

Welcome!

Bond Advisory Committee

March 26, 2024

Meeting 5



ISSAQUAH
SCHOOL DISTRICT 411

Land Acknowledgement

We acknowledge that we are on the Indigenous Land of Coast Salish peoples who have reserved treaty rights to this land, specifically the Snoqualmie Indian Tribe and Duwamish. We thank these caretakers of this land who have lived and continue to live here since time immemorial.



OBJECTIVES

- Understand connection between facilities & districtwide initiatives, tax implications of bonds, construction costs, and the condition of our schools.

AGENDA

01

Opening and Outcomes

Results of Exit Ticket - Review FAQ
Meeting Minutes

02

Districtwide Initiatives

Equity, Belonging & Family Partnerships

03

Understanding Tax Impacts

04

Break

05

What is in a Construction Budget

06

Getting to Know Our Schools

Opening & Outcomes

Results of Exit Ticket
Meeting Minutes

Exit Ticket Results

**Observations from School Tours on
Wednesday, March 13th
1 - 4 p.m.**

Issaquah High School
Cougar Mountain Middle School
Challenger Elementary School



Meeting Minutes

Any edits?



considerations:

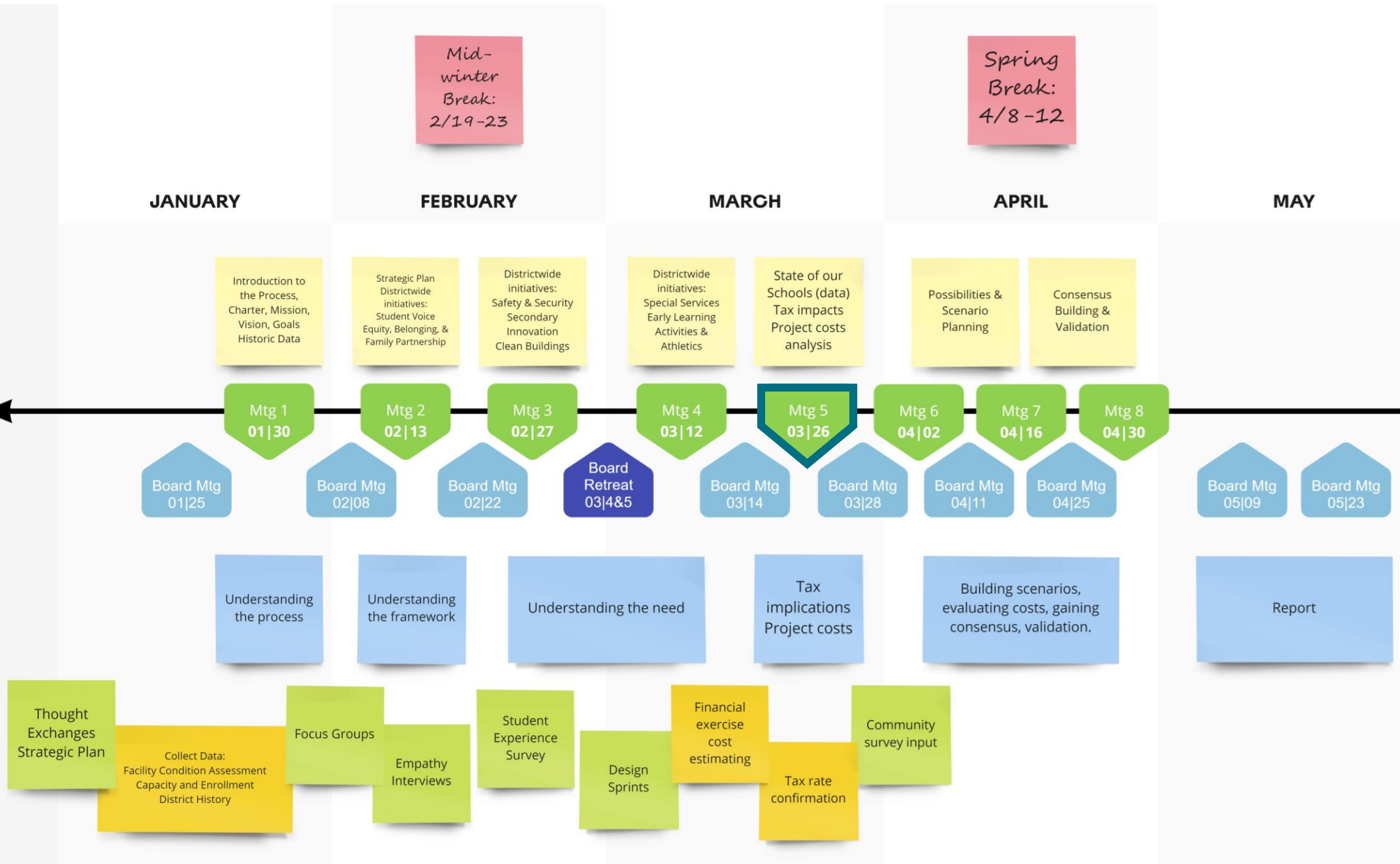
agendas:

meeting dates:

additional input:

general:

data collection
& engagement:



Districtwide Initiatives

Equity, Belonging & Family Partnerships

INTRODUCTION

Alaina Sivadasan

- Executive Director of Equity, Belonging, and Family Partnership

Fun Facts

- I was the Principal of Endeavour Elementary before coming to the district office. I have also worked at 4 different schools in the ISD and at every level.



Equity, Belonging & Family Partnership Department

- Equity
- K-12 Comprehensive
School Counseling Program
- VOICE Mentor Program
- Family Partnerships



Executive Limitations 16

- The Board believes that each student has the potential to achieve, and it is our responsibility to provide all students the opportunity and support needed to meet their highest capability in a safe and welcoming environment. We acknowledge that systemic and institutional inequities and bias exist, creating barriers for student achievement and well-being. We are committed to raising the achievement of all learners regardless of race, status, varied ability, mental health, English language fluency, gender, gender identity, sexual orientation, religion, trauma impact, and geography. Our culture should promote the identification and removal of barriers causing predictability and disproportionality of the highest and lowest achieving groups.

Strategic Plan Alignment

**Equity is infused throughout the Strategic Plan*

- **Student Well-Being**

- Feel Safe & a Sense of Belonging
- Basic Needs, Social-Emotional, Mental Health

- **Academic Opportunities**

- Increase Student Achievement
- Equitable Access to Resources and Pathways to Support Individualized Post High School Goals



Our Department by the Numbers

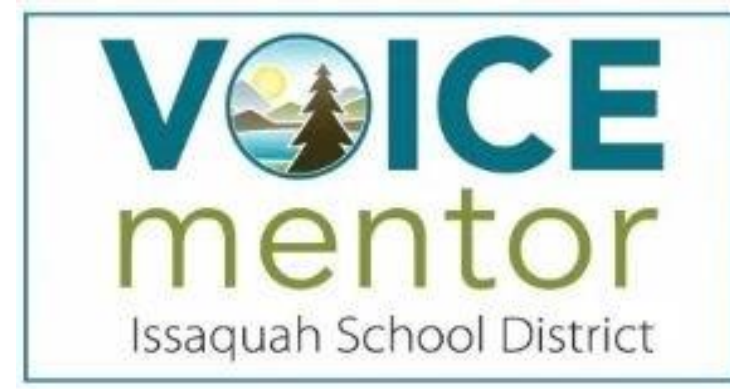
1 of 3

- **Equity**
 - **Exec. Director of Equity & Teacher On Special Assignment (TOSA) as an Equity Specialist**
 - Staff Professional Development
 - Building Equity Leads
 - Support various District Programs
 - Create a variety of Equity Frameworks
 - Recruitment and Retention efforts
 - Support buildings and Building Leaders
- **Family Partnership**
 - **Family Engagement TOSA & Family Partnership Liaisons**
 - Staff Professional Development
 - Create and deliver Parent Professional Development on a variety of topics
 - Family Partnership Advisory Group
 - Support various District Programs
 - Support buildings and Building Leaders



Our Department by the Numbers

2 of 3



- **Counseling**

- **Director of Counseling & Student Well-Being
and an Assistant Director of Counseling**

- Oversee our K-12 School Counseling Program
- Staff Professional Development
- McKinney Vento and Foster Care
- 504 Plans (2,000)
- Home Hospital
- Swedish Mental Health School Based Counselors
- Care Solace

