

Welcome!

Levy Advisory Committee
September 9, 2025
Meeting 1



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

- Orientation to the process & tools
- Getting to know the team
- Establish a foundation for success
- Learn about the Transportation Levy

AGENDA

01

Introductions

- Superintendent, Facilitators, Committee
- Purpose and Charter

02

Foundation

- School Funding Overview
- Tax rates

03

Transportation Levy

- Background
- Alignment to strategic priorities
- Committee consideration

04

Close out

- Preview next meeting
- Next steps and homework

Introductions

Getting to know who's in the room



Introductions

Heather Tow-Yick, *Superintendent*

Facilitators:

Martin Turney

Chief of Finance and Operations

Mark Sherwood

Executive Director of Communications

Jacqueline Downey

Assistant Superintendent

Marcel Hauser

Senior Advisor & Strategy Lead

Introductions

Technical Team:

Moriah Banasick

Executive Director of Finance & Budget

Jason Morse

Executive Director of Operations

Tom Mullins

Director of Capital Projects

Coleen Xaudaro

Director of Transportation

Alaina Sivadasan

*Executive Director of Equity, Belonging, Counseling
& Family Partnership*

Jason Golec

Chief Information Technology Officer

Diana Eggers

Director of Education Technology

Sharine Carver

Executive Director of Special Services

Wendy Castleman

Director of Communications

Introductions

Committee Members:

- Brief roundtable
 - Name
 - Role
 - Why supporting schools matters to you



Meeting Roadmap

Meeting 1 <i>September 9</i>	Meeting 2 <i>September 16</i>	Meeting 3 <i>September 24</i>	Meeting 4 <i>September 30</i>	Meeting 5 <i>October 7</i>	Meeting 6 <i>October 14</i>
<ul style="list-style-type: none"> • Introductions & Charter • School Funding Overview • Tax Rate Context • Transportation Levy 	<ul style="list-style-type: none"> • Technology Levy • Critical Repairs Levy 	<ul style="list-style-type: none"> • EP&O Levy: Student Well-Being • EP&O Levy: Academic Opportunities • EP&O Levy: Organizational Effectiveness 	<ul style="list-style-type: none"> • Recap of Prior Meetings • Synthesize Feedback • Preliminary Combined Levy Package • Final Consensus Survey • Final Recommendation 	<ul style="list-style-type: none"> • Continuation of Meeting 4, as Needed • High Level Communications • Civic Engagement 	<ul style="list-style-type: none"> • Reserve for Additional Discussion

Charter

Purpose, authority and responsibilities



Charter

Statement of power of this Committee that defines its function, rights & obligations or privileges.

Purpose

To advise the Superintendent as she prepares a recommendation for the School Board to approve a levy issue for the 2026 ballot.

Goals

Provide feedback for Superintendent Tow-Yick to use in creating the proposed content, total cost, and tax impact of 3 ballot measures:

- Educational Programs and Operations Levy
- Capital Levy (Technology and Critical Repairs)
- Transportation

Charter

Statement of power of this Committee that defines its function, rights & obligations or privileges.

Parameters

Aiming to keep local school taxes stable, each levy package will include funding essential to:

- Ensure the Issaquah School District has all the resources possible to meet its mission and student learning goals
- Maintain facilities according to state and District use standards, while reflecting community expectations
- Prioritize safety and security for students, staff, and visitors across all schools
- Future opportunities

Charter

Statement of power of this Committee that defines its function, rights & obligations or privileges.

Consensus Model for Committee Work

- **Shared Purpose** – Keep student needs at the center when evaluating levy options.
- **Inclusive Voice** – Hear and respect all perspectives; every member has a role in shaping the outcome.
- **Collaborative Process** – Make decisions as a committee through discussion, reflection, and adjustment until general agreement emerges.
- **Consensus Defined** – Seek not unanimous agreement, but broad alignment that all can support and live with.
- **Outcome** – Share a collective recommendation with the Superintendent that reflects community priorities, balances tradeoffs, and can be confidently shared with the Board of Directors.

Group Agreements

Curiosity and clarity of purpose



Group Agreements

These behaviors allow the team to perform through curiosity and clarity of purpose and roles.

