



Olympia School District

Facilities Advisory Committee

Background Presentation



Facilities Advisory Committee

- Volunteer citizens committee
- Charged with advising the Olympia School District on facilities and capital project needs and funding
- Represents all geographic areas of the District
- Represents all school levels (elementary, middle and high schools)
- Began work in November, 2008
- Committee is advisory
- Decisions will be made by the School Board



Scope of Work

The Committee has focused its work so far on three main issue areas:

1. Facility condition and operational needs
2. District facility capacities and enrollment forecasts
3. Current and emerging educational program needs and desires



Many Facility Needs Identified

The Facility Advisory Committee has identified many needs for school construction upgrades in the District

Working with schools, the Committee identified many needs. They include:

1. Significant school repairs, upgrades and replacements
 - permanent upgrade to Capital High School roof structure;
 - District-wide -- new roofing, siding and flooring; heating and air quality improvements; existing school remodels; replacement of old John Rogers facility (Olympia Regional Learning Academy)
2. School capacity increases to accommodate projected future growth in enrollment
3. Need for greater school spaces, especially for small group instruction and special education services



Committee Timeline

FAC begins work	November, 2008
Survey of staff, students and community	January, 2009
Study and Survey of facilities	April, 2009
Site visits and school interviews	Spring, 2009
Develop and consider options for facilities bond or levy	Fall, 2009
Public forums on options	November, 2009



Committee Timeline

Recommendations to School Board	November 23, 2009
School Board Study Session on options and recommendations	December 7, 2009
School Board consideration of levy or bond for February Special Election	December 23, 2009



Special Election Dates

If the School Board elects to seek voter approval of a funding source for new facility upgrades, the following election dates are authorized in state law

Election Date	Resolution Filing Deadline
February 9, 2010	December 23, 2009
April 27, 2010	March 12, 2010
May 18, 2010*	April 2, 2010
August 17, 2010	May 25, 2010

* May 2010 election is restricted to tax levies that previously failed in 2010 or for new bond issues



Capital Projects Funding Mechanisms

There are two primary District sources of funding for facility improvements:

- Capital Projects Levy
- Capital Projects Bond

Capital project levies and bonds both require voter approval



Capital Projects Levy

- Approved by a simple majority vote of the people
- May be approved for two to six years
- Cash flow is limited to the levy approved for each year
- Multiple capital project levies approved at different elections are also permissible



Capital Projects Bond

Bonds are the primary source of school district financing for major capital projects

- Super-majority vote of 60% approval is required
- Cash is generated “up front.” Larger projects can be financed over time
- Repayment of bonds is spread over time, which provide flexibility in timing the impact on tax rates
- Interest and bond costs are added to construction costs



Prior Planning

The Olympia School District has been repaying prior construction bond issues in anticipation of current and future construction needs

Current property tax rates for District debt service will be 51% lower beginning in 2011

Needed additional investment in facilities is possible while maintaining current tax rates



