assistant) and Robert Moore (Assistant County Attorney) in support of our efforts.

Thank you for the opportunity to contribute to this process.

Respectfully submitted,

AD HOC ADVISORY

COMMITTEE

Gaylord K. Swim, Chairman

Denton R. Alexander

David N. Cox

David E. Lifferth

Mark F. Robinson

Robert W. Smith

EXECUTIVE SUMMARY

Legal Mandate

The Committee received its mandate from Utah Code Title 53A-2-118. The Committee is to study and consider financial and other factors in the creation of a new school district. The law requires the Committee to seek input from various groups and define district boundaries in light of the citizens petition.

Scope of Work

The Committee created two subcommittees, 1) Public Input Subcommittee and 2) Finance Subcommittee. The Committee had its initial meeting on January 6 and in subsequent meetings sought public input and reviewed financial projections provided in a BYU Marriott School of Management Feasibility Study.

No public hearings were held by the Public Input Subcommittee.

Major Issues Considered

The Committee addressed the broad spectrum of issues in its work. The major issues were as follows:

- a) The conceptual benefits of a smaller district including opportunities for increased citizen involvement, better responsiveness to local needs, etc.;
- b) Financial impact upon both the proposed district and the residual district if a division were to occur;
- c) Impact on existing school district employees; and
- d) Public policy obstacles to sound operation and governance of schools.

Recommendation

The Ad Hoc Advisory Committee voted to recommend that the new Pioneer School District not be created.

Important Disclaimer

A large number of assumptions were necessarily made by the Committee and have been detailed in the subcommittee reports. The Committee assumed that the basic cost and organizational structure for a new Pioneer School District would not be significantly different than now exists in the Alpine School District (Alpine School District).

There can be no guarantees what future school boards or lawmaking bodies (city, county, state, or national) will do to positively or negatively impact the quality and cost of education.

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SECTION I.

PIONEER SCHOOL DISTRICT BOUNDARY

The maps which are found under APPENDIX C reflect the boundaries as determined by the Committee and are the basis for completing the feasibility study.

The citizen's petition seeking the creation of a new Pioneer School District comprising essentially the boundaries for the existing Lehi High School. The Committee modified the boundaries only slightly to exclude the Suncrest development to the north and to define the eastern boundary as the Lehi city limits.

Freedom Elementary

Students Now Attending Freedom Elementary

Utah law allows for students to attend school districts other than their own by application on a space available basis. Alpine School District also has a current agreement with Jordan School District that allows students in the development straddling the Utah-Salt Lake County line to attend Jordan schools. These schools are much closer to the Jordan District since the only road out of the development currently goes north into Salt Lake County.

Present policy of the Alpine School District allows students, currently in a particular school that may have closed enrollment, to continue attending even if out of area.

Over 600 students at Freedom Elementary come from the Lehi area. The school could not economically operate with only 300 plus students from the Highland area. Therefore it can be safely assumed, and indications have been made to that effect, that students currently attending Freedom Elementary would be able to continue to attend that school for the foreseeable future.

The decision ultimately lies with the Alpine School District Board of Education and may change as additional growth in the Lehi and Highland areas is met with new schools.

SECTION II.
EXPANSION OF THE COMMITTEE’S
FINDINGS, OBSERVATIONS AND
RECOMMENDATIONS

Statutory Mandate for The Committee

The Committee has been guided in its work by the process mandated in the Utah Code Section 53A-2-118. The law requires the Committee to seek input from various individuals and groups, research and review data regarding the financial viability of the proposed new school district, the impact on the existing school district, establish the exact placement of boundaries to be proposed, and to consider the positive and negative effects that could be consequences of the potential division of the district. The Committee is also to provide the County Commission with its recommendations whether the creation of a new school district is advisable.

It should be noted that the work of the Committee is strictly advisory in nature and is not legally binding upon the County Commission nor the residents and property owners of the existing Alpine School District.

Scope of Work

To accomplish its work, the Committee created two subcommittees, 1) Public Input Subcommittee to seek input from interested individuals, organizations and groups, and 2) Finance Subcommittee to derive the financial projections based in part on enrollment figures from the Alpine School District. The full reports of these two committees are included in this report in Sections III & IV.

The Committee had its initial meeting on January 6, 2004, and has subsequently met both as a full committee and as separate subcommittees.

In the process of its work, the Committee gathered input from the Alpine Education Association, the Utah State Office of Education, individual employees of the Alpine School District, and members of the group filing the original petition to create a new school district, major property owners, etc.

There was also considerable spontaneous interaction by committee members with neighbors, associates, and citizens who attended committee meetings that were open to the public. The purpose for gathering this input was to assure that the important issues and the concerns of various constituencies could be considered by the Committee. No attempt at a “straw poll” or broad canvassing of the population was practical or attempted.

Though committee meetings were public meetings, no public hearings were held by the Committee, as that activity was not mandated by the law. It was felt that public hearings might better be handled by the Utah County Commission if the Commission at its discretion.

The Finance Subcommittee had the full cooperation of the Alpine School District which made its financial records and enrollment and revenue projections available as needed. To assist in the gathering and compiling of financial data, the Marriott School of Management at Brigham Young University was retained under contract to compile the data and focus on the tax impact.

Issues Considered

The Conceptual Benefits of a Smaller District

There are concerns about the Alpine School District becoming too large to adequately respond to the needs of families and communities. It is projected that the Alpine School District will exceed 63,000 student enrollment by 2010.

The division of the school district would encourage and provide greater opportunity for citizen involvement and local control. The proposed Pioneer School District is in a rapidly growing part of Utah County, placing unique challenges upon taxpayers and those responsible to plan, lead, and govern a public school system. A smaller district would mean that those served most directly by public schools in the

area would may be more able to influence the critical decisions needed to operate and pay for the public school system.

Costs and Tax Rates

A smaller school district in a high growth, rural area does not have the tax base of a more mature and commercial area. It is anticipated that many voters in the proposed Pioneer School District would be motivated strictly by the potential impact of tax rates to oppose the creation of the new district, while those residing in the other parts of the existing Alpine School District may favor the transfer of the tax burden to those “causing” the problem.

It was projected that property tax rates assessed by the proposed Pioneer School District would need to increase to sustain the Pioneer School District at an equivalent program level to the current Alpine School District. By 2010, property owners in the proposed Pioneer School District would be paying 40% more in property taxes to the school system than they would if the area remained within the Alpine School District. Since approximately 60% of property taxes are attributable to the school district portion, this translates into a total property tax increase of approximately 24% on an individual property. (See Finance Subcommittee Report and the Marriott School Feasibility Study for greater detail.)

Impact on School District Employees

Changes such as those proposed are unsettling to employees not feeling secure about their future. Would there be a migration of teachers from the Pioneer School District to the residual Alpine School District with the Pioneer School District ending up with the younger, less seasoned and lower paid employees? School district employees not wanting to transfer may want to take early retirement rather than accept the risks associated with employment in a startup Pioneer School District. What would happen to employment contracts, benefits, seniority, etc.?

Even so, attempting to predict what employees might individually decide to do in response to a district division would be problematic, as the factors going into each employee’s decision would vary from employee to employee.

The Committee found that the factors in favor and the factors in opposition to the creation of a Pioneer School District might be summarized as noted below. Many

of these factors are difficult to quantify and tend to be more theoretical or subjective than absolute.

Factors in Favor of the Creation of a Pioneer School District

- Opportunity for more citizen involvement in both districts;
- Enhanced local control;
- Potential for greater responsiveness to unique community needs, expectations, and preferences;
- Brings greater community focus upon the consequences of growth;
- Opportunity to create a new business model for public school operations;
- New leadership opportunities;
- If the need for a division is inevitable at some point, why not now?;
- Reduced tax rates in residual Alpine School District;
- Potential for a new district to not have to deal with exclusive union representation; and
- The taxed and benefited are brought closer together.

Factors in Opposition to the Creation of a Pioneer School District

- Potential reduction in programs in new district due to budget limitations;
- Probable increased tax rates for property owners in the proposed new district;
- Lack of clarity in law creating a messy transition;
- Likely legal challenges (both legitimate and obstructionist);
- Probable migration of some teachers and administrators among schools impacting existing relationships between faculty and families;

- Unsettling to district employees and long standing professional and personal relationships;
- One time costs (financial and in time) involved in division implementation;
- Unknown costs for district administrative and maintenance facilities; and
- More detail may be found in the two subcommittee reports found in Sections III and IV.

Recommendation

By a vote of five to one (with one member abstaining) the Ad Hoc Advisory Committee recommends to the Utah County Commission that the proposed Pioneer School District not be created at this time.

Impediments to a School District Division

In the process of its work, the Committee has noted an issue of concern regarding current public policy:

It is unclear in both the law and contract how employees currently employed with Alpine School District but who could become employees of the new district are to be treated in terms of their termination of employment with Alpine School District. (See Robert Moore's opinion letter under Appendix A.) Would Alpine School District have to treat an employee leaving Alpine School District but continuing with Pioneer School District under the same compensation plan (guaranteed by law for the first year) as being entitled to severance pay normally associated with a reduction in force? Were this to be necessary by law or contract, it would seem to be inequitable and penalize both the Alpine School District and the employees who choose to remain with Alpine School District.