- **Put student needs at the center.** Using this lens will help focus our inquiry and conversation.
- **Assume positive intent.** Each committee member is volunteering their time to help our students, staff and community. If someone's objective is unclear, ask for clarifying details.
- **Maintain civility.** Respect the rights, differences, and dignity of others.
- **Make space for all voices.** Our individual lived experiences are valuable, and we can all learn from one another.
- **Preserve this as a safe space for open discussion.** During these public meetings, we may receive personal information and stories from students, teachers, and staff to deepen our learning experience. We expect you will honor what is shared by not sharing with others.
- **Stay curious.** Be prepared to learn and allow your thinking to evolve. This will take active listening, full engagement, thoughtfulness, and constructive feedback/questions.

Q&A/ Menti

Learning

(Menti available for committee members' participation during meeting).

Join at Menti.com | use code *****



School Funding Overview

Funding Student Learning



School Funding

The Issaquah School District manages five separate funds, each with a specific purpose defined by state law:

Levy Focus

General Fund - This is the largest fund and supports the daily operations of schools, including staffing, instructional programs, and student services.

Levy Focus

Capital Projects Fund - Pays for building improvements, repairs, and technology infrastructure.

Levy Focus

Transportation Fund - Restricted to purchasing buses and related equipment. The state provides some support, but levies may also be used for this purpose.

Debt Service Fund - Used exclusively to repay principal and interest on bonds approved by voters for school construction and modernization.

ASB Fund - Managed with and for students, this fund supports extracurricular activities such as athletics, clubs, and student organizations.

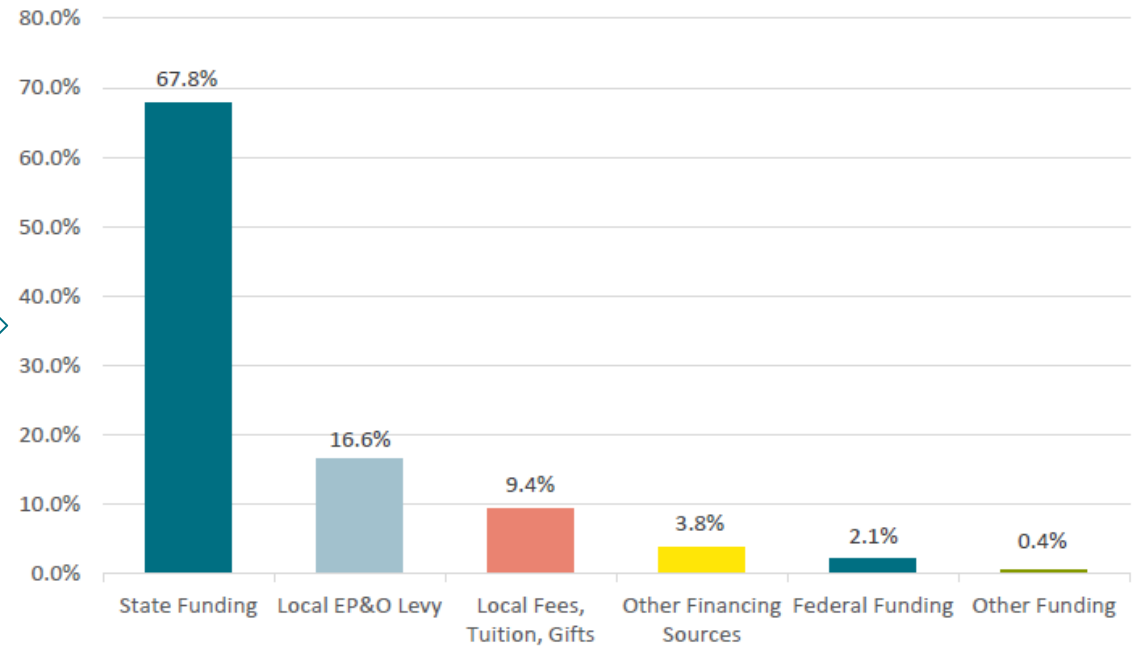
School Funding

General Fund

The General Fund includes resources from local, county, state, and federal sources. These revenues are generally used for financing the operations of the school district such as the classroom, classroom support, Special Services, Food Services, Maintenance, and Transportation.

The General Fund receives funding from three primary sources:

- State of Washington - 67.8%
- Local Levy - 16.6%
- Local Fees, Tuition, Gifts - 9.4%



School Funding

McCleary Fix and Ongoing Gaps

- The 2017–18 *McCleary* settlement increased state funding for basic education and capped local levy authority.
- While the state now covers more of the cost of running a district, many areas remain underfunded, including:
 - Special education services
 - Transportation beyond the state's limited formula
 - Materials, supplies, and operating costs (MSOC)
- Local levies fill these state funding gaps and provide for nurses, mental health supports, safety staff, extracurriculars, and other programs families expect.

