

**School Board Meeting:**

**May 24, 2021**

**Subject:**

**RESOLUTION APPROVING SW METRO  
INTERMEDIATE SCHOOL DISTRICT  
NO. 288'S LONG-TERM FACILITY  
MAINTENANCE PROGRAM BUDGET AND  
AUTHORIZING THE INCLUSION OF A  
PROPORTIONATE SHARE OF THOSE  
PROJECTS IN THE DISTRICT'S  
APPLICATION FOR LONG-TERM FACILITY  
MAINTENANCE REVENUE**

**Presenter:**

**Gary Kawlewski, Director  
Finance and Operations and  
Scott Thielman, Superintendent**

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**SUGGESTED SCHOOL BOARD ACTION:**

Action required

**DESCRIPTION:**

As a part of the Long-Term Facilities Maintenance revenue legislation, school district cooperatives and intermediate districts were also given the authority to utilize the revenue program. The revenue has a flow thru component similar to lease levy authority. Although it is an equalized revenue, the state aid component is already being maximized with our own LTFM application so this request is all levy authority. This is the sixth year of the SW Metro request. We would, again, levy and collect the taxes on behalf of SW Metro and then forward the funds onto them for their use with their facilities. The additional amount would be a part of our total tax levy that we would approve in the fall of 2021 for taxes payable in 2022. We would forward the funds to them for use in the 2022-23 school year. A unique provision of the legislation is that all member districts of the coop/intermediate district must pass the resolution annually by June 30 or they lose the entire ability to levy LTFM revenue for that year. This is an annual approval similar to the LTFM provisions for our own school system.

The uses of the funds are similar to our authority and the SW Metro application contains the following types of deferred maintenance expenditure requests:

- Mechanical system updates
- Roofs
- Building envelope upgrades (windows, doors, etc.)
- Plumbing
- Interior surfaces (carpet, painting, etc.)

SW Metro is looking to collect \$77,755, down from \$300,000, from their member districts. The decrease is due to the purchase of the Dean Lakes facility which will

increase the lease levy authority for us on behalf of the coop. The net levy change for SW Metro between LTFM and their lease levy is zero overall.

Our portion of the LTFM levy would be \$10,021.21, down from \$33,944.34. This is a decrease of \$23,923.13. The current tax impact projection on a \$200,000 home would be \$.43 per year. This is a \$1.17 per year decrease for a BHM District's residential homestead property.

As a member district in a coop, we have a part-ownership in the facilities that are owned by the coop. As a steward of public facilities, we have an obligation to maintain those facilities in good repair for the health and safety of our students who attend those facilities. The obvious challenge is that although technically revenue neutral to our budget, it is one more competing interest for our tax dollars that we levy to use across our other facilities and for our educational program needs.

We recommend approval of the attached resolution to allow LTFM levy authority for the SW Metro Coop.

**ATTACHMENT(S):**

- LTFM Resolution-Pay 2022
- Pay 2022 levy amounts to Member Districts