

**School Board Meeting:**

June 25, 2018

**Subject:**

**RESOLUTION APPROVING WRIGHT  
TECHNICAL CENTER'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 of Finance and Operations  
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 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 third year of the Wright Technical Center request. We would, again, levy and collect the taxes on behalf of Wright Technical Center 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 2018 for taxes payable in 2019. The funds would be forwarded to WTC for use in the 2019-20 school year. A unique provision of the legislation is that all member districts of the coop must pass the resolution annually by June 30th or the coop loses 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 Wright Technical Center application contains the following types of deferred maintenance expenditure requests:

- Health and safety projects
- Building envelope repair
- Roof replacement
- Mechanical system repairs
- Plumbing system repairs
- Interior surface repair and replacement

WTC is looking to collect \$167,000, up from \$150,000, from their member districts and our portion would be \$47,311, up from \$42,495 from last year. This is an increase of \$4,816. The current tax impact projection on a \$200,000 home would be \$2.55 per year. This a \$.12 increase per year 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 Wright Technical Center.

**ATTACHMENT(S):**

- WTC LTFM Resolution BHM
- WTC 10 year LTFM Expenditure plan pay 19
- LTFM Coop Allocation Form pay 2019