The Utah State Legislature needs to clarify this and other related employee issues in law so that when the merits of the situation would otherwise warrant a

division of a school district that the employees may be fairly treated while the interests of the public are respected and the potential of litigation is minimized.

Important Disclaimer

It has been necessary for the Committee to make a large number of assumptions before drawing its conclusions and making its recommendations. It is important for the County Commission and the public to understand the limits naturally placed upon our endeavors and the difficulty in making projections into the future with any degree of confidence.

For the purposes of its work, the Committee assumed that the basic costs and organizational structure for a new Pioneer School District would not be significantly different than now exists in the Alpine School District. Though an assumption with inherent risks, it seemed to be the practical beginning point.

The Committee cannot bind the hands of future school boards as to how they might choose to address the wide range of issues involved in school district operations. The increased use of charter schools, outsourcing of various services, leaning down or expansion of administrative overhead, changes in architectural designs, and changes in school and classroom sizes, are all variables and possible approaches that could be considered by future boards, the potential impact of which this committee has not attempted to address.

Whether or not a new school district is created, there can be no guarantees what future school boards or lawmaking bodies (city, county, state, or national) will do to positively or negatively impact the quality and cost of education. The very nature of the political process in a free society produces risks and uncertainties. Rapid changes in school board membership, changes in population trends, law, economy, court rulings, lawsuits, or labor union action, could all have positive or negative impact.

SECTION III.

PUBLIC INPUT SUBCOMMITTEE REPORT

Mandate

The Public Input Subcommittee (the Subcommittee) was tasked with gathering information from the general public and from several specific groups. Those groups are outlined in UCA 53A-2-118(3)(b)(i)(A-E) and are as follows:

- those requesting the creation of the new district (the Petitioners);
- the school board and school personnel of the existing school district;
- those citizens residing within the geographical boundaries of the existing school district;
- the State Board of Education; and
- other interested parties.

Description of Work Efforts

To achieve this mandate, the Subcommittee employed various means to gather input. Meetings were held between the Subcommittee and the groups that were required by the state law. An online survey received opinion and comment. Correspondence was received from several interested parties.

Petitioners

A meeting was held on May 27, 2004, between the Petitioners and the Subcommittee. Six representatives of the original petitioners were in attendance. The Subcommittee outlined the Ad Hoc Committee's (the Committee) directives as

outlined in the state law. The Petitioners presented oral and written comments regarding their desire for a division of the district. Their written comments may be found in Appendix D of this report.

There are several issues that are important to the Petitioners. All are related to their desire to have the best educational experience for their children. Many of the Petitioners feel that Alpine School District has grown too large and is unresponsive to their needs. They believe that having only one board member from their area does not provide adequate representation for their issues. A smaller district would bring control of the schools back to their community. Along with the control issue, a smaller district would allow them to control curriculum. There are comments among Petitioners regarding the merits of the Investigations Math program and a perceived non-responsive attitude from the Board. There are those among the Petitioners that believe that the current district has grown beyond its ability to function properly. This was stated as being consistent with the “Law of Diminishing Returns.” A split would allow the districts to return to a size that would allow maximum productivity without the burden of a large bureaucratic organization.

One of the leaders of the drive to split the district has been Representative David Cox. Mr. Cox presented material to the Committee giving his view that a smaller district would lead to increased educational opportunities for the children of the districts. It is his belief that the smaller districts would lead to smaller schools that would bring accountability, safety, academic improvement, parental involvement, connectedness, and better teacher retention.

When the Subcommittee presented the Petitioners with the estimated tax increases that might be imposed on the residents of the Pioneer School District, they remarked that the increase would be worth the return on a better education.

Alpine School District Board of Education

The Alpine School District Board of Education (the Board) chose to remain neutral in this investigation process. The Board offered no opinion as to the merits to or reasons not to split the district. The Board, however, did provide the Committee with every resource available. The Board provided financial information, student populations, and growth projections. These data were used by the Financial Subcommittee to help with their mandates.

Alpine School District Personnel

A meeting was held on May 27, 2004, between the leadership of the administrative employees union, the teachers union, and the classified employees union and the Subcommittee. The Subcommittee outlined the Ad Hoc Committee's (the Committee) directives as outlined in the state ordinance. The employee unions presented oral and written comments regarding their desire that the district remain as presently constituted. They strongly believed that a split would not be in the best interest of children, patrons, taxpayers or employees. Their written comments through the Alpine Education Association (AEA) may be found in Appendix D of this report.

Many of the comments from the employee associations are centered on the unknown situation for employees of the new district. State law only requires that the employees retained by the new district keep their salaries for one year after the split. The members of these associations have contracts that reflect many years of negotiation. They are unwilling to gamble their livelihood on this division.

There have been comments by the associations that should the split occur and a reduction in force be used as the means to pare down employees, that litigation would follow. The cost to the districts for litigation of employee contracts has not been factored into the proposed costs for the division.

Utah State Board of Education

The Committee requested input from the State Board of Education (State Board) through a letter dated January 15, 2004. The State Board responded on January 30, 2004. In their response, the State Board provided a list of questions that would need to be answered in order to make a knowledgeable decision regarding the proposed division of the district. These questions centered on the structure, facilities, services and finances of the proposed district. The financial questions have been answered in the report prepared by the Marriott School of Management. The other questions regarding the structure of the proposed district could only be answered after the district's creation. The letters to and from the State Board of Education may be found in Appendix D of this report.

Other Interested Parties

Many other interested parties responded in writing to the Subcommittee's request for public input. This input was generally critical of and in opposition to the proposal.

Legal counsel for the owners of the Traverse Mountain Project (land developers) "strongly oppose" the split believing it would "hurt property values" within their project. Others criticized the proposal based on its financial (tax and bond) impacts, the disproportionate resulting tax bases of the proposed old and new districts, their belief that accepting the proposal would deteriorate the existing quality of education within the Alpine School District and that it would in fact produce larger class sizes, less educational opportunity for students, would result in difficulty attracting and retaining quality teachers in the new proposed school district and other intangible, negative externalities.

Others supported the proposal, citing increased local authority for administration, buildings, transportation, boundaries, class size, curriculum and teacher relations as expected favorable outcomes.

All of the written responses are reproduced verbatim in Appendix E of this report.

Summary of On-line Survey

An online survey was conducted over the four month period from February to June 2004. The purpose of the survey was to accept public input from individuals who reside within the boundaries of the Alpine School District. An online survey was determined to be the most efficient method for receiving public input. The survey questions were approved by the full Ad Hoc committee on January 14, 2004. Those individuals that wanted to participate in public input, but did not have access to the internet, were instructed to send a letter to Geneel Scott in the Utah County Offices.

Several key assumptions, parameters, and observations of the survey were determined by the full Ad Hoc Committee as well as the Public Input Subcommittee.

- The survey was not intended to be a true scientific study or statistically accurate, nor intended to be a statistical projection or representation of how the voters of the Alpine School District would vote if this issue were to be placed on the ballot.
- There were no limits to number of times a person could take the survey, although there were no indicators that there was any wide spread attempt to skew the results of the survey or to attempt to ‘stuff the ballot box’.
- Despite the notices in the newspapers and being on the front pages of the Utah County web site, there were 1,281 respondents. That number could have been much higher with improved publicity.
- Those opposed to the creation of the proposed Pioneer School District appear to have been better organized in informing their supporters of the existence of the survey.
- A number of questions could have had better wording or additional options. One example is that there was not an option to identify a parent who had one or more children that were too young to attend school but will attend the Alpine School District when old enough.
- A significant portion of the respondents took the survey prior to the financial analysis being complete and reported in the local media on May 27, 2004. This may indicate that the respondents based their choices on incomplete data analysis, rumor, or emotion. Also, as there were inaccuracies in the local media, including the initial report of a 90% increase in property taxes, some of the results may be based on inaccurate data.
- There were some display limitations to the Utah County web site survey functionality that required the public input committee to present some questions differently than planned.

Survey Description

The following wording described the survey that was available online for 4 months from February – June 2004 at www.UtahCountyOnline.org:

The Ad Hoc Committee is currently conducting a survey addressing matters dealing with the division of the Alpine School District to create a new school district including Cedar Fort, Eagle Mountain, Saratoga Springs, and Lehi, and excluding these areas from the current Alpine School District. Citizens interested in the statutory process are encouraged to refer to Utah Code available here ([link to Online Utah Statute 53A-2-118](#)).

It is interesting to note that throughout the four- month survey period from February 2004 to June 2004, the results were consistent with approximately 80% opposing the creation of the proposed Pioneer School District.

The survey questions and statistical break down and charts are summarized in the following pages.

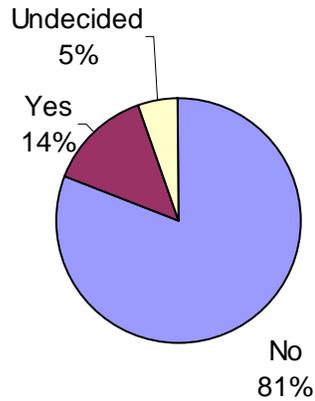
QUESTION 1

Question: Do you support the creation of the proposed Pioneer School District from the existing Alpine School District that is the boundaries of the Lehi High School?

