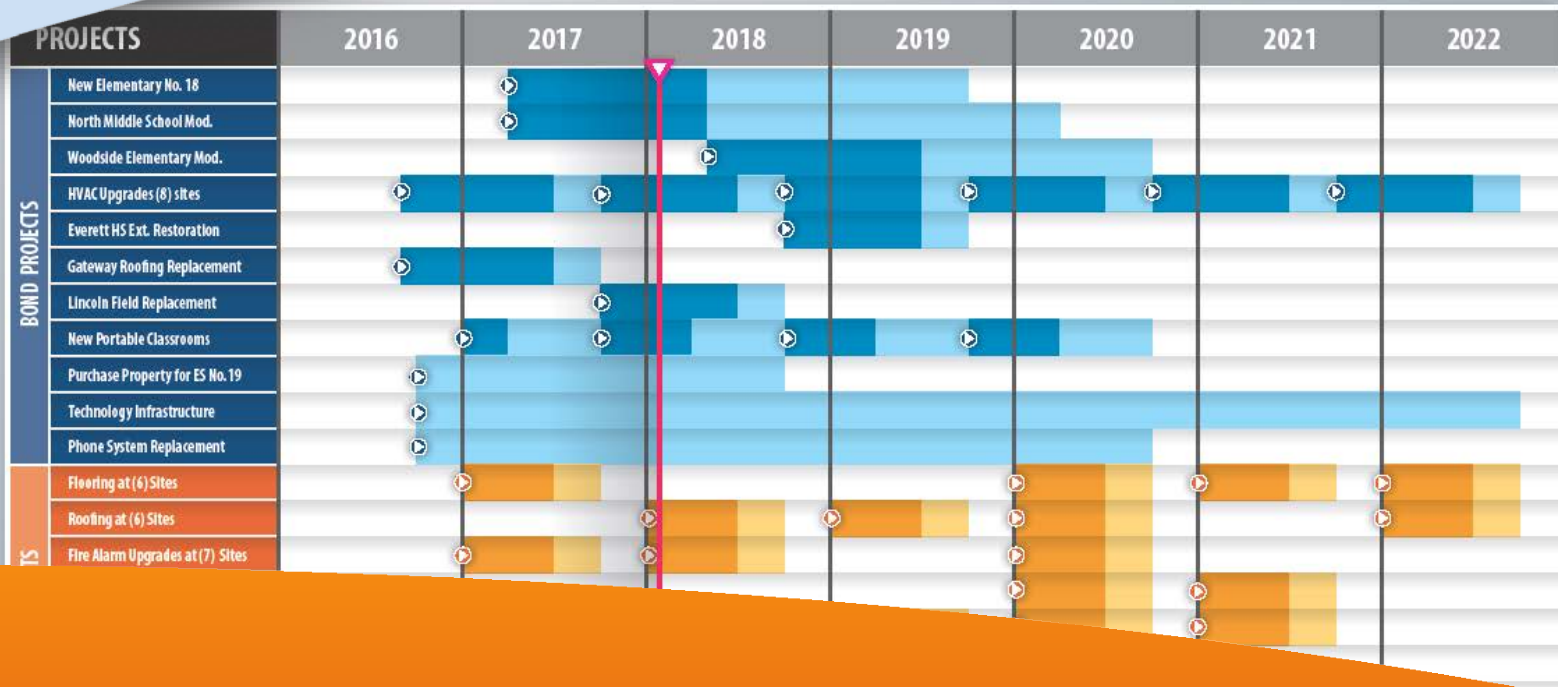


Bond & Levy Schedule

UPDATED: JANUARY 18, 2017



Capital Planning Post 2018 Bond

Board of Directors Special Meeting

April 17, 2018



Strategic links

- KPO 4.1.a – Long-term planning in finances, staffing, technology, and facilities are intentionally and systematically driven by student enrollment, learning measures and strategic priorities.
- S.1.b – Enhance board effectiveness through board study sessions, community engagement, and conferences
- S.3.b – Determine capital bond and enrichment levy priorities in support of the strategic plan

Capital Planning Post 2018 Bond



Objective

Board members will

- participate in a discussion of their thoughts, ideas, and concerns arising from the 2018 election;
- review key elements of capital bond planning;
- deepen their understanding of the options for and implications of future bond election dates;
- prioritize key process elements for a future bond proposal; and
- provide the superintendent direction on key next steps for preparing a future bond proposal to the district's voters.

Capital Planning Post 2018 Bond



Overview

- Key questions for board conversation
- Presentation topics
- More key questions for board conversation
- Next steps?





Key questions for board conversation

- What have directors learned about why the bond did not receive a 60 percent supermajority “yes” vote?
- Is there more information staff can gather to help directors understand the results of the 2018 election?
- How might the district solicit community feedback that would help inform board decisions?
- What new or different communication tools or practices should be considered?