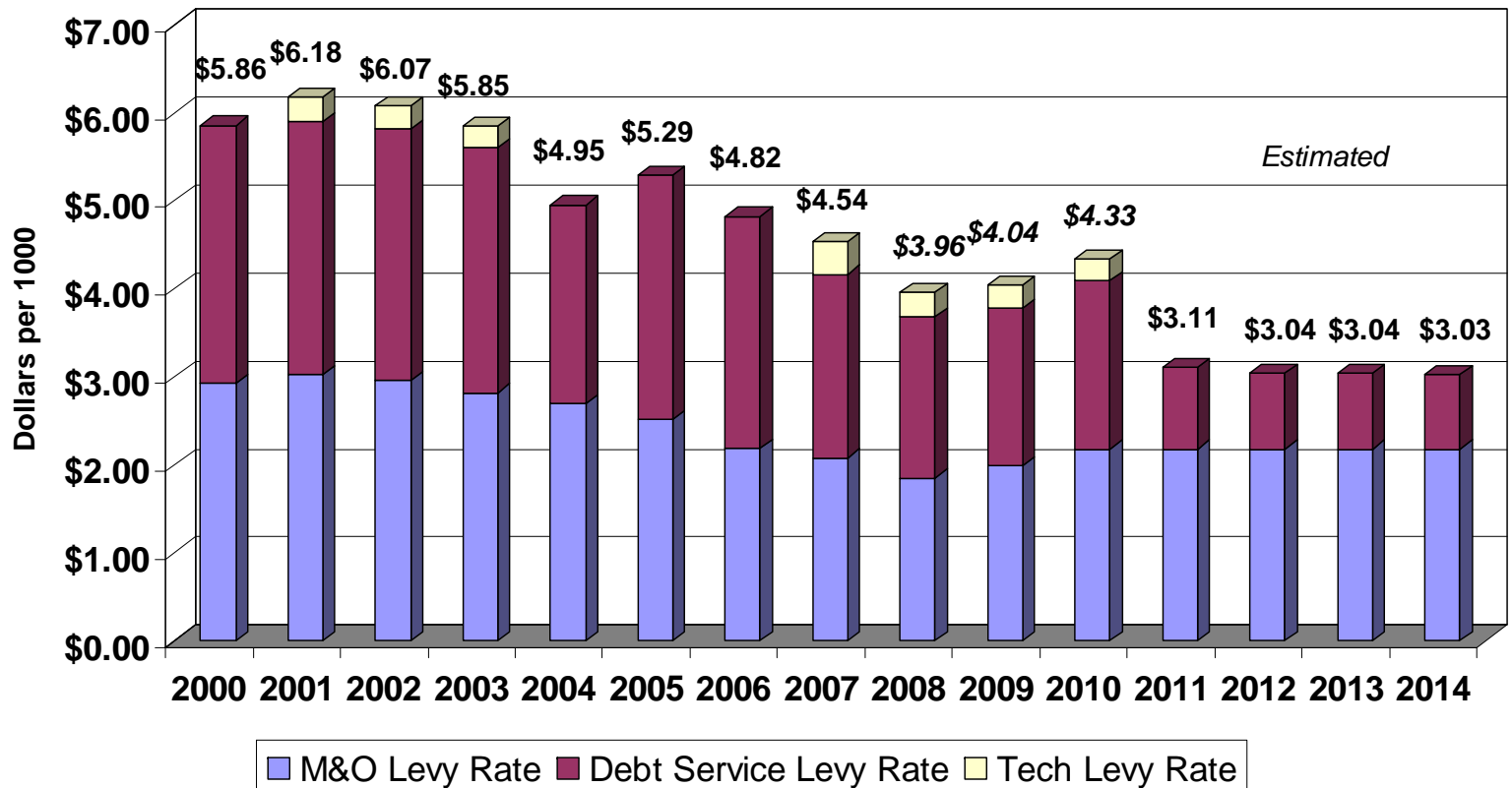
Total Property Tax Rates

Current Voter-Approved Levies and Bonds

Expiration of the District's technology levy and a significant reduction in debt service costs after 2010 cause the projected total tax rate to drop dramatically for 2011 and beyond