School Funding

Capital Projects Fund

The Capital Projects Fund is used for maintaining, repairing, and improving district facilities, as well as technology and infrastructure investments. Funding is legally restricted to construction, modernization, land acquisition, technology systems, and major building repairs.

The Capital Projects Fund receives funding from:

Minimal
Sources

- **Local Capital Levies** – Voter-approved, up to six years
- **State Assistance** – Matching funds for eligible projects
- **Impact Fees** – Paid by developers to offset growth-related costs
- **Other Local Revenues** – Interest earnings, rentals, and lease income

School Funding

Transportation Fund

The Transportation Vehicle Fund is restricted to the purchase and replacement of school buses and related equipment. It does not pay for the day-to-day operation of buses.

The Transportation Fund receives funding from:

- **State Depreciation Payments** – Covers a portion of bus replacement costs (typically 40–60% of diesel buses)
- **Local Transportation Levy** – Voter-approved, one-year levy supporting replacement, electric bus purchases, and charging infrastructure
- **Other Local Sources** – Limited contributions such as sales of retired buses

Levies

Levies: Sustaining Student Learning

Levies

- Local property tax that funds day-to-day student learning and operations.
- Supports student learning through enrichment, staffing, safety, transportation, technology, and critical repairs.
- Bridges the gap between state/federal funding and real student needs.
- Typically renewed every 4 years (with voter approval).
- Designed to keep local school taxes stable while sustaining high-quality programs.
- To validate a school levy, a simple majority is required (50% plus one vote).

Bonds

- Large construction projects
- Require a 60% supermajority

How Levies Bridge the Gap

State & federal dollars fall short

- Funding doesn't fully cover student needs or meet community expectations.

Levies make schools whole

- Fund essential staff, transportation, technology, and special education beyond state/federal funding.

Enrichment & opportunity

- Support mental health, safety, career/technical education, dual language, and advanced coursework.

Critical share of funding

- Levies provide 16.6% of the general fund operating budget and are approved by voters with a simple majority.

Community partnership

- Levies ensure students continue to have access to essential supports and critical operations that keep schools running.

What's the focus in 2026?

February 10, 2026 Ballot Date

- **4-year Educational Programs & Operations (EP&O) Levy**
 - Safeguard essential student services, enrichment and safety beyond state and federal funding
 - Consider expanding student well-being supports and broadening academic opportunities
- **4-year Capital Levy (Technology and Critical Repairs)**
 - Delivers up-to-date classroom technology, applications, device support and network infrastructure
 - Addresses urgent safety needs, prioritizing the highest-impact repairs to buildings and systems
- **1-year Transportation Levy**
 - Advances safe, sustainable, and reliable transportation while managing maintenance costs through fleet modernization, including adding electric buses and expanding charging infrastructure.

➡ **Strengthen community voice through structured Levy Advisory Committee process**

Educational Programs & Operations Levy

- Restricted to “enrichment”
 - Supplemental to basic education (minimum instructional offerings, staffing ratios, program components)
- Authority limited by per pupil amount
 - Currently at \$3,851 per student
 - Increases annually
- Provides approximately **16.6%** of General Fund revenue

4-Year Renewal Levy

Educational Programs & Operations Levy

Levy Authority Changes

- Beginning in 2027 and through 2030, districts may raise enrichment levies by Seattle CPI + 3.33% annually, rather than CPI alone.
- This change increases the per-pupil limit from \$3,851 in 2026 to approximately \$4,799 by 2030.
- For the Issaquah School District, student enrollment levels are the main factor in determining maximum EP&O levy authority.
- Voters approve levy amounts, but collections cannot exceed the legal authority.

