

BLAINE SCHOOL DISTRICT

February 13, 2024 Ballot Measures



Replacement Educational Programs & Operations Levy and Capital Bond

Levies are for Learning, Bonds are for Building. *Schools need both!*



Blaine School District gets local funding from two important sources.

LEVY

A short-term (1-6 year) local property tax that must be approved by the voters of a school district. An operations levy generates funding for educational programs and services that the state does not fund or under funds. A capital levy typically funds small building and maintenance projects.

BOND

A long-term funding option, similar to a mortgage, that provides money for large capital projects like remodeling schools or building new ones. Bonds are sold to investors who are repaid with interest over time from property tax collections, generally between 10-25 years. Bonds require a supermajority to pass (60%).

Replacement Educational Programs & Operations (EP&O) Levy



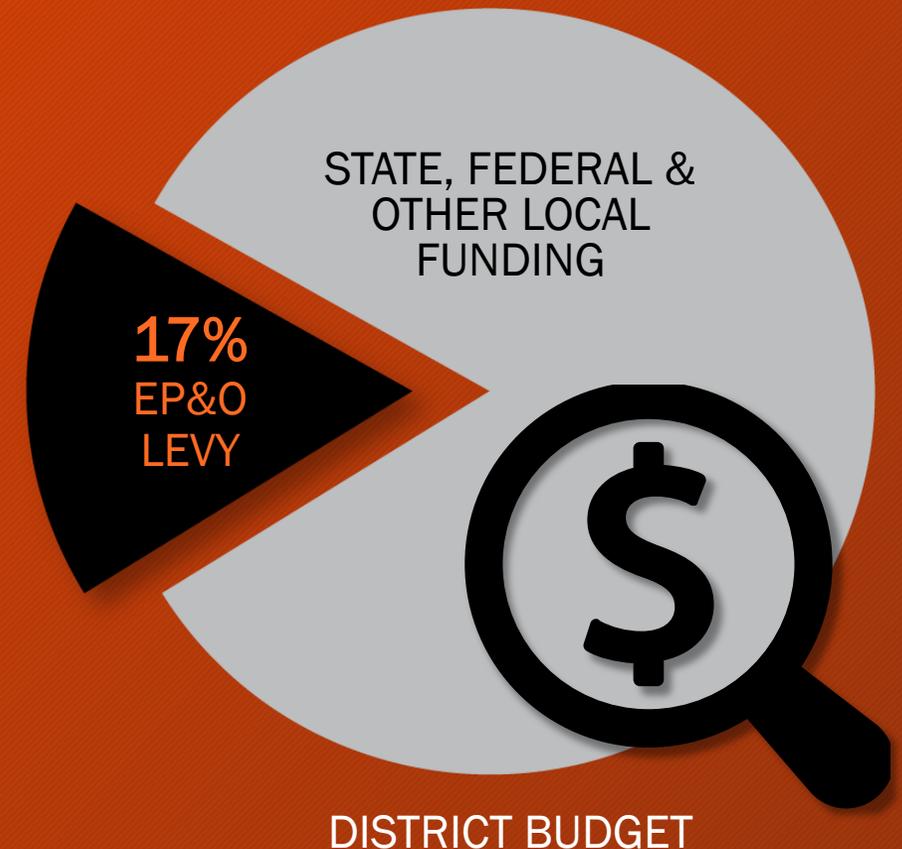
This is NOT a new tax.

Blaine School District is asking local voters to replace a previously approved M&O levy, now known as an EP&O Levy. The EP&O Levy supports learning and funds the programs, services, and staffing our community depends on.

Why does Blaine need a Replacement EP&O Levy?



Even though the state invested in public education through the McCleary Decision several years ago, many of the services and supports students and families rely on remain underfunded.