Results:

	<u>Respondents</u>	<u>Percent</u>
Answer: No	1037	81.0%
Answer: Yes	175	13.7%
Answer: Undecided	69	5.4%
	<hr/> 1,281	

Question 1: Do you support the creation of the proposed Pioneer School District from the existing Alpine School District that is the boundaries of the Lehi High School?



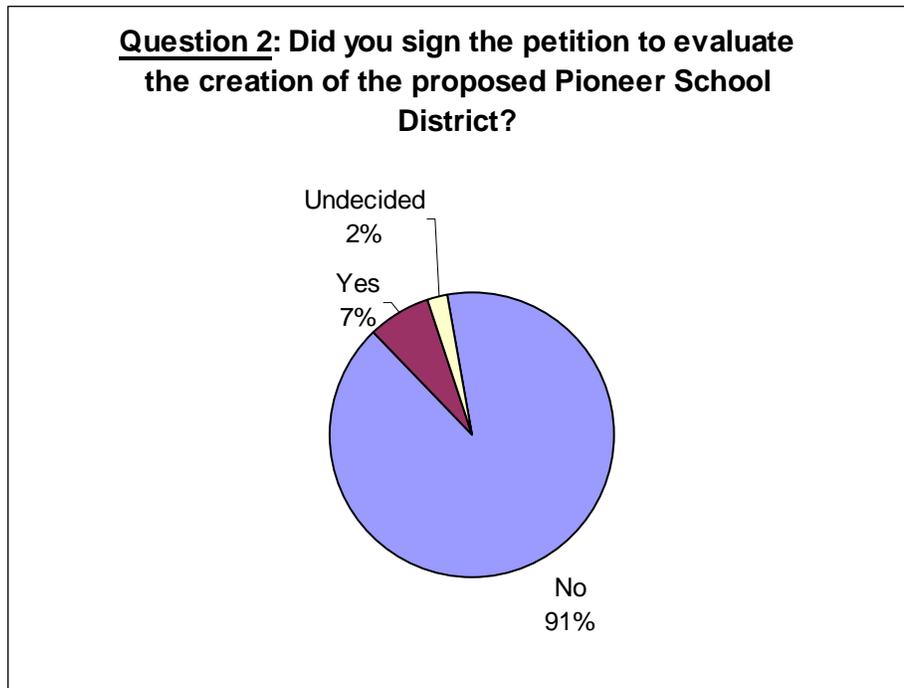
QUESTION 2

Question: Did you sign the petition to evaluate the creation of the proposed Pioneer School District?

Results:

	<u>Respondents</u>	<u>Percent</u>
Answer: No	1143	89.2%
Answer: Yes	92	7.2%
Answer: Don't Know	29	2.3%
	<hr/> 1,264	

Note: It is interesting to note that 92 respondents claimed to have signed the original survey (of which there were over 1200) but as reported in Survey Question 1, there were 175 respondents that support the creation of the proposed Pioneer School District.



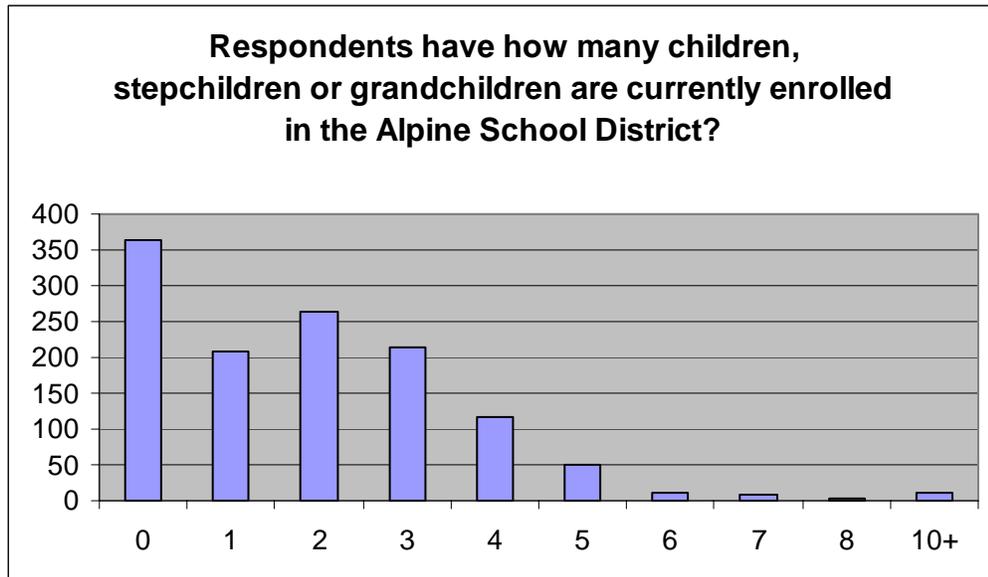
QUESTION 3

Question: How many of your children, stepchildren or grandchildren are currently enrolled in the Alpine School District?

(This question was identified to not have an option for children that are too young to be enrolled in the Alpine School District, but will attend schools within the Alpine School District boundary when old enough.)

Results:

	<u>Respondents</u>	<u>Percent</u>
Answer: None	364	29.0%
Answer: 2	265	21.1%
Answer: 3	215	17.1%
Answer: 1	207	16.5%
Answer: 4	118	9.4%
Answer: 5	51	4.1%
Answer: 6	12	1.0%
Answer: 10 +	11	0.9%
Answer: 7	7	0.6%
Answer: 8	4	0.3%
	<hr/> 1,254	

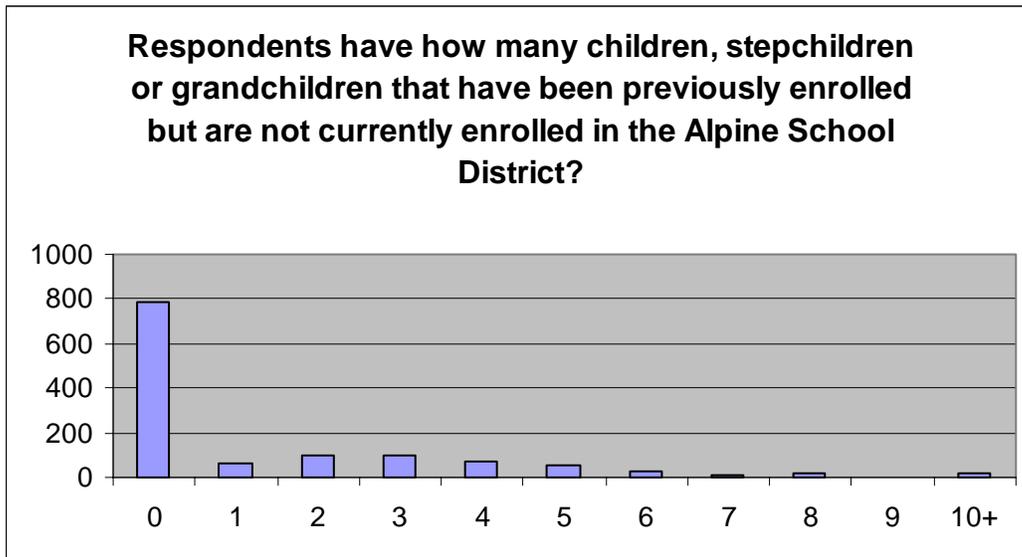


QUESTION 4

Question: How many of your children, stepchildren or grandchildren have been previously enrolled but are not currently enrolled in the Alpine School District?

Results:

	<u>Respondents</u>	<u>Percent</u>
Answer: None	790	62.99%
Answer: 3	102	8.1%
Answer: 2	99	7.9%
Answer: 4	69	5.5%
Answer: 1	66	5.3%
Answer: 5	52	4.1%
Answer: 6	29	2.3%
Answer: 10 +	22	1.87%
Answer: 8	14	1.1%
Answer: 7	11	0.9%
Answer: 9	2	0.2%
	<hr/> 1,256	

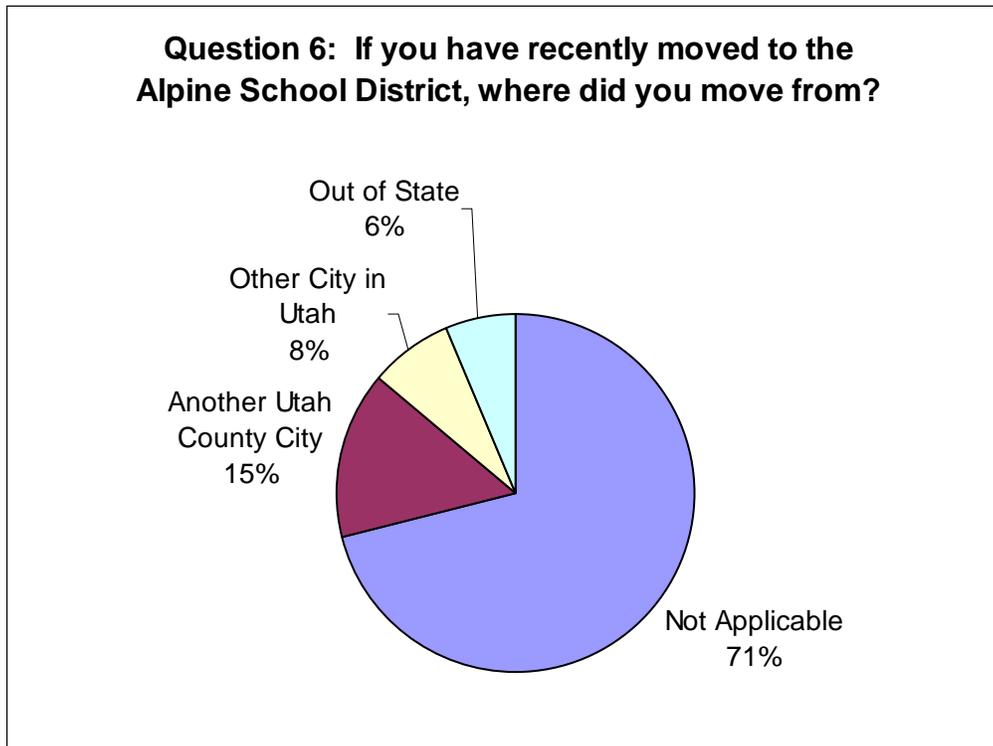


QUESTION 5

Question: If you have recently moved to the Alpine School District, where did you move from?