2018 levy pass rates drop in King and Snohomish Counties

- Four Snohomish County districts saw double-digit drops
- Darrington, Lake Stevens, Marysville, and Snohomish districts' levies initially were failing on election day
- Darrington's levy ultimately failed at 46.2 percent

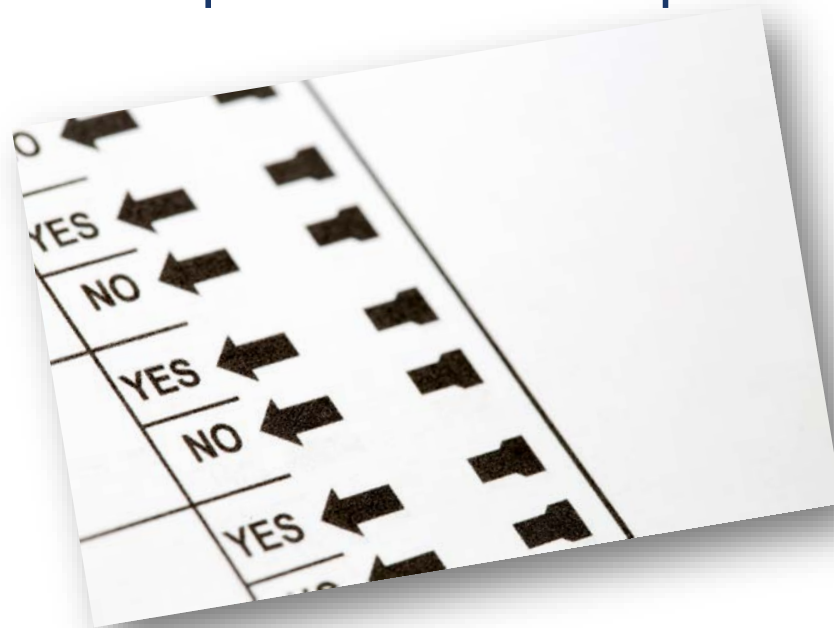
	Darrington	Edmonds	Everett	Granite Falls	Lake Stevens	Marysville	Monroe	Mukilteo	Northshore	Snohomish	Sultan
February 2014	57.6%	65.2%	60.7%	63.1%	65.1%	56.7%	54.6%	66.8%	70.1%	56.8%	64.8%
February 2018	46.2%	54.4%	55.3%	57.4%	50.4%	51.3%	53.6%	53.4%	63.7%	50.3%	57.8%
Difference	-11.4%	-10.9%	-5.4%	-5.7%	-14.6%	-5.4%	-0.9%	-13.5%	-6.4%	-6.5%	-7.0%

Capital Planning Post 2018 Bond



2018 bond pass rates also drop

- Three of four Snohomish County districts' bonds passed with over 60 percent in 2016
- Two of three school districts' bonds failed in 2018
 - Arlington and Everett
- Northshore's bond passed with 60.8 percent





McCleary confusion and tax fatigue

- RTA tax, increased property values sparked tax fatigue
- Legislators' claims of fulfilling McCleary is inaccurate
- Assessor focused only on 2018 rate increase
- 2019 local rates decrease in all of Snohomish County
- 2019 overall rates (net of increased state school tax) decrease in 9 of 15 districts





Legislative session did not fix levy, but did cut state schools tax for one year

- 2018 levy rate was \$2.62 per \$1,000 AV
- Voters approved a 2019 rate of \$2.09 per \$1,000 AV
- Everett capped at \$1.50 per \$1,000 AV

Public perception about local levies likely impacted bond pass rates

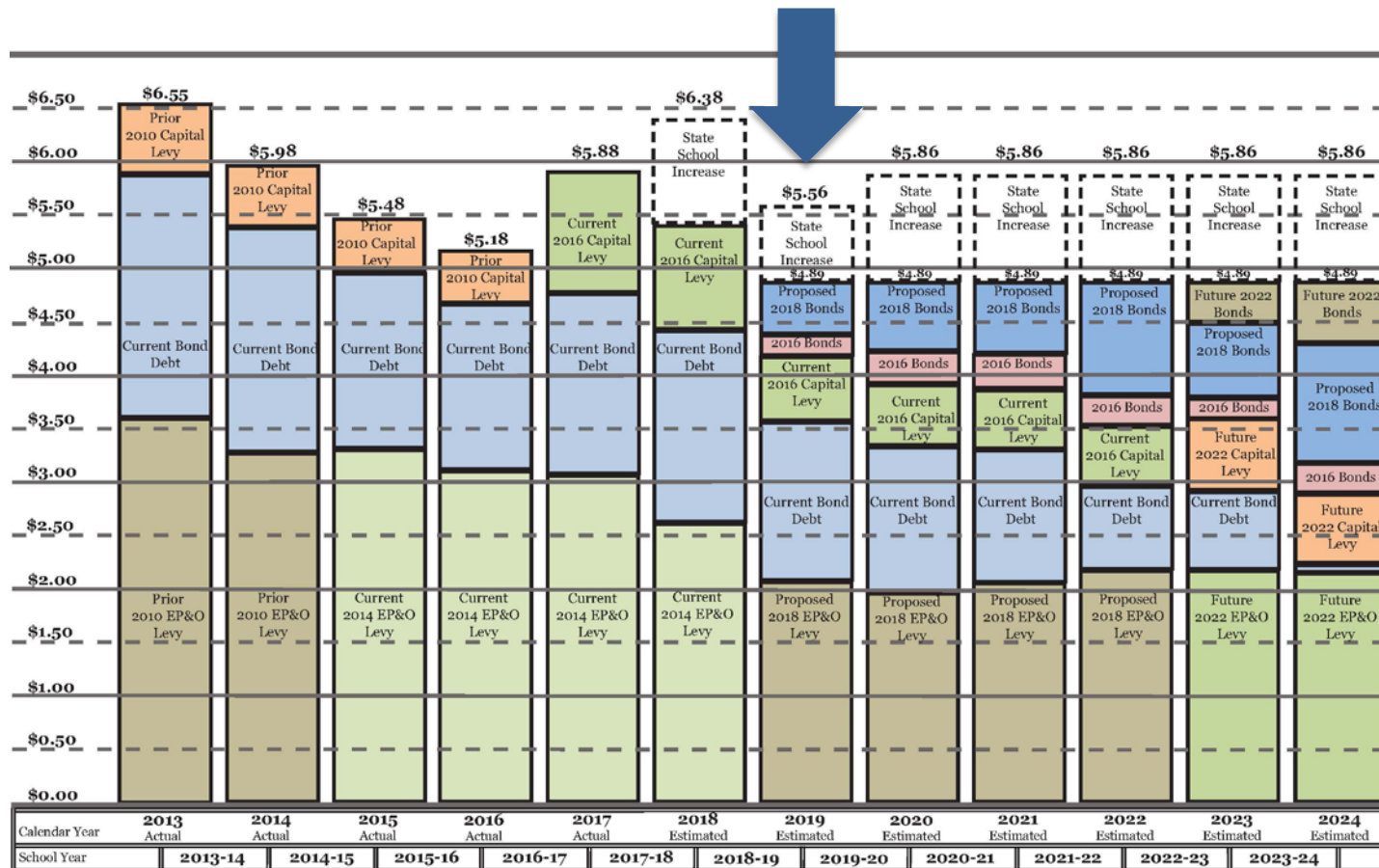
- Puget Sound school districts are most impacted
- Eastern Washington districts enjoyed tax relief and experienced high pass rates