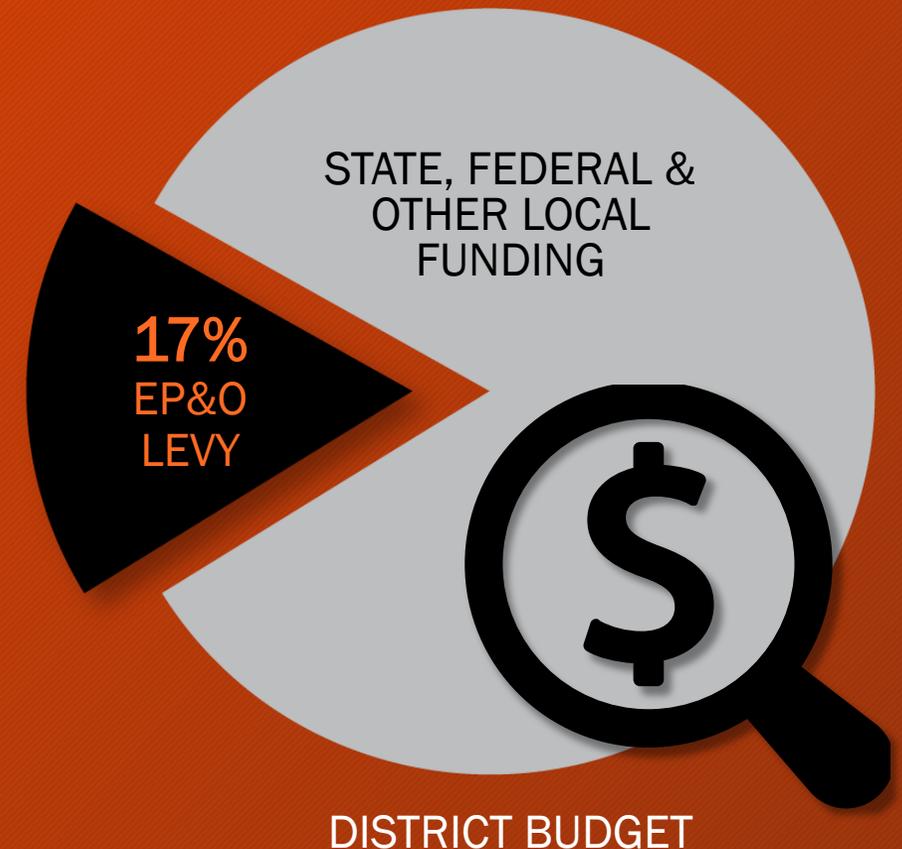


Replacement EP&O Levy for 2025–2028



This is NOT a new tax.

- The existing levy was approved in 2020 and will expire in 2024. The proposed February levy is a replacement levy that would extend through 2028.
- The Blaine community has a decades-long history of support for local school levies.



What does the Replacement EP&O Levy support? Learning!



The EP&O Levy supports things important to Blaine students, staff, and the community, including:

- Teachers & Substitutes
- Certificated & Classified Staff
- Expanded Curriculum
- Staff Compensation (beyond what is covered by the state)
- Extracurricular Activities
- Student Transportation
- Food Service
- Utilities like electricity and water
- Software Updates
- ...and more!

How does levy collection work?



School districts request a total collection amount to be approved by voters. *The district will collect no more than this total amount, even if the community grows or property valuations change.*



SET LEVY AMOUNT

Approved Amounts are Divided Up



For example, if the levy amount is \$1,000 and there are four properties worth equal amounts, everyone would pay \$250.



Approved Amounts are Divided Up



...if another property is built, everyone would pay \$200.



EP&O Levy Amounts are Capped



- Since 2019, the state has capped how much can be collected by local levies.
- In 2024, the formula is a rate of \$2.50 per \$1,000 assessed value OR \$3,144 per pupil, *whichever is less*.
- If enrollment decreases, districts may not be able to collect what voters approved.

EP&O Levy Amounts are Capped



For example, here's what voters approved compared to what was collected with our expiring levy:

Collection Year	Voter-Approved Amount	Actual Collected
2021	\$6.0 million	\$5.8 million
2022	\$6.4 million	\$6.1 million
2023	\$6.8 million	\$6.8 million
2024	\$7.25 million	\$6.5 million