Results:

	<u>Respondents</u>	<u>Percent</u>
Answer: Not Applicable	890	71.1%
Answer: Another Utah County City	187	14.9%
Answer: Other City in Utah	95	7.6%
Answer: Out of State	79	6.3%
	<hr/> 1,251	

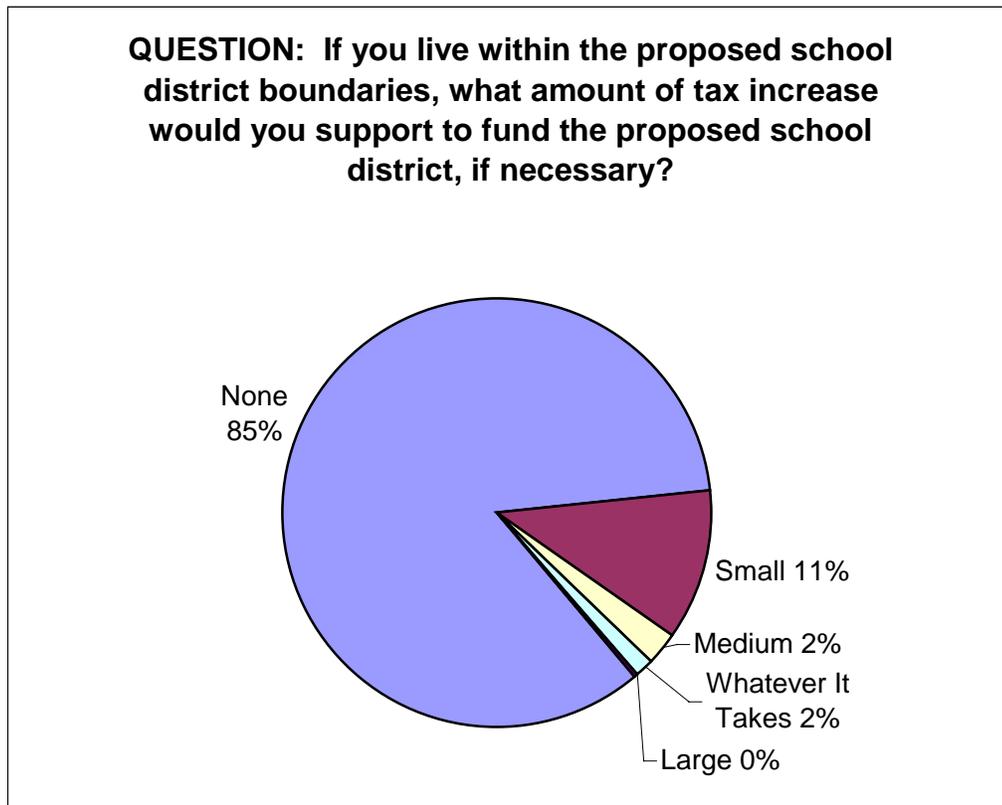


QUESTION 6

Question: If you live within the proposed school district boundaries, what amount of tax increase would you support to fund the proposed school district, if necessary?

RESULTS:

Answer: Not Applicable—I do not live within the proposed school district boundaries	236	
Answer: None	851	84.5%
Answer: Small Increase	115	11.4%
Answer: Medium Increase	23	2.3%
Answer: Whatever It Takes...	16	1.6%
Answer: Large Increase	2	0.2%
	<hr/> 1,007	



QUESTION 7

In this next section, please select your top 5 most important issues related to the proposed creation of a new, smaller school district within the Lehi High School boundaries.

Question: Your most important (out of 5) issue:

	<u>Respondents</u>	<u>Percent</u>
Answer: R. (Maintain ASD) Maintaining the Alpine School District as it is.	237	18.8%
Answer: A. (Taxes) Lowest possible taxes necessary to support education.	224	17.8%
Answer: C. (Efficiency) Most efficient use of education dollars.	202	16.0%
Answer: G. (Academic) Academic opportunities for students.	126	10.0%
Answer: E. (Salaries) Salaries and benefits of teachers, administrators and employees.	91	7.2%
Answer: U. (Education Quality) Quality of educational opportunities.	80	6.4%
Answer: K. (Class Size) Smaller class sizes.	60	4.8%
Answer: V. (Teacher Quality) Quality of Teachers	41	3.3%
Answer: D. (Dollars Per Student) Amount of dollars spent per student.	41	3.3%
Answer: S. (Split ASD) Splitting the Alpine School District.	23	1.8%
Answer: F. (Tenure) Tenure of teachers, administrators and employees.	23	1.8%
Answer: T. (Assets and Debt) Fair and equitable dividing of debt and school district assets.	19	1.5%
Answer: M. (Small District) Smaller school district.	14	1.1%
Answer: O. (Local Control) Local or community control of school programs and curriculum.	14	1.1%
Answer: B. (Tax Reduction) Reduce taxes regardless of impact on education.	14	1.1%
Answer: J. (Facilities) Improved education facilities including new facilities, renovated facilities and expanded facilities.	12	1.0%
Answer: N. (Parental Control) Parental control and guidance for school programs and curriculum.	10	0.8%
Answer: H. (Special Needs) Programs for students with special needs.	10	0.8%

Answer: P. (Investigations) "Investigations" math curriculum.

8 0.6%

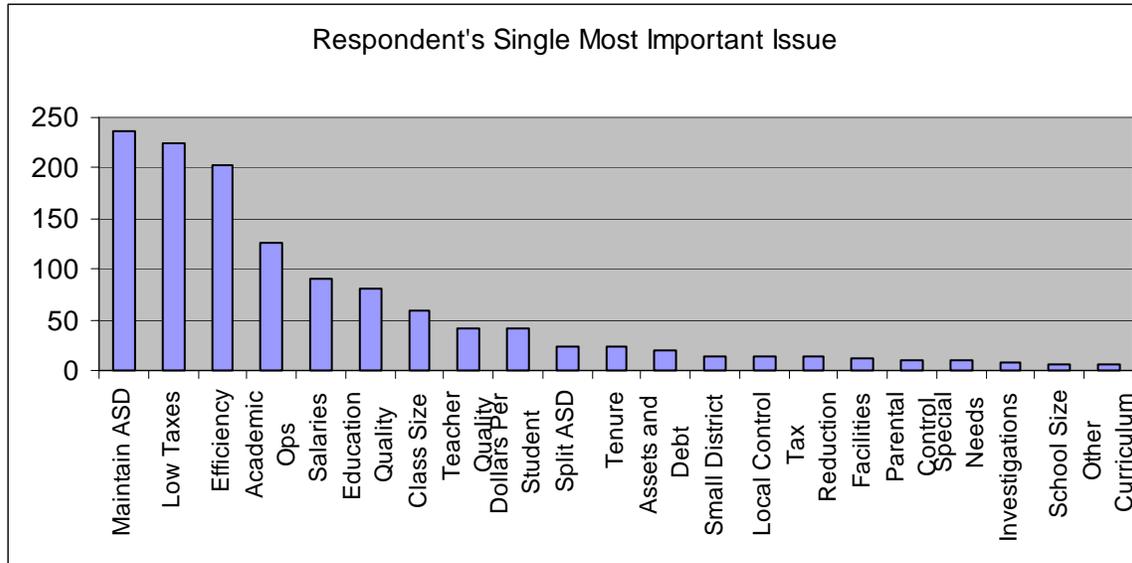
Answer: L. (School Size) Smaller school size.

5 0.4%

Answer: Q. (Other Curriculum) Other educational curriculum including gifted programs, ESL, Spanish immersion, Knowledge Bowl...

5 0.4%

1,259



The remaining questions were devised to determine the 2nd through 5th most important issues. The results are summarized below.