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Combined result will be a tax cut for 2019

- State cut rate by 30¢ for 2019, then adds back in 2020





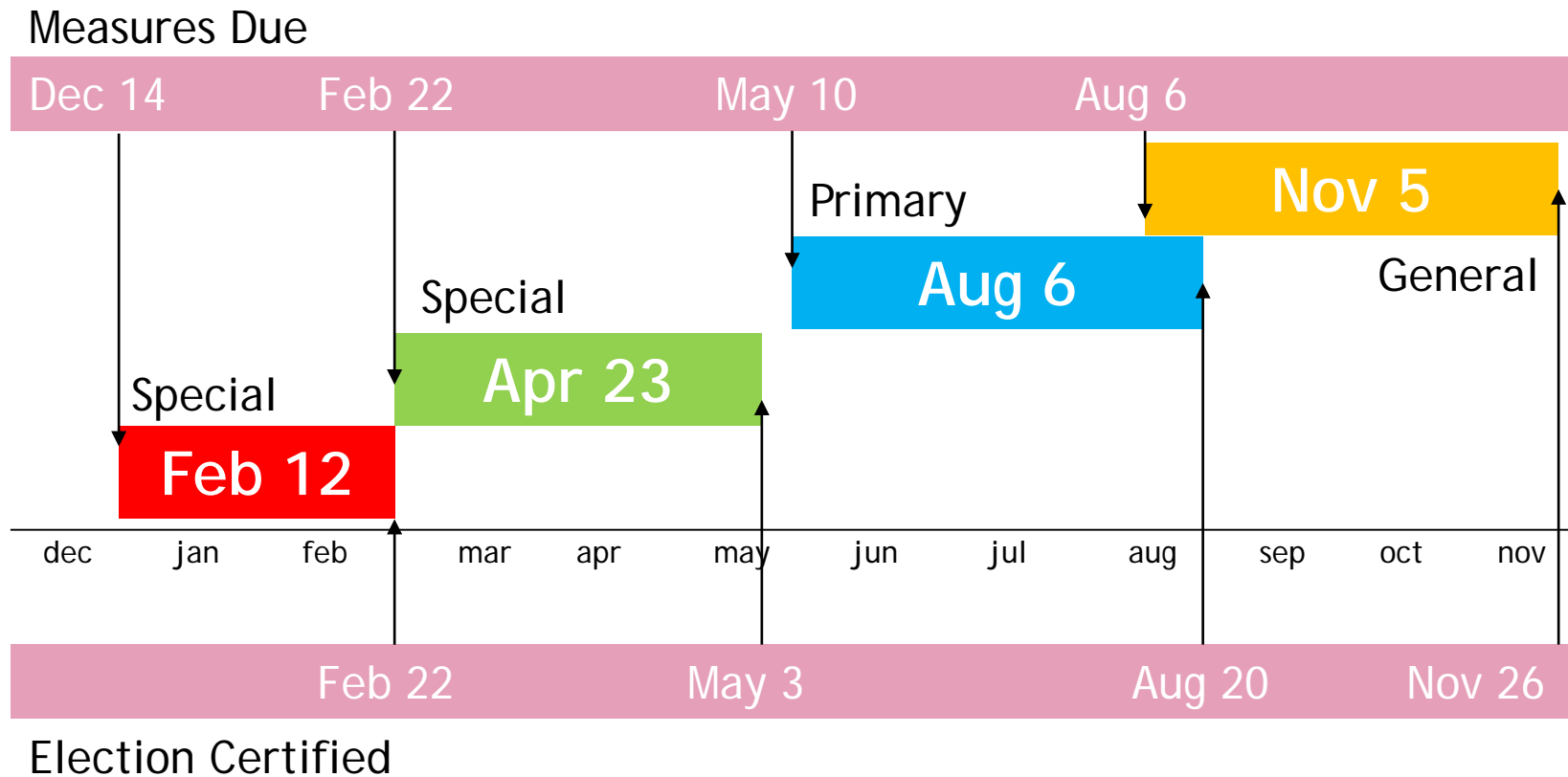
Capital levies have modest ability to cover significant capital needs