Tax rate per \$1,000 of assessed value

Total Tax Rate--Current Voter Approved Levies and Bonds





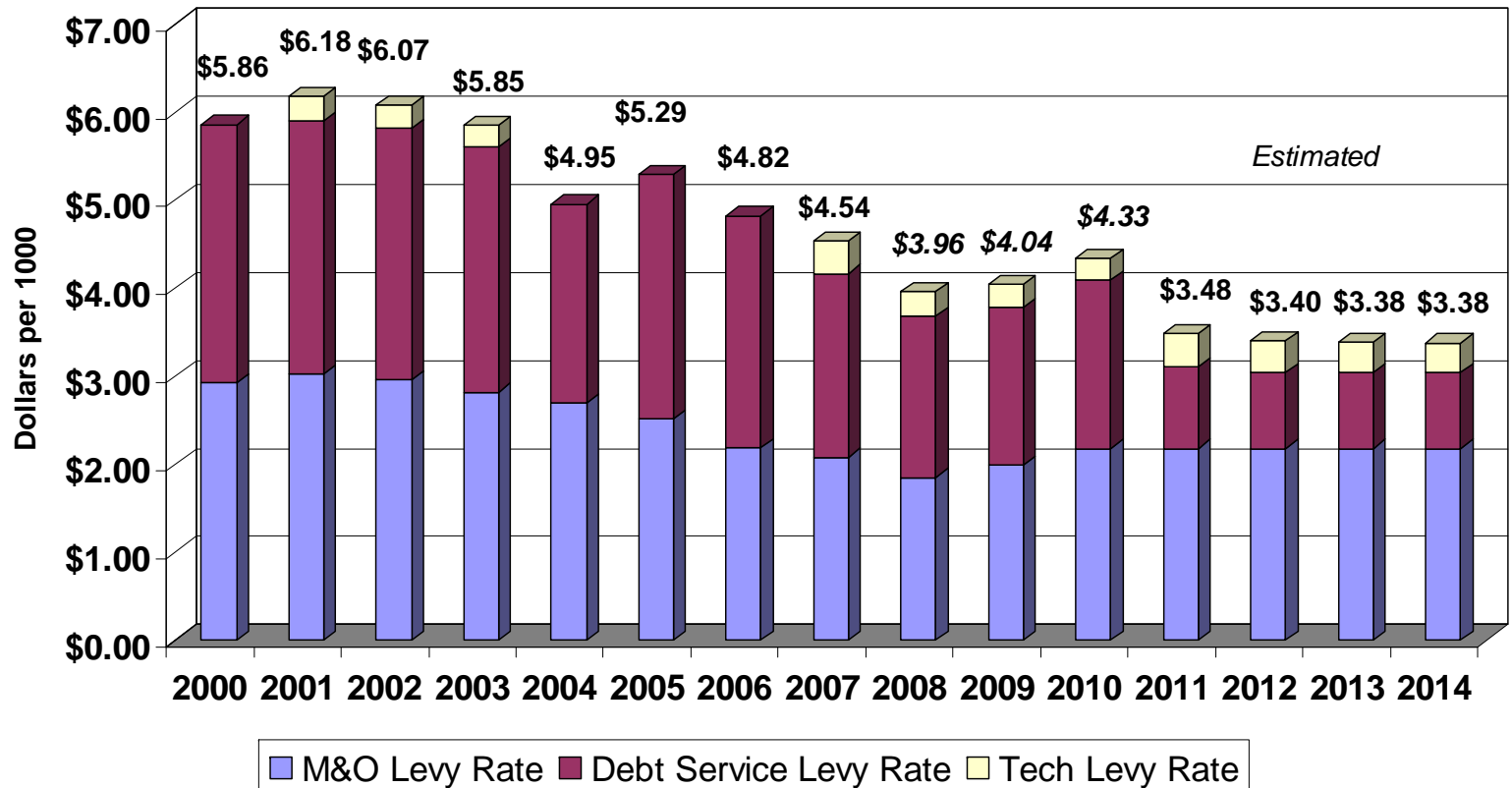
Total Property Tax Rates

Renew Technology Levy only

Tax rates per \$1,000 of assessed value

Planned renewal of the District's technology levy would still result in a significant, planned tax rate decrease for 2011 and beyond

Total Tax Rate--Renew Technology Levy Only



Reauthorized tech levy rates are modeled on a 4 year levy of \$3 million per year