- **VOICE Program**

- **2 - VOICE Mentor Program Specialists**

- Oversee our VOICE Mentor Program
 - Serves 520 Students
 - 375 Mentors
- Support our building based VOICE Coordinators
- Recruit VOICE Mentors
- Match Mentees
- Recognition Events

Our Department by the Numbers

3 of 3



• Community Partnerships

- Swedish
- Issaquah Schools Foundation
- City of Issaquah
- Issaquah Nourishing Network
- The Circle
- Care Solace
- PTSA
- The Garage
- Sea Mar
- Issaquah Community Services
- Issaquah Food & Clothing Bank

Considerations for Flexible Spaces

1. Confidential Counseling Spaces
2. Extended time (504 accommodation) space
3. Gender Inclusive Restrooms
4. Modular & Moveable Furniture (cater to diverse learning needs)
5. Flexible Seating Options: Standing desks, Wobble Stools
6. Quiet & Calming Spaces- Sensory Regulation and Sensory Restoration
7. Alternative Lunch Areas – Sensory
8. Religious Spaces – fasting and prayer

Considerations for Community Partnership Spaces

1. Family Partnership Room
2. Storage to support Food Bank, Angel Closet & Supplies
3. Space for Before/After School Community Programs
4. Health Clinic (immunizations, sports physicals, well child visits)
5. Laundry Station

Considerations for Intentional Design

1. Intentional Partnership Space with School Administrators, Counselors, Nurses, Deans, Mental Health Partners, and School Psychologists
2. Gender Inclusive Restrooms
3. Large and Small Group Instruction
4. Inclusive Play Zones
5. Accessible Routes

Open to questions!



ISSAQUAH
SCHOOL DISTRICT 411

Understanding Tax Impacts



Issaquah School District No. 411

Bond Planning

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- Tax Rate History: Issaquah School District

Historical Levy Rates					
Year	Bond Levy	Capital Projects Levy	Transportation Vehicle Levy	EP&O Levy	Total
2003	\$1.73	\$0.31	\$0.16	\$1.55	\$3.75
2004	1.63	0.35		1.63	3.62
2005	1.53	0.37		1.53	3.43
2006	1.99	0.26		1.99	4.23
2007	1.88	0.26	0.17	1.88	4.20
2008	2.05	0.31		2.05	4.40
2009	2.16	0.30		1.26	3.72
2010	2.96	0.30		1.55	4.81
2011	2.28	0.50	0.10	1.98	4.85
2012	2.46	0.49		2.05	5.00
2013	1.92	0.65		2.17	4.74
2014	1.96	0.53		2.10	4.59
2015	1.59	0.51	0.08	1.95	4.14
2016	1.70	0.50		1.91	4.10
2017	1.69	0.52		1.85	4.06
2018	1.49	0.50		1.81	3.81
2019	1.83	0.49	0.06	1.08	3.46
2020	1.74	0.48		1.28	3.51
2021	1.72	0.49		1.42	3.63
2022	1.62	0.44		1.32	3.39
2023	1.02	0.56	0.05	1.09	2.72
2024	1.15	0.74		1.25	3.13



- 2024 Washington School Bond Election Results

DATE	COUNTY	ISSUER	PAR AMOUNT	YES	RESULT
Feb-24	Benton	Paterson School District No. 50	\$525,000	81.58%	PASSED
Feb-24	Douglas	Eastmont School District No. 206	\$117,100,000	59.56%	FAILED
Feb-24	Kitsap	Bremerton School District No. 100-C	\$150,000,000	61.31%	PASSED
Feb-24	Kitsap	North Kitsap School District No. 400	\$242,138,000	36.44%	FAILED
Feb-24	Lewis	Morton School District No. 214	\$14,000,000	61.11%	PASSED
Feb-24	Lewis	Pe Ell School District No. 301	\$1,900,000	64.61%	PASSED
Feb-24	Mason	Hood Canal School District No. 404	\$33,510,055	56.89%	FAILED
Feb-24	Pierce	Orting School District No. 344	\$117,000,000	55.83%	FAILED
Feb-24	Pierce	Tacoma School District No. 10	\$650,000,000	68.91%	PASSED
Feb-24	Snohomish	Arlington School District No. 16	\$95,000,000	53.89%	FAILED
Feb-24	Snohomish	Edmonds School District No. 15	\$594,000,000	65.33%	PASSED
Feb-24	Snohomish	Sultan School District No. 311	\$79,995,000	46.67%	FAILED
Feb-24	Spokane	Cheney School District No. 360	\$72,000,000	54.45%	FAILED
Feb-24	Spokane	Deer Park School District No. 414-200-61	\$62,000,000	49.45%	FAILED
Feb-24	Spokane	Riverside School District No. 416	\$73,000,000	50.32%	FAILED
Feb-24	Spokane	Spokane School District No. 81	\$200,000,000	55.91%	FAILED
Feb-24	Spokane	West Valley School District No. 363	\$92,155,733	50.78%	FAILED
Feb-24	Thurston	Rochester School District No. 401	\$89,190,000	52.71%	FAILED
Feb-24	Whatcom	Blaine School District No. 503	\$70,000,000	54.70%	FAILED
Feb-24	Whatcom	Lynden School District No. 504	\$157,500,000	51.00%	FAILED
Feb-24	Yakima	Wapato School District No. 207	\$33,000,000	61.74%	PASSED

- Comparable Tax Rates - 2024

King County School Districts 2024 Total Tax Rates						
District	Assessed Value	Bonds	EP&O	Capital Projects	Trans.	Total
Auburn SD No. 408	\$ 19,965,711,838	\$ 1.93	\$ 2.48	\$ 0.29	\$ -	\$ 4.71
Highline SD No. 401	29,415,720,368	2.20	1.89	0.00	-	4.09
Tahoma SD No. 409	10,913,918,712	1.47	1.96	0.40	-	3.82
Shoreline SD No. 412	18,613,454,642	1.92	1.43	0.19	-	3.54
Renton SD No. 403	36,908,416,183	1.58	1.14	0.81	-	3.53
Tukwila SD No. 406	5,440,057,853	1.43	1.46	0.62	-	3.51
Federal Way SD No. 210	24,682,752,174	1.53	1.71	0.18	-	3.42
Snoqualmie Valley SD No. 410	14,529,126,269	1.31	1.49	0.59	-	3.39
Issaquah SD No. 411	48,680,554,432	1.15	1.25	0.74	-	3.14
Kent SD No. 415	42,411,833,349	0.46	1.80	0.70	-	2.96
Northshore SD No. 417	51,616,556,330	1.29	1.26	0.39	-	2.94
Enumclaw SD No. 216	6,979,981,063	0.78	1.83	0.30	-	2.91
Riverview SD No. 407	6,936,870,628	0.72	1.32	0.55	-	2.59
Lake Washington SD No. 414	98,450,034,513	0.51	0.91	1.10	-	2.53
Vashon Island SD No. 402	4,402,845,326	0.88	1.06	0.34	-	2.28
Bellevue SD No. 405	105,745,972,285	1.03	0.56	0.53	-	2.12
Seattle SD No. 1	299,686,617,516	-	0.63	1.21	-	1.85
Mercer Island SD No. 400	20,168,799,815	0.45	0.60	0.39	-	1.44
Skykomish SD No. 404	354,886,483	-	0.36	0.10	-	0.46

