



Bellingham
Public Schools

...where *every* student learns

**Facilities Planning Task Force
Measure and Levy Scenarios
May 25, 2017**



Elementary Schools

Round 1						
Sunnyland	3	2	1	2	2	10
Parkview	4	1	2	3	1	11
Alderwood	2	6	3	1	3	15
Cozier	5	4	4	5.5	5	23.5
Columbia	6	5	5	5.5	4	25.5
Roosevelt	7	3	6	4	6	26
#15	1	7	7	7	7	29

Consideration Factors:

Physical Condition ratings

Will a 3-section school increase capacity?

Will location help with North end growth projections?

Can students be on-site during construction?



Potential 2018 Bond Measure

	#	Project	Estimated Cost
Elementary Schools	1	School 1	\$28,700,000
	2	School 2	\$30,100,000
	3	School 3	\$31,700,000
	4	Field Improvements	\$1,900,000
Middle School	1	Shuksan Gym	\$4,250,000
High Schools	1	Sehome HS Fields	\$9,200,000
	2	Bellingham HS Fields	\$8,700,000
	3	Squalicum HS Fields	\$10,500,000
District Improvements	1	Safety & Security	\$3,600,000
	2	District Improvements	\$7,460,000
	3	2013 Projects	\$17,000,000
	4	Technology	\$1,730,000
	5	Reader Boards	\$160,000
		TOTAL:	\$155,000,000



Potential 2021 Bond Measure

			Estimated Cost	Projected Completion
Elementary Schools	#	Project		
	1	School 1	\$33,200,000	2023
	2	School 2	\$34,900,000	2024
	3	School 3	\$36,600,000	2025
		TOTAL:	\$104,700,000	



Comparison

Bond Amount	\$155,000,000 in 2018	\$260,000,000 in 2018
Tax Rate in 2018	\$4.81	Approx. \$5.02
Tax Rate in 2023	\$4.71	Approx. \$5.02
Capacity for Bond in 2023	\$15,000,000-\$35,000,000	\$0
Estimated School Opening	2020, 2021, 2022	2020, 2021, 2022, 2023, 2024, 2025
Playing Well With Others?		
Risky Passage?		



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Risks of Longer Bond

- We don't know:
 - Where students will be located
 - Where we'd want to build
 - What we need to build
 - How much it will cost to build
 - The timing of construction (earlier projects might proceed on a different timeline)
 - Interest rates
 - The local maintenance and operations levy will be different (the state is stuck on this right now)



Comparison

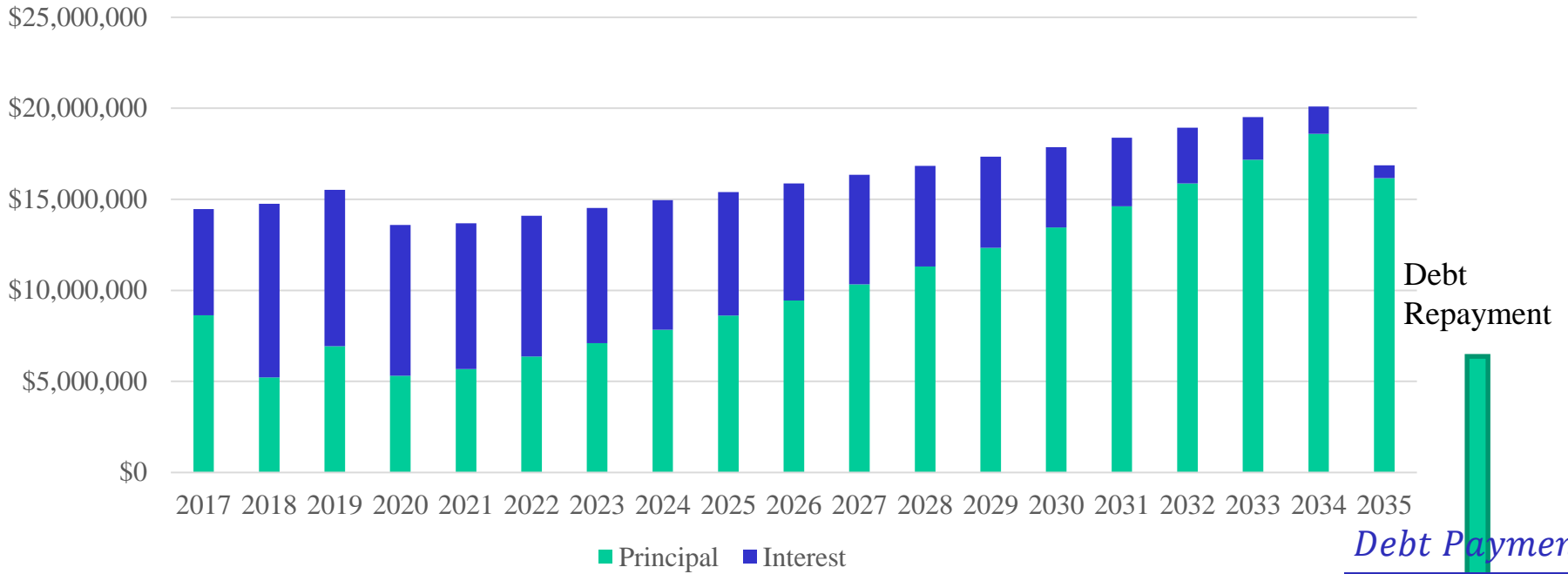
Bond Amount	\$155,000,000 in 2018	\$260,000,000 in 2018	\$155,000,000 + \$103,000,000 in 2021
Tax Rate in 2018	\$4.81	Approx. \$5.02	\$4.81
Tax Rate in 2023	\$4.71	Approx. \$5.02	\$5.01
Capacity for Bond in 2023	\$15,000,000-\$35,000,000	\$0	\$0
Estimated School Opening	2020, 2021, 2022	2020, 2021, 2022, 2023, 2024, 2025	2020, 2021, 2022, 2023, 2024, 2025
Playing Well With Others?			
Risky Passage?			