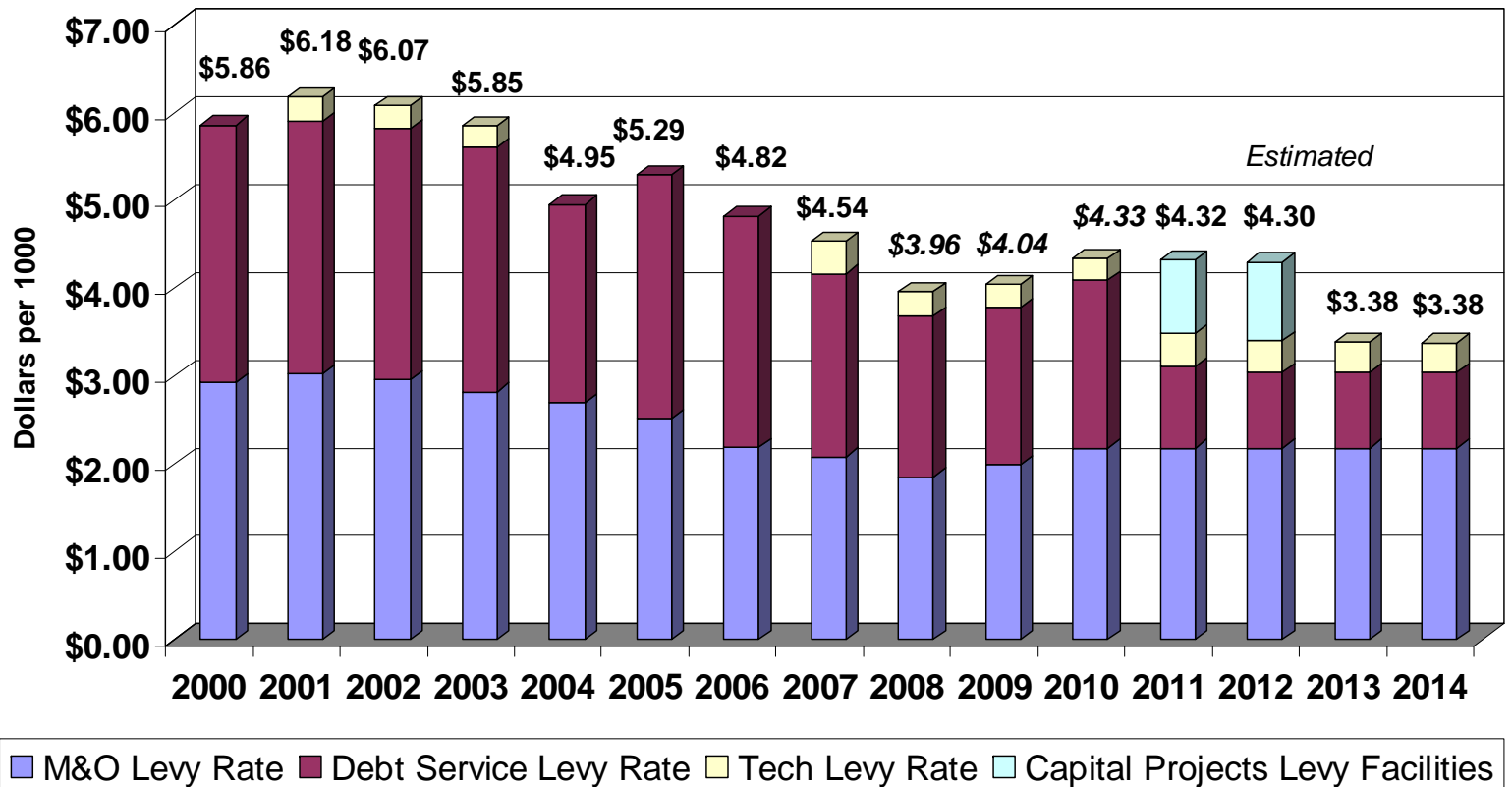
Total Property Tax Rates

Renew Tech Levy and New Capital Project Levy

Adding a capital projects levy for facility improvement could be accomplished without increasing tax rates

Tax rates per \$1,000 of assessed value

Total Tax Rate--Renew Tech Levy and New Capital Projects Facility Levy



Facilities component of capital project levy is modeled on a 2011 levy of \$6.8M and 2012 levy of \$7.5M