Question: Your second (out of 5) most important issue:

	<u>Respondents</u>	<u>Percent</u>
Answer: C. (Efficiency) Most efficient use of education dollars.	187	15.1%
Answer: A. (Taxes) Lowest possible taxes necessary to support education.	161	13.0%
Answer: G. (Academic) Academic opportunities for students.	147	11.8%
Answer: E. (Salaries) Salaries and benefits of teachers, administrators and employees.	122	9.8%
Answer: K. (Class Size) Smaller class sizes.	89	7.2%
Answer: R. (Maintain ASD) Maintaining the Alpine School District as it is.	87	7.0%
Answer: U. (Education Quality) Quality of educational opportunities.	86	6.9%
Answer: V. (Teacher Quality) Quality of Teachers.	83	6.7%
Answer: D. (Dollars Per Student) Amount of dollars spent per student.	56	4.5%
Answer: F. (Tenure) Tenure of teachers, administrators and employees.	49	3.9%
Answer: J. (Facilities) Improved education facilities including new facilities, renovated facilities and expanded facilities.	29	2.3%
Answer: T. (Assets and Debt) Fair and equitable dividing of debt and school district assets.	27	2.2%
Answer: H. (Special Needs) Programs for students with special needs.	19	1.5%
Answer: O. (Local Control) Local or community control of school programs and curriculum.	17	1.4%

Answer: B. (Tax Reduction) Reduce taxes regardless of impact on education.	15	1.2%
Answer: N. (Parental Control) Parental control and guidance for school programs and curriculum.	14	1.1%
Answer: S. (Split ASD) Splitting the Alpine School District.	12	1.0%
Answer: P. (Investigations) "Investigations" math curriculum.	10	0.8%
Answer: Q. (Other Curriculum) Other educational curriculum including gifted programs, ESL, Spanish immersion, Knowledge Bowl...	9	0.7%
Answer: L. (School Size) Smaller school size.	8	0.6%
Answer: I. (Athletics) Sports and athletic competition opportunities for students.	8	0.6%
Answer: M. (Small District) Smaller school district.	6	0.5%
	1,241	

Question: Your third (out of 5) most important issue:

	<u>Respondents</u>	<u>Percent</u>
Answer: G. (Academic) Academic opportunities for students.	149	12.4%
Answer: C. (Efficiency) Most efficient use of education dollars.	126	10.5%
Answer: K. (Class Size) Smaller class sizes.	119	9.9%
Answer: E. (Salaries) Salaries and benefits of teachers, administrators and employees.	114	9.5%
Answer: A. (Taxes) Lowest possible taxes necessary to support education.	100	8.3%
Answer: R. (Maintain ASD) Maintaining the Alpine School District as it is.	82	6.8%
Answer: V. (Teacher Quality) Quality of Teachers.	75	6.3%

Answer: U. (Education Quality) Quality of educational opportunities.	75	6.3%
Answer: D. (Dollars Per Student) Amount of dollars spent per student.	69	5.8%
Answer: J. (Facilities) Improved education facilities including new facilities, renovated facilities and expanded facilities.	58	4.8%
Answer: F. (Tenure) Tenure of teachers, administrators and employees.	46	3.8%
Answer: H. (Special Needs) Programs for students with special needs.	40	3.3%
Answer: T. (Assets and Debt) Fair and equitable dividing of debt and school district assets.	25	2.1%
Answer: Q. (Other Curriculum) Other educational curriculum including gifted programs, ESL, Spanish immersion, Knowledge Bowl...	23	1.9%
Answer: O. (Local Control) Local or community control of school programs and curriculum.	17	1.4%
Answer: S. (Split ASD) Splitting the Alpine School District.	15	1.3%
Answer: P. (Investigations) "Investigations" math curriculum.	15	1.3%
Answer: M. (Small District) Smaller school district.	13	1.1%
Answer: N. (Parental Control) Parental control and guidance for school programs and curriculum.	13	1.1%
Answer: L. (School Size) Smaller school size.	12	1.0%
Answer: I. (Athletics) Sports and athletic competition opportunities for students.	10	0.8%
Answer: B. (Tax Reduction) Reduce taxes regardless of impact on education.	4	0.3%
	1,200	

Question: Your fourth (out of 5) most important issue:

	<u>Respondents</u>	<u>Percent</u>
Answer: K. (Class Size) Smaller class sizes.	119	10.2%
Answer: E. (Salaries) Salaries and benefits of teachers, administrators and employees.	109	9.3%
Answer: G. (Academic) Academic opportunities for students.	108	9.2%
Answer: C. (Efficiency) Most efficient use of education dollars.	107	9.2%
Answer: R. (Maintain ASD) Maintaining the Alpine School District as it is.	91	7.8%
Answer: V. (Teacher Quality) Quality of Teachers.	90	7.7%
Answer: U. (Education Quality) Quality of educational opportunities.	87	7.4%
Answer: D. (Dollars Per Student) Amount of dollars spent per student.	72	6.2%
Answer: J. (Facilities) Improved education facilities including new facilities, renovated facilities and expanded facilities.	71	6.1%
Answer: A. (Taxes) Lowest possible taxes necessary to support education.	68	5.8%
Answer: H. (Special Needs) Programs for students with special needs.	46	3.9%
Answer: T. (Assets and Debt) Fair and equitable dividing of debt and school district assets.	40	3.4%
Answer: F. (Tenure) Tenure of teachers, administrators and employees.	33	2.8%
Answer: I. (Athletics) Sports and athletic competition opportunities for students.	26	2.2%

Answer: Q. (Other Curriculum) Other educational curriculum including gifted programs, ESL, Spanish immersion, Knowledge Bowl...	21	1.8%
Answer: S. (Split ASD) Splitting the Alpine School District.	20	1.7%
Answer: N. (Parental Control) Parental control and guidance for school programs and curriculum.	19	1.6%
Answer: M. (Small District) Smaller school district.	15	1.3%
Answer: P. (Investigations) "Investigations" math curriculum.	10	0.9%
Answer: L. (School Size) Smaller school size.	7	0.6%
Answer: O. (Local Control) Local or community control of school programs and curriculum.	7	0.6%
Answer: B. (Tax Reduction) Reduce taxes regardless of impact on education.	3	0.3%
	1,169	

Question: Your fifth (out of 5) most important issue:

	<u>Respondents</u>	<u>Percent</u>
Answer: A. (Taxes) Lowest possible taxes necessary to support education.	169	13.5%
Answer: G. (Academic) Academic opportunities for students.	102	8.1%
Answer: U. (Education Quality) Quality of educational opportunities.	102	8.1%
Answer: V. (Teacher Quality) Quality of Teachers.	101	8.0%
Answer: R. (Maintain ASD) Maintaining the Alpine School District as it is.	101	8.0%
Answer: K. (Class Size) Smaller class sizes.	91	7.3%
Answer: C. (Efficiency) Most efficient use of education dollars.	87	6.9%

Answer: E. (Salaries) Salaries and benefits of teachers, administrators and employees.	76	6.1%
Answer: D. (Dollars Per Student) Amount of dollars spent per student.	71	5.7%
Answer: J. (Facilities) Improved education facilities including new facilities, renovated facilities and expanded facilities.	69	5.5%
Answer: H. (Special Needs) Programs for students with special needs.	47	3.7%
Answer: F. (Tenure) Tenure of teachers, administrators and employees.	40	3.2%
Answer: T. (Assets and Debt) Fair and equitable dividing of debt and school district assets.	39	3.1%
Answer: I. (Athletics) Sports and athletic competition opportunities for students.	33	2.6%
Answer: P. (Investigations) "Investigations" math curriculum.	23	1.8%
Answer: S. (Split ASD) Splitting the Alpine School District.	22	1.8%
Answer: Q. (Other Curriculum) Other educational curriculum including gifted programs, ESL, Spanish immersion, Knowledge Bowl...	21	1.7%
Answer: N. (Parental Control) Parental control and guidance for school programs and curriculum.	20	1.6%
Answer: O. (Local Control) Local or community control of school programs and curriculum.	14	1.1%
Answer: M. (Small District) Smaller school district.	10	0.8%
Answer: L. (School Size) Smaller school size.	9	0.7%
Answer: B. (Tax Reduction) Reduce taxes regardless of impact on education.	8	0.6%
	1,255	

SECTION IV.

FINANCE SUBCOMMITTEE REPORT

Mandate

In connection with the proposal to create a new school district, and pursuant to Utah Code Section 53A-2-118(3)(b)(ii)(A)&(B), the Ad Hoc Advisory Committee was charged with reviewing data and gathering information on the financial viability of the proposed new school district and on the proposal's financial impact on the existing school district.

To address this part of the committee's responsibility the Committee created a Finance Subcommittee (Subcommittee) of three of its members.

Scope of Work

In order to determine the financial impacts on both the new proposed school district and on the existing Alpine School District, the Subcommittee would develop, or have developed, a methodology for a division of the assets and liabilities of the existing Alpine School District between the two resultant districts at the time of the proposed split, consistent with the statutory provisions of Utah Code Sections 53A-2-120 & 121. Projected operating statements would then be developed, estimating the two districts' revenues and expenses over a five-year period. A principal focus of the projections would be on the impact on local property taxes of each district.

Assumptions Made

The following major assumptions were made in making the financial projections in the subcommittee's analysis:

1. In the division of the assets and liabilities of Alpine School District, the total equity or "net assets" of Alpine School District would be divided

based on the relative assessed valuation of property within the two districts at the time of the split. Asset and liability amounts would be established based on current, generally accepted accounting principles. All real property, and associated equipment, furniture and fixtures would remain in the district in which they currently reside.