Replacement EP&O Levy Amounts



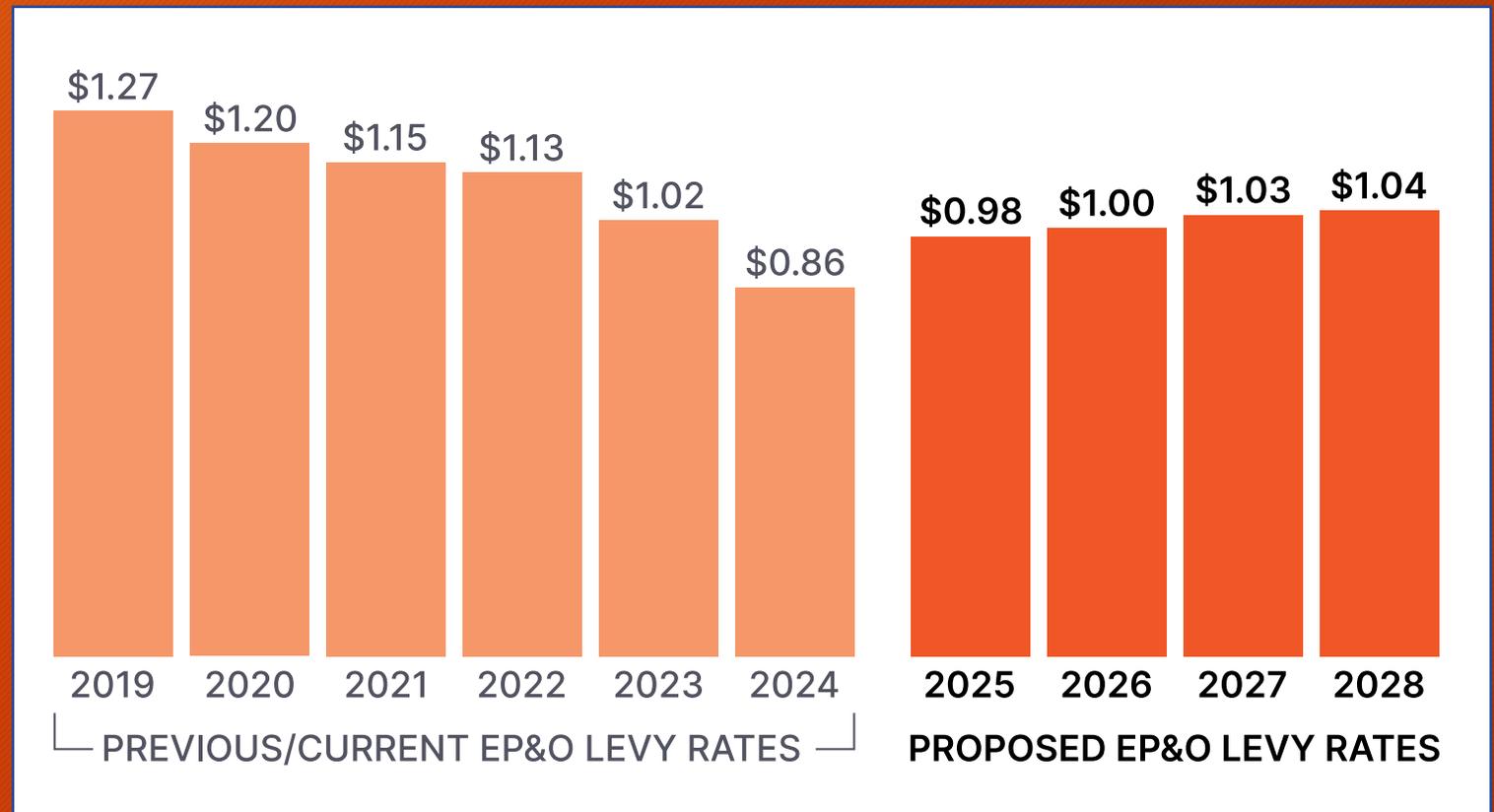
The district is asking for the following amounts for 2025–2028. Actual amounts collected may be less, *but will never be more.*

Collection Year	Amount
2025	\$7.5 million
2026	\$7.85 million
2027	\$8.25 million
2028	\$8.5 million

Replacement EP&O Levy Rates



Estimated rates*
per \$1,000 of
assessed
property value for
the proposed levy
are expected to
be similar to
2023's rates.



*Tax rate projection calculations based on 2024 property valuation inflated annually by 2%.

Blaine VS. County Average Levy Cost



In 2023, the average levy rate for Whatcom County was \$1.58, and for Blaine it was \$1.02.