- Districts can only assess one capital levy at a time
- 2016 capital levy is in place until 2022
- Annual assessments for 2019-2022 are \$12.9 million
- Stable tax rate structure *includes* future capital levies
- Projection anticipates a 2022 capital levy at \$16.25 million per year to meet growing technology needs
- Stable tax rate structure will offer little room to add capacity for major building construction
- The significant urban AV in Seattle allows the school district to rely upon capital levies for construction

Capital Planning Post 2018 Bond



Washington's 2019 election options

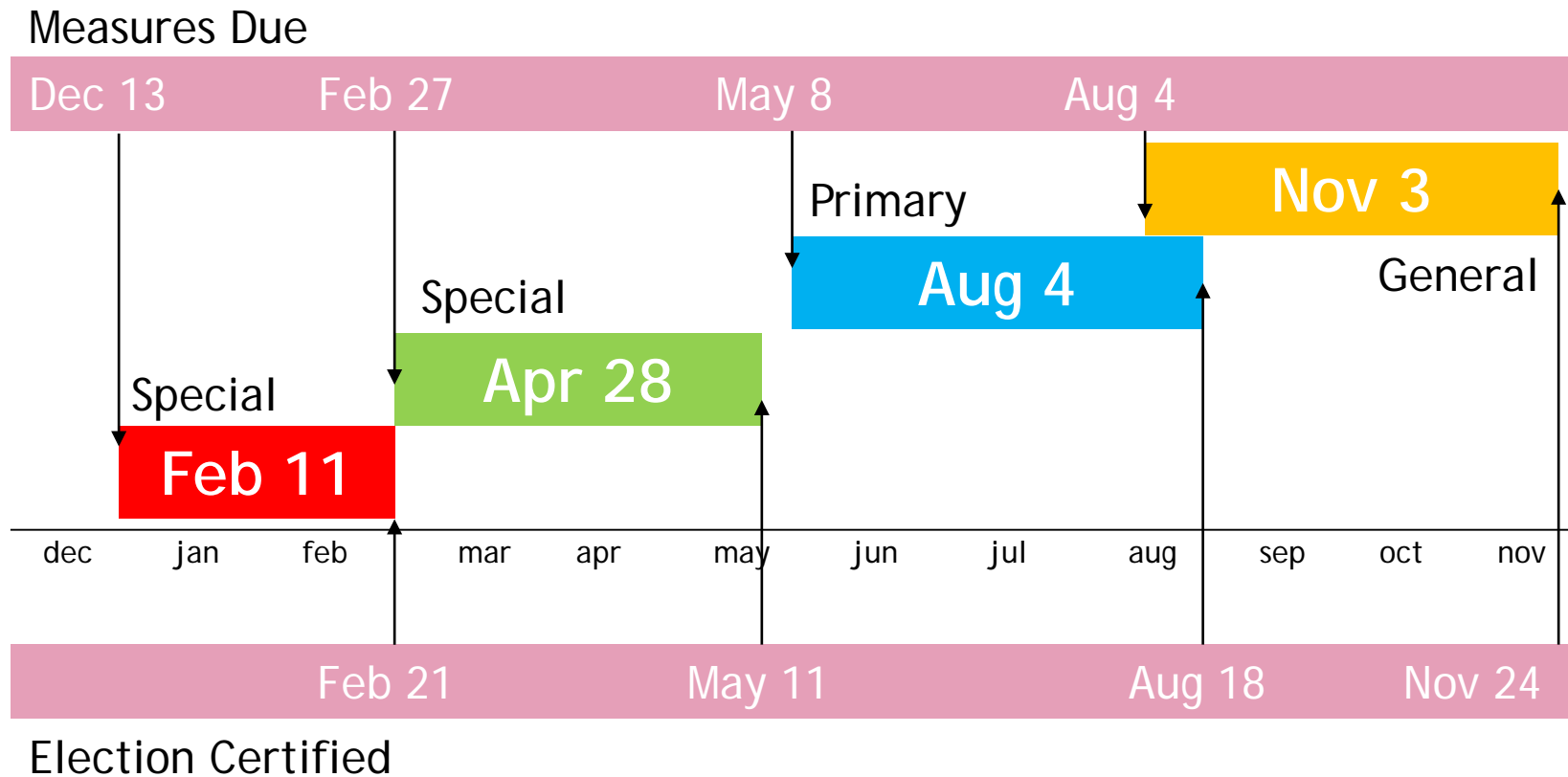


dates are estimates

Capital Planning Post 2018 Bond



Washington's 2020 election options



dates are estimates

Capital Planning Post 2018 Bond



