

Olympia School District Board of Directors Supports Governor Inslee's Levy Proposal

The Olympia School District Board of Directors has unanimously passed Resolution 591 urging the 2019 Washington State Legislature to restore the school district's levy authority to its former level of 28% of levy base.

1. **The Enrichment Levy is not enrichment.** The levy pays for critical costs that are greater than state funding allocations, compensation costs not covered by the state and staff over and above the state prototypical allocations that are too low to reach our student achievement goals. The following are examples where the levy covers basic education responsibilities:

- The state allocates \$3.4 million for insurance and utilities, but OSD will pay \$3.9 million this year.
- The McCleary salary funding reforms have made progress in fully funding the cost of basic education salaries, but the state continues to under-fund teacher, principal and classified staff salaries. Specifically, state funding will cover 88% of the cost of OSD teacher salaries, 88% of the cost of classified staff salaries and 81% of the cost of principal salaries in the 2018-19 school year.
- To serve 10,000 students, the district deploys critical staff beyond the numbers funded by the state:

Librarians: State = 11.55 / OSD = 16.00

Nurses: State = 1.46 / OSD = 10.30

Social Workers: State = 0.58 / OSD = 2.0

Counselors: State = 19.32 / OSD = 26.10

Security Personnel: State = 1.77 / OSD = 7.08

- The district must subsidize transportation for foster and homeless youth to attend their home school (even after extensive partnerships with neighboring school districts).
- After-school tutoring, athletic and club activities for youth are heavily subsidized by the levy in order for participation to be affordable by families.

2. **The Enrichment Levy will be tasked with more subsidy of basic education in the future.**

- Olympia School District salaries need to be competitive. Our salaries must keep up with neighboring school districts that receive regionalization, as well as neighboring school districts that have recently negotiated more competitive salaries.
- The Governor's Tentative Agreement with employees for health benefits will require a substantial levy subsidy. This subsidy will grow with health care inflation — typically double regular inflation.
- The Governor makes several proposals to improve basic education staffing and special education. These resources are phased in over 6 years, and Olympia's benefit is late in this timeframe.

3. **28% Levy Authority, Governor Inslee's proposal, is the fairest approach to reshaping the levy law.**

- The Governor makes levies proportional to size and population need. (Districts can levy 28% of all funds, including specialized state funds (e.g., High Poverty LAP).
- The Governor restores Local Effort Assistance, providing levy relief in Thurston County as an off-set to the massive assessed value, and thus cheap levies, in the urban Puget Sound.
- A 22% policy will help our immediate deficit, but does not provide for long-term stability given the factors above.
- A "Greater Of" policy (greater of \$1.50 or \$2,500) gives much higher levy authority to urban core districts, cuts Olympia and others out of the potential to receive Local Effort Assistance at a level proportional to prior years, and is ultimately not enough resources to be a stable levy system.
- Local Effort Assistance is critical. Districts statewide will have a much more difficult time passing levies given the state levy for education of about \$1.00/\$1,000 AV.