2. The new district would operate in a manner similar to the existing Alpine School District, with the same programs and types of facilities. Whatever efficiencies or inefficiencies exist in the operations of the current Alpine School District were assumed to exist in the new district.
3. Property tax revenue in each district was projected to be equal to the amount needed to cover the amount of district expenses which were not projected to be covered with federal, state or other revenues.
4. Growth in taxable property valuations in each district for the future five-year period were projected based on the growth in those valuations over the last five years.
5. Rates of growth in student population used in the projections were obtained from Alpine School District. Operating costs of the districts, as well as many federal and state revenues, were projected to increase proportionately with the increase in enrollment.
6. All levels of personnel costs in the new district, including salaries and all financial benefits (i.e., retirement, health insurance, leave, etc.) have been projected to be the same as they are in the Alpine School District, for each of the years in the projections.
7. The impact of a proposed school district split on residential property tax rates would be a major factor in residents' decision of whether to support the split.

Marriott School Study

In order to achieve the scope of work as outlined above, the Committee engaged, by written agreement, the services of Brigham Young University, through its Marriott School of Management, Field Studies Program, to conduct a study and

make the financial analysis as outlined above, using the assumptions noted. The study was conducted by a group of three graduate students and was overseen by Mark Thomas, director of the field studies office, as well as by Janice Houston, the director of research for the Utah Foundation. Their complete study is available in the Utah County offices.

Factors Not Considered in the Study

No inflationary factor was considered in the financial projections of either district.

Taxable values of properties currently located within the boundaries of redevelopment areas have not been included in the assessed valuations for property tax calculation purposes. Per Alpine School District, RDA properties in the District represent over 7% of the property value in their boundaries.

The possible impact of increased property tax rates on communities' ability to attract and retain commercial/industrial businesses has not been factored into the growth in taxable property valuations.

Other

Per Alpine School District, the cost to the State of Utah for the creation of a new school district is estimated conservatively at \$260,000 in additional funding. This amount would have to come from newly appropriated money from the State, or be taken from the remaining districts at an average approximate amount of \$6,500 per district.

Summary of Findings

Based primarily on the results of the BYU Marriott School study, the following projections have been made as to the impact on property taxes in the two resultant school districts, should the proposed split of Alpine School District occur:

1. By the year 2010, the school district portion of property taxes in the proposed new school district would be approximately 40% higher than what they would be if the split did not take place.
2. By the year 2010, the school district portion of property taxes in the remaining portion of the current Alpine School District would be approximately 11% lower than what they would be if the split did not take place.

School district property taxes have historically been approximately 60% of the total property taxes assessed on properties in the existing district.

We noted significant concerns on the part of current Alpine School District employees as to the uncertainty surrounding the ongoing level of salary and benefits for employees in the new district. In section 53A-2-116 of the Utah law allowing for the creation of a new school district, the salary, leave and tenure of employees transferred to the new school district are guaranteed for only the first year after the split. No guarantee is made relative to other benefits. The concern seemed to be based, in part, on the perception that the new school district may not be able to afford to maintain current compensation levels, due to insufficient property tax base.

There are related concerns on the part of Alpine School District as to the impacts of the proposed split on current ASD employees, including whether the transfer of a large number of employees to the new school district would have to be handled pursuant to ASD's current negotiated 'reduction in force' requirements. This may translate into the average tenure of employees in the post-split ASD increasing significantly, thus increasing personnel costs.

SECTION V.
COMMENTS FROM COMMITTEE
MEMBERS

The following comments were submitted by the individual committee members and reflect their individual views and perspectives on the matters and issues considered by the Committee.

Denton Alexander

It has been a pleasure to serve on this committee. I have a great deal of respect for each member of the committee and their contributions to this effort. I especially appreciate and admire the leadership provided by the committee chairman, Gaylord Swim.

Given the reality of the proposed new school district area having a significantly higher percentage of the enrolled students in the current Alpine School District area than they have of the total taxable assessed property valuation in that area, property taxes would have to be higher in the new school district in order to reasonably support a similar educational program. This conclusion is supported not only by the independent study performed by the BYU Marriott School of Management group, but also by calculations done by Alpine School District.

There are other major problems with the proposal resulting from what I consider to be deficiencies in the enabling statute. In section 53A-2-116 of the Utah law allowing for the creation of a new school district, the salary, leave and tenure of employees transferred to the new school district are guaranteed for only the first year after the split. No guarantee is made relative to other benefits. The uncertainty this understandably creates in the minds of district employees has to be a source of stress and worry. It would likely have a significant effect on the new district's ability to attract and retain competent teachers and other employees. There are also legal issues that remain unresolved as to how the assets and liabilities of the current district would be divided.

The responses received by the committee from the various groups and organizations have been overwhelming against splitting the district.

While I believe there are significant possible benefits that could result from a smaller school district, many of which have been reviewed by the committee, I don't believe it is financially feasible currently to create the new school district as proposed. My vote is against recommending the creation.

David Cox

My vote and recommendation to the County Commission is that the Pioneer School District Proposal be placed on the ballot for the approval of the voters. The people as a whole have a right to make this decision. Small groups with vested interests or ulterior motives should not decide the issue.

More Efficient in The Long Term

The Alpine District is not the largest district in the state or nation, though it is 4th largest in the state and among the largest 100 out of 14,000 districts nationwide. Alpine is not a "problem" district as compared to many big city districts. However it is growing fast with over 50,000 students. Many studies have shown that economies of scale are U-shaped. Too small and too large are more expensive.

Nationally, larger districts put a smaller percentage of their revenue directly to the classroom. They have a larger bureaucracy. Some have said they become more of a social agency than an educational agency. In big districts people think the district is the "deep pocket" and can afford another program or funding can be taken from another "richer" side of the district. Consequently, the only way to contain the ever-increasing growth in programs and costs for education is to bring it back to the local community level, where citizens are less likely to pick their neighbor's pocket for another program. Some have said that "school community councils" bring local control. However this is not the case. They have neither real power nor responsibility. They don't control budgets, taxes, curriculum, or personnel. They are merely a nice way to get buy-in from the patrons.

The financial study done by BYU students gave the false idea that voting for this division increases taxes. Dividing the district does NOT raise taxes. Taxes would

not be raised unless people elected board members that were willing to raise them or by a vote of the people. Even if the study were accurate, it does not change my opinion, because of the value of local control and involvement and what the studies show of the product of smaller districts. However, I do have problems with the value of the study because it did not research what the revenues really would be, so no choices can be made from the study. It did not conclusively establish what the tax base would really be. Nationally, big districts are more expensive. In Utah there is little difference in administrative cost per student between large and smaller districts unless they are smaller than 1000 students. If charter schools can do it effectively with NO tax base why could we not do it WITH our tax base?

Smaller Schools Needed Than Alpine Is Providing

Research says that while all groupings are benefited, numerous studies particularly point to the fact that lower-income areas are the most benefited by having smaller districts. My own studies of Utah test scores included on my website show this to be the case <www.smallerschools.org>.

There is even more research supporting the absolute need to build smaller schools to bring accountability, safety, less violence and crime, academic improvement, parental involvement, connectedness, and even teacher retention. This is combined with the fact that the most accurate predictor of school size is district size (i.e., the larger the district, the larger the schools). This is proving more and more to be true in Alpine School District. To get enough votes to pass a bond requires the district to build something for everyone. This means larger schools even in the non-growth areas. In similar growth areas in the country, this has eventually led to schools of three to five thousand students. We already have elementary schools of over 1400.

School district average size nationally is about 2500 students. Pioneer School District would be over 8,000 students and would be bigger than two-thirds of the districts in Utah. It would be just smaller than Tooele School District. It would have the challenges of growth, as does Tooele School District. This can be handled by the use of K-8 or 7-12 grade buildings. These models are being implemented nationwide because they are more economical, closer to the neighborhoods (less transportation costs), have better behavior, test scores, and students even do better in college afterward.

Now Is The Time

Some have said that we need to divide, but that now is not the time. They say wait until we have more tax base or some other reason. Now IS the time. The window of opportunity is open. If this proposal fails, I believe we will not get another chance. No one will sacrifice all that time and their reputation again. Much as I hate to mention it, once passed it can be reversed. Districts can be consolidated. However, once citizens get a taste of freedom I doubt they will want to give that up.

There is desire nationwide to divide large districts. People have been trying to split Los Angeles and Las Vegas and many other places for years and have not been able to because they are already way too big. The bigger the district gets, the bigger becomes the political networks and unions determined to fight the split. While several district divisions have taken place in the last 20 years, they have all been smaller districts that don't have that big networks in place to kill the movement. Hence, the bigger a district is, the harder it is to split it, even though the need is greater.

There will always be reasons thought up to oppose it by those fearful their jobs would not be needed. Thus, if we understand the governance issue and agree that it is right and needed at some point in time, we need to take the chance when it is given or it won't be offered again. If we wait until some later date to attempt this, the exact same arguments will be made against it from some other side of the district. They will be afraid it will hurt them. The longer we wait, the harder it will be to divide, even though more obviously needed.

