

School Board Meeting:

May 26, 2026

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:

**Ryan Tangen, Director
Finance and Operations**

SUGGESTED SCHOOL BOARD ACTION:

Recommend approval.

DESCRIPTION:

As a part of the Long-Term Facilities Maintenance (LTFM) revenue legislation, school district cooperatives and intermediate districts are also given the authority to utilize the revenue program. 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. The revenue has a flow-thru component similar to a lease levy authority meaning we would levy and collect the property taxes on behalf of SW Metro and then forward the funds to them for their use. This amount will be a part of our total property tax levy to be approved in the fall of 2026 for property taxes payable in 2027 for the 2027-28 school year. The LTFM process for cooperatives/intermediate districts is the same as we follow for our district with one additional requirement; legislation requires all member districts of the cooperative/intermediate district to pass an annual resolution by June 30th approving the request or the cooperative loses the ability to levy LTFM revenue for that year.

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

- Health and safety projects and assessments
- Fire testing and monitoring
- Building envelope repair
- Grounds repairs and/or replacements
- HVAC preventative maintenance
- Electrical and plumbing maintenance
- Flooring and painting

SW Metro is proposing to collect \$190,140.00 from their member districts. Our portion would be \$19,598.04, a decrease of \$2,309.62 from last year's total of \$21,907.66. The current tax impact projection on a \$300,000 home would be \$.84 per year. This is a \$.10 decrease per year for a BHM residential homestead property.

As a member district in a cooperative/intermediate district, we have a part-ownership in the facilities that are owned by the cooperative/intermediate district. 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 this request is technically revenue neutral to our budget, it is one more competing interest for property taxes levied against BHM properties in addition to our levy for maintaining our facilities and educational program needs.

We recommend approval of the attached resolution to allow 2027-28 LTFM levy authority for the SW Metro Intermediate School District No. 288.

ATTACHMENT(S):

- SWM BHM LTFM Resolution Levy Payable 2027 for Fiscal Year 2028
- SWM Fiscal Year 2028 LTFM Ten-Year Expenditures Application
- SWM Fiscal Year 2028 LTFM Ten-Year Coop Allocation