- Comparable Tax Rates - 2024

King & Pierce County School Districts 2024 Total Tax Rates						
District	Assessed Value	Bonds	EP&O	Capital Projects	Trans.	Total
Auburn SD No. 408	\$ 19,965,711,838	\$ 1.93	\$ 2.48	\$ 0.29	\$ -	\$ 4.71
Franklin Pierce SD No. 402	7,792,022,855	1.35	2.50	0.44	-	4.29
Tacoma SD No. 10	44,789,365,336	1.70	1.77	0.70	-	4.16
Highline SD No. 401	29,415,720,368	2.20	1.89	0.00	-	4.09
Sumner Bonney Lake SD No. 320	14,817,176,567	1.59	2.08	0.27	-	3.95
University Place SD No. 83	6,301,800,831	0.97	2.50	0.46	-	3.93
Tahoma SD No. 409	10,913,918,712	1.47	1.96	0.40	-	3.82
White River SD No. 416	5,899,937,362	1.19	2.05	0.48	-	3.72
Fife SD No. 417/888	6,749,062,340	1.69	1.64	0.31	-	3.64
Shoreline SD No. 412	18,613,454,642	1.92	1.43	0.19	-	3.54
Renton SD No. 403	36,908,416,183	1.58	1.14	0.81	-	3.53
Tukwila SD No. 406	5,440,057,853	1.43	1.46	0.62	-	3.51
Dieringer SD No. 343	3,888,525,683	0.15	1.54	1.73	-	3.42
Federal Way SD No. 210	24,682,752,174	1.53	1.71	0.18	-	3.42
Snoqualmie Valley SD No. 410	14,529,126,269	1.31	1.49	0.59	-	3.39
Puyallup SD No. 3	28,673,976,085	1.05	2.28	-	-	3.33
Clover Park SD No. 400	11,206,262,756	0.96	2.31	-	-	3.27
Issaquah SD No. 411	48,680,554,432	1.15	1.25	0.74	-	3.14
Eatonville SD No. 404	2,931,245,194	0.82	2.13	0.16	-	3.11
Carbonado SD No. 19	204,827,823	0.60	2.39	-	-	2.99
Kent SD No. 415	42,411,833,349	0.46	1.80	0.70	-	2.96
Northshore SD No. 417	51,616,556,330	1.29	1.26	0.39	-	2.94
Enumclaw SD No. 216	6,979,981,063	0.78	1.83	0.30	-	2.91
Steilacoom Historical SD No. 1	5,380,411,280	-	1.78	1.12	-	2.90
Riverview SD No. 407	6,936,870,628	0.72	1.32	0.55	-	2.59
Lake Washington SD No. 414	98,450,034,513	0.51	0.91	1.10	-	2.53
Vashon Island SD No. 402	4,402,845,326	0.88	1.06	0.34	-	2.28
Bellevue SD No. 405	105,745,972,285	1.03	0.56	0.53	-	2.12
Peninsula SD No. 401	23,986,616,425	0.52	1.13	0.25	-	1.90
Orting SD No. 344	3,464,807,324	-	1.89	-	-	1.89
Seattle SD No. 1	299,686,617,516	-	0.63	1.21	-	1.85
Mercer Island SD No. 400	20,168,799,815	0.45	0.60	0.39	-	1.44
Skykomish SD No. 404	354,886,483	-	0.36	0.10	-	0.46

- Comparable Tax Rates - 2024

Washington School Districts 2024 - With Similar Assessed Values						
District	Assessed Value	Bonds	EP&O	Capital Projects	Trans.	Total
Bethel SD No. 403	\$ 22,334,943,767	\$ 2.20	\$ 1.91	\$ 0.27	\$ -	\$ 4.38
Tacoma SD No. 10	44,789,365,336	1.70	1.77	0.70	-	4.16
Highline SD No. 401	29,415,720,368	2.20	1.89	0.00	-	4.09
Spokane SD No. 81	36,502,048,549	1.58	2.25	-	-	3.83
Everett SD No. 2	34,045,096,620	0.13	1.84	1.61	-	3.58
Evergreen SD No. 114	28,540,719,140	1.59	1.59	0.39	-	3.57
Renton SD No. 403	36,908,416,183	1.58	1.14	0.81	-	3.53
Federal Way SD No. 210	24,682,752,174	1.53	1.71	0.18	-	3.42
North Thurston SD No. 3	22,753,157,753	1.33	2.08	-	-	3.40
Vancouver SD No. 37	31,054,088,568	1.09	1.99	0.28	-	3.37
Puyallup SD No. 3	28,673,976,085	1.05	2.28	-	-	3.33
Issaquah SD No. 411	48,680,554,432	1.15	1.25	0.74	-	3.14
Kent SD No. 415	42,411,833,349	0.46	1.80	0.70	-	2.96
Northshore SD No. 417	51,616,556,330	1.29	1.26	0.39	-	2.94
Bellingham SD No. 501	29,560,156,519	1.21	1.18	0.55	-	2.94
Mukilteo SD No. 6	29,707,225,486	0.88	1.53	0.51	-	2.92
Edmonds SD No. 15	49,536,544,672	0.37	1.27	1.09	-	2.73
Lake Washington SD No. 414	98,450,034,513	0.51	0.91	1.10	-	2.53
Bellevue SD No. 405	105,745,972,285	1.03	0.56	0.53	-	2.12
Peninsula SD No. 401	23,986,616,425	0.52	1.13	0.25	-	1.90
Mercer Island SD No. 400	20,168,799,815	0.45	0.60	0.39	-	1.44

- Outstanding Voted Debt Profile: Total Outstanding of \$636,855,000

Series	Principal Issued	Principal Outstanding (as of 3/26/24)	Call Date and Price	Final Maturity	Refunding Option
UTGO Bonds, 2010A (BABs)	\$ 29,870,000	\$ 29,870,000	June 1, 2020 @ par	12/1/2029	Tax-Exempt Current
UTGO & Ref. Bonds, 2015	150,755,000	78,550,000	June 1, 2025 @ par	12/1/2028	Taxable Advance / Tax-Exempt Current
UTGO Bonds, 2016	134,890,000	126,990,000	June 1, 2026 @ par	12/1/2032	Taxable Advance / Tax-Exempt Current
UTGO Bonds, 2017	104,330,000	95,475,000	December 1, 20026 @ par	12/1/2032	Taxable Advance / Tax-Exempt Current
UTGO Bonds, 2018	87,180,000	70,405,000	December 1, 2027 @ par	12/1/2033	Taxable Advance / Tax-Exempt Current
UTGO Bonds, 2019	71,740,000	59,710,000	June 1, 2029 @ par	12/1/2033	Taxable Advance / Tax-Exempt Current
UTGO Bonds, 2020	65,180,000	55,980,000	June 1, 2030 @ par	12/1/2033	Taxable Advance / Tax-Exempt Current
UTGO Ref. Bonds, 2022	48,435,000	48,435,000	None	12/1/2027	Non-callable
UTGO Ref. Bonds, 2023	32,310,000	32,310,000	None	12/1/2029	Non-callable
UTGO Ref. Bonds, 2024	39,130,000	39,130,000	None	12/1/2030	Non-callable
- The combined savings generated by the 2015, 2022, 2023 and 2024 refunding issues reduced tax collections by \$19,429,630. - The District Board and Administration continue to monitor potential savings from refinancing debt outstanding.					

- Calculation of Statutory Debt Capacity

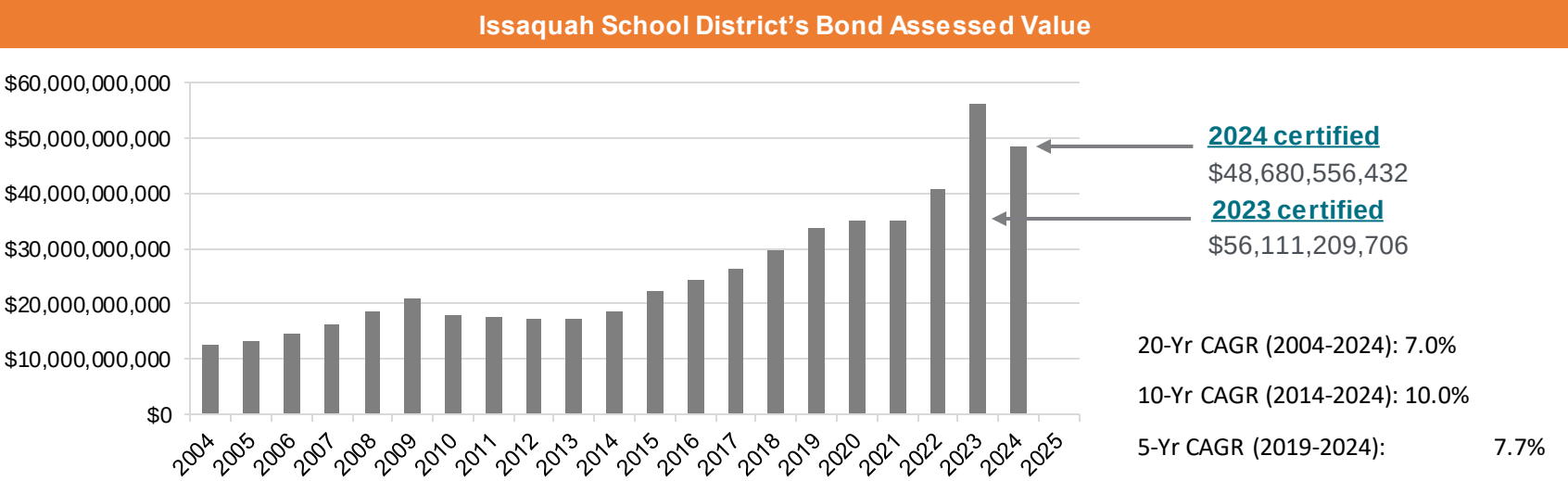
- Constitution of the State of Washington: Article 8, Section 6: Limitations Upon Municipal Indebtedness.
- Revised Code of Washington (RCW) 39.36.020: Limitation of indebtedness prescribed.

