

Building Levy FAQ

Q. Why do we need a building levy fund now?

- A. We have several building maintenance items that are going to need to be addressed in the near future. We want to plan for the future instead of being caught ill prepared when these issues need fixing. Our goal is to be proactive rather than reactive, which in turn, will save the taxpayers money.

Q. What building issues need repair?

- A. The roof is nearing the end of its life expectancy. The cost in today's dollars is close to \$750,000. When the time comes to replace the roof, we expect those costs to be higher. We need to start preparing for those expenditures. We also have a walk-in freezer that is past its life expectancy and will need to be addressed very soon. This is an important issue as it pertains to food safety, which impacts the safety of our students. There are some plumbing issues that will need to be addressed soon as well. These may be expensive. The front entry to our building is outdated and a safety issue as well. Reworking the entrance to ensure the safety of our students and staff is an important issue that needs to be addressed.

Q. Why not just budget the money we are already receiving?

- A. The amount of money we are receiving from taxpayers and the state is not keeping up with inflation. Our increase in state funding went up this year by 4% while inflation was over 8%. We have been allocating money to other areas of the budget to cover those increases. We have been fortunate to use Elementary and Secondary School Emergency Relief Fund (ESSER) money to help cover some of the inflationary costs, but that was one time money that is running out.

Q. What about comparable school districts and their building funds?

- A. Most of the school districts in the state have a building fund already established and are using it to cover the costs of upkeep of their buildings. Hebron has the authority to levy ten mills, levying approximately five each year. Mott-Regent is like Glen Ullin; they do not have a building fund. They were forced to build a new school because they could no longer maintain their aging building. Their School Board was forced to ask their voters for more money to build a new school. Mott-Regent's new building addition came in at a cost of \$8.6 million. With the available data from 2021, they were assessing 30 mills more than we were. Flasher is levying 44 more mills than we are to pay for their new addition on their school, which replaced an aging building they could no longer maintain.

Q. What does a mill mean for the school?

- A. With the current taxable valuation of the property in our district, one mill brings in approximately \$12,450. The state sets a maximum of 70 mills for the general fund with an additional 12 miscellaneous mills.

Q. What does a mill mean to the taxpayer?

- A. The answer depends on the type of property you own. The cost for 1 mill is as follows:
1. Agricultural Land - \$2.33 per quarter of land (160 acres)
 2. Commercial Property - \$5.00 per mill per \$100,000 of taxable valuation
 3. Residential Property - \$4.50 per mill per \$100,000 of taxable valuation

Q. How does Glen Ullin compare to other area school tax levies?

- A. Glen Ullin has historically been one of the lowest levied districts in the state and area. According to 2020-2021 data, Glen Ullin was the 117th ranked school for mills levied out of 147 high school districts. The next closest area school was Hebron at 89th (other than Center-Stanton which has income from coal).

Q. What can building fund money be spent on?

- A. Building fund money can only be spent on building maintenance.
- (1) The construction of school district buildings and facilities;
 - (2) The renovation, repair, or expansion of school district buildings and facilities;
 - (3) The improvement of school district buildings, facilities, and real property;
 - (4) The leasing of buildings and facilities;
 - (5) The payment of rentals upon contracts with the state board of public school education.
 - (6) The payment of rentals upon contracts with municipalities for career and technical education facilities financed pursuant to chapter 40-57; and
 - (7) The payment of principal, premiums, and interest on bonds issued in accordance with subsection 7 of section 21-03-07.

Q. Why did we choose 13 mills?

- A. Our current expenditures on building maintenance, not including salaries and benefits, is close to that amount of money. Our intent is to levy for the building fund and reduce the number of miscellaneous mills we levy.

Q. If we do not pass a building levy vote, what are the implications for our school?

- A. We have a great staff that work at our school. One reality is that we are one of the lowest paying districts in the state. We will not be able to attract and retain the great people to our school if we are not able to address salaries. Spending our budget repairing our school affects what we can pay our employees. Additionally, if we do not maintain our building, we will need to ask you for a much larger amount of money to build, similar to our neighboring communities (Flasher, Mott-Regent, Richardton-Taylor, Beulah). We may need to look at cutting transportation or look at consolidating with an area school.