Blaine



\$1.02

Whatcom Avg

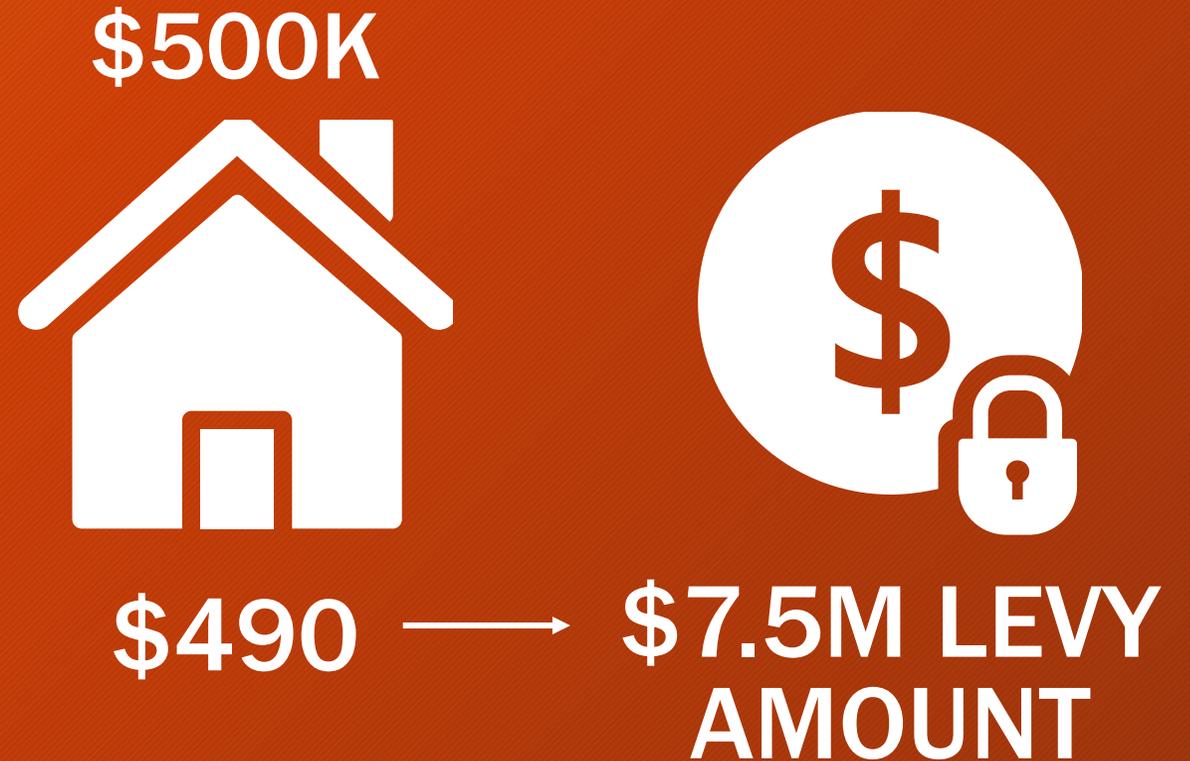


\$1.58

Replacement EP&O Levy Annual Cost



In 2025, at \$0.98 per \$1,000, Blaine homeowners with a home valued at \$500K would pay \$490 for the proposed EP&O levy*.



**Tax rate projection calculations based on 2024 property valuation inflated annually by 2%.*



Capital Bond Proposal



Bonds are for Building



- A bond provides funding for capital projects like purchasing property for schools, constructing new schools, or modernizing existing schools. Bonds are sold to investors who are repaid with interest over time from property tax collections, generally between 10-25 years.
- Bonds require a super majority to pass (60%)
- *NOTE: Bonds cannot be used to support budget reduction savings, they can only support buildings and infrastructure.*

Capital Bond Proposal



- Proposed rates would remain the same as 2024 rates, which include both the existing capital levy and other bonds.
- Blaine School District is asking voters to consider a bond proposal to fund updates to school facilities that would benefit all students across the district and the community.
- If approved, the proposed bond would take the place of a previously approved, expiring Capital Levy, as well as other expiring bonds. This means that, with the approval of this bond, **tax rates* are projected to stay the same as current rates!**