Educational Programs & Operations Levy

Levy Authority Calculation

Calendar Year 2026 Example:

2024-25 Enrollment	×	Per Pupil Amount*	=	Maximum Levy Authority
18,769		\$3,851		\$72.3 million

**Under the 2024 legislative change (ESHB 2049), this figure increases annually by the Seattle Consumer Price Index (CPI) + 3.33% until 2030*

Educational Programs & Operations Levy

Levy Authority Modeling for 2027-2030

Maximum Authority - High Projection

Calendar Year

Max Levy Per Pupil

Enrollment Assumption - High Projection

CPI Assumption with Increase per HB 2049*

\$500 above CPI for 2026; CPI plus 3.33% 2027-2030

Potential Levy Amount

2026	2027	2028	2029	2030
\$ 3,851.24	\$ 4,095.02	\$ 4,333.76	\$ 4,560.42	\$ 4,798.93
18,753.93	18,364	18,355	18,228	18,161
	6.33%	5.83%	5.23%	5.23%
\$ 70,000,000	\$ 75,200,000	\$ 79,500,000	\$ 83,100,000	\$ 87,200,000

Projected Assessed Valuation (in 0000's)

Projected Levy Rate

55,839,255	58,631,218	61,562,779	64,640,918	67,872,964
1.25	1.28	1.29	1.29	1.28

Pro: Maximizes revenue capacity to sustain programs, cover inflation, and address state underfunding.

Con: Heavily dependent on enrollment and may be seen as aggressive in terms of taxing authority.

Educational Programs & Operations Levy

Levy Authority Modeling for 2027-2030

Levy Authority - Medium Projection

Calendar Year

Max Levy Per Pupil

Enrollment Assumption - Medium Projection

CPI Assumption with Increase per HB 2049*

\$500 above CPI for 2026; CPI plus 3.33% 2027-2030

Potential Levy Amount

2026	2027	2028	2029	2030
\$ 3,851.24	\$ 4,095.02	\$ 4,333.76	\$ 4,560.42	\$ 4,798.93
18,753.93	18,364	18,038	17,768	17,255
	6.33%	5.83%	5.23%	5.23%
\$ 70,000,000	\$ 75,200,000	\$ 78,200,000	\$ 81,000,000	\$ 82,800,000

Projected Assessed Valuation (in 0000's)

Projected Levy Rate

55,839,255	58,631,218	61,562,779	64,640,918	67,872,964
1.25	1.28	1.27	1.25	1.22

Pro: Provides stable revenue with a moderate levy rate, balancing funding needs and taxpayer sensitivity.

Con: Generates less capacity than high projections, limiting flexibility if costs or enrollment increase.

Educational Programs & Operations Levy

Levy Authority Modeling for 2027-2030

Levy Authority - Low Projection

Calendar Year

Max Levy Per Pupil

Enrollment Assumption - Low Projection

CPI Assumption with Increase per HB 2049*

\$500 above CPI for 2026; CPI plus 3.33% 2027-2030

Potential Levy Amount

2026	2027	2028	2029	2030
\$ 3,851.24	\$ 4,095.02	\$ 4,333.76	\$ 4,560.42	\$ 4,798.93
18,753.93	18,364	17,727	17,292	16,815
	6.33%	5.83%	5.23%	5.23%
\$ 70,000,000	\$ 75,200,000	\$ 76,800,000	\$ 78,900,000	\$ 80,700,000

Projected Assessed Valuation (in 0000's)

Projected Levy Rate

55,839,255	58,631,218	61,562,779	64,640,918	67,872,964
1.25	1.28	1.25	1.22	1.19

Pro: Keeps levy rates at the lowest levels, reducing taxpayer impact and enhancing voter appeal.

Con: Provides the least revenue capacity, limiting flexibility to address cost pressures or unexpected needs.

Educational Programs & Operations Levy

Levy Authority – Medium Projection

- Considered a balanced choice because it provides stable revenue with a moderate levy rate, aligning district needs with taxpayer sensitivity.
- Provides sufficient capacity for opportunities such as program enhancements and student support without overextending taxing authority.
- Offers more flexibility than the Low Projection to manage inflation and state underfunding, while avoiding the risks of an aggressive High Projection.
- Supports long-term program stability, public trust, and responsible financial stewardship.

Capital Levy

Technology

- Technology equipment and support to provide modern educational tools
- Includes 1:1 laptops, technology training, support staff, teacher technology pay, video security maintenance and upgrades

Critical Repairs

- Projects that are essential to maintaining safety and foundational standards at our existing buildings (e.g. HVAC, roof repairs)

4-Year Renewal Levy*

**This Capital Levy will not have a new building construction component.*

Transportation Levy

- Restricted to purchase of buses and electric charging infrastructure
- Cannot support the operation of buses
- Used to fund replacement of existing bus fleet or invest in new buses
 - Historically the state funded depreciation payments cover approximately 40% to 60% of purchase of traditional diesel bus
 - Electric buses can cost up to three times more than traditional diesel buses upfront, not including the cost of charging infrastructure

