



Stanwood-Camano School District

TO : BOARD OF DIRECTORS
FROM : GARY PLATT, EXECUTIVE DIRECTOR – BUSINESS SERVICES
SUBJECT : ADOPTION OF EDUCATIONAL MAINTENANCE AND OPERATIONS
DATE : NOVEMBER 3, 2015
TYPE : ACTION NEEDED/RESOLUTION NO. 2015/16-001

Attached is Resolution No. 2015/16-001, which establishes the educational maintenance and operations levy amounts to be collected in 2017, 2018, 2019, and 2020. The current four-year levy approved by voters in 2012 will expire in December of 2016. This proposed maintenance and operations levy replaces the expiring levy. Board adoption of the resolution authorizes Snohomish and Island Counties to hold a special election on February 9, 2016, with this matter on the ballot. Passage of the measure by voters would sustain Maintenance and Operations Levy funding through 2020.

The amounts proposed are based on the following assumptions:

1. The legislature will not change the current levy lid rate of 28% over the four-year term of the proposal.
2. There is no enrollment decline impact built into the levy lid calculation. It is assumed that revenue increases in state funding will offset revenue losses due to declining enrollment. Therefore, no adjustment was made for the impact of declining enrollment on the levy lid calculation.
3. The estimated per pupil inflator factor will remain the same over the four-year term of the proposal at 1.98%.
4. Assessed valuations of the taxable properties within the boundaries of the district will change by +3.4% in 2017, +3.4% in 2018, +3.3% in 2019, and +3.3% in 2020.
5. The levy rates are expected to remain constant over the four-year term at approximately \$2.284 per \$1,000 of assessed valuation.

Key points:

1. This levy proposal replaces an existing levy approved by voters in 2012 that expires in December 2016. This is not a new tax, but a replacement of an expiring tax.
2. Levy funds provide approximately 23% of the district's revenue.
3. Changes in assessed valuation of properties within the district do not affect the levy amount.
4. The district can collect only the amount approved by voters as indicated on the ballot or the maximum amount authorized by the legislature whichever is less.
5. This measure and measures being considered in the future will be designed to maintain the current overall tax rate that is approximately the fourth lowest of all 17 school districts in Island and Snohomish Counties.

6. Levy funds are used to subsidize state and federally mandated programs that are either not funded or partially funded. Nearly every department, program, and school receives levy support.
7. As of December 2013, the district has eliminated all outstanding long-term debt. All school properties have been paid for in full.

Following approval by the Board of Directors, the resolution, ballot, and other information will be submitted to the Snohomish and Island County auditors.

Recommendation:

We recommend the board **move to adopt Resolution No. 2015/16-001 authorizing the submission of a ballot measure to the voters for the proposed 2017-2020 Educational Maintenance and Operations Levy.**

STANWOOD-CAMANO SCHOOL DISTRICT NO. 401
SNOHOMISH AND ISLAND COUNTIES, WASHINGTON

EDUCATIONAL MAINTENANCE AND OPERATIONS LEVY

RESOLUTION NO. 2015/16-001

- A RESOLUTION of the Board of Directors of the Stanwood-Camano School District No. 401, Snohomish and Island Counties, Washington, providing for submission to the qualified electors of the District at a special election to be held on February 9, 2016, of a proposition authorizing the District to levy excess taxes of \$12,207,672 in 2016 for collection in 2017, \$12,627,523 in 2017 for collection in 2018, \$13,049,199 in 2018 for collection in 2019, and \$13,484,964 in 2019 for collection in 2020, which taxes will pay part of the cost of education programs and maintenance and operations support of the District.

ADOPTED NOVEMBER 3, 2015

PREPARED BY:

K & L GATES LLP
Seattle, Washington

RESOLUTION NO. 2015/16-001

- A RESOLUTION of the Board of Directors of the Stanwood-Camano School District No. 401, Snohomish and Island Counties, Washington, providing for submission to the qualified electors of the District at a special election to be held on February 9, 2016, of a proposition authorizing the District to levy excess taxes of \$12,207,672 in 2016 for collection in 2017, \$12,627,523 in 2017 for collection in 2018, \$13,049,199 in 2018 for collection in 2019, and \$13,484,964 in 2019 for collection in 2020, which taxes will pay part of the cost of education programs and maintenance and operations support of the District.