Total Debt Capacity	
Certified 2024 Bond Assessed Value	\$48,680,556,432
Statutory Capacity Rate	5.000%
Total Statutory Capacity	\$2,434,027,821
Less: Voted Debt	(\$636,855,000)
Less: Estimated Non-Voted Debt	(\$301,188)
Remaining Capacity	\$1,796,871,633

RCW 28A.530.080: Additional authority to contract indebtedness – Notice.

Non-Voted Limited General Obligation (LGO) Bond Debt Capacity	
Certified 2024 Bond Assessed Value	\$48,680,556,432
Statutory Capacity Rate	0.375%
Non-Voted Statutory Capacity	\$182,552,086
Less: Estimated Non-Voted Debt	(\$301,188)
Less: Refunding Use of Non-Voted Debt	\$0
Remaining Capacity	\$182,250,898

• Assessed Value



Projection



Final 2022	16.2% growth
Final 2023	37.4% growth
Final 2024	(13.2)% growth
Assumed 2025	5.0% growth
Assumed 2026	5.0% growth
Assumed 2027-2028	5.0% annual growth
Assumed 2029 and on	5.0% annual growth

- Higher assessed values will lower the District's tax rates (but not the overall payment)
- An individual's taxes will be based on the assessed value of his or her own property
- Dissecting the components that make up the assessed value growth will be important. How much of the growth is related to new construction versus increased value of existing properties?

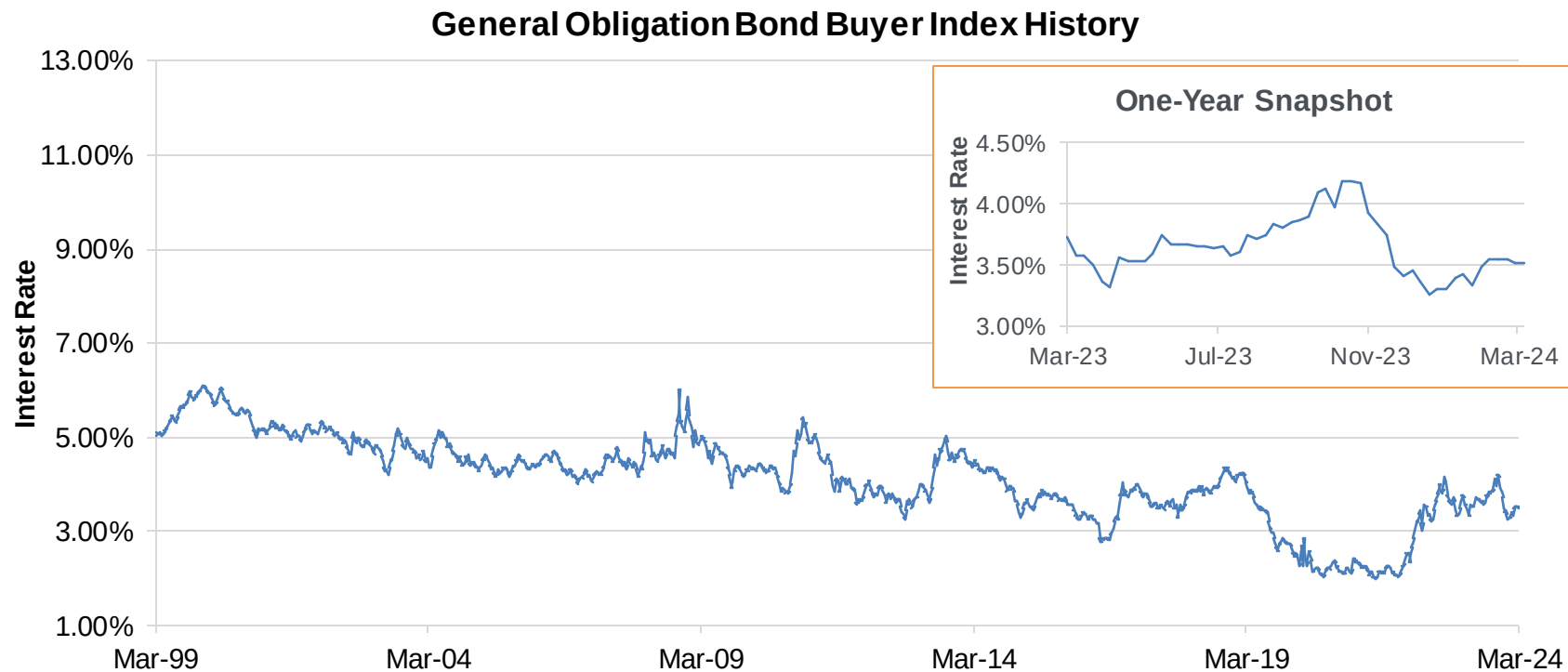
- Assessed Value

Year	Assessed Value Total	% Change	New Construction Value	% of Total
2004	\$12,488,316,797	--	\$509,023,868	--
2005	13,245,253,698	6.1%	624,852,217	4.7%
2006	14,602,437,078	10.2%	576,479,787	3.9%
2007	16,316,879,366	11.7%	708,366,320	4.3%
2008	18,628,332,010	14.2%	742,094,280	4.0%
2009	21,151,444,028	13.5%	466,946,121	2.2%
2010	18,093,229,435	(14.5%)	176,225,268	1.0%
2011	17,752,521,899	(1.9%)	172,582,967	1.0%
2012	17,236,068,406	(2.9%)	284,519,291	1.7%
2013	17,161,567,419	(0.4%)	188,942,965	1.1%
2014	18,777,351,256	9.4%	328,840,982	1.8%
2015	22,277,410,328	18.6%	397,928,523	1.8%
2016	24,325,318,114	9.2%	505,679,039	2.1%
2017	26,321,713,549	8.2%	512,791,260	1.9%
2018	29,813,204,928	13.3%	440,035,546	1.5%
2019	33,605,996,974	12.7%	588,739,915	1.8%
2020	35,029,398,539	4.2%	510,165,298	1.5%
2021	35,142,464,562	0.3%	483,352,046	1.4%
2022	40,844,321,598	16.2%	483,004,207	1.2%
2023	56,111,209,706	37.4%	489,074,257	0.9%
2024	48,680,556,432	(13.2%)	342,452,771	0.7%



• Interest Rates

- At a regularly scheduled meeting, on March 20, 2024, the Federal Reserve maintained its federal funds target range at 5.25% to 5.50%. The Committee will continue to assess additional information and its implications for monetary policy. In considering any adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2 percent. In addition, the Committee will continue reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities, as described in its previously announced plans. The Committee is strongly committed to returning inflation to its 2 percent objective.



