



Lake Washington School District
Study Session of the Board of Directors

Date: September 18, 2017

Topic: **Bond and Levy Planning**

Purpose

The purpose of the study session is to provide the Board an update on Bond and Levy Planning.

Background/Overview

Student enrollment in LWSD is rapidly growing. 2016-17 enrollment now stands at 29,008 and LWSD is the 3rd largest district in Washington State. The district is growing by the size of a large elementary school each year. Enrollment is expected to continue to grow. In 2015, the Long-term Facility Planning Task Force recommended building new schools to accommodate growth and a bond advisory committee convened to help develop a long-term funding plan to implement the Task Force recommendations. The plan called for bond measures in 2016, 2018, 2022, and 2026 to meet the district's need for classroom space through 2030. In addition to the planned bond measure, the district has two levies expiring that must be renewed in 2018. The Educational Programs and Operations Levy and a Capital Projects Levy. A study session was held on September 18, 2017 to review work of the Bond&Levy Advisory Committee work-to-date.

Study Session Overview:

- Bond&Levy Advisory Committee work

Bond and Levy Advisory Committee

The role and advisory committee membership was reviewed. An overview of the three meetings with the advisory committee was provided.

Assessed Valuation (AV) Assumptions

The current and proposed tax rate were provided. The total tax rate would decrease from \$3.16 in 2018 to \$2.93 for 2019-2022. A review of how local school taxes work was provided. The total dollar amount that a district can collect is established. The rate/\$1,000 is determined by dividing total amount to be collected by the district's AV and multiply by \$1,000. The rate/\$1,000 can change depending on the amount collected and total AV. The LWSD historical AV growth and projections were reviewed.

Levy and Bonds

The Educational Programs and Operation Levy (EP&O) amounts per year were reviewed. The average EP&O is \$63.5 million over the four years and an estimated rate of \$1.03/\$1,000 of AV. This equates to approximately \$2,190 per student. The state limit allows \$2,500 per student. The Capital Projects Levy amounts per year were reviewed. The average Capital Projects Levy is \$36.7 million over the four years will have an estimated rate of \$0.59/\$1,000 of AV. This equates to approximately \$1,265 per student.

The Bond rate per thousand is estimated at \$1.31 per \$1,000. The rate remains level over time as current bonds are paid off and future planned bonds come on. The total rate per \$1,000 will be \$2.93 for 2019-2022 as compared to \$3.16 in 2018.

2018 Capital Projects Levy Survey

Data was shared from a Spring 2017 survey of parents, staff, community members, and students on the Capital Project Levy.

Next Steps

A Board Meeting Presentation and Resolutions will be held on October 2nd. Board action on bond and levy resolutions will take place at the October 16, 2017 meeting.