WHEREAS, Stanwood-Camano School District No. 401, Snohomish and Island Counties, Washington (the "District"), for the past four years has had in effect maintenance and operations levies to enable the District to pay for its educational programs, student services and operations; and

WHEREAS, the District's current maintenance and operations levies expire at the end of 2016; and

WHEREAS, the money in and to be paid into the General Fund of the District during the 2016-2017, 2017-2018, 2018-2019, 2019-2020, and 2020-2021 school years will be insufficient to enable the District to pay for necessary maintenance and operations and to properly meet the educational needs of the District's students; and

WHEREAS, to provide properly for such maintenance and operations and such educational needs, the Board of Directors of the District deems it necessary to levy the following taxes upon all of the taxable property within the District in excess of the maximum annual tax levy permitted by law to be levied within the District without a vote of the electors:

- A. A tax of approximately \$2.284 per thousand dollars of assessed valuation to provide \$12,207,672, said levy to be made in 2016 for collection in 2017;
- B. A tax of approximately \$2.284 per thousand dollars of assessed valuation to provide \$12,627,523, said levy to be made in 2017 for collection in 2018;
- C. A tax of approximately \$2.284 per thousand dollars of assessed valuation to provide \$13,049,199, said levy to be made in 2018 for collection in 2019; and
- D. A tax of approximately \$2.284 per thousand dollars of assessed valuation to provide \$13,484,964, said levy to be made in 2019 for collection in 2020;

WHEREAS, the Constitution and laws of the State of Washington require that the question of whether such excess taxes may be levied must be submitted to the qualified electors of the District for their ratification or rejection;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF STANWOOD-CAMANO SCHOOL DISTRICT NO. 401, SNOHOMISH AND ISLAND COUNTIES, WASHINGTON, as follows:

Section 1. Authorization of Levies. The following taxes for the District's General Fund should be levied upon all of the taxable property within the District, in excess of the maximum annual tax levy permitted by law to be levied within the District without a vote of the electors:

- A. \$12,207,672 to be levied in 2016 for collection in 2017;
- B. \$12,627,523 to be levied in 2017 for collection in 2018;
- C. \$13,049,199 to be levied in 2018 for collection in 2019; and
- D. \$13,484,964 to be levied in 2019 for collection in 2020.

The levy rates depend upon the final dollar amount of assessed value of the property within the District. At this time, based upon information provided by the County Assessor's office, the estimated rate for the 2017 levy is \$2.284 per thousand dollars of assessed valuation, the estimated rate for the 2018 levy is \$2.284 per thousand dollars of assessed valuation, the estimated rate for the 2019 levy is \$2.284 per thousand dollars of assessed valuation, and the estimated rate for the 2020 levy is \$2.284 per thousand dollars of assessed valuation. The actual levy rates will be adjusted based upon the assessed value of the property within the District at the time of each levy. Upon approval by the voters of the proposition substantially in the form set forth below, the District may use the proceeds of these levies during the 2016-2017, 2017-2018, 2018-2019, 2019-2020, and 2020-2021 school years by incurring an indebtedness by the issuance of short term obligations against the General Fund of the District, as authorized by Chapter 39.50 RCW, and may expend the proceeds of these levies to pay such part of the general expenses of maintenance and operations and educational programs of the District during such school years as may be authorized or allowed by law for the use of excess levy funds.

Section 2. Authorization of Election and Approval of Ballot Proposition. The Board hereby finds that the best interests of the District require submitting to the qualified electors of the District the proposition of whether the District shall levy the excess taxes described in Section 1 for their ratification or rejection at a special election to be held in the District on February 9, 2016.

The Snohomish County Auditor, as ex officio supervisor of elections in Snohomish County, Washington (the county designated to provide administrative services to the District), is hereby requested to call and conduct the special election to be held within the District on February 9, 2016, and to submit the proposition to the qualified electors of the District in substantially the following form:

PROPOSITION NO. 1

STANWOOD-CAMANO SCHOOL DISTRICT NO. 401

EDUCATIONAL MAINTENANCE AND OPERATIONS LEVY

The Board of Directors of Stanwood-Camano School District No. 401 passed Resolution #2015/16-001 concerning a proposition to support school programs and daily operations. This proposition authorizes the District to levy the following excess taxes, to replace an expiring levy, on all taxable property within the District, to maintain current educational program funding and support the District's General Fund program and daily operations expenses, including textbooks, classroom materials, and staff:

Collection Years	Approximate Levy Rate/\$1,000 Assessed Value	Levy Amount
2017	\$2.284	\$ 12,207,672
2018	\$2.284	\$ 12,627,523
2019	\$2.284	\$ 13,049,199
2020	\$2.284	\$ 13,484,964

Should this proposition be approved?

YES.....

NO.....

The Secretary of the Board of Directors of the District is hereby directed to deliver a certified copy of this resolution to the Snohomish County Auditor prior to December 11, 2015.