- Tax Impact Analysis: Issaquah_255 – No New Bond Authorization



Tax Collection Year	Total School Tax Rate	Assessed Value Growth	Assessed Value of Property	Annual Property Taxes	Annual Tax Bill Change
2014	\$4.59	--	\$385,726	\$1,769	--
2015	4.14	18.6%	457,624	1,893	\$123
2016	4.10	9.2%	499,693	2,050	157
2017	4.06	8.2%	540,703	2,197	148
2018	3.81	13.3%	612,425	2,332	134
2019	3.46	12.7%	690,337	2,391	59
2020	3.51	4.2%	719,577	2,523	133
2021	3.63	0.3%	721,899	2,621	97
2022	3.39	16.2%	839,027	2,841	220
2023	2.72	37.4%	1,152,641	3,135	293
2024	3.13	-13.2%	1,000,000	3,130	(5)
2025	3.19	5.0%	1,050,000	3,346	216
2026	3.15	5.0%	1,102,500	3,473	127
2027	2.97	5.0%	1,157,625	3,433	(40)
2028	2.96	5.0%	1,215,506	3,602	168
2029	2.95	5.0%	1,276,282	3,766	165
2030	2.95	5.0%	1,340,096	3,957	190
2031	2.97	5.0%	1,407,100	4,179	222
2032	2.92	5.0%	1,477,455	4,318	139
2033	2.68	5.0%	1,551,328	4,152	(166)
2034	1.41	5.0%	1,628,895	2,292	(1,860)
2035	1.44	5.0%	1,710,339	2,458	166
2036	1.35	5.0%	1,795,856	2,420	(38)

• **Projected Results: Possible Authorization Requests**

Scenario Number	2024 Authorization Request	2024 Total Tax Rate	Projected 2025 Total Tax Rate	2024 to 2025 Total Tax Rate Increase
Issaquah_255	\$600,000,000	\$3.13	\$3.40	\$0.27
Issaquah_256	\$650,000,000	\$3.13	\$3.43	\$0.30

The two scenarios included within this presentation are representative of the size of recent issues submitted to voters, by neighboring Washington school districts. These examples are provided for comparison and informational purposes only.

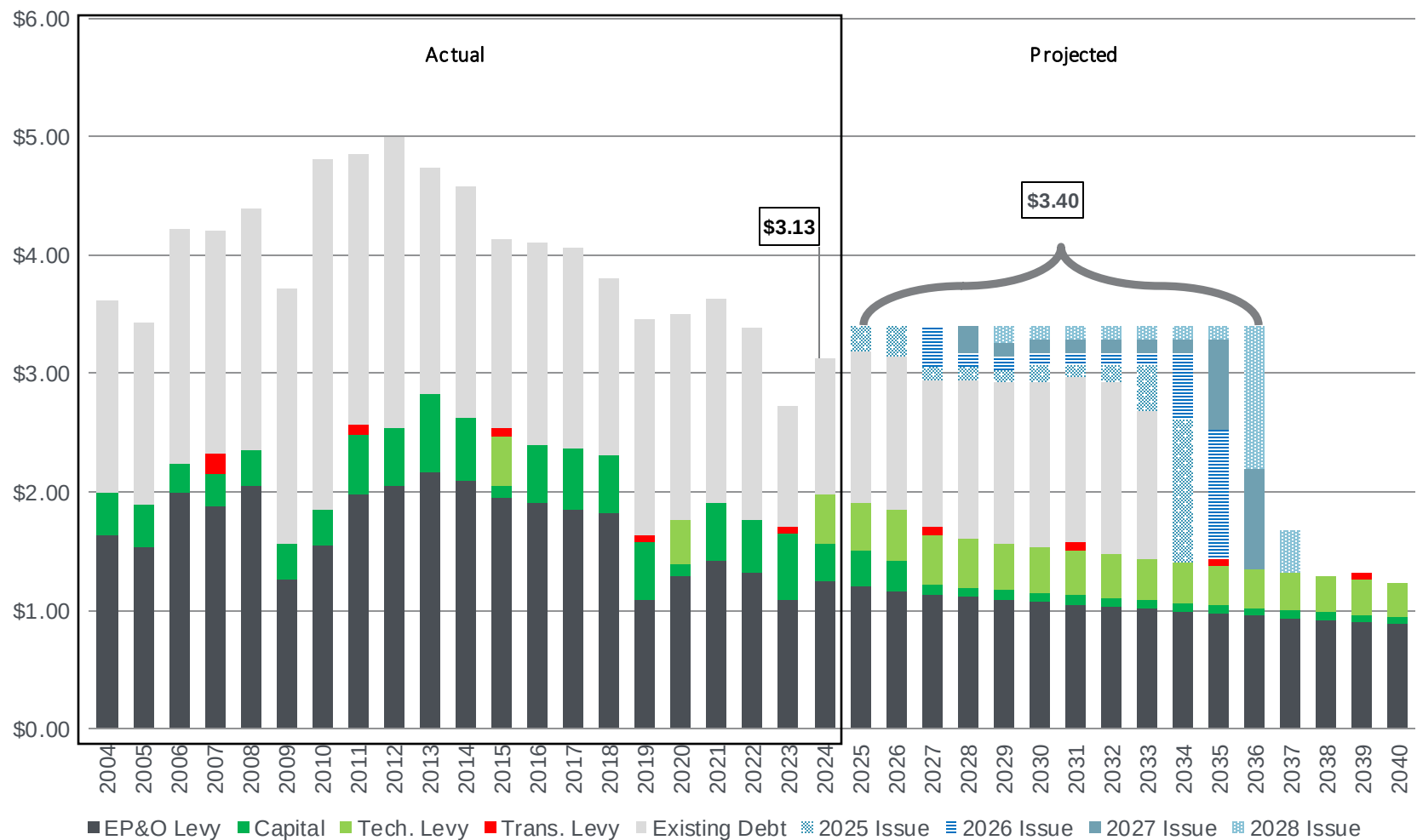
Recent Bond Authorization Requests:

- Tacoma SD’s 2024 authorization for \$650,000,000
- Edmonds SD’s 2024 authorization for \$594,000,000

Issaquah School District’s last Bond Authorization Request:

- April 2016 authorization for \$533,500,000
- (today, in 2024 the same scope would be \$862,200,000) per the Mortenson escalation index

