

# Senate Bill 307

MASBO New Clerk Academy

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# Senate Bill 307

- Passed in 2017 Regular Legislative Session
- Two primary components:
  - New permissive levy in Building Reserve Fund
  - New resolution requirement
- Other: must use sub-funds to track Building Reserve Fund activities
  - voted levy
  - permissive levy
  - safety transfers
  - transition levy

# Senate Bill 307

New permissive levy in the Building Reserve Fund

***“School facility maintenance amount”***

\$15,000 + (\$100 X previous year’s ANB)

Can levy up to 10 mills; supplement with other legally available funds if 10 mills isn’t enough

- Must spend on certain items in 2008 School Facility Condition Inventory report
- Eventual state subsidy (GTB) to support levy in future years

# Senate Bill 307

## 2008 School Facility Condition Inventory Report

### LINK TO HOME PAGE

<http://www.mtk12facilitysurveys2008.com/Default.aspx>

- Click on Inspection Reports tab
- Find your district using drop down boxes
- Look for deficiency categories:
  - 1 = safety
  - 2 = damage/wear out
  - 3 = codes/standards



**MUST ADDRESS  
THESE ITEMS  
FIRST**

# Senate Bill 307

## School Facility Condition Inventory (FCI)

1. Address deficiency categories 1, 2 and 3
2. Review and update the FCI by **July 1, 2019**
  - Trustees determine:
    - Scope and methods of the review
    - Any experts needed for the review

Certify completion of the update to OPI by **October 31, 2019**  
and certify updates once every 5 years thereafter

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## Notice requirements:

- Publish in newspaper by March 31
- Dollar and mill increases in nonvoted levies in:
  - Transportation Fund
  - Bus Depreciation Fund
  - Tuition Fund
  - Adult Ed Fund
  - Building Reserve Fund **\*NEW\***
- Using prior year taxable value
- Impact on \$100K and \$200K home

# Notice Requirements of SB307

Budgeted Fund	Permissive Levy?	Voted Levy?
General Fund (01)	Y	Y
Transportation Fund (10)	Y	N
Bus Depreciation Fund (11)	Y	N
Tuition Fund (13)	Y	N
Retirement Fund (14)	N/A	N
Adult Ed Fund (17)	Y	N
Technology Fund (28)	N	Y
Flexibility Fund (29)	N	Y
Debt Service Fund (50)	N	Y
Building Reserve Fund (61)	Y	Y

 Notice required per SB307

# Notice Requirements of SB307

## Notice language:

- Subtract next year's tax amounts and mills from current year amounts and mills
- Report difference, along with tax impact on \$100,000 and \$200,000 home



**REQUIRED SB307 NOTICE (MILLS CALCULATED USING PRIOR YEAR TAXABLE VALUE):**

Fund	FY2017 - 2018 Budget		FY2018 – 2019 Budget Projections					
	Tax Revenue	Mills	Tax Revenue	Mills	Change in Tax Revenue	Change in Mills	Est. Annual Tax Impact \$100K home	Est. Annual Tax Impact \$200K home
Transportation	\$ 225,227	14.53	\$ 243,376	15.66	\$ 18,149	1.13	\$ 1.53	\$ 3.06
Bus Depreciation	\$ 121,520	7.82	\$ 121,520	7.82	\$ -	-	\$ -	\$ -
Tuition	\$ 93,242	6.00	\$ 90,000	5.79	\$ (3,242)	(0.21)	\$ (0.28)	\$ (0.56)
Adult Ed	\$ 15,540	1.00	\$ 15,540	1.00	\$ -	-	\$ -	\$ -
Building Reserve Permissive	\$ 77,701	5.00	\$ 100,000	6.43	\$ 22,299	1.43	\$ 1.93	\$ 3.86
Grand Total	<u>\$ 533,230</u>	<u>34.35</u>	<u>\$ 570,436</u>	<u>36.70</u>	<u>\$ 37,206</u>	<u>2.35</u>	<u>\$ 3.18</u>	<u>\$ 6.36</u>

## Model Resolution Under SB 307

### Resolution of Intent to Impose an Increase in Levies

As an essential part of its budgeting process, the \_\_\_\_\_ Board of Trustees is authorized by law to impose levies to support its budget. The \_\_\_\_\_ Board of Trustees estimates the following increases/decreases in revenues and mills for the funds noted below for the next school fiscal year beginning July 1, \_\_\_\_\_, using certified taxable valuations from the current school fiscal year as provided to the district:

Fund Supported	Estimated Change in Revenues*	Estimated Change in Mills*	Estimated Impact, Home of \$100,000*	Estimated Impact, Home of \$200,000*
Adult Education	\$__ increase/decrease	___ increase/decrease	\$__ increase/decrease	\$__ increase/decrease
Bus Depreciation	\$__ increase/decrease	___ increase/decrease	\$__ increase/decrease	\$__ increase/decrease
Transportation	\$__ increase/decrease	___ increase/decrease	\$__ increase/decrease	\$__ increase/decrease
Tuition	\$__ increase/decrease	___ increase/decrease	\$__ increase/decrease	\$__ increase/decrease
Building Reserve	\$__ increase/decrease	___ increase/decrease	\$__ increase/decrease	\$__ increase/decrease
Total	\$__ increase/decrease	___ increase/decrease	\$__ increase/decrease	\$__ increase/decrease

**\*impacts above are based on** current certified taxable valuations from the current school fiscal year

Regarding the increase in the building reserve levy referenced above, the following are school facility maintenance projects anticipated to be completed at this time:

1. **Example:** Replace boiler in middle school
2. **Example:** Repair roof on the elementary gym
3. **Example:** Install fiber optic cable in district buildings
4. **Example:** Repair water filtering system

# MASBO Budget Workshops

For more in depth information, come to a MASBO Budget workshop!

February 22 – Missoula

February 23 – Great Falls

March 1 – Miles City

March 2 - Billings