

June 11, 2019 board work session

Superintendent Steve Webb's remarks

On May 28, in a letter to the board, a VPS advisory group (the Management Task Force) strongly recommended that the district consider a supplemental levy ballot measure in 2019-20 as permitted by ESSB 5313. The group's advice: let the community have a say, put the issue before voters, and let them weigh in. I've asked Brett to review the local levy lid change and several supplemental levy amount scenarios, including the impact on total tax rate and additional revenue generated locally given a set of assumptions today.

As you know, a local education and operations supplemental levy would enable the district to sustain the recently restored positions identified as potential cuts beyond 2019-20. Recently, as part of our budget development process, these positions were restored temporarily for 2019-20 by using one-time money, including fund balance and state enhanced levy equalization assistance totaling \$10.31 million. Those positions identified as potential cuts are not identified or funded under the state's prototypical school formula. Under the state's new funding model, they are considered "enriched" staffing that our community had chosen to support through the local education and operations levy before the levy swap and cap was legislated by ESSB 6362. Repeatedly, I've referred to this legislative "fix" as the McCleary mess.

As we've heard loud and clear through our public engagement and budget input process, the Vancouver community has come to expect these supports and services for its children and public schools. Without sustainable funding to restore the "enriched" staffing positions beyond 2019-20, it likely will be necessary to cut those positions to address the \$10.31 million budget shortfall in 2020-21.

The purpose of this work session is to inform the board and invite your deliberations and discussion. If the board's direction is to explore a supplemental levy more fully, I would suggest the following process/timeline before finalizing a go-forward plan: revisit and consider a supplemental levy/amount at the board's August retreat, conduct a statistically valid community survey (conducted by CFM Strategies) in September, report findings to board in October and, if supported by the community survey data and directed by the board, consider a supplemental levy measure resolution in November for the February 2020 special election.

EO Supplemental Levy Scenarios

- (\$.10) reduction in total tax rate from 2017 baseline tax rate generating \$7.25 million in 2021 (year over year increase to E/O rate \$.31)
- No change in total tax rate from 2017 baseline tax rate generating \$9.5 million in 2021 (year over year increase to E/O rate \$.41)
- +\$.10 increase in total tax rate from 2017 baseline tax generating \$11.75 million in 2021 (this amount would also enable us to address our transportation vehicle fund/depreciation schedule from state fund shortfall we discussed at our spring retreat, without going out for another short term transportation capital levy.) (year over year increase to E/O rate \$.51)