Sumner-Bonney Lake School District

Capital Facility Advisory Committee Meeting #2

May 1, 2023

Penny Mabie	*Toby Udager*	*Melissa Olsen*	*Neil Symes*
Kyle Mcleod	*John Addison*	*Rick Hendricks*	*Tony Clarke*
Dr. Thu Ament	*Eric Pilcher*	*Penny Kreil*	*Beth Dykman*
Matt Guilanians	*James Lawrence*	*Bang Parkinson*	**Shannon Bingham*
Laurie Dent	*Brian Scheerer*	**Mark Prussing*	*Toby Udager*
Randy Kroum	*Derek Berry*	*Deb Norris*	*John Addison*
Paul Smith	*Doug Beagle*	*Brian Kaelin*	*Nikki Croxton*
David Brower	*Tiffany Binkowski*	*Jennifer Knight*	

**Indicates consultant*

District and Consultants

- Laurie Dent, Ph.D., Sumner Bonney Lake School District Superintendent
- Dr. Thu Ament, Sumner-Bonney Lake School District Deputy Superintendent
- Penny Mabie, Definitely Mabie, Facilitator
- Matt Guilanians, Hainline
- Kyle Mcleod, Hainline
- Marina Tanay, Capital Projects and Facilities Manager

Meeting Purpose

- Develop an understanding of the role and objectives of the capital facility advisory committee
- Develop a baseline understanding of the driving factors in a capital facility plan
- Hear about progress on capital bond projects and
- Identify questions and requests to prepare for future meetings

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Welcome and Introductions:

Superintendent Dr. Laurie Dent welcomed everyone to the meeting and reminded them about the importance of their work as it connects to the strategic plan, Future Ready.

Penny Mabie reviewed the purpose of the meeting (see above), led group introductions and reviewed the agenda.

Penny reviewed meeting ground rules.

Committee changes: New date is set for the September meeting Sep 11, 2023. Penny mentioned that next month's meeting would be at a school site. We're looking at different locations and will send out information as soon as possible.

Capital Facilities Program and Methodology: Marina explained that she sent out the ICOS report and a spreadsheet for the committee's review. Please keep this information in mind as we move forward.

Shannon Bingham, owner of Western Demographics:

****Please refer to Shannon's presentation for detailed information.**

Shannon presented broad enrollment findings. The Sumner-Bonney Lake School District (SBLSD) hasn't been affected dramatically by the pandemic and while many districts are shrinking, SBLSD continues to grow. Millennials and Gen Z are saying they have no plans to have children. Shannon noted that having children seems to be quite unpopular – except in the SBLSD.

Shannon sees a mixed offering of housing options and affordability in the district that he doesn't see in other areas.

Things to note:

Enrollment trends are remarkably stable.

Pierce County birthrates have stayed relatively stable.

School districts elsewhere lost as much as 3% of their enrollment. Some districts did not get their enrollment back after the pandemic, the SBSLD did and then some.

Family sizes in the SBLSD are robust and we can expect that to continue.

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Headcount is down in Washington State statewide. Many students opted for an online provider. A lot of districts are scrambling financially to accommodate this shift - not the SBLSD.

Average price of a single family home is approximately lower relative to other areas - you get more for your dollar in the SBLSD.

Shannon proceeded to discuss a variety of new housing options available for families. He predicts that land value will continue to go up and growth will continue. Available parcels will become attractive to investors and housing will go in.

Doug Beagle provided some specifics regarding the size of some of the properties under development that Shannon mentioned. He noted the City of Sumner has 834 units coming online in the next 2 -3 years. These are all apartments except Creekside, which will be townhomes.

Shannon noted that a generous multiple family housing yield is 1 school age child per 10 units. Districts generally overestimate the number of kids they'll get out of an apartment complex.

Question: To what do you attribute the increasing enrollment?

Answer: Generally, it's the appeal of this community, and well-managed and well-maintained schools. There aren't a lot of other segments competing for enrollment. Sumner also has 18,000 jobs in the industrial area, as well as the train station and a transit maintenance facility that will add another 500 spaces.

Presentation #2

Mark Prussing: ESD 112 FInancial Advisor

****Please refer to Mark's presentation for detailed information.**

Mark explained that a finance team makes sure we're doing things legally.

Mark's role as a financial advisor is to make recommendations to the district that are reasonable. He doesn't identify or prioritize the projects.

When the committee is ready to look at the funding steps, Mark will provide assistance with financing options. He will want to know what the priorities are, what the committee thinks the district needs the most, and will then look for options to fund.

Once the committee determines the bond package content, it goes to the board. It's the board's

responsibility to decide what's on the ballot. The role of the committee is to provide accurate information.

Mark proceeded to discuss different sources to fund projects.

SCAP: School Construction Assistance Program

Bonds allow us to spread the expense out over time.

School bonds are generally 20 years, some do 25 but those are usually smaller districts.

Capital Projects Levies

Mark reminded everyone that serving on this committee is a big responsibility to the community and taxpayers.

Questions:

- Eric Pilcher: Commented on the psychology of voting. There's often a confusion in understanding the difference between bonds and levies. He suggested that we message with a massive campaign to communicate the importance of each measure.
- Randy Kroum: Can we sell bonds at different times and different amounts? Yes. When we sell bonds, we look at many things including the IRS regulations.
- David Brower: Have you looked at how a presidential year impacts a bond? No.

Penny reminded the group that the next meeting is June 5th, 5:00 p.m. - location TBD.

At our next meeting, Matt Guilanians will present a high level list of projects to think about over the summer. We'll send out a couple of questions to get everyone thinking about how we're going to prioritize the need and make decisions. We'll talk about the values and guiding principles we want to use as we consider the needs of the district.

In the meantime, start thinking about what you're hearing from friends and neighbors.

Marina will get the updated slide presentation from Shannon and put it in the shared file.

Reflection/Exit: Penny asked each person to share one thing they wanted the administration to consider as we prepare for the next meeting.

- Great meeting - would like more dialogue and hear about different ideas

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- Continue to hear about what works and what doesn't work
- Looking forward to more dialogue
- Good foundation
- Thank you for dinner
- Little less crowded slides…font size is hard to read
- More time for discussion
- Great presentations for what's coming next
- Variety was nice
- Would love a second weekend with materials
- Can we get a map of the schools?
- More active groups
- Would love to hear what other district are doing
- Appreciate having the information
- Breakouts will encourage dialogue
- Could we continue over the summer so we don't have to rebuild momentum?