Charter Schools Are Already Dividing The District

The district is already starting to be split by means of charter schools. If trust is not regained toward public education by giving the governance back to the people in local communities (the real owners of the schools), these basically single-school districts will continue to multiply, as will private schools. If the district is not divided into organized, community-by-community districts, it will be done anyway, in a fragmented way; piece by piece, in a more disjointed fashion that will not serve the citizens as well and will ultimately cost more than dividing the district.

Our bodies would not function better as one big cell. To grow, we must divide. If our founding fathers had worried about whether it was financially viable to break with Britain, or if they had thought that the timing was not right, we would not be a country today. It could not have happened later. This district division is based on

correct principles. It is the right thing for our area. It is the right thing for Utah. It is right for America, and someone has to be the first.

David Lifferth

As a member of the Ad Hoc Utah County Committee to evaluate the creation of the proposed Pioneer School District and as a parent of five children residing in the boundaries of the proposed school district, after much research, analysis, and soul searching, I have arrived at my decision on my recommendation for the proposed creation of the Pioneer School district.

I am opposed to the creation of the Pioneer School District under the currently defined parameters and assumptions. I am firm in my recommendation that creation of the Pioneer School District **NOT** be put on the ballot in November under the current parameters of the petition and the Utah State statute governing the creation of school districts.

I have made every attempt to keep an open mind and listen carefully to each issue and comments from all stake holders in this important issue. I have attempted to find the salient truths in each presentation, public comment, or data elements. I have avoided becoming calloused to repeated comments and obviously erroneous statements and even personal attacks against committee members and ideological opponents. I have avoided making a personal decision on this matter until the full financial impact has been fully researched. At different times during the past 6 months, I have leaned one way or the other as legitimate and critical information or presentations have been made available to us as committee members.

In describing the logical and rational process that I have gone through that has allowed me to arrive at this conclusion, I would like to identify the following points:

1. There are legitimate education problems and issues that exist within the boundary of the proposed Pioneer School District:
 - a. The Alpine School District has been very slow in responding to the rapid population growth in the Lehi/Saratoga Springs/Eagle Mountain area.
 - b. The Alpine School District has been inflexible in responding to community concerns.

c. The Alpine School District has been inflexible in responding to concerns about curriculum from concerned parents. (I am not in the group of parents that has specific problems with the Investigations math program.)

d. According to my personal research and inquiry, Community Councils in the Lehi/Saratoga Springs/Eagle Mountain have not functioned in the most desirable way.

e. The Alpine School District has been very rigid in its one-size-fits-all educational programs.

2. Given the existence of these legitimate problems and issues:

a. The Alpine School District is among the most efficient and best managed large school districts in the nation. This is very desirable from voter's and taxpayer's point of view.

b. The Alpine School District is challenged with managing vastly different and dynamic communities, varying from declining enrollment in some areas to the rapid growth of the Lehi area.

c. The Alpine School District, while slow to respond, has responded to the enrollment growth with in the Lehi area with i) Lehi High School expansion; ii) new Willow Creek Middle School, new Elementary Schools of Freedom, Snow Springs, Pony Express; iii) and soon to be opened Eagle Valley, and Saratoga Shores Elementary.

d. The outcome of this feasibility evaluation would have a very different result if the Alpine School District did not have its financial house in order and was the model of efficient school administration and management of public education dollars.

3. The creation of the proposed Pioneer School district, while noble and honorable in it's objectives will fall short of reaching its goals because:

a. The projected increases in the portion of property taxes dedicated to education will have to go up by 40% or more by 2010. This is a 'pocket book' issue for the vast majority of voters in the affected area. Very few will vote for a tax increase without a clearly defined increase in education benefits.

b. The geographic boundary of the proposed Pioneer School District is its worst impediment. Purchases outside of the affected area will end up as property taxes outside of the affected area, thereby removing the educational benefits to residents in the affected area.

c. Additionally, within the geographic boundaries of the proposed Pioneer School District, there is a dearth of large industrial and commercial tax base.

4. While there are legitimate problems that have been identified by the petitioners and the supporters of the creation of the new school district, there has been no established link between the very real problems that exist and any degree of certainty that the proposed school district can solve these problems.

a. There is no certainty that school size will decrease, but there are indicators that schools will stay the same size or increase in size as funding for building schools will be an economic decision made by the future, as yet undetermined, school board.

b. There is no certainty that classroom size will decrease, but there are indicators that class sizes may increase under the financial limitations of a smaller, less efficient school district.

c. There is no certainty that the curriculum and educational opportunities will improve with the creation of the new school district. Of the three problems identified in this section, this appears to be the most likely of the three to be improved by the proposed smaller school district.

Additional Notes

Whether or not the school district is created, I know that I personally will continue to be involved in the very important responsibility of educating my children.

I have no doubt that IF the creation of the school district is approved by the required percentage of voters, that there will be a protracted legal challenge that will disrupt the education process of our children for an extended period of time. I fear that even in the hypothetical situation that the data and parameters indicated that creation of a new school district would be viable or beneficial, that legal challenges could prohibit this educational benefit from occurring.

The best solution to the identified problems would be, in my estimation, for the Alpine School District to give up a modicum of its efficiency to be a more responsive school district. If the Alpine School District could maintain most of its efficiency, intact strengths, and economy of scale while better recognizing and addressing the needs of its clients (parents, communities, and voters) then the best interests of the education of our students can be realized.

Conclusion

My sentiment is that the parameters for the creation of the proposed Pioneer School District indicate that this would not be beneficial to the quality of education in the Lehi area. My concern is that if this proposal is placed on the November 2004 ballot, even though it has been calculated not to be viable, that it may pass for reasons other than viability and quality of education. This would be detrimental to the quality of education for my children and the other students in the Lehi area.

In conclusion, I recommend that the Utah County Commissioners **NOT** place the creation of the proposed Pioneer School District on the ballot in November 2004. I personally have determined, based on my own research and calculations in conjunction with the evaluation of the committee, that the parameters of the proposed Pioneer School District are not feasible.

Mark Robinson

Having attended the final meeting of the Alpine School District Ad Hoc Committee last night, participating in the vote of that Committee, and reviewing the separate written comments of Mr. Smith, Mr. Willoughby, Mr. Lifferth, and Mr. Cox, I desire to add a few brief comments.

Having voted with the majority, I concur with the recommendation that the separation of the Alpine School District and the creation of the Pioneer School District **NOT** be put on the ballot in November. I concur in the questions raised by Mr. Smith and the comments of Mr. Lifferth and Mr. Willoughby with the exception of Mr. Willoughby's opinion that the matter should still go to public vote. I believe putting the matter to vote would not be productive and would perhaps create wider polarization on emotionally-charged issues which, in my opinion, require greater unity. After careful study, I disagree with the conclusions of Representative Cox that

dividing the existing school district would produce the outcomes that are intended and expected. I believe that, given the state and federal funding mechanisms for public education, and the statutory strictures and State Board of Education rules governing funding, curriculum and employee relations, it is much more likely that, should a division of the Alpine School District be permitted to occur, its effect on teaching and learning in the classrooms would produce opposite results of those intended by the petitioners.

Should others in the future be charged with going through this process, I would urge that the Committee include at least two female members. Having personal experience with a wife and mother who is deeply committed to the education of her children, and admiring her participation in local PTA and school management issues, I would greatly appreciate that point of view and would recommend it to a future committee. It is my experience that dedicated and concerned mothers are closest to the teaching and learning experiences their children have in school, and are the most attuned to the progress their children make in school, including completing of homework assignments, participating in parent/teacher organizations and conferences, and the like.

I wish to publicly state my appreciation to my fellow Committee members and to Geneel Scott and Robert Moore, our capable staff, and to each and every constituency who gave input to the Committee. I believe the qualifications, efforts and intentions of the Committee are exceptional. Its work was completed in a fair and orderly manner with great attention to detail over a long period of time. This deliberative process has, I believe, produced a fair, balanced and comprehensive recommendation to the County Commission.

I share great respect for Representative David Cox and the petitioners. I appreciate the passion and energy which they brought to this process and their participation in it. Special thanks is given to Robert Smith, Assistant Superintendent of the Alpine School District, who, while remaining neutral in the process, never failed to respond promptly and completely to every question posed to the Alpine School District by the Committee.

It is obvious that feelings and passions run deep on both sides of this issue. As a long-time supporter of public education and one involved in the legal issues surrounding public education for over 25 years, and as a parent, a taxpayer, an employer of students educated in the public school system, I would urge both sides of this debate to continue their considerable and passionate efforts to resolve ongoing

issues in a unified and productive way. I believe this will best accomplish the shared desire to provide a world-class education to students of the Alpine School District which will benefit them and society for generations to come.

It has been a pleasure serving on this Committee. I thank the County Commission for this opportunity.

Robert W. Smith

I appreciate the opportunity this report provides to share information regarding the proposed district separation. Throughout the process, I have diligently sought to maintain a neutral position with respect to the separation question. The process, although time consuming, revealed many noteworthy items that significantly complicated the separation issue. I offer the following items, having raised them many times during the process, for readers of this report to consider:

1) Incomplete statute: The statutory language is not complete, leaving many to raise questions and interpret significant questions bearing on this proposal. Absent legal interpretation or strong intent language from the legislature, it is very difficult to answer questions with respect to employee post-retirement benefits, division of employees, and the applicability of collective bargaining agreements. I assume the apparent lack of detail on these issues places the burden and requirement at the local level. Absent of guidance, the conflict created from these issues is extremely problematic for a true assessment of impact on both the new and existing district.