1-Year Renewal Levy

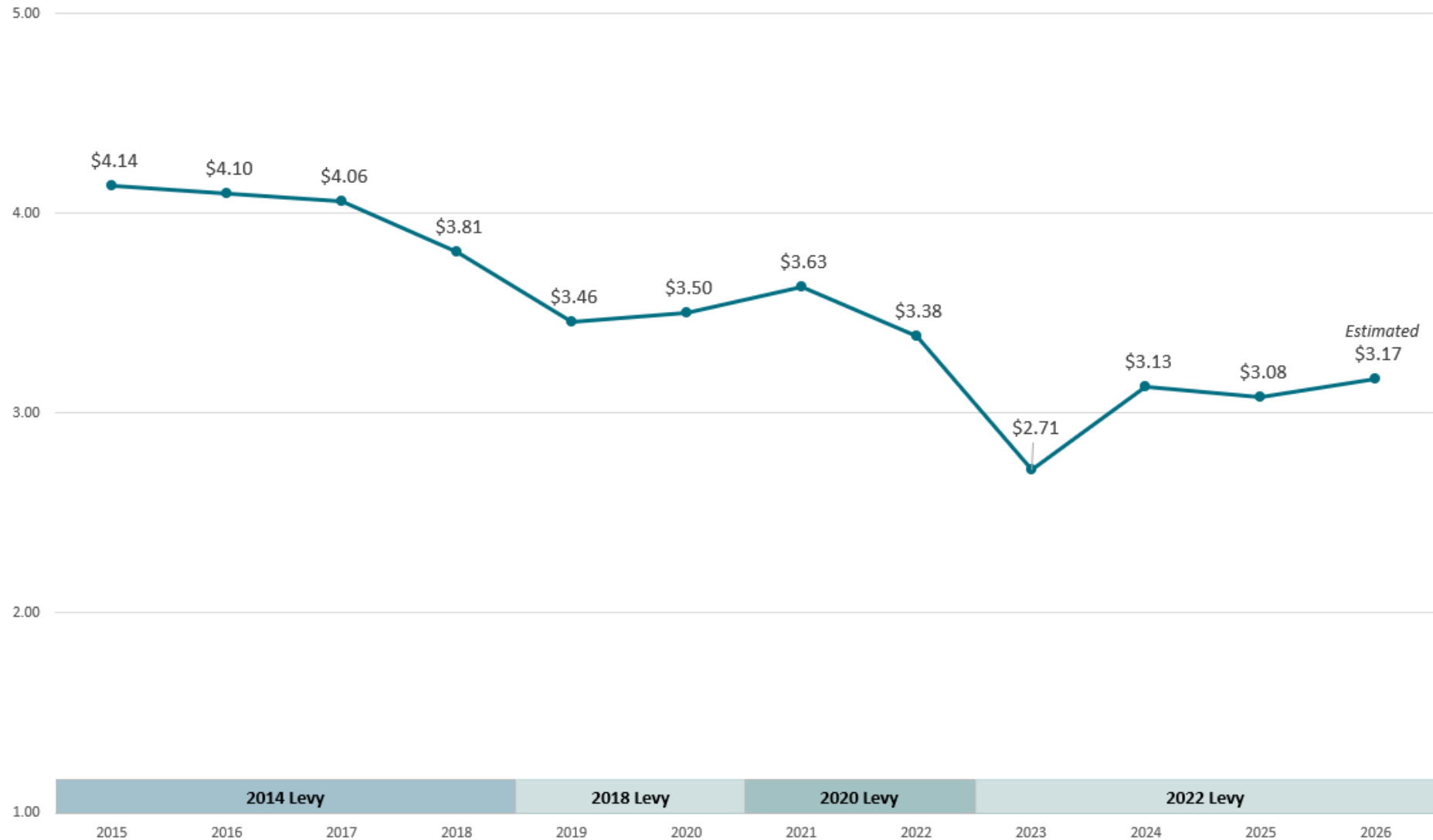
Levy Renewal History

	February 2010		February 2014		February 2018		February 2020		April 2022	
EP&O	65.70%	Pass	69.27%	Pass	51.27%	Pass	63.66%	Pass	54.59%	Pass
Capital	64.24%	Pass	70.31%	Pass	54.15%	Pass			51.67%	Pass
Transportation	65.58%	Pass	70.89%	Pass	57.31%	Pass			62.28%	Pass