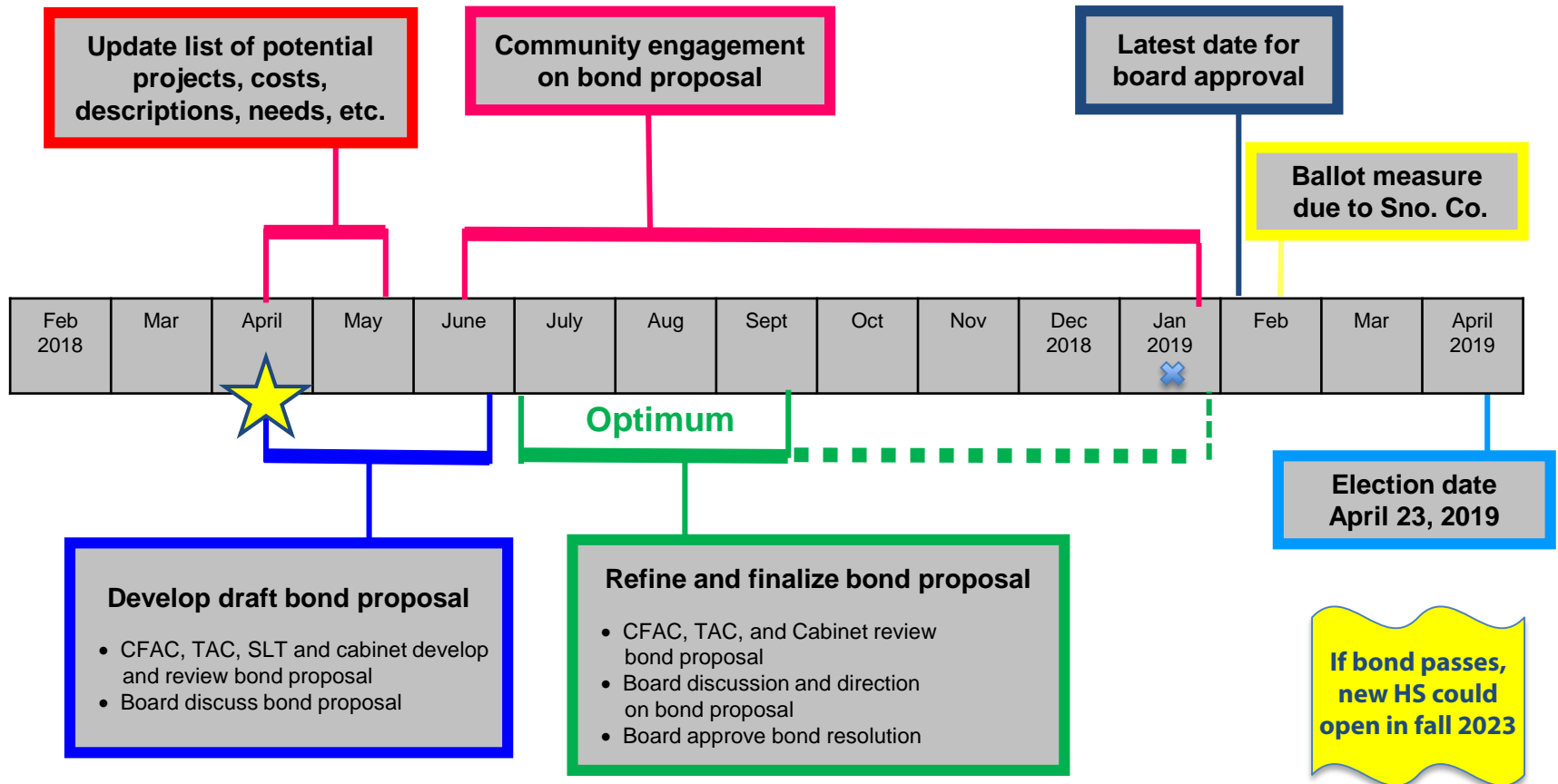
Implications of various election dates

Implication	Apr 2019	Nov 2019	Apr 2020	Nov 2020
Maximizes voter turn out		✓		✓
Accompanied by numerous ballot issues		✓		✓
Results in lower election costs		✓		✓
Results in lowest construction costs (current economy)	✓			
Applied to lowest property values (current economy)	✓	✓		
Follows 2019 legislative state tax rate reduction	✓	✓		
Follows 2020 legislative state tax rate increase			✓	✓
Occurs during legislative session	✓			
Follows legislative action or inaction on levy fix		✓	✓	✓
Occurs during program reductions if no levy fix			✓	✓
Occurs during legislative 2018-19 salary cap year	✓			
Occurs in early phases of bargaining	✓		✓	
Key communications occur in summer and fall		✓		✓