**Tax rate projection calculations based on 2024 property valuation inflated annually by 2%.*

A Plan to Address the Greatest Needs



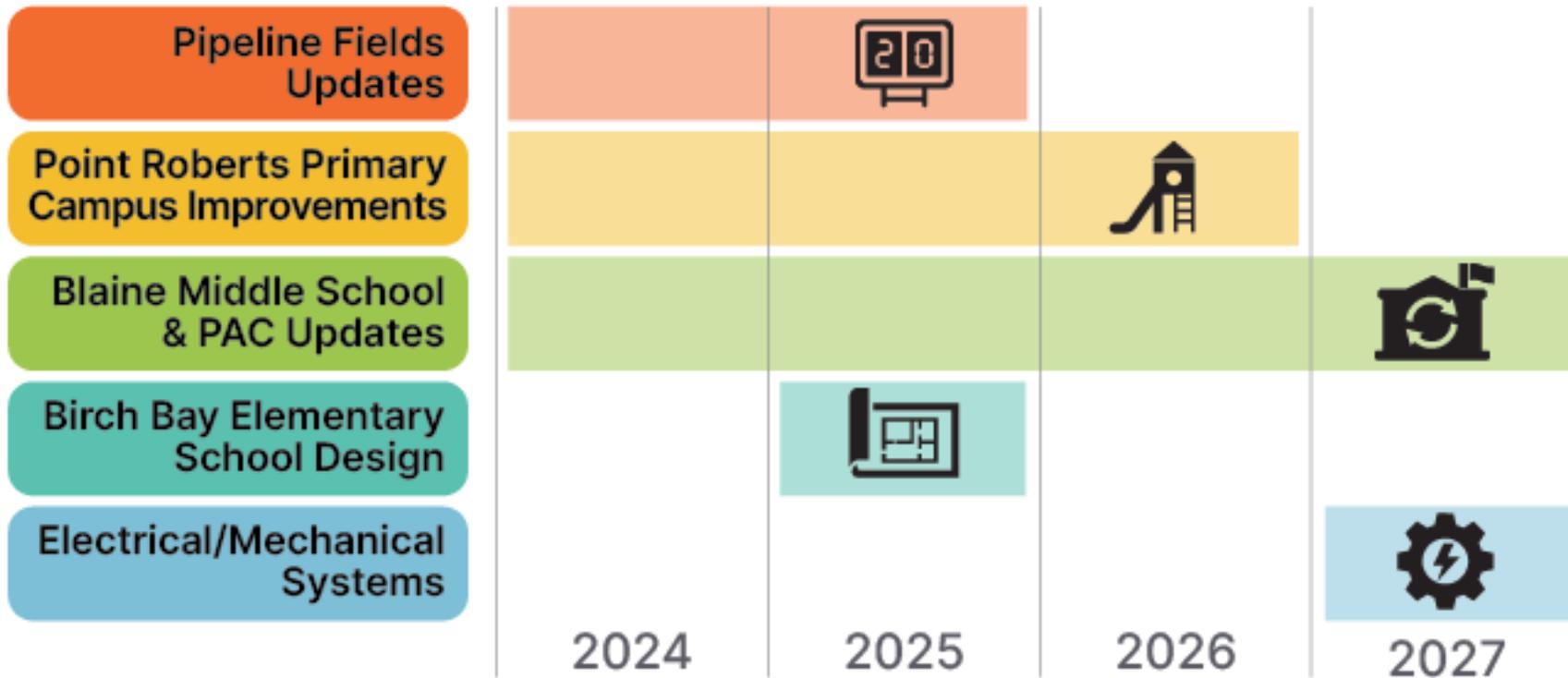
The School District's Facilities Advisory Committee has been meeting monthly from February to July 2023 to evaluate the greatest areas of facilities needs within the district. Their months-long analysis led to the recommendation of a bond plan to the School Board.

Why does Blaine need a Capital Bond?



- Just as the state does not provide enough money to fully fund the programs and services supported by the local levy, the same is true for school facilities.
- School districts must ask their community to consider a bond to finance school facilities and construction needs.

Earliest Possible Project Timelines



PROPOSED PROJECT TIMELINES

1. Pipeline Fields



The proposed updates to Pipeline Fields create easier-to-maintain facilities, reducing the workload for Facilities Department staff.

- Addition of turf, batting cages, running water, and restrooms
- This facility can be used by the entire community. The facility would also be available to rent (new revenue for schools).



2. Point Roberts Primary



Point Roberts: playground improvements and the addition of lighting for safety, security, and supervision.

- The playground and lighting improvements are based on needs shared in community feedback.



3. Blaine Middle School



Replace aging and outdated middle school instructional spaces and update the Performing Arts Center (PAC) with lighting and a sound system.

- The PAC is a school resource used district and community-wide.
- The middle school has an original construction of 1956 and has not had a significant update since 2002.



4. Birch Bay School



As part of the proposed bond project, funds will be utilized to engage surveyors and architects to develop preliminary designs for a new elementary school in Birch Bay.