- The district has typically been on a four-year levy cycle with a February ballot date
- Due to tax reforms in 2018, the district went to a temporary two-year cycle for the Educational Programs & Operations (EP&O) levy
- Levies need 50% + 1 vote to pass

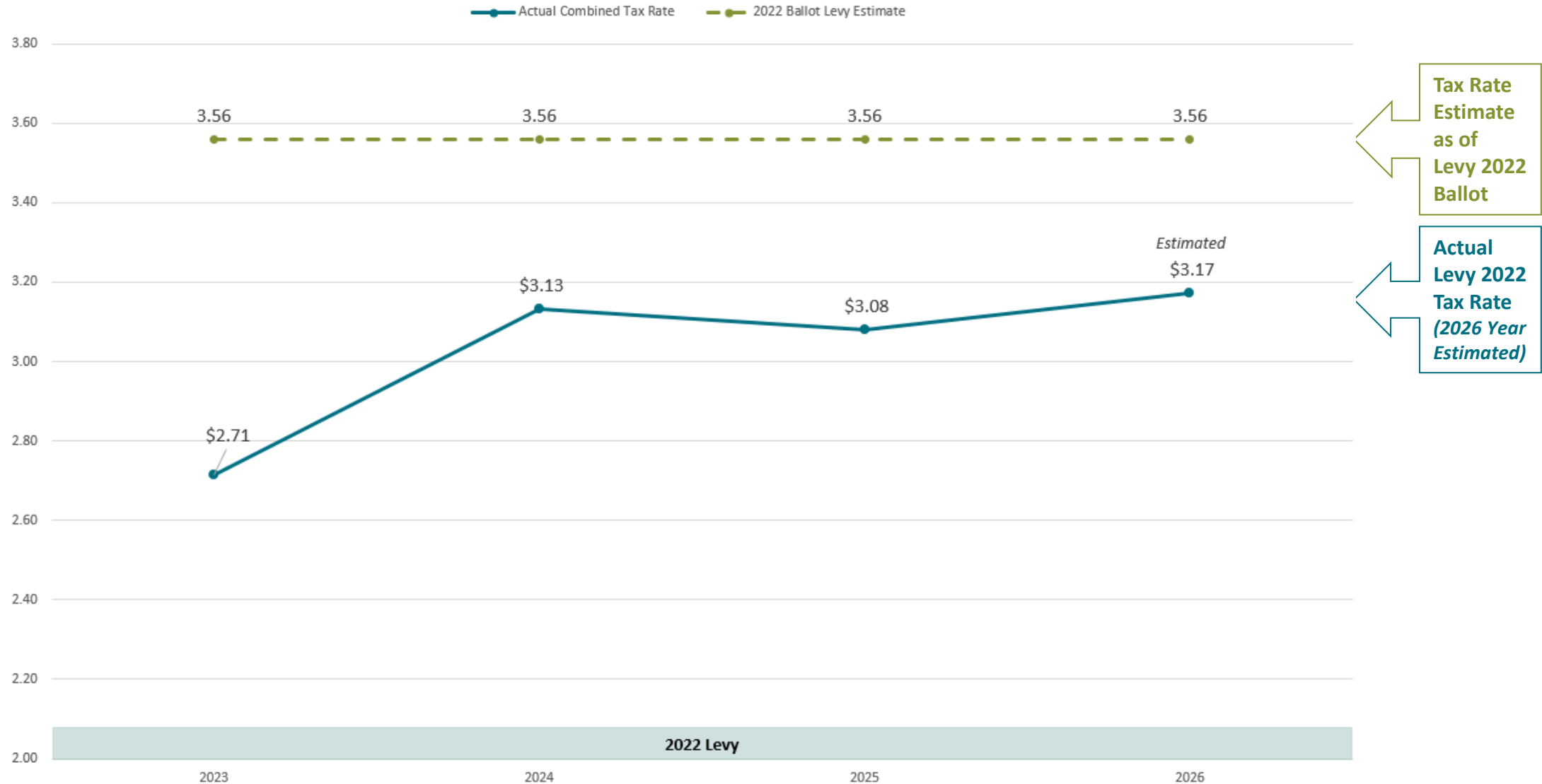
Tax Rate History

Combined Local School Rate (ISD Portion Only)