Capital Planning Post 2018 Bond



Possible April 2019 bond schedule



Indicates the current date

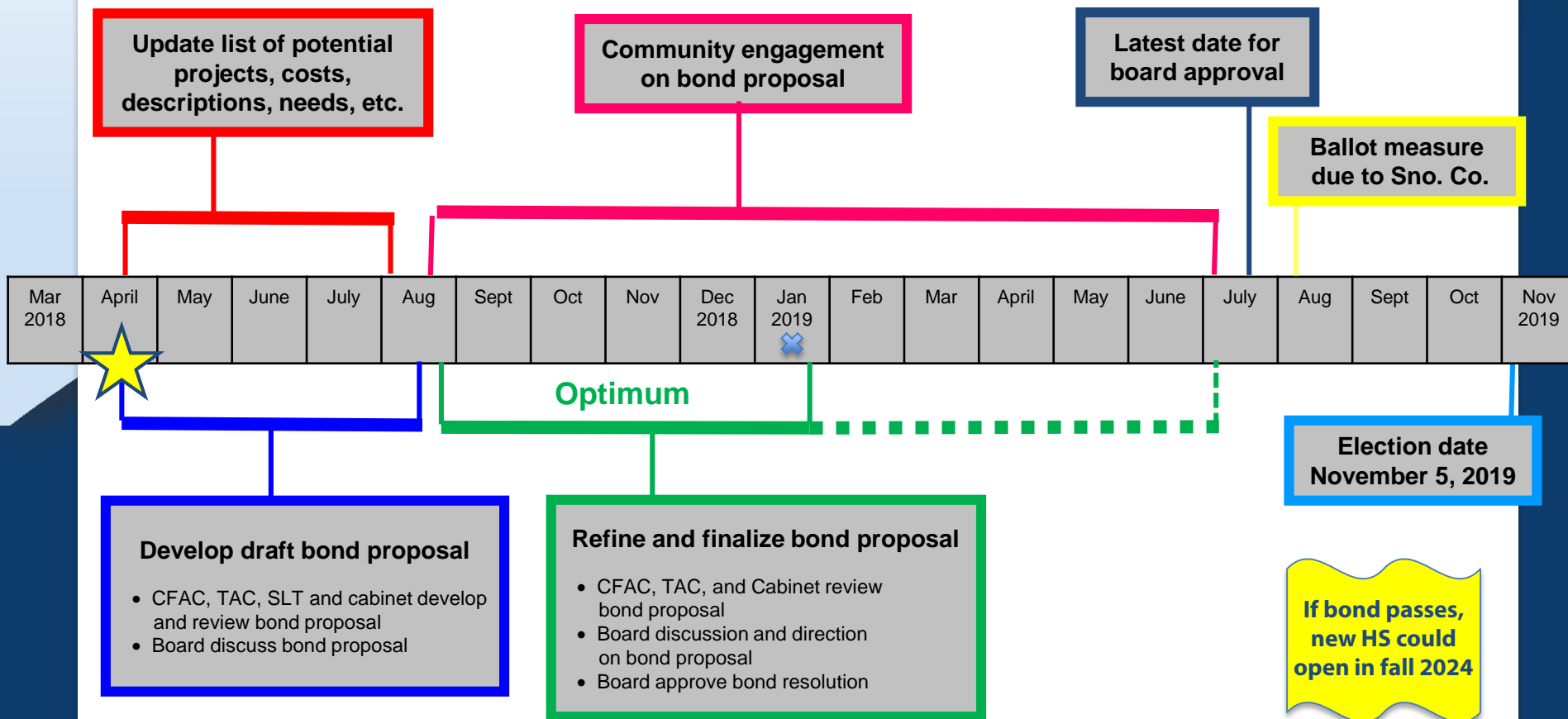


Enrollment projections updated by January

Capital Planning Post 2018 Bond



Possible November 2019 bond schedule



Indicates the current date

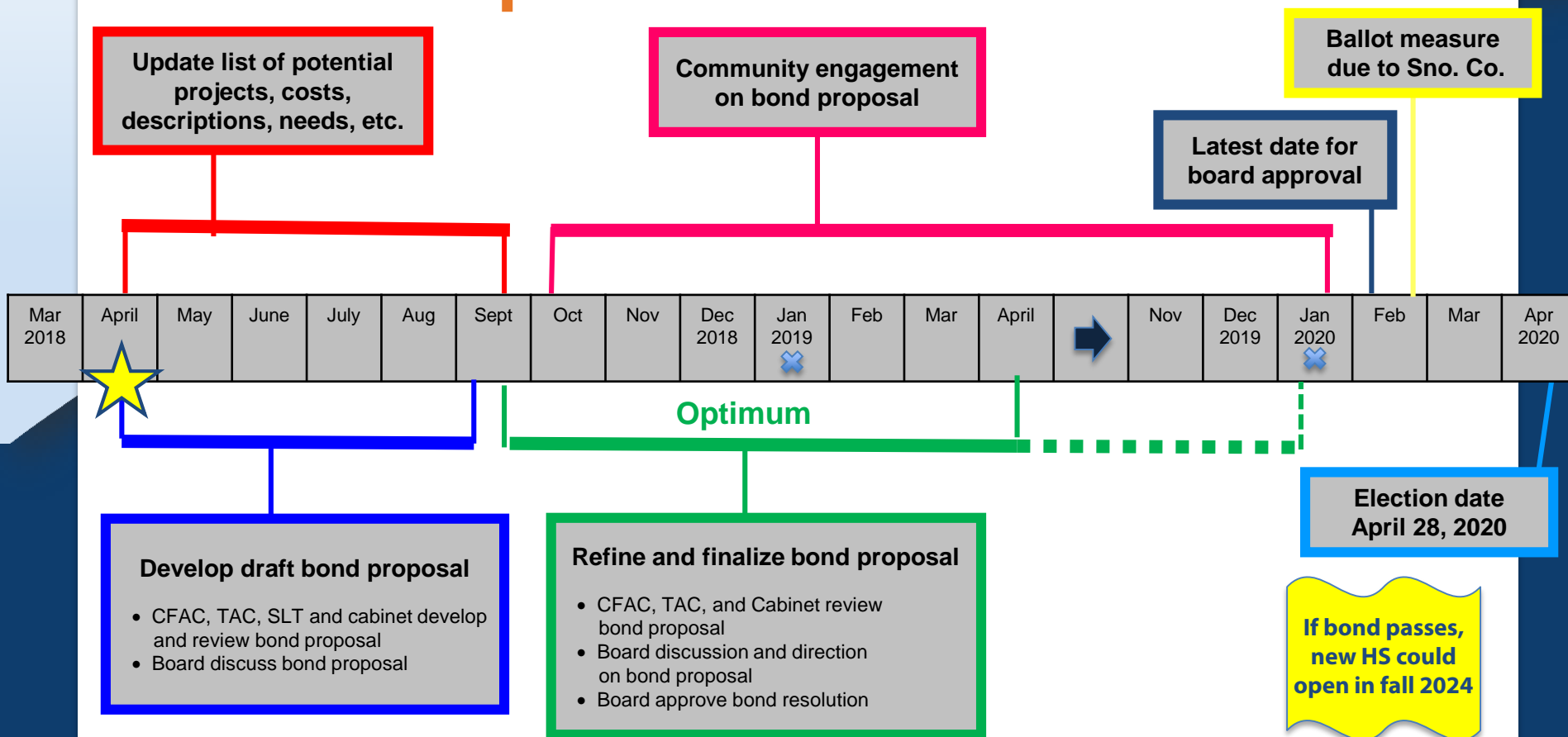


Enrollment projections updated by January

Capital Planning Post 2018 Bond



Possible April 2020 bond schedule



Indicates the current date



Enrollment projections updated by January

Capital Planning Post 2018 Bond



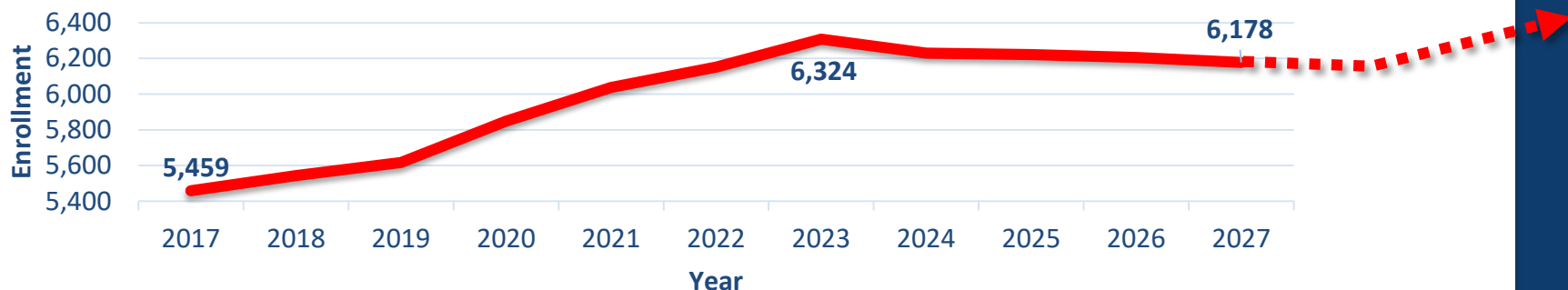
Elementary school enrollment projections



Middle school enrollment projections



High school enrollment projections



This chart is based on Kendrick medium range enrollment projections – February 2018



Overcrowding at Jackson HS

Impacts on students and staff

- Reduced capacity to overcome barriers to access
 - Reduced access to counseling and academic support
 - Harder to get after-school help from teachers
 - Less access to athletics teams and extra curricular activities