• Projected Tax Rates: Issaquah_255 - \$600 Million Bond Authorization

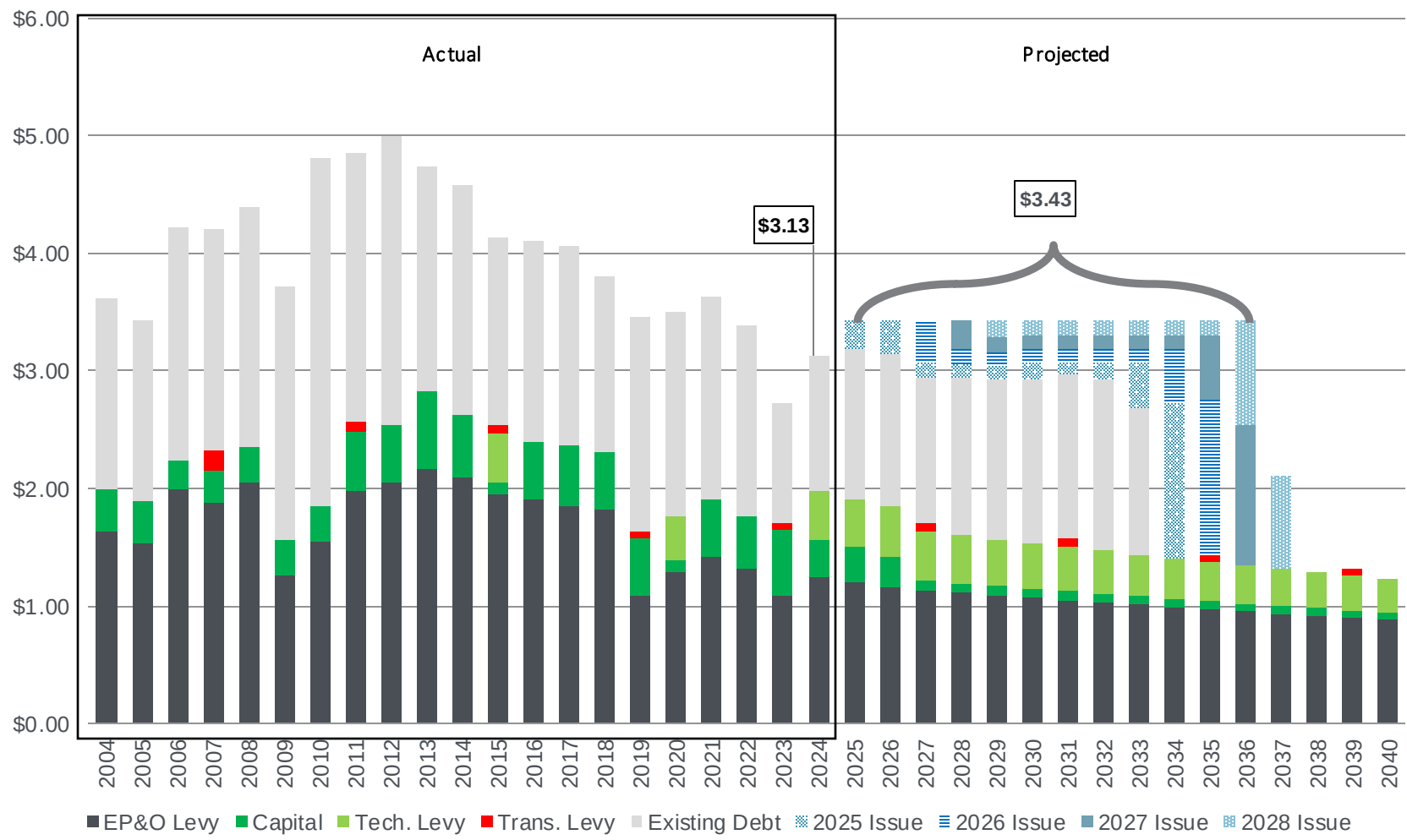


- Tax Impact Analysis: Issaquah_255 - \$600 Million Bond Authorization



Tax Collection Year	Total School Tax Rate	Assessed Value Growth	Assessed Value of Property	Annual Property Taxes	Annual Tax Bill Change
2014	\$4.58	--	\$385,726	\$1,767	--
2015	4.13	18.6%	457,624	1,890	\$123
2016	4.10	9.2%	499,693	2,050	160
2017	4.06	8.2%	540,703	2,197	148
2018	3.81	13.3%	612,425	2,332	134
2019	3.46	12.7%	690,337	2,391	59
2020	3.51	4.2%	719,577	2,523	133
2021	3.63	0.3%	721,899	2,621	97
2022	3.39	16.2%	839,027	2,841	220
2023	2.72	37.4%	1,152,641	3,135	293
2024	3.13	-13.2%	1,000,000	3,130	(5)
2025	3.40	5.0%	1,050,000	3,566	436
2026	3.40	5.0%	1,102,500	3,744	178
2027	3.40	5.0%	1,157,625	3,931	187
2028	3.40	5.0%	1,215,506	4,128	197
2029	3.40	5.0%	1,276,282	4,334	206
2030	3.40	5.0%	1,340,096	4,551	217
2031	3.40	5.0%	1,407,100	4,778	228
2032	3.40	5.0%	1,477,455	5,017	239
2033	3.40	5.0%	1,551,328	5,268	251
2034	3.40	5.0%	1,628,895	5,532	263
2035	3.40	5.0%	1,710,339	5,808	277
2036	3.40	5.0%	1,795,856	6,099	290

• Projected Tax Rates: Issaquah_256 - \$650 Million Authorization



- Tax Impact Analysis: Issaquah_256 - \$650 Million Authorization



Tax Collection Year	Total School Tax Rate	Assessed Value Growth	Assessed Value of Property	Annual Property Taxes	Annual Tax Bill Change
2014	\$4.59	--	\$385,726	\$1,769	--
2015	4.14	18.6%	457,624	1,893	\$123
2016	4.10	9.2%	499,693	2,050	157
2017	4.06	8.2%	540,703	2,197	148
2018	3.81	13.3%	612,425	2,332	134
2019	3.46	12.7%	690,337	2,391	59
2020	3.51	4.2%	719,577	2,523	133
2021	3.63	0.3%	721,899	2,621	97
2022	3.39	16.2%	839,027	2,841	220
2023	2.72	37.4%	1,152,641	3,135	293
2024	3.13	-13.2%	1,000,000	3,130	(5)
2025	3.43	5.0%	1,050,000	3,603	473
2026	3.43	5.0%	1,102,500	3,783	180
2027	3.43	5.0%	1,157,625	3,972	189
2028	3.43	5.0%	1,215,506	4,171	199
2029	3.43	5.0%	1,276,282	4,379	209
2030	3.43	5.0%	1,340,096	4,598	219
2031	3.43	5.0%	1,407,100	4,828	230
2032	3.43	5.0%	1,477,455	5,069	241
2033	3.43	5.0%	1,551,328	5,323	253
2034	3.43	5.0%	1,628,895	5,589	266
2035	3.43	5.0%	1,710,339	5,869	279
2036	3.43	5.0%	1,795,856	6,162	293

- Tax Impact Analysis: Comparison to similar size bonds in Tacoma & Edmonds SD

Tax Collection Year	Current (No New)		\$600M Authorization		\$650M Authorization	
	Annual Property Taxes	Annual Tax Bill Change	Annual Property Taxes	Annual Tax Bill Change	Annual Property Taxes	Annual Tax Bill Change
2024	3,130	--	3,130	--	3,130	--
2025	3,346	216	3,566	436	3,603	473
2026	3,473	127	3,744	178	3,783	180
2027	3,433	(40)	3,931	187	3,972	189
2028	3,602	169	4,128	197	4,171	199
2029	3,766	164	4,334	206	4,379	208
2030	3,957	191	4,551	217	4,598	219
2031	4,179	222	4,778	227	4,828	230
2032	4,318	139	5,017	239	5,069	241
2033	4,152	(166)	5,268	251	5,323	254
2034	2,292	(1,860)	5,532	264	5,589	266
2035	2,458	166	5,808	276	5,869	280
2036	2,420	(38)	6,099	291	6,162	293



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Break!



ISSAQUAH
SCHOOL DISTRICT 411

What's in a Construction Budget?

Feb. 2024

- **Edmonds S.D. - \$594 mil**

- College Place Campus – Elementary & Middle Schools
- **Alderwood M.S.**
- **Replace 2021 remaining levy:**
 - Oak Heights E.S./ 2021 Renewal/Upgrades
- **Westgate E.S.**
- **District-wide Renewal/Upgrades**

- **Tacoma P.S. - \$650 mil**

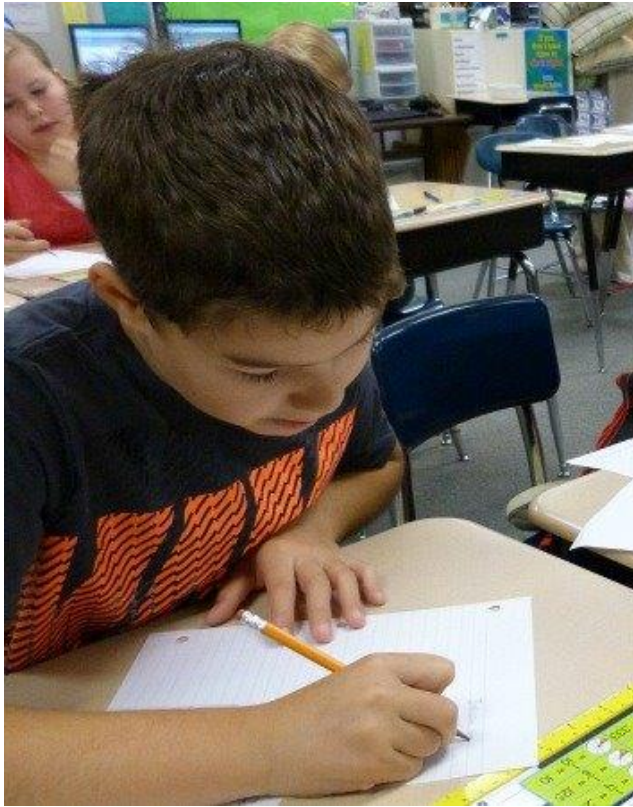
- **Basic Improvements across the District**
- **11 replacements & major renovations**
(including Elementary Schools, Magnet HS, MS, HS, Admin Buildings, & swing site)
- **Quality Learning & Teaching Environment- Upgrades/Expansions**
- **Health, Safety & Security Improvements**
- **Expanded Career & Technical Education**

