

**Blaine School District  
Capital Projects Bond Facts  
(Board Approval of Formal Resolution Pending; November 28, 2011)  
February 14, 2012 Election Date**

- The proposed Capital Projects Bond in the Blaine School District will be placed on the ballot on February 14, 2012 and will total \$3.0 million.
- The February 14, 2012 Capital Projects Bond is being proposed in response to short term, highest priority facility needs in the Blaine School District.
- While public school districts in Washington State receive day to day operating funds from the state, as well as through Maintenance and Operations Levy funds approved by local voters, capital projects needs are generally of a magnitude requiring the submittal of a Capital Projects Bond for local voter approval.
- The Capital Projects Bond issue being presented to voters in February of 2012 will address:
  - Remodel of the existing science building on the High School Campus
  - Relocation of Middle School Life Skills Program to Middle School Campus, with remodel of applicable classroom space
  - Relocation of High School Life Skills Program to High School Campus with remodel of applicable classroom space
  - Retro-fitting of High School lighting as per new federal requirements
  - Upgrading of heating units and supporting controls on the Middle School and Elementary School Campuses
  - Expansion of security camera system to the Elementary and Primary School Campuses
- The needs at Blaine High School remain most urgent. The April 2011 initiative called for over 90% of a \$32M measure to be spent on High School upgrades and new construction. With passage of a much more limited, \$3M Capital Projects Bond in February of 2012, we will move forward with addressing these key concerns:
  - Science classroom and lab space are inadequate, with lab space at approximately 40% of current need. This remodel will provide for the use of five science classrooms, each with independent lab space to support applicable instructional needs.

- Our Middle School and High School Life Skills students are being served in converted space that was originally built as locker rooms for the old gymnasium. This space is no longer sufficient for growing special education program needs. The passage of this measure will allow for the remodel of existing classroom space at both the Middle School and High School to accommodate the needs of this program and allow for students to be located directly on their respective campuses.
  - New federal lighting requirements call for the change out of the majority of lighting fixtures on the High School campus. Passage of this measure will provide for the necessary funding to complete this project.
  - Heating units and the respective controls for these units are due for upgrade at both the Elementary and Middle School Sites. Revenue generated from the passage of this measure will assure for the timely completion of this work.
  - Increased security concerns are driving the need for cameras to be extended onto the Primary School and Elementary School sites. Proceeds from this Bond measure will support this work.
- Once the School Board sets a Capital Projects Bond amount, and voters approve a Bond request, the amount set becomes the maximum that can be collected. Taxes collected by the school district do *not* increase after they are set in place, regardless of changes in assessed property value. In fact, as the tax base increases, the tax rate to collect the dollars authorized by voters is reduced.
  - The financing and subsequent repayment schedule for Capital Projects Bonds serves to assure that future home owners assume a share of the resulting tax burden and that the repayment obligation does not rest exclusively with existing home owners.
  - Capital Projects Bonds are usually paid off over a more extensive period of time (up to or exceeding 20 years) than are maintenance and operations levies (2-4 year tax collection). It is not uncommon for voters to be asked to approve a new bond when the debt for an existing bond has not been fully exhausted. The \$3M measure being proposed to voters at this time, when approved, will be paid off concurrent with the expiration of existing Bond indebtedness, in 2016. This represents a relatively brief four-year repayment cycle.
  - The Bond rate is calculated from the total assessed valuation of all the real property within the district boundaries, and is also impacted by the schedule under which approved bonds are sold and subsequently repaid.

- The Blaine School District realizes an overall tax rate for the repayment of capital projects bonds that is significantly less than that of some of our neighboring districts, as a result of the location of the BP Cherry Point Refinery in the district. BP historically accounts for up to 24% of the overall tax base, and the Blaine School District is grateful for their continued support for education.
- With passage of the Capital Projects Bond in April of 2012, tax payers will see a resulting increase in property tax. The actual amount of increase will be dependent upon the assessed valuation of property at the time the bonds are issued and scheduled for repayment. The projected increase, that amount paid in addition to the taxes collected on current bonds, is estimated to be an average of \$.05 per \$1000 of assessed property valuation in 2013, 2014 and 2015, with the debt on the remaining (prior issue) bonds dropping from \$.98 per \$1000 to \$.16 per \$1000 in 2016 and the last year of repayment of the new issue bonds increasing by \$.73 per \$1000, for a net decline in this last year of overall repayment (2016) from \$1.02 per \$1000 to \$.89 per \$1000. If approved in 2012, the new bonds, once issued, are scheduled to be fully repaid in 2016, along with existing Bond debt.
- Actual tax rates are set by the county. Historically, the actual rate has been lower than the estimated rate as a result of increases in assessed property valuation.
- An exemption is available for qualifying seniors and low-income homeowners. Those interested in learning more should contact the County Auditor's Office by phone at 676-6742.
- School bonds positively impact everyone in the community, whether you have children in school or not. Bond dollars remain in our community helping with economic stability and prosperity. The success of our schools is a critical part of the quality of life that attracts people to Blaine, Pt. Roberts and Birch Bay.

*Capital Projects Bond questions, comments and suggestions may be sent via email to: [bond@blainesd.org](mailto:bond@blainesd.org) or by U.S. Mail to: Superintendent, Blaine School District, 765 H. Street, Blaine, WA 98230.*

10/31/2011