


October 11, 2017

Rick Thompson
Superintendent

Board Policy 6900 Improve District Facilities

Capital Projects 101



“The Capital Projects Fund can be used for the acquisition of land or existing facilities, construction of buildings, purchase of equipment, conducting energy audits, and implementing technology systems. In addition, improvements to building and/or grounds, remodeling of buildings, the replacement of roofs, carpets, and service systems are included in the capital projects fund.”

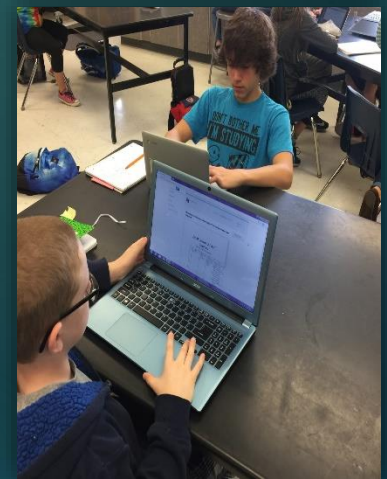
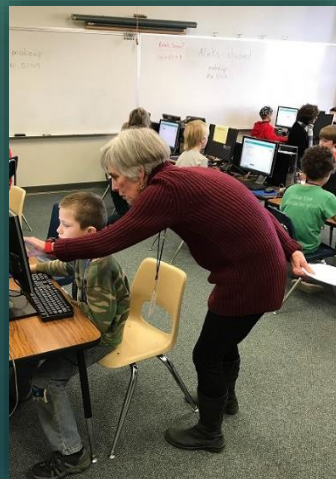
Source: Accounting Manual for Public School Districts 9-1-16

Overview

- ▶ Chimacum taxpayers have invested over time!
- ▶ Facilities should reflect educational priorities.
- ▶ Facilities directly impact the learning climate.
- ▶ Board has approved facility condition assessment.

Student Success is the Lens for Decisions

- ▶ Technical training programs get wide voter support.
- ▶ We have 3 buildings for K-8 education—and a separate ALE school.
- ▶ Facilities can enhance program options.
- ▶ Keep technology and safety at the forefront.



School Tax Measures

- ▶ 1997 bond built CCP, expanded MS and HS, expired 2012
- ▶ 2013-18 Capital Projects Levy — voters approve 62.06% yes
- ▶ 2014 Maintenance and Operations Levy passes at 64%
- ▶ 2015 (February) Capital Bond of \$34.8 M at 51.5% (60% required)
- ▶ 2016 (February) Bond of \$29.1M at 58.04% (60% required)
- ▶ 2016 (April) Bond of \$29.1M at 59.3% (60% required)
- ▶ 2017 February Maintenance and Operations levy passes at 62.3%
- ▶ **2012-2018 Capital Levy Expires on December 31, 2018**

Buckets of Work



Don't go it alone

The district has several documents and qualified partners to guide decisions.

MENG Facility Condition Analysis 2017

ESD 112 Facility Master Plan

Capital Expenditure Reports

2015 Safety and Security Report

**Enrollment Reports, by grade, by school,
by program**

- ▶ Site plans and blue prints
- ▶ McKinstry energy documents
- ▶ Prototypical funding model OSPI
- ▶ School Construction Assistance Program
- ▶ 2012 Study and Survey
- ▶ Photo documentation
- ▶ One line electrical


Guiding Questions



- ▶ What are the educational program objectives that facilities can support?
- ▶ What are the phases of work, short term and long term?
- ▶ Can we renew existing space or build new space?
- ▶ What buildings or spaces would not be worth investing in?
- ▶ The district will need to define educational adequacy. Deciding what buildings should look like will help focus decision making.

Examples of Capital Projects

- ▶ Some of the projects we have done include CHS gym, HVAC improvements, CMS gym floor, lighting, phone systems, roofing projects, technology and electrical. Now we need to determine what we want to do and the time frame.
- ▶ Other ideas include:
 - ▶ Alternative Learning
 - ▶ Performing Arts
 - ▶ STEM space
 - ▶ Career and Technical Education spaces (TEALs Lab)
 - ▶ Technology upgrades
 - ▶ System improvements (finished, HVAC, roofing, exterior, flooring, etc.)
- ▶ Example: We could remodel CMS to include Pi within existing space.

