MASBO New Clerk Academy
January 8, 2018 – Helena
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- 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

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

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

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

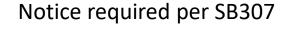
Certify completion of the update to OPI by **October 31, 2019** and certify updates once every 5 years thereafter

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) | Υ | Υ |
| Transportation Fund (10) | Υ | N |
| Bus Depreciation Fund (11) | Υ | N |
| Tuition Fund (13) | Υ | N |
| Retirement Fund (14) | N/A | N |
| Adult Ed Fund (17) | Υ | N |
| Technology Fund (28) | N | Υ |
| Flexibility Fund (29) | N | Υ |
| Debt Service Fund (50) | N | Υ |
| Building Reserve Fund (61) | Υ | Υ |



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):

| | FY2017 - 20 | 018 Budget | FY2018 – 2019 Budget Projections | | | | | |
|-----------------------------------|-------------------|--------------|----------------------------------|--------------|--------------------------|-------------|-----------------|--|
| Fund | Tax Revenue | | Tax Revenue | Mills | Change in Tax Revenue | | Est. Annual Tax | 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> | \$ 570,43 <u>6</u> | <u>36.70</u> | \$ 37,206 | <u>2.35</u> | \$ 3.18 | \$ 6.36 |
| | | | | | | | | |

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 n | oted below for the next school |
| fiscal year beginning July 1,, using certified taxable valuation | ons from the current school fiscal |
| year as provided to the district: | |

| Fund Supported | Estimated Change in | Estimated Change in | Estimated Impact, Home | Estimated Impact, Home |
|------------------|----------------------|---------------------|------------------------|------------------------|
| | Revenues* | Mills* | of \$100,000* | 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