

## Policy Statement VII – Deferred Maintenance and Property Taxes

**Adopted:** April 8, 2014

**Expires:**

**Motion from the 10<sup>th</sup> ULSU General Assembly meeting of 2013-2014:**

MOTION [20496GA]	MSC: L. Hildebrand/B. Scott BIMT the General Assembly approve ULSU Policy VII "Deferred Maintenance and Property Tax". Carried
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WHEREAS there is currently a funding gap on the University of Lethbridge campus between what the Alberta Government allocates for yearly deferred maintenance, and what is actually required;

WHEREAS continual maintenance of University capital assets is lower in cost and more efficient than waiting several years to accumulate several large maintenance projects, as demonstrated by the Facility Condition Index Formula<sup>1</sup> which represents a fractional amount dependent upon the length of disrepair a capital asset has undergone, divided by the cost of bringing the asset back to acceptable levels<sup>2</sup>;

WHEREAS a poorly maintained campus is a significant deterrent to prospective new students ;

WHEREAS the University of Lethbridge is currently undertaking a massive capital project known as "The Destination Project" which will lead to the creation/renovation of three buildings on campus. It is imperative that adequate long-term funding and planning are put in place to deal with maintenance issues;

WHEREAS facilities lacking in adequate maintenance present a significant problem for students (and others) with disabilities;

WHEREAS deferred maintenance should not be limited to capital buildings, but should also include capital assets, including, but not limited to computer hardware;

WHEREAS the property taxes charged on University of Lethbridge residences is an unnecessary cost that could instead be put toward renovations on the residence buildings themselves, and considering that no other University of Lethbridge buildings are assessed property tax;

WHEREAS the Province of Alberta is the only Canadian province that charges property tax on any post-secondary buildings;

<sup>1</sup> Facility Condition Index =  $\frac{\text{Accumulated Deferred Maintenance}}{\text{Current Replacement Value}}$ , taken from:

The Role of the Federal Government in the Financing of Deferred Maintenance Costs in Canada's Post-Secondary Institutions, Standing Senate Committee on National Finance, October 2001

<sup>2</sup> Ibid.

WHEREAS the University of Lethbridge is largely funded by taxpayer dollars, in the form of the Alberta Operating Grant, the collection of property taxes off of a portion of the University represents a recollection and repurposing of Alberta taxpayer dollars by an Alberta municipality.

*BE IT RESOLVED THAT*

The University of Lethbridge Students' Union advocate for a policy that:

- a) Results in a restoration of the University of Lethbridge's 2011-2012 deferred maintenance budget, representing an increase from the current allocation of 55%.
- b) Secures a removal of the current "use it or lose it" funding paradigm currently in place around deferred maintenance dollars.
- c) Ensures that the University of Lethbridge commits to following proper timelines and to the utilization of cost-efficient construction processes.
- d) Secures a campus which is fully accessible for all, regardless of any mobility restrictions.