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- ▶ **Capital levies can be run for 1-6 years.**
 - ▶ **Capital levies require simple majority (50% +1) to pass.**
 - ▶ **Capital levies can remediate deficiencies, improve systems, and/or provide new spaces—Catch up, Keep up, Step Up.**

Taxation Landscape



- ▶ The Bonds are paid off
- ▶ Local M and O taxes (now called Enrichment Levy) will decrease in 2019 to \$1.50/\$1,000 or \$2,500 per pupil, whichever is less
- ▶ Beginning in calendar years 2018-21, state property tax for schools increases \$.081/\$1,000 of Assessed Valuation
- ▶ We asked for \$1,325,000 per year from 2013-18 for capital projects. The collection did not increase
- ▶ In 2016-17 the district received \$173,142 in MSOC allocation for Facilities Maintenance

Revenue Sources for Capital Projects

- ▶ Capital Levies
- ▶ Bonds
- ▶ Grants, most require matching funds from supplements, but is not permanent solution
- ▶ Normal Operating M & O revenue - must check on new requirements for “Enrichment”
- ▶ State Forest Revenue is nominal - 2017 amount was \$1,146
- ▶ State match is a 30 year decision, must be pre-planned

Multi-Building Starting Point



- ▶ We have more K-12 space than we likely need overall; however, we need to review all space requirements
- ▶ Location and use of space is not aligned with enrollment per grades
- ▶ Changes in grade configuration can lead to operational and educational efficiencies
- ▶ District faces a declining enrollment trend
- ▶ Prior to 1997 bond, state funding has changed for programs
(examples, K-3 class size reductions, adding alternative teaching space, full day kindergarten, special education pre school)

Recommending Action



The current capital projects levy expires on December 31, 2018:

- ▶ The board needs to take action to continue projects beyond 12/31/18
- ▶ Decisions are length of term, amount and purpose.
- ▶ MENG shows a yearly need greater than current capital projects just to maintain facilities.

Community Engagement Policies 1240 and 4110

To develop a long range facility plan, Superintendent recommends outside assistance to develop required components of the long range facility plan such as demographics, educational adequacy, and grade configuration. Community and staff have expressed interest in helping the district. The Assistant Superintendent has expressed interest in being the staff lead.

- ▶ Bert Loomis
- ▶ Jared Shepherd
- ▶ Luann Rogers, Board Rep
- ▶ Maren Johnson, Parent
- ▶ Superintendent
- ▶ Assistant Superintendent
- ▶ Director of Maintenance
- ▶ Community Volunteers Appointed by the Superintendent

Before convening this committee, I will ask board to provide overall educational direction at next meeting.

2018 FILING DATES

February	April	August	November**
12/15/2017	2/23/2018	5/11/18	8/7/17

Recommendations



- ▶ It will be vital for the committee to start well and work through assumptions.
- ▶ Build the district's academic reputation.
- ▶ Give taxpayers value and pride.
- ▶ Thoroughness of each step will yield best outcome.
- ▶ Over communicate with public.

Next Steps

- ▶ Determine basic educational program goals. Board work at next meeting.
- ▶ Convene a committee with a task and timeline.
- ▶ Discuss options, and timing of those options, before action.
- ▶ Constant communication throughout.

Questions & Discussion

References

1. School Facilities and Organization, State of Washington, ICOS Report, Form 1049, Enrollment
2. DA Davidson, 6 year levy scenarios at .25C increments
3. 2014-21 Elections and Collection, CSD 49
4. 2011 to 2024 Levy Amount Totals, CSD
5. 2013-2024 CPF Levy projection
6. 2014 to 2024, Assessed Valuation adjustments with Timber, CSD
7. 2011 to 2013 Assessed Valuation, with and w/o Timber, CSD
8. 2012 CPF Election Results, by precinct
9. 2014 M and O Election Results, percentage
10. 2015 and 2016 Bond Results, percentage
11. 2016 Bond Results and 2017 M and O results, percentages
12. List of Bond Projects for Consideration with estimates, Winter 2016
13. ESD 113 Facility Master Plan, Fall 2015
14. CSD Enrollment Trends, via OSPI records
15. Calendar of bonds and voted levies, County, 1998-2022, Projected
16. MENG Facility Condition Analysis 2017