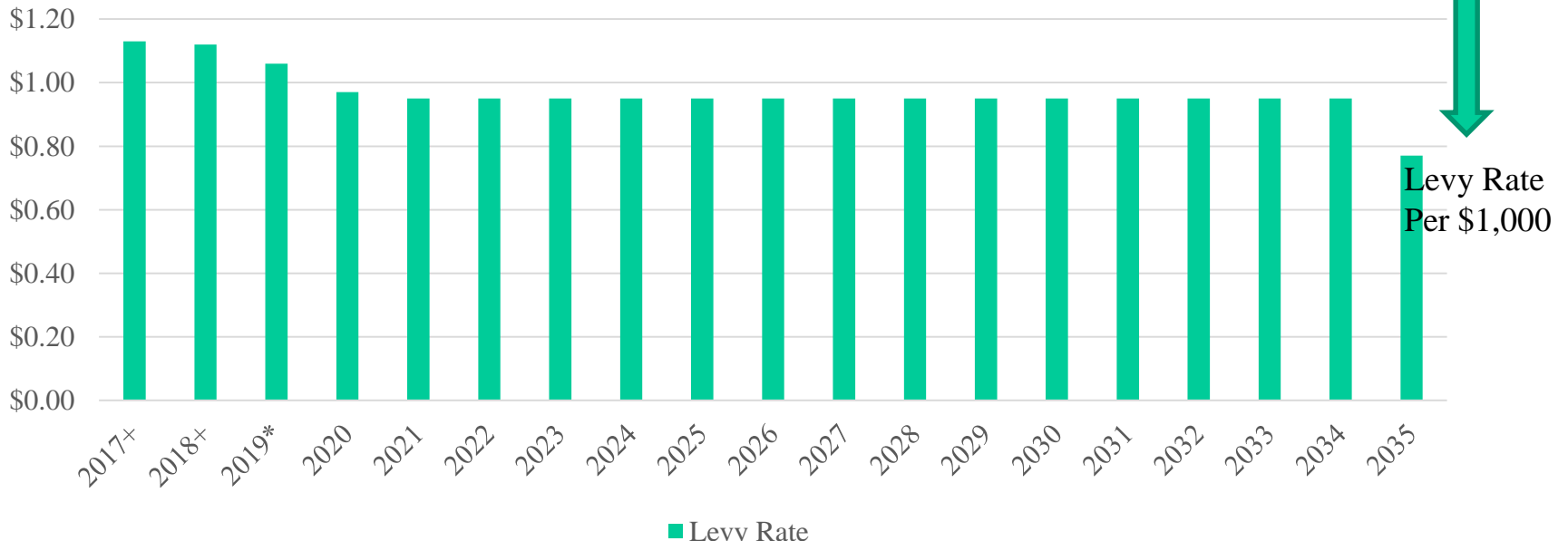
End

- **Questions?**

Debt, Projected As of September 2017



Debt Levy \$/\$1,000 of property, projected as of September 2017



Debt
Repayment

Debt Payment
Assessed Value

Levy Rate
Per \$1,000



Repaying Bonds: Debt Service Levy

- **Factors Influencing Debt Service**

- **Issue Amount** - the total dollar amount of the bonds sold; the amount you borrow; – generally, as this increases so does the tax rate
- **Timing of Issue** – the timeline for the issue affects the repayment schedule especially as considered with other outstanding debt at the time of issuance
- **Bond Repayment Structure** – this is similar to an amortization schedule of a home loan where the number of years you borrow has an impact on how much your annual payment totals; generally, the tax rate increases as repayment decrease
- **Annual Principal and Interest Payments** – this is determined from the Bond Repayment Structure; - as the total annual principal and interest payments increase so does the tax rate
- **Bond Interest Rate** – this effects the annual payment - as interest rate increases so does the tax rate
- **Existing Outstanding Debt Structure** – if there is existing outstanding debt the total new bond tax rate will be influenced by all of the above factors (except AV) that were in place at the time when the existing outstanding debt was issued



Impact on Tax Rates

Number of schools	2018 Measure Amount	Tax Rate 2018-2022	2021 Measure Amount	Tax Rate 2023 onwards
3	\$155,000,000	\$4.81		\$4.71
4	\$155,000,000	\$4.81	\$33,000,000	\$4.83
5	\$155,000,000	\$4.81	\$68,000,000	\$4.96
6	\$155,000,000	\$4.81	\$103,000,000	\$5.01



Impact on Tax Rates