2) Impact to taxpayers: This question has significant bearing on the problem. Before the committee convened, I looked at this issue and estimated an increased tax burden, for the proposed Pioneer District, of approximately 32%. My analysis only looked at the initial year cost (start-up), deferring any projection of future growth, construction and taxes, as a new school board and populace would potentially make those decisions. Student growth yields state revenue increases, coupled with a local taxation requirement to operate and construct new schools. This is a fact many may overlook. Regardless of whether taxes will go up 40% or 90%, the local tax base will feel the burden. In this study, the proposed new district comprises approximately 16.41% of the tax base. However, 85 - 90% of the growth is in the proposed Pioneer District area. Rather than spread the cost of new construction and operations over 100% of the tax base, it will be borne by 16.41%. It is quite clear that the impact is

significant, whatever it truly will be. Reliance on data from other states is problematic as Utah ranks dead last in funding for schools and 9th in our tax burden. Other districts in Utah possess similar characteristics to the proposed district and provide the best example of increased tax rates, growth projections, and the ability to have more “local control” in the district operation. A better comparison may be to assess the impact growth has had on the tax rate of Tooele School District. The BYU study group did some initial projections that may assist readers in a “good” comparison, as Tooele experiences many of the same challenges that a proposed new district would. Smaller districts don’t necessarily equate to smaller schools, class sizes, or other advantages mentioned by many of the petitioners. Smaller schools and class sizes are *only* realized with additional resources and facilities. It may be helpful to question the Utah Taxpayer’s Association on this issue. They may or may not have formed an opinion that may be beneficial in this conversation.

3) Legal problems: It has been mentioned many times that legal remedies are evident should separation occur. Legal solutions will render additional burdens not taken into consideration in the committee’s work. The impact and cost are unknown. However, it will detract significantly from performing the essential functions of school districts, which is to ensure student learning occurs every day.

4) Impact to other districts and the state: Little conversation has centered on the impact to other school districts. In the fiscal note to HB169, written by Randy Raphael on January 17, 2003, it states that the bill “assumes the creation of a new school district out of the existing Alpine District; the same level of achievement and poverty in the specific community served by the new as in the Alpine district as whole”. “The proposal would cost the state an additional \$1.2 million per year to begin – the approximate state share of the difference between the new district’s (*estimated*) expenditures per student...and the Alpine District’s actual expenditures.” The state also utilizes many base funding formulas, recognizing the benefit of economies of scale that large districts have in comparison to small districts (reference the USOE website and expenditures comparisons by district). Adding another district will decrease funds to the existing districts as the denominator increases. Unless the legislature provided additional funds (numerator), all districts would lose funds.

5) Educational offerings: I attended a small school, North Sevier High School in Salina, Utah. I had very few opportunities in comparison to students at Lehi or American Fork High Schools. Does smaller mean better? To some the answer is yes, others no. The impact to student programs and offerings has not been studied. Since the primary mission of school districts is to ensure student learning, additional

research may need to be conducted to determine a likely impact. Regardless of a study, these decisions are made by a Board of Education comprised of local patrons and may significantly impact the economics in a new district.

6) Social impact: One of the issues not discussed at length is the impact this question has on our community. The check and balance, majority vote in favor by both areas, to proceed with a division raises additional questions about dividing our community. Should voters in the remaining Alpine District vote in favor of the proposition and voters in the proposed Pioneer District vote against the proposition, what will the impact be on future bond elections? What will be the impact if the opposite were to occur? Will these fuel additional petitions to study the issue? Will the additional cost be borne by someone other than government? Ultimately, will this vote fracture Northern Utah County further? Alpine School District remains the primary organization that bridges community boundaries, the common thread for a collective endeavor. A changing social dynamic may have additional unintended consequences that this committee has not explored. Although not part of the committee's mandate, it may have a long-term fiscal impact on the Alpine District and the proposed new district.

In conclusion, there are many advantages to smaller organizations. The majority of educators, parents, and students support smaller class sizes, schools, and districts. When coupled with the significant tax burden, impact to programs, employee compensation and benefit questions (and others) this problem is quite complex. Comparative reviews of Utah (or others) school districts with similar economic and growth conditions may yield the best prediction of what may happen. Although I have raised several questions that require additional study, I will not render a District opinion or vote on this issue. I again refer back to my preface and preference to remain as neutral as possible while raising significant questions and providing data for the committee.

Gaylord Swim

The experience of being on the Ad Hoc Advisory Committee, though demanding at times, has been a wonderful learning experience for me personally. I salute each of the committee members for their efforts and contributions to the process. I have gained some new friends.

I voted in favor of the committee's recommendation to oppose the creation of the new school district at this time. Though it would be my normal inclination to support a downsizing of government, especially a government unit the size of the current Alpine School District, it would not be my desire to create a situation ripe for failure nor place unreasonable burdens on selected taxpayers.

Under current law the creation of a new school district would be messy at best. There would be inevitable lawsuits, dislocations of employment, raised emotions, false expectations (positive and negative), and added expenses at least in the near term. There needs to be prior changes in public policy and employment contracts in order to make a school district division a practical consideration. Failing changes in public policy that create greater flexibility to teachers and local administrators, the system risks becoming moribund, unable to adapt to a changing environment and vulnerable to an eventual collapse.

When considering the potential division of the Alpine School District, instead of considering first the needs of the family, some individuals and organizations expressed more concern about protecting the institution or the salaries and benefits of employees. This is an institutional-centric perspective and may be the natural outgrowth of an institution that has become too large.

On the other hand, many are fixated on tax rates. Though the burden of taxes is an important and necessary consideration, it can be very short term, individualistic and overlook the important question of "what am I getting for what I must pay?" or "how will current financing decisions burden taxpayers in the future?"

The fundamental unit of society is the family. Too much of the public debate around public education neglects the centrality of the family. The school (public or private) and its employees should view themselves as servants of the family.

History has proven that individuals and families acting in their own best interest have generally made better decisions for their future than decisions made in their behalf by even the best intentioned of centralized planners. Education is no different. Public policy in education needs to be responsive to the wisdom of parents and recognize their rightful prerogatives. The further critical decision making is removed from parents, the greater is the risk of harm to the child and to the family.

I am also concerned about the pattern of cost shifting mind-set expressed as "taxing the rich to pay for the poor" or "taxing the established to pay for the new".

Not only is this the philosophy of socialism, but it distances the payer from the consumer and often creates waste, inefficiencies, irresponsibility, poor service, and high costs. We see this problem in our healthcare system which is dominated by third party payments and rapidly rising costs. We create “rights to” and separate it from “responsibilities for” a particular good or service.

A smaller district would reduce the gap between the taxed and the benefited, and the school district board of education and the family—an ideal worth working towards.

As a side note, a fundamental and systemic barrier to creative solutions to an already burdened public school system is the knee-jerk reaction against education freedom on the part of many public school stakeholders. Again, it is an institution-centric mind-set.

Authorizing a district division is, in and of itself, an act of educational freedom that allows the reins of power and decision making to rest more broadly on the people. While there may be very good and legitimate reasons not to split a district, as in this case, an irrational fear of freedom should not be one of them.

Otis H. Willoughby

After receiving the input from the petitioners and listening to their arguments, it is clear that the Alpine School District needs be more responsive to the members of the community. I have heard from many sources about the inability to get school board members to listen to them. Whether or not splitting the district would result in greater local control is not known. Representative Cox has presented valid reasons for paring down the size of the district. It is natural to believe that a smaller district would provide a more personal educational opportunity for the students. An individual always has more access to the most local governmental body; it is easier to effect change at the municipal level than at the county, state or federal.

The Committee also received an overwhelming amount of input against splitting the district. This input came from those that worried that the tax increases to create the new district would be too high and it came from the employee associations that were rightly worried that their jobs and benefits might be in jeopardy.

It is clear to me that smaller districts might prove very beneficial to the patrons and students within the current school district. However, I cannot in good conscience recommend the division at this time. After analyzing the financial report created by the Marriott School of Management and reviewing the many unknown factors that the committee has outlined, I feel that a positive recommendation would not be prudent. I would not want to place the increased tax burden on the citizens within the proposed Pioneer District.

It is my opinion, however, that this matter should go before the public in the November election. While I cannot choose to burden the citizens of Lehi and its surrounding communities with the increase in property taxes, I think that the citizens should have the ability to make that decision for themselves. If they so choose to follow that path, then I believe that the split would be beneficial in the long run. I think that the voters would need to become educated to the depth that we as committee members have done in order to weigh the cost versus benefit that the split would create. This could be accomplished through the county's public comment period, through study of the committee report and the propaganda that the opposing sides would develop prior to the election.

I appreciate the dedication and hard work that each member of the committee has done in order for me to make my decision.

**ALL APPENDICES CAN BE FOUND AS SEPARATE LINKS AND
DOCUMENTS**