Section 3. Notices Relating to Ballot Proposition. For purposes of receiving notice of the exact language of the ballot title required by RCW 29A.36.080, the Board hereby designates the (a) Secretary of the Board, Jean Shumate, telephone 360-629-1211; fax: 360-629-1242; email: jshumate@stanwood.wednet.edu, and (b) bond counsel, K&L Gates LLP (David Thompson), telephone: 206-370-8395; fax: 206-370-6191; email: david.thompson@klgates.com, as the individuals to whom the Auditor would provide such notice. The Secretary of the Board is authorized to approve changes to the ballot proposition, if any, deemed necessary by the Auditor or the Snohomish County Prosecuting Attorney.

Section 4. Effective Date. This resolution will become effective immediately upon its adoption.

ADOPTED by the Board of Directors of the Stanwood-Camano School District No. 401, Snohomish and Island Counties, Washington, at a regular meeting thereof, held on November 3, 2015.

STANWOOD-CAMANO SCHOOL DISTRICT
NO. 401, SNOHOMISH AND ISLAND
COUNTIES, WASHINGTON

President and Director

Director

Director

Director

Director

ATTEST:

Secretary, Board of Directors

CERTIFICATE

I, the undersigned, Secretary of the Board of Directors of Stanwood-Camano School District No. 401, Snohomish and Island Counties, Washington, (the “District”) and keeper of the records of the Board of Directors (the “Board”), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2015/16-001 of the Board (the “Resolution”), duly adopted at a regular meeting thereof held on November 3, 2015.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Board voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper passage of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 3rd day of November, 2015.

Secretary, Board of Directors

OFFICIAL BALLOT
STANWOOD-CAMANO SCHOOL DISTRICT NO. 401
SNOHOMISH AND ISLAND COUNTIES, WASHINGTON
February 9, 2016

INSTRUCTIONS TO VOTERS: To vote in favor of the following proposition, place a cross (x) in the square opposite the words "YES"; to vote against the following proposition, place a cross (X) in the square opposite the words "NO."

PROPOSITION NO. 1

STANWOOD-CAMANO SCHOOL DISTRICT NO. 401

EDUCATIONAL MAINTENANCE AND OPERATIONS LEVY

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Collection Years	Approximate Levy Rate/\$1,000 Assessed Value	Levy Amount
2017	\$2.284	\$ 12,207,672
2018	\$2.284	\$ 12,627,523
2019	\$2.284	\$ 13,049,199
2020	\$2.284	\$ 13,484,964

Should this proposition be approved?

YES

NO

NOTICE
STANWOOD-CAMANO SCHOOL DISTRICT NO. 401
SNOHOMISH AND ISLAND COUNTIES, WASHINGTON
February 9, 2016

NOTICE IS HEREBY GIVEN that on February 9, 2016, a special election will be held in the above-named school district for the submission to the qualified electors of said school district of the following proposition:

PROPOSITION NO. 1

STANWOOD-CAMANO SCHOOL DISTRICT NO. 401

EDUCATIONAL MAINTENANCE AND OPERATIONS LEVY

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2017	\$2.284	\$ 12,207,672
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2019	\$2.284	\$ 13,049,199
2020	\$2.284	\$ 13,484,964

Should this proposition be approved?

YES

NO

Snohomish County Auditor

OFFICE OF THE SNOHOMISH COUNTY AUDITOR
SNOHOMISH COUNTY, WASHINGTON

WHEREAS, the undersigned, as the duly elected, qualified and acting Auditor of Snohomish County, Washington, has jurisdiction of and is required by law to conduct all special elections for school districts within the County; and

WHEREAS, Stanwood-Camano School District No. 401, Snohomish and Island Counties, Washington, lies entirely within the boundaries of Snohomish and Island Counties; and

WHEREAS, the District is a joint school district, deemed to belong to Snohomish County, pursuant to the procedures set forth in RCW 28A.323.040; and

WHEREAS, the Board of Directors of said district by resolution adopted on November 3, 2015, a certified copy of which has been delivered to the undersigned, has found that the interests of the district require the holding of a special election February 9, 2016; and

WHEREAS, said district by said resolution has authorized and directed the undersigned to assume jurisdiction of and conduct said special election within Snohomish County;

NOW, THEREFORE, it is hereby authorized and ordered as follows:

The undersigned hereby assumes jurisdiction within Snohomish and Island Counties of the above-mentioned special election of Stanwood-Camano School District No. 401, Snohomish and Island Counties, Washington, authorized and ordered by resolution of its Board of Directors adopted on November 3, 2015 and will conduct said special election to be held on February 9, 2016.

DATED at Everett, Washington, this _____ day of _____, 2015.

Snohomish County Auditor