After pausing during the pandemic, the district is still currently evaluating property for feasibility of development and is committed to delivering on its promise to secure land to house a new elementary school.

The district has funds available, approved by the voters in a previous levy, for the purchase of land



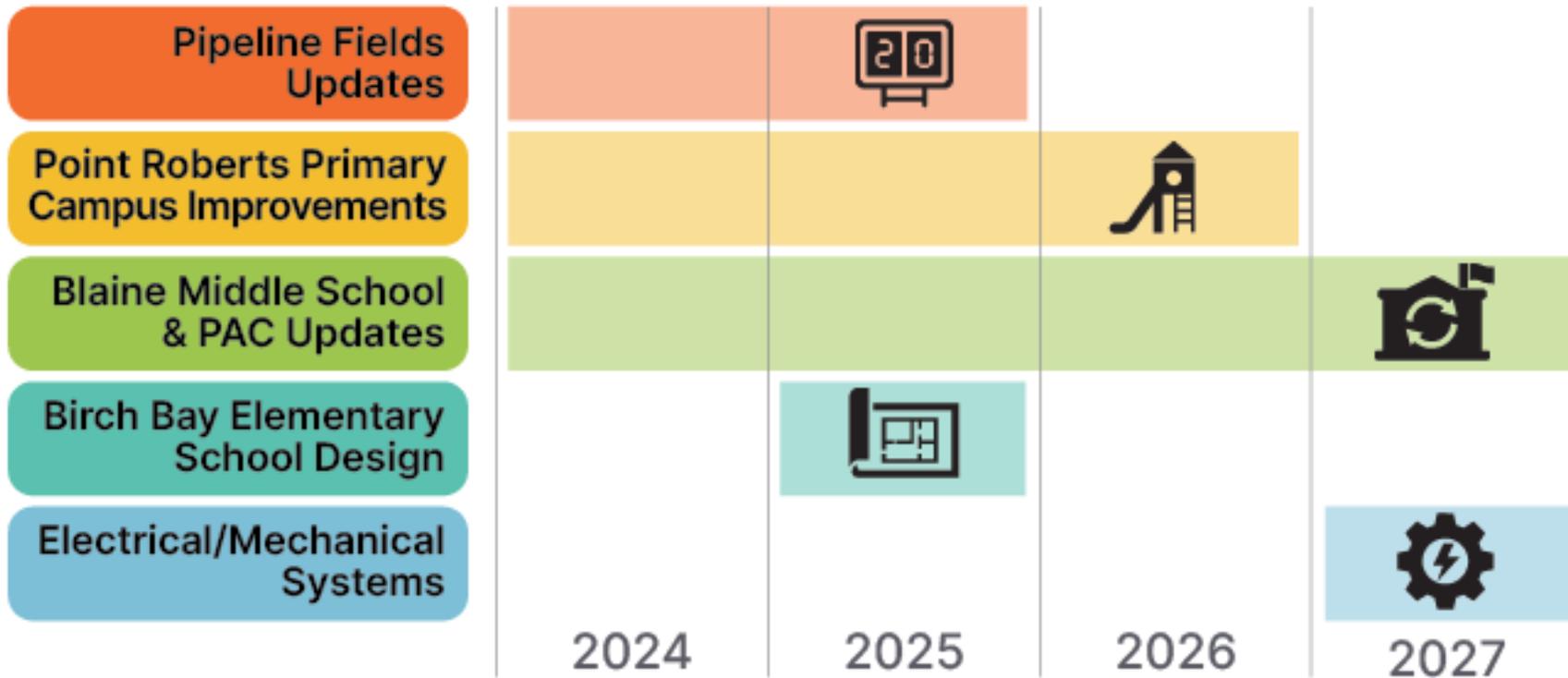
5. Electrical/Mechanical System Updates



Replacement of electrical and mechanical systems in buildings across campus, including air quality/condition improvements



Earliest Possible Project Timelines



PROPOSED PROJECT TIMELINES

Capital Bond Amount



- The bond proposal has an amount of \$70 million to be paid off over 25 years.
- Tax rates* are expected to remain at 2024 levels, as our capital levy and other bonds expire.