Number of schools	2018 Measure Amount	Tax Rate 2018-2022	2021 Measure Amount	Tax Rate 2023 onwards
3	\$155,000,000	\$4.81		\$4.71
4	\$191,000,000			
5	\$226,000,000	\$4.95		
6	\$263,000,000	\$5.03		

M&O Levy

DATE	1 st Year Collection	1st Year Collection Amount	2nd Year Collection Amount	3rd Year Collection Amount	4th Year Collection Amount	Percent Yes	RESULT
Feb-12	2013	\$28,000,000	\$29,300,000	\$30,600,000	\$31,900,000	69.09%	PASSED
Nov-10		\$2,500,000	\$2,500,000			62.37%	PASSED
Mar-08		\$20,500,000	\$21,700,000	\$22,900,000	\$24,200,000	67.42%	PASSED
Feb-04		\$16,250,000	\$17,250,000	\$18,000,000	\$18,750,000	69.44%	PASSED
Mar-00		\$13,775,000	\$14,650,000	\$15,150,000	\$16,250,000	69.60%	PASSED
Feb-98		\$12,500,000	\$13,100,000			71.26%	PASSED
Feb-96		\$11,400,000	\$10,200,000			76.11%	PASSED
Feb-94		\$10,500,000	\$10,500,000			77.95%	PASSED
Feb-92		\$8,600,000	\$9,300,000			79.10%	PASSED
Feb-88		\$5,600,000	\$5,600,000			78.50%	PASSED

Capital Projects Levy

Date	1 st Year Collection	1st Year Collection Amount	2nd Year Collection Amount	3rd Year Collection Amount	4th Year Collection Amount	Percent Yes	Result
Feb-12	2013	\$5,500,000	\$6,750,000	\$6,750,000	\$6,750,000	67.93%	PASSED
Mar-08	2009	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	68.90%	PASSED
Feb-04	2005	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	68.74%	PASSED



Capital Measure

Impact on Tax Rates:

Scenarios

- **\$159,000,000 results in a tax rate of \$4.81/ \$1,000**
 - 3 elementary schools
 - Capacity for approx. \$5,000,000-15,000,000 bond in 2023 without increasing the tax rate
- **\$189,000,000 results in a tax rate of \$4.81/ \$1,000 until 2022 and then an increase to \$4.88/ \$1,000 until about 2040**
 - 4 elementary schools