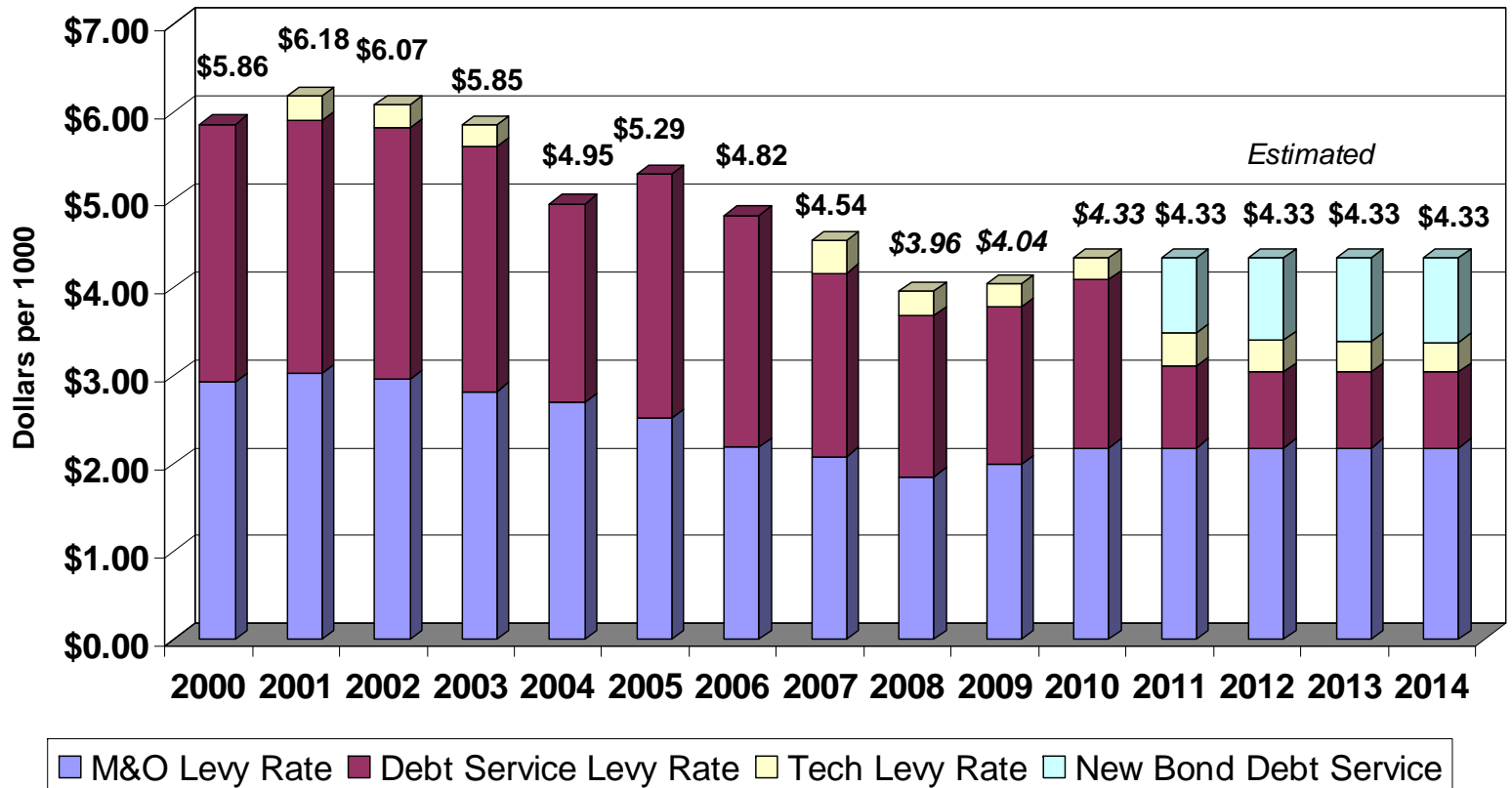
Total Property Tax Rates

Renew Tech Levy and New Bond Issue

Tax rates per \$1,000 of assessed value

Alternatively, a bond issue for facilities could be issued in lieu of a capital projects facility levy

Total Tax Rate--Renew Tech Levy and New Facilities Bond



New Bond Debt Service will provide an estimated \$65 to \$70 million in construction project capacity



Options Developed for Consideration

The Committee is considering a range of options to meet the District's needs

Committee goals:

- Meet the most urgent and highest priority safety, preservation and operations needs first
- Consider the full range of needs and desires expressed by the schools and the community
- Be mindful of the current economic conditions and tax consequences
- Leverage other resources, where available



Options Developed for Consideration

Summary and detail descriptions of the options the Committee is currently considering are posted on the District website

Please see <http://osd.wednet.edu/>

The committee and the school district welcome your comments and suggestions!



Thank You

Thank you for your interest and for sharing your thoughts with us.