

# WHAT THE BOARD NEEDS TO KNOW

## Intermediate District 287

RESPONSIVE. INNOVATIVE. SOLUTIONS.

## District 287 Long-Term Facilities Maintenance (LTFM) 10 Year Plan – 2027-28 Notes and Talking Points

April 9, 2026

### Author

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### Background

- This is the beginning of the LTFM approval process. Our costs will go on member district 2027 levies and fund expenses in FY28 or future year projects (funds are held in a restricted reserve for LTFM project costs if unspent) – this is done early due to timing of levy process.
- Since intermediate districts do not have a dollar limit in statute, District 287 & BDAC have agreed to maintain a stable levy amount (approx. \$6.2M) between our combined LTFM levy and lease levy as a limit.
  - This helps keep a stable and consistent levy for member district taxpayers
  - Allows District 287 the flexibility to increase LTFM funds when our lease levy decreases, which occurred in FY27. If we need additional lease levy funds in the future, we would reduce our LTFM levy to continue to maintain a stable levy amount for member districts.
  - District 287 gets a funding source to maintain aging buildings while giving member districts a neutral impact to their budgets.
- The proportionate share allocated to member districts is determined using 1/3<sup>rd</sup> APU's and 2/3rds on a 3-year weighed program usage formula.
- The 2022A Bond proceeds are expected to be fully spent down in FY27.

### FY28 & Future Expenditure Plan Details

- FY28 Estimated Health and Safety Expenditures - \$170,316
- FY28 Deferred Maintenance Expenditures - \$810,000 SEC Geothermal System & Parking Lot (projects in excess of current year revenue will be financed from the restricted reserve)
- FY28 Debt Service Payments on - \$781,620
  - 2017B Facilities Maintenance Bonds – used to renovate Ann Bremer Education Center
  - 2022A Facilities Maintenance Bonds – used for multiple projects throughout the district (roofing, HVAC, boilers, lighting, parking lots, windows and foundations)
- Future projects over the next 2 to 5 years include roof replacement at NEC and DSC, update building automation systems at WEC and DSC, district wide parking lot replacement/maintenance/sealcoating, and HVAC unit replacement at WEC.

### Approval Process

- District 287 School Board approved the 10 Year Application and Member District Allocation on April 9, 2026.
- Each member district school board will act (approve a LTFM resolution) on including their proportionate share of District 287's 10 Year Plan in their Long-Term Facilities Maintenance Levy.
- By July 31, 2026, all 12 board approvals and supporting documents must be submitted to MDE.