Funding Options 1 of 2



- **Capital Levy – Capital Projects Fund**
 - One to Six Year Term
 - Levy tax collections to match specific dollar amount each year
 - Simple Majority (50+%) Voter Approval for Initiative Passage
 - Tax rates tend to be higher than Capital Bond Initiative
 - Expenditures limited to revenues available
 - No Interest costs – no debt incurred
 - Pay as you go
- **Capital Bond - Capital Projects Fund/Debt Service Fund**
 - Total \$ Amount needed to accomplish list of projects
 - Super Majority (60+%) Voter Approval for Initiative Passage
 - Sell bonds upfront based on project timelines
 - Bond Proceeds – Capital Projects Fund
 - Scheduled Debt Payments on Bonds – Debt Service Fund
 - Tax rates tend to be lower than Capital Levy Initiative
 - Collect taxes to retire bonds over time – including interest costs
 - Similar to a mortgage

Funding Options 2 of 2



- **Maintenance & Operations (M & O) Levy –**
- **General Fund day-to-day operations**
 - Levy Spending Plan - Maintenance Projects line item
 - Continue current Levy Spending Plan allocations
 - Re-Prioritize Levy dollars to Maintenance Projects
 - Future M & O Levy criteria unknown
- **State Matching Funds – Capital Projects Fund**
 - Available for New-in-Lieu or Modernization projects
 - District is minimally eligible for New Construction
 - Study and Survey required – submitted to OSPI
 - Reimbursement of approved expenditures

Understanding Total Project Costs

Construction Costs Include

- **Direct Costs:** These are costs that can be directly attributed to a project for labor, materials and equipment including subcontractor overhead and profit.
- **Design / Estimating Contingency:** These costs are applied to design estimates to cover unforeseen risks and changes that may occur during the project design execution. This is essentially allocated risk contingency and is typically based on the estimator's best judgment following conversations with the design team and / or owner. In early design stage estimates this can range from 10% to 30% and at 100% Construction Documents this is typically 0%. As the design progresses the risk decreases.
- **General Conditions / General Requirements:** General Contractor indirect expenses, staffing and overhead costs associated with building the project.
- **Escalation:** Escalation is included to allow for increases in the price for labor and materials during the estimating phase of a project in order to account for the potential fluctuation of material prices during design and for labor agreement cost increases.
- **General Contractors Fee, Bonds and Insurance:** These costs include the General Contractor's profit for the project and bonds and insurance per contractual requirements.

Understanding Total Project Costs

Soft Costs Include

- **Washington State Sales Tax**, this is applied to the Total Construction Cost on Construction Projects.
- **Design, Engineering and Other Consultant Fees & Expenses**
- **Owner Consultant Fees**
- **Testing, Inspection, Permits**
- **Construction Contingency** (Cost Impacts for changes to the design during construction (Change Orders))
- **Builders Risk Insurance**
- **Construction / Project Management Services**
- **Fixtures, Furniture and Equipment (FF&E)**
- **Management Reserve / Project Contingency** (Unallocated Risk Contingency)

Total Project Costs

Construction Costs + Soft Costs

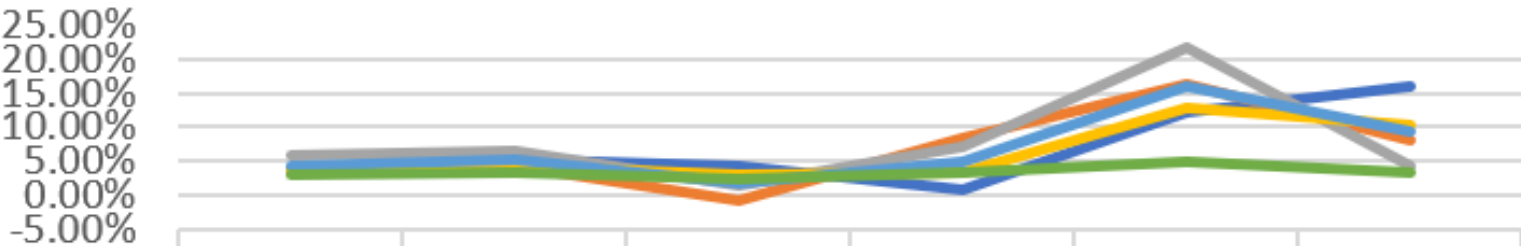
- The **soft costs**, or **non-construction costs** vary by the type of project. They include bond costs, property costs, design fees, furniture and equipment (FFE), sales tax, management fees, permits and mitigation fees, required special inspections, work not-in-the-contract, temporary improvements, printing, legal and miscellaneous costs.
- In addition, the budget must account for **money to address risks** which must be resolved during the course of developing the project, including: more escalation, changes in the construction, unknown conditions, or unanticipated regulatory requirements.
- New construction projects have **soft costs generally between 35 and 55%** of the Contractor's estimate, but these have to be developed on a project-specific basis.
- Modernization projects generally have soft costs higher than those of new construction projects.
- Projects that do not involve new building area generally have soft costs less than those of new construction.

Total Project Costs

Construction Costs + Soft Costs

- The **project cost** must be adjusted to the date of construction.
 - It **generally costs more to build in the future** than it does to build today
 - Cost change over time is called **construction escalation**. It is anticipated to be **4.5% looking beyond 2024*** (**forecasted by RC Cost Group*).
 - Regulations change over time. The cost of these changes are addressed through contingencies.
 - Expectations change over time. The cost of these changes are addressed through contingencies.

Year Over Year Escalation Percentage 2017 to 2023



	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
PPI Schools-National	3.90%	5.29%	4.39%	0.88%	12.33%	16.00%
ENR BCI-Seattle	3.30%	4.36%	-0.94%	8.24%	16.18%	8.04%
Mortenson Seattle	5.80%	6.52%	1.33%	7.18%	21.73%	4.30%
S&P Global State & Local Government Spending-National	3.60%	4.25%	2.87%	3.42%	12.88%	10.25%
Average of Indices	4.20%	5.09%	1.83%	4.93%	15.90%	9.44%
Actual C100	3.12%	3.18%	2.38%	3.28%	4.90%	3.33%

PPI Schools-National

ENR BCI-Seattle

MortensonSeattle

S&P Global State & Local
Government Spending-National

Average of Indices

Actual C100

Source: RC Cost Group

Revisiting the Potential New HS Timeline

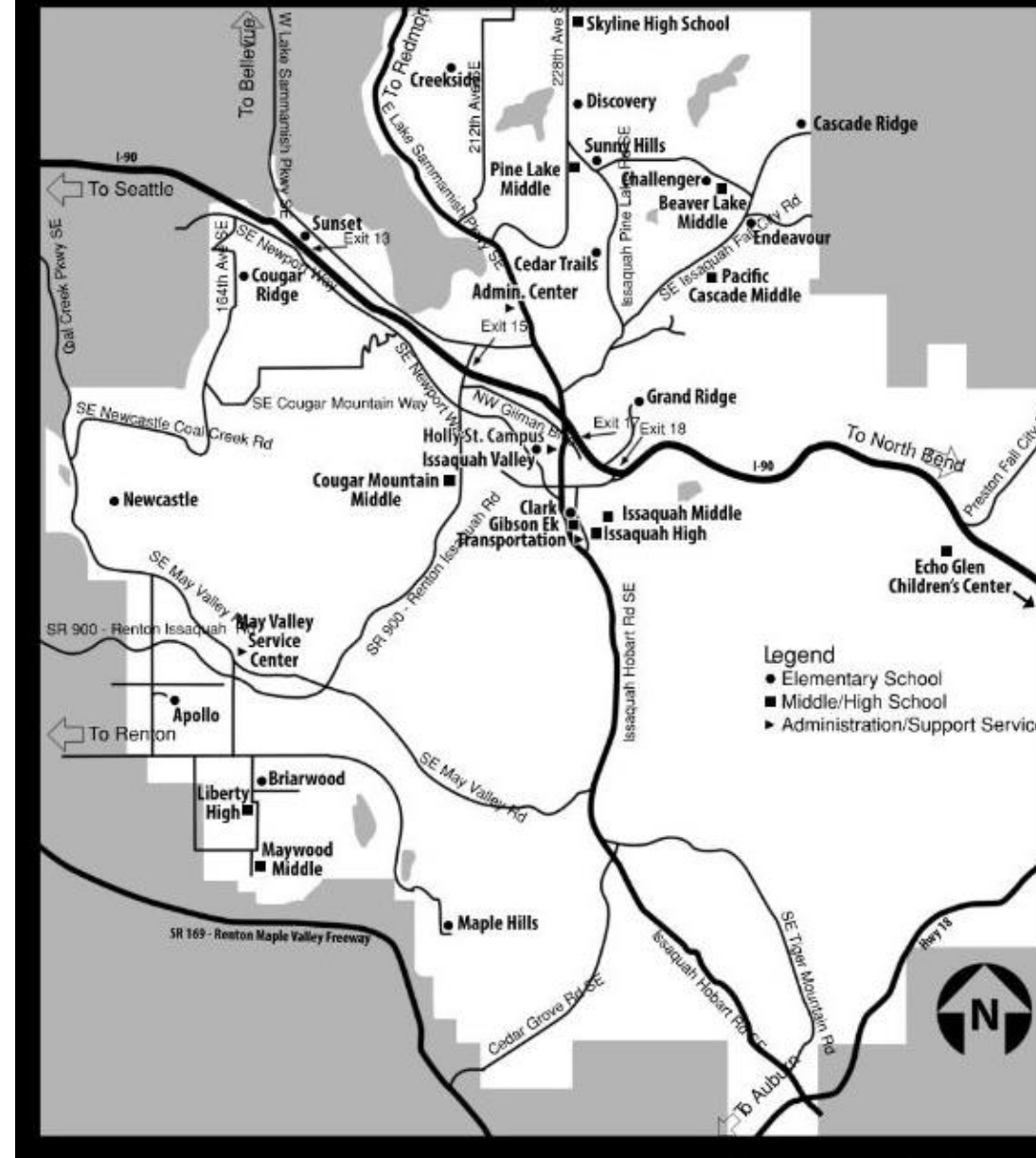
Average Escalation*	4.74%	3.79%	5.80%	6.52%	1.33%	7.18%	21.73%	4.30%	4.50%	4.50%	4.50%	4.50%	4.50%
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Steps in Process													
Begin Planning New HS													
Hire PDB Team													
Cost Estimate	\$120 mil												
Offer to Purchase the Property													
Historic Landmark Litigation													
SEPA Land Use Litigation													
Request to Rezone Property													
Property Zoned for School													
Site Development Permit with C.O.I.													
Cost Estimate						\$198 mil							
Cost Estimate							\$253 mil						
Cost Estimate								\$292.7 mil					
Building Permit Issued													
If included in Bond and it Passes in November, 2024 - Construction Begins													
WELCOME STUDENTS to New High School													
*Mortenson Index on Escalation shared as an indicator and may not be a reflection of project costs.													