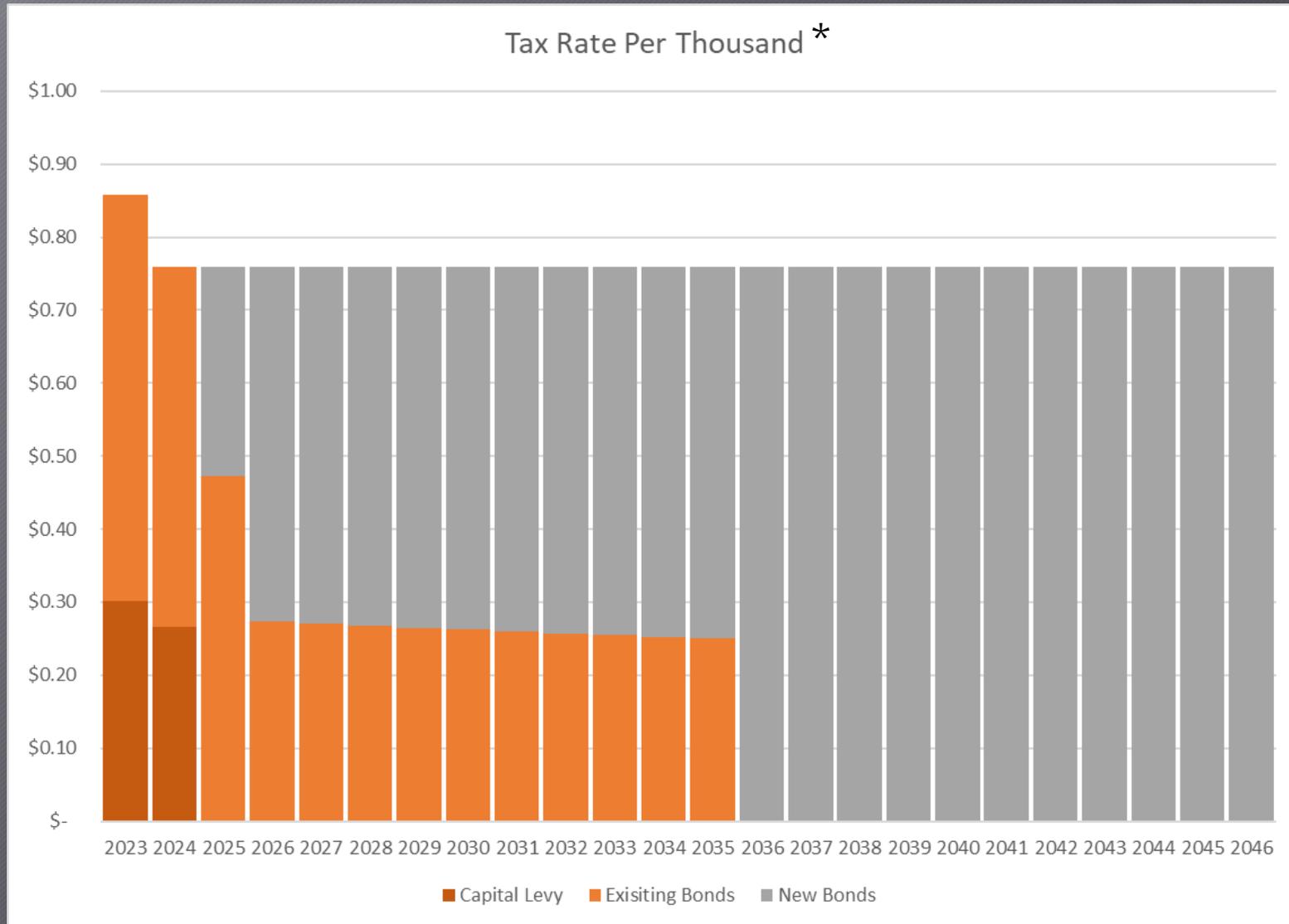
**Tax rate projection calculations based on 2024 property valuation inflated annually by 2%.*

Capital Bond Amount, cont'd



- The new bonds would raise \$70,000,000. The total debt service, with principal and interest over 25 years, is projected to be \$130,395,000.
- A home valued at \$500K in 2025 could expect to pay \$264.72 per year spread over the 25-year life of the bonds (\$6,618 total) until 2046, assuming 2% annual valuation growth in the district.
- The actual debt service amount will depend upon actual interest rates, terms, issue dates, and Assessor valuations.

Projected Bond Rate to Stay Flat around \$0.76 per thousand thru 2046



*Tax rate projection calculations based on 2024 property valuation inflated annually by 2%.



Questions?
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