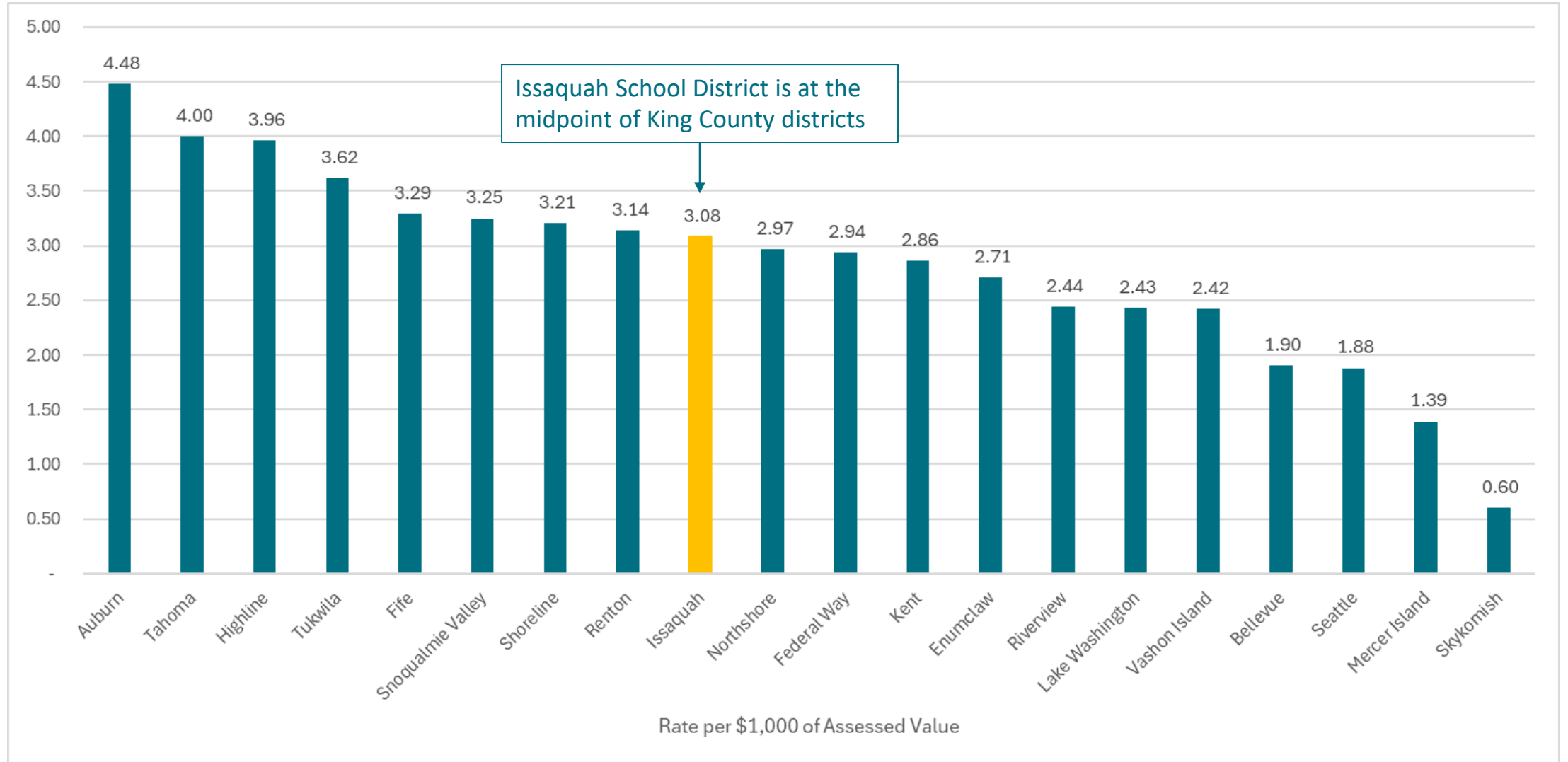


Tax Rate History

Levy 2022: Ballot Estimate Comparison



2025 Combined Tax Rate Comparison: King County Districts



Source: [King County Assessor](#)

Activity: Turn and talk at your table

-5 min

Prompt: What resonates with you the most?
What are you most curious about?



Q&A on School Funding Overview

-5 min

(Menti available for committee members' participation during meeting).