- Lunch times more congested, reducing time to eat
- Custodial cleaning challenges
- Accelerated wear and tear on the buildings, fields, and portables



Overcrowding at Jackson HS

Impacts on students and staff

- Parking lot congestion – too many cars and too few parking stalls
- Too much time getting into and out of parking lots and commuting to and from school
- 22 full size buses and 14 small buses today estimated to increase to about 28 and 17 by 2023
- Central support spaces overloaded (library, cafeteria, gym, offices, restrooms, etc.)
- More reliance on portable classrooms



Review March 30, 2017 community engagement board workshop

Options presented

- Continue to add portables
- Build new high school
- Shift boundaries
- Modify school schedules

Major themes from community input

- Significant support for a new high school, and for construction to occur as soon as possible
- Opposition to busing, portables, and major changes to school schedules



Addressing Jackson HS overcrowding

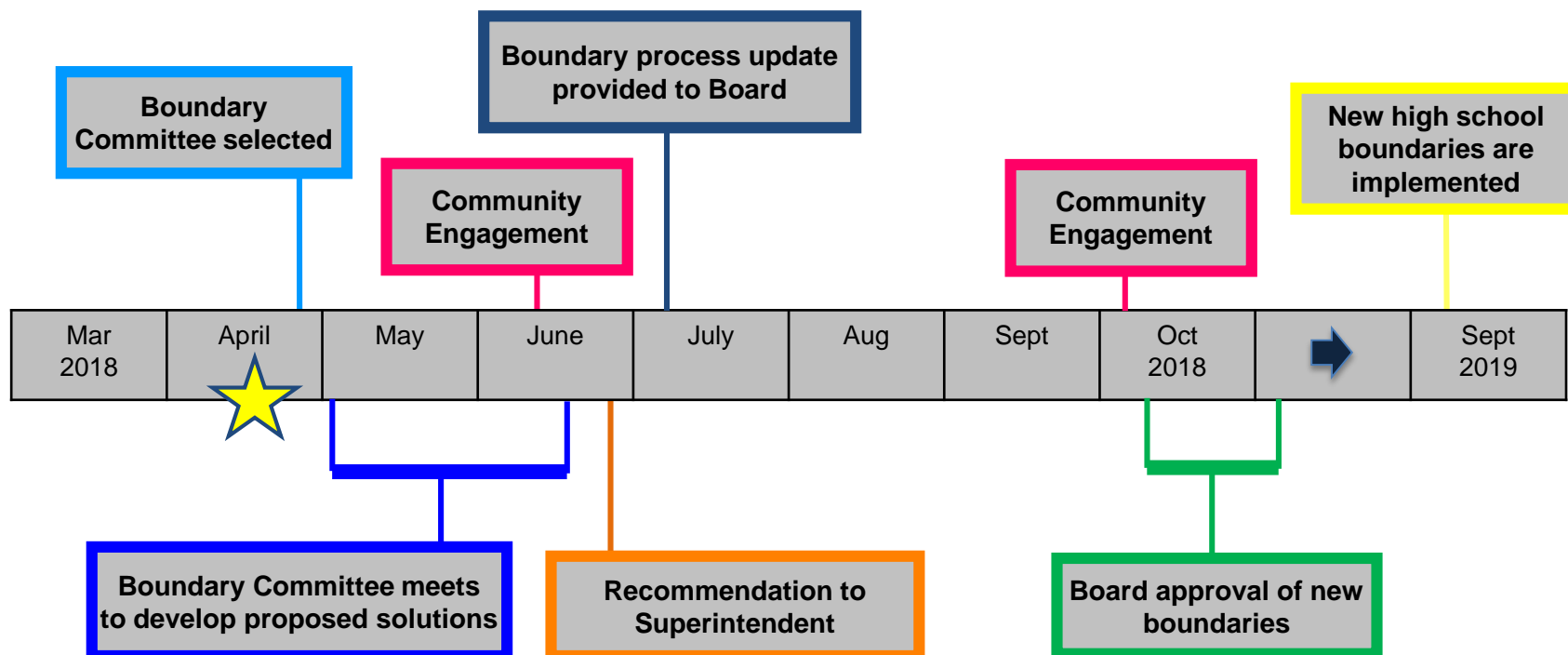
Option A – Revise high school boundaries

