

BELGRADE DISTRICT NEWS IMPACT FEE DISCUSS JANUARY 2009

SENATE LOCAL GOVERNMENT

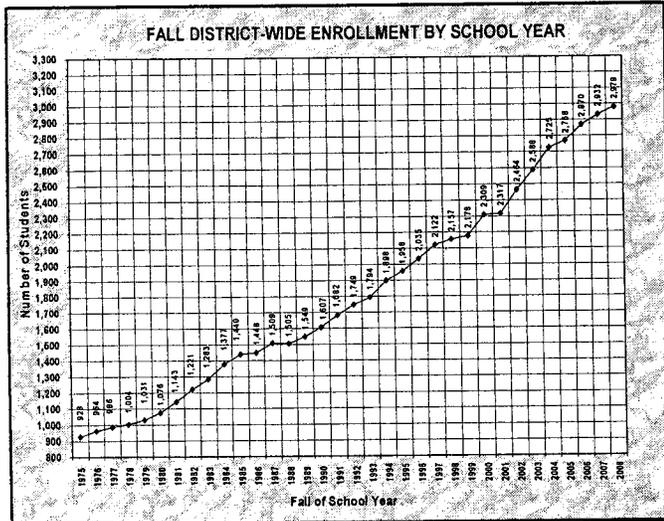
EXHIBIT NO. 6

DATE 1-30-09

BILL NO. SB272

Overview

The Belgrade School District's student enrollment has experienced a steady increase over the last 30+ years. There is no indication that this student growth of 3% - 4% per year will change in the future.



Consequence of Enrollment Growth

To keep up with this enrollment growth, it has been necessary to construction additional school facilities about every 4 – 8 years. See Table below for recent school construction activity.

Bond Election Info	Date	Purpose of Bond Issue	Amount
1991 Elementary & High School Bond	11/06/90	New Middle School & Additional High School Classrooms	\$3,945,000
1994 High School Bond	12/13/94	High school special event center, auditorium, and additional classrooms	\$5,070,000
1998 Elementary Bond	09/20/98	New Ridge View School & some restoration of Heck, Curtis, Quaw	\$4,800,000
2004 High School Bond	11/23/04	High School Annex, Middle School/Intermediate School Annex	\$9,257,000

Future Facility Needs

The table on the next page shows that an additional twelve classrooms will be needed for the next five years. This assumes that the school district does not implement full-day kindergarten!

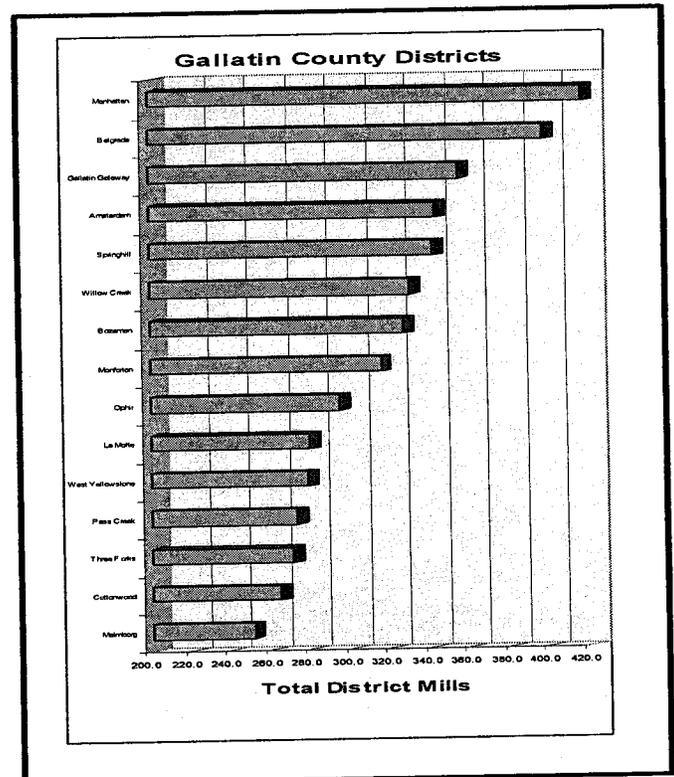
If full-day kindergarten is implemented, nine more classrooms will be needed making the total classrooms needed twenty-one for the next five years. Twenty-one additional classrooms will require the construction of an additional school building at an estimated cost of 9 - 12 million dollars.

(Assume Half-Day Kindergarten)	Grade K	Grade 1	Grade 2	Grade 3	K-3
Fall of Year 2008-2009	269	265	226	237	997
Classrooms Needed	7	14	12	9	42.0
Fall of Year 2009-2010	285	272	267	225	1,049
Classrooms Needed	8	14	14	8	44.0
Fall of Year 2010-2011	300	288	274	265	1,128
Classrooms Needed	8	15	14	10	47.0
Fall of Year 2011-2012	316	304	290	273	1,183
Classrooms Needed	8	16	15	10	52.0
Fall of Year 2012-2013	333	320	306	289	1,247
Classrooms Needed	9	16	16	11	52.0
Fall of Year 2013-2014	351	337	322	304	1,314
Classrooms Needed	9	17	17	11	54.0

The school district will need twelve additional classrooms over the next five years to meet classroom space requirements.

Financing Needed School Construction

The school district has been relying on the traditional way of financing school construction – voter approval of school bonds. However, local taxpayers may have reached their limit of endurance for the approval of school construction bonds due to large number of mills levied for the operation of the Belgrade School District. The chart below shows the current large tax burden placed on local school district residents – the data shows the total school district mills levied for 2007-2008.



OPTIONS

- Implement school district impact fees.
- Improve the debt service funding formula.
- Issue negative project reviews that are requested by real estate developers.