Getting to Know Our Schools

Understanding Building Conditions

Building Condition Assessments

- Every district facility has been assessed by architects & engineers to identify improvements & grouped them by:
 - Immediate Improvements
 - Improvements Needed within 6 years
 - Improvements Needed in 6-12 years
 - Improvements Needed Beyond 12 years
 - Other Considerations



EXAMPLE

CHALLENGER ELEMENTARY SCHOOL



BOND COMMITTEE RECOMMENDATIONS

IMMEDIATE
NEAR TERM (< 6 yr)
INTERMEDIATE (6-12 yr)
LONG TERM (>12 yr)
CONSIDERATIONS

OVERVIEW

Challenger Elementary School is a single-story building that was constructed in 1988. The site currently has 7 portable classroom buildings housing 14 classrooms. Issaquah High School is approximately 57,175 square feet in size and served 424 students in grades K-5 in the 2022-23 school year. Challenger Elementary School is one of the older facilities in the district.

FACILITY CONDITION	IMMEDIATE	NEAR TERM (< 6 yr)	INTERMEDIATE (6-12 yr)	LONG TERM (>12 yr)	CONSIDERATIONS
BUILDING MODERNIZATION					
Source: 2024 Building Condition Assessment					
Clean Building Act / Energy Efficiency Investment		SUBMETERING, ENERGY DISPLAY			SOLAR PANELS, EV CHARGERS
Major Systems	HVAC	WATER HEATERS, ELECTRICAL, KITCHEN PICKUP AREA, ENTRY RAMPS		DATA CABLES	RECONFIGURE KITCHEN
Fields, Playgrounds & Site			LANDSCAPING		RUBBER TILE PLAY SURFACE
Building Envelopes	ROOFING, SKYLIGHTS		SIDING		
Building Interiors		FINISHES, PAINT, PLUMBING FIXTURES (PARTIAL)	FINISHES	CASEWORK, PLUMBING FIXTURES (PARTIAL)	SPECIAL SERVICES UPGRADES
SAFETY & SECURITY					
Source: 2024 Building Condition Assessment					
Vestibule & Perimeter			FENCING		
Monitoring/Access Control	SECURITY CAMERAS	LOCKSETS, CARD READERS			
Emergency systems		FIRE ALARM, EMERGENCY RESPONDER SYS.			EMERGENCY POWER GENERATOR
EDUCATIONAL STANDARDS					
Source: 2024 Building Condition Assessment					
CTE integration		KILN			
Health, wellness & inclusion		DRINKING FOUNTAINS			INCLUSIVE RESTROOMS, BOTTLE FILL STATIONS
Classroom technology		INTERCOM			

SOURCES
2024 Building Condition Assessment by Bassetti Architects & Cornerstone Architectural Group
Inventory of Condition of Schools (ICOS) Database

ZONING & LAND USE

Address	25200 SE Klahanie Blvd, Issaquah, WA 98029
Jurisdiction	City of Sammamish
Zone	R-6
Site Area	9.7 acres. 32.7 acres shared site w/ Beaver Lake MS
Environmentally Critical Areas	Wetland on parcel
Notes	Critical Aquifer Recharge Area

BUILDING INFORMATION

YEAR BUILT	AREA	GROSS SF
1988	Main Building	54,175
1988	Covered Play	3,000
TOTAL		57,175 sf

CURRENT PROGRAM SPACES

- 27 permanent Classrooms
- 14 portable Classrooms
- 1 Gymnasium
- 1 Covered Play Area
- 1 Library

CLEAN BUILDINGS ACT SNAPSHOT

- Tier 1 Building
- Compliance required: June 2028

ABBREVIATIONS

- HVAC: Heating, Ventilation, and Air Conditioning
- A/V: Audio/Visual
- EV: Electric Vehicle
- LED: Light Emitting Diode

EXAMPLE

Challenger Elementary School

FACILITY CONDITION	IMMEDIATE	NEAR TERM (< 6 yr)	INTERMEDIATE (6-12 yr)	LONG TERM (>12 yr)	CONSIDERATIONS
BUILDING MODERNIZATION					
Source: 2024 Building Condition Assessment					
Clean Building Act / Energy Efficiency Investment		SUBMETERING, ENERGY DISPLAY			SOLAR PANELS, EV CHARGERS
Major Systems	HVAC	WATER HEATERS, ELECTRICAL, KITCHEN		DATA CABLES	RECONFIGURE KITCHEN
Fields, Playgrounds & Site		PICKUP AREA, ENTRY RAMPS	LANDSCAPING		RUBBER TILE PLAY SURFACE
Building Envelopes	ROOFING, SKYLIGHTS		SIDING		
Building Interiors		FINISHES, PAINT, PLUMBING FIXTURES (PARTIAL)	FINISHES	CASEWORK, PLUMBING FIXTURES (PARTIAL)	SPECIAL SERVICES UPGRADES
SAFETY & SECURITY					
Source: 2024 Building Condition Assessment					
Vestibule & Perimeter			FENCING		
Monitoring/Access Control	SECURITY CAMERAS	LOCKSETS, CARD READERS			
Emergency systems		FIRE ALARM, EMERGENCY RESPONDER SYS.			EMERGENCY POWER GENERATOR
EDUCATIONAL STANDARDS					
Source: 2024 Building Condition Assessment					
CTE integration		KILN			
Health, wellness & inclusion		DRINKING FOUNTAINS			INCLUSIVE RESTROOMS, BOTTLE FILL STATIONS
Classroom technology		INTERCOM			

Learn & Share

**What do you notice about the schools
& their conditions?**

**What are issues that are important to
be addressed with the bond?**

Discuss what you learned.

**Additional Questions?
Record on index cards.**



Questions?



Closing

HOMEWORK:

- Exit ticket

NEXT MEETING in **1** week:

April 2, 2024

Issaquah School District 411 Board Room
5150 220th Ave SE, Issaquah, WA 98029



QUESTIONS or CONCERNS:

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Lesha Engels: EngelsL@issaquah.wednet.edu



ISSAQUAH
SCHOOL DISTRICT 411