Join at Menti.com | use code *****



Transportation Levy

Martin Turney, Chief of Finance and Operations

Jason Morse, Executive Director of Operations



Transportation Levy

Background

- The Issaquah School District services 110 square miles and transports students over 1.4 million miles a year
- Approximately 9,500 students are transported each morning and afternoon
- The district has 170 small and large buses in its fleet to provide this service
- As of July 2025, the district has three electric buses in the fleet

Transportation Operations (not funded by Transportation Levy)

- 84.9% of the cost of drivers, fuel, tires, etc. is funded by the state
- The remaining 15.1% is funded from the local EP&O levy
- For the 2025-26 school year, the district has budgeted \$15.4 million for transportation operations
- None of these costs are provided from the Transportation levy

Transportation Levy

How Bus Funding Works

- **State Depreciation Payments:** State reimburses part of diesel bus costs over about 13 years. Covers about 40–60% of the cost of a bus.
- **Local Transportation Levy:** Supplements state funding, especially for higher-cost electric buses and charging infrastructure.
- **Transportation Vehicle Fund:** By law, *all* buses must be purchased through this dedicated fund.

Purchase Cycle

- Buses are replaced on a regular life-cycle schedule (generally 13–15 years) to ensure safety and reliability.
- Buses are phased out as they age; new purchases can balance reliability with gradual electrification.
- Consistent cycle prevents large spikes in replacement needs and keeps fleet service-ready.

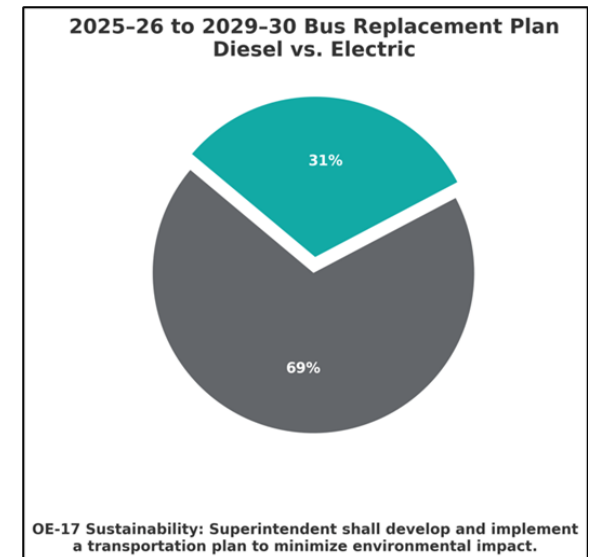
Transportation Levy

Vision

- One-year renewal levy at \$2 million (\$0.03 / \$1,000 of assessed value)
 - Prior levy amount was \$3 million in 2022
- Launch a fleet modernization plan that blends electric and diesel buses to prioritize sustainability, ensure reliable service, and align with infrastructure and funding readiness. The five-year plan would include:

Purchase of 61 total buses and 6 charging stations

- 42 Diesel Buses: maintain reliability and route coverage
- 19 Electric Buses: expand zero-emission fleet gradually
- 6 Charging Stations: build infrastructure at Plateau site



Transportation Levy

Board and Strategic Plan Connection

Board Connection:

Supports Operational Expectation 13 - Facilities and OE-17 – Sustainability

- Reduction of carbon footprint in alignment with the district's sustainability goals

Strategic Plan Connection:

Sustainable operations, reliable access and lower maintenance costs

- **Student Well-Being** – ensuring students have safe and reliable transportation from home to school.
- **Organizational Effectiveness** – building infrastructure for future of electric fleet of buses; fleet modernization keeps maintenance costs manageable.

Activity: Turn and talk at your table

-5 min

Prompt: What resonates with you the most?
What are you most curious about?



Q&A on Transportation

-5 min

(Menti available for committee members' participation during meeting).

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Table Exercise

Committee Consideration

At your table, reflect and have discussion on the following prompt:

Prompt: Are you in favor of the levy package including a one-year, \$2 million Transportation Levy?

Steps:

- Individual reflection and Menti poll – 5 minutes
- Group conversation – 15 minutes
- Large group share outs – 5 minutes

(Menti available for committee members' participation during meeting).

Closing

HOMEWORK:

- Exit ticket
- Q&A
- Accept all meeting invites on your calendar

NEXT MEETING:

- September 16, 2025
 - Location: Maywood Middle School Library
 - Key Topics: Technology and Critical Repair Levies

(Menti available for committee members' participation during meeting).



QUESTIONS or CONCERNS:

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Mark Sherwood: SherwoodM@issaquah.wednet.edu