



Whitefish School District 44

600 EAST SECOND STREET, WHITEFISH, MT 59937
 DISTRICT OFFICE • (406) 862-8640

April 6, 2014

Dear Senators,

Please do not approve Senate Bill 114. It will damage several long-standing relationships between local school districts and their communities. Please consider the following as you make your decision:

- HB 114 reduces local control and eliminates local entities ability to work cooperatively.
- Why does this legislation affect only school districts and no other taxing jurisdictions?
- Why is it necessary to enact legislation that affects only a few schools?
- The Whitefish Interlocal Agreement between the School District and the City regarding our tax increment funds has been in place for nearly 30 years. The Whitefish School District Trustees have planned for and used the funds wisely, including reducing the bond issue for our new high school, classroom expansion and ongoing building maintenance. Why now, should the trustees have to reduce spending on teaching and learning to continue to maintain our facilities?
- The Whitefish School District Trustees recognize the current tax increment district agreement with the City will sunset in 2020 and the tax increment payments to the District will cease. The Trustees, with foresight and planning, developed a policy to reserve a portion of the tax increment funds for the future, so future boards will have funds to draw on for facility maintenance and repair. This bill will eliminate the Trustees' efforts to plan for the future.
- Taxpayers have many opportunities to be heard when tax increment districts are created – in fact, Whitefish taxpayers had an opportunity when the Whitefish TID was expanded to include the high school, so the City could invest in the school district, recognizing that safe, well-maintained schools are critical to economic development.
- In addition, Whitefish Mayor John Muhlfield addressed the community at the dedication of the new Whitefish High School in March. Below are excerpts from his speech:

“The City of Whitefish and the Whitefish School District have long enjoyed a mutually beneficial relationship that began over 30 years ago when the City was developing its first long term economic plan for Whitefish. In 1987, the City developed an urban renewal plan that provided Whitefish with a framework for future growth and development. Ultimately, this plan formed the basis for the City's Tax Increment Financing district.



When the TIF was set up, the City agreed to support the school district and this support was memorialized in an Interlocal Agreement that remains in place today. As a community we did this because we recognized then, and we recognize now, the importance education plays in supporting and growing our economy in Whitefish.

But after the bond measure to build a new high school failed, we realized we had to do more and the community stepped forward and asked the City for an additional 1.75 million dollars in TIF to help jump start construction of the high school. In January 2011, just minutes after I was sworn in to office, and three new Councilors took their seats, a formal request for 1.75M in TIF was made to the City Council.

Needless to say it was a long meeting. The first motion that hit the dais was a motion to table and postpone a decision on the request. I broke that tie, recognizing the importance of this project for our community, and not wanting to stall or jeopardize the bond measure. What was most inspiring about that evening was in the end, as the clock approached midnight, the City Council unanimously approved not 1.75 M, but 2.5 M dollars to help move this project forward. It was a monumental vote that in my opinion helped launch this community's commitment to building a new, state of the art education facility.

The City did this because a great community deserves a great school, and more importantly, our children, whose vision and leadership will one day guide this town, deserve a great school. As parents, as a community, as teachers, as elected officials, it is our collective responsibility to give these kids the tools they need to be successful and to excel in whatever career path they choose to pursue, and I hope as a City, we have assisted towards that end."

As a result of the cooperation between the City and the District, as well as help from local donors, the District now has a \$23 million facility, with \$14 million in bond debt – a great savings for our taxpayers.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Danelle J. Reisch". The signature is fluid and cursive, with the first name being the most prominent.

Danelle J. Reisch
Director of Business