



Funding Our Schools: Our February 2013 Building Excellence Capital Levy and Operations Levy

Seattle Public Schools receives funding from three sources — state funds, federal funds, and local levy funds approved by Seattle voters.

WHAT DO THE LOCAL LEVIES FUND?

Operations Levy — expires February 2013

- Provides 27% of the funding needed to operate schools every day including:
 - Teachers and instructional assistants
 - Textbooks and classroom supplies
 - Full-day kindergarten and sixth period for high schools
 - Special education and bilingual education services
 - Bus transportation and security
 - Student activities such as athletics, music and extra curricular programs

Capital Levy

- Two programs for construction, renovation, seismic improvement and enhanced technology that cannot be funded with operations (general fund) dollars
 - Building Excellence (BEX) — ***expires in February 2013***
 - Buildings, Technology and Academics (BTA) — expires in 2016



WHAT CURRENT CHALLENGES CAN LOCAL LEVIES HELP ADDRESS?

Increasing enrollment: 1,000 new students this year and 7,000 in the next 10 years

- Continuing enrollment increases will result in many schools exceeding capacity
- Projection of 7,000 new students in next 10 years would require the equivalent of 14 elementary schools, 10 middle schools, or 5 high schools

Aging buildings and a \$500 million maintenance backlog

- Must ensure safety for students and staff
- Need to reduce energy and water usage
- Replacing or modernizing clears much of the maintenance backlog at school

Need to decrease use of portables

- School Board and families want fewer classroom portables
- Portables increase classroom space but not core facilities
- No increase in core facilities such as restrooms, cafeteria, gym, library

Opening closed or rented buildings has high cost

- There is a cost for early termination of lease agreements SPS building tenants
- Buildings need to be upgraded to current construction standards

Declining state funding for construction

- School construction funding from the state has substantially decreased

No developer mitigation fees in Seattle

- Other districts receive money from developers when new housing is built
- SPS does not receive funds to help pay for more students when more housing is built

Technology costs not funded by the State of Washington

- Technology plays a critical role in 21st century education and life
- Hardware/software upgrades are necessary to support schools and district functions

State funding for basic education has decreased dramatically

- Not funding voter-approved changes such as smaller class size
- District budget cuts of \$35 million and employee furlough days were implemented to offset reduced state funding
- Courts have ruled that the state isn't adequately funding education and additional funding is not anticipated.

Operations Levy and BEX Bond expire in 2013

- Without renewal of the Operations levy, SPS would have to cut nearly 30% of the operating budget, a possible reduction in force of teachers and services for students
- Without the BEX IV replacement levy, there will be no funding to build, remodel or update schools. All unmet capacity needs would be addressed by non-capital solutions, such as boundary changes and staggered (morning and afternoon sessions) school days.

WHAT'S NEXT?

- September 20, 24, and 27: Community engagement meetings
- October 4: Facilities and Capacity Management Advisory Committee (FACMAC) reviews feedback from the public. Board reviews public feedback
- October 10: Board work session on levies — final draft presented by staff
- October 17: Board introduction of levies proposals
- November 7: Board takes action on the proposed Capital and Operations levies
- February 12, 2013: Seattle residents vote by mail on both levies
 - Six-year BEX IV Capital Levy
 - Three-year Operations Levy