- Shift boundaries to move students northward; approx. 375 students from JHS to CHS, and approx. 375 students from CHS to EHS
- Implement boundary change beginning fall 2019
- No additional portables will be needed at Jackson HS (17 to remain), Cascade HS will need about 8 portables, and Everett HS will need 2 or more portables
- Guiding principles, staff support, and facilitator similar to elementary school boundary process



Addressing Jackson HS overcrowding

Option A – Revise high school boundaries



Indicates the current date



Addressing Jackson HS overcrowding

Option A – Capacity and enrollment

	Permanent Capacity	2017 Enrollment	2023 Enrollment
Jackson HS	1,759	2,137	2,139
Cascade HS	1,795	1,743	1,983
Everett HS	1,930	1,398	1,961
Total	5,484	5,278	6,083

This chart is based on Kendrick medium range enrollment projections – February 2018



Addressing Jackson HS overcrowding

Option B – Add more portables

- Continue to provide portables as needed
- Facilities estimates 30 portables will be needed at Jackson HS (17 existing) and 8 at Cascade HS (1 existing) by 2023
- Locating 13 new portables at Jackson HS will be a challenge
- After 2023, no additional portables are projected to be needed at high schools for enrollment growth until about 2030



Addressing Jackson HS overcrowding

Option B – When will more portables be needed?

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Jackson HS	17 existing	0	1	4	3	3	2	0	0	0	0	30
Cascade HS	1 existing	0	0	1	2	1	3	0	0	0	0	8
Everett HS	0 existing	0	0	0	0	0	0	0	0	0	0	0

This chart is based on Kendrick medium range enrollment projections – February 2018



Addressing Jackson HS overcrowding

Option B – Capacity and enrollment

	Permanent Capacity	2017 Enrollment	2023 Enrollment
Jackson HS	1,759	2,137	2,514
Cascade HS	1,795	1,743	1,983
Everett HS	1,930	1,398	1,586
Total	5,484	5,278	6,083

This chart is based on Kendrick medium range enrollment projections – February 2018



Addressing Jackson HS overcrowding

Option C – High school schedule change

- Three common alternative scheduling options are double-shifting, staggered start, and year-round school
- Double-shifting is the most commonly applied scheduling option for overcrowded schools*
- End-on shifts, overlapping shifts, and length of school week shifts are common models for a double-shift school schedule**

* Source: Linden, Toby. 2001. *Double-shift secondary schools : possibilities and issues (English)*. Human Development Network. Secondary Education working paper series. Washington, DC: World Bank.
<http://documents.worldbank.org/curated/en/819151468740107174/Double-shift-secondary-schools-possibilities-and-issues>

** Source: Bray, Mark. 2008. *Double-shift schooling : design and operation for cost effectiveness*. UNESCO: International Institute for Educational Planning.
<http://unesdoc.unesco.org/images/0016/001636/163606e.pdf>



Addressing Jackson HS overcrowding

Option C – High school schedule change

“In the view of many people, these problems (of double-shifting) outweigh the benefits. Public opinion often opposes introduction of double-shifts on the grounds that the system can save money but creates educational and social problems.” (Bray, p. 20)

“Policy Makers would be wise to consider the practicalities of implementation, without which they may find that their overall intentions may be thwarted.” (Bray, p. 20)

Source: Bray, Mark. 2008. *Double-shift schooling : design and operation for cost effectiveness*.

UNESCO: International Institute for Educational Planning.

<http://unesdoc.unesco.org/images/0016/001636/163606e.pdf>



More key questions for board conversation

- When is the best time to run a future bond?
- Should the focus, scope, or size of a future bond be different from the 2018 bond? If so, how?
- To what extent might capital levies better serve the district's growing facility needs?
- What should be done about overcrowding at Jackson HS until a fourth comprehensive high school can be built?

Capital Planning Post 2018 Bond



Next steps?