

As all of you know, voters did not approve the Ferndale School District's replacement levy on February 11. That is the reason we are meeting here tonight on a holiday. We need to determine what to do now.

Before we get into our discussion about what comes next, I feel the need to provide some context.

The School Board made the difficult decision to run a four-year replacement levy at the maximum allowable rate -- \$2.50 per thousand or \$2500 per student (whichever is less) -- after looking carefully at budget projections that revealed *even this amount* would not be sufficient to maintain our current level of educational programs for students for the next four years.

There were members of our community who advised us to run the levy at the lower rate of \$1.50 per thousand or \$1500 per student. There were also community members urging us to run the levy at the \$2.50 rate or \$2,500 per student. The Board felt obligated to give the citizens of the Ferndale School District the chance to choose whether or not we continue the programs we currently offer. For the five of us to have arbitrarily decided to cut \$5 million from our annual budget *without allowing voters to weigh in* seemed far from democratic.

Some have said the District "promised" a rate of \$1.50 when we ran the bond. The District *projected*, not promised, \$1.50, because, at the time, that was the maximum rate allowed by the State Legislature. When the majority of school districts across the State told the Legislature they would be insolvent within 1-4 years at this funding level -- unless they made significant cuts in staffing and programs -- the Legislature felt compelled to make a change. Ferndale was among the districts that would not have been able to sustain its current programs at the funding level generated by \$1.50 per thousand. Like everywhere else, we would need additional revenue to continue to provide everything our community has come to expect as part of "basic education." Or we would need to make some fairly deep cuts.

Our School Board, however, was opposed to asking local property owners to absorb the shortfall by raising the levy rate. That is the reason our Board wrote an open letter to the Legislature asking them to consider some other revenue sources for fully funding education.

We pointed out that local levies are extremely inequitable. It costs tax payers considerably more to raise a dollar in small rural communities like ours than it does in bigger urban areas with richer tax bases.

We lobbied the Legislature for a different solution, but our plea for an alternative funding source did not prevail against the louder voices from larger, more urban districts. The Legislature said, “Okay, school districts, we hear you. You need more money to sustain your programs. We are going to provide you with one avenue for raising additional funds, and that is by raising your local levy rate.”

As I said when I began, our Board decided, after much deliberation, we could not by fiat decide to deny our local community the opportunity to continue to fund education *through the only means available*. Hence we chose to run the levy on February 11 at the \$2.50 rate.

Across the State, 145 school districts ran levies on February 11. (While nearly all of the State’s 295 districts rely on local levies, only 145 of them had levies that are running out at the end of 2020.) The vast majority of the 145 districts who put levies on the February 11 ballot asked voters to approve a rate of \$2.50 per thousand or \$2500 per student, whichever is less. At last count, all but 12 communities had approved their local levies -- 92% -- including the other six school districts in Whatcom County. From the point of view of State officials, this indicates their funding decision was a huge success. The day after the February 11 election, State Superintendent of Public Instruction Chris Reykdahl issued a press release under a headline reading “Washington Communities Demonstrate Remarkable Commitment to Their Local Public Schools.” This does not suggest we should count on changes in the State’s funding model in the near future.

- As leaders of one of the 12 districts where voters did not approve its levy, we are here tonight to determine our next steps. Part of our decision will depend on community input. However, the members of the community who chose to vote in the February 11 election have already given us a clear message. More than 56% of them said they did not support a levy at the \$2.50 per thousand rate and by that vote, they did not support continuing our current level of educational programs for students.

In advertising this meeting, the Board announced that it would not be taking oral public comment tonight. Please know this does not mean we are not interested in

public input. Rather, we felt the need to protect tonight's meeting time for us to become educated about our options and what each of them means in terms of the kinds of cuts we will need to make. As I think most of you are aware, the School Board is subject to strict open public meetings laws. As such, we have not had any opportunity for discussing the ramifications of the failed levy among ourselves until this evening. We have not been able, as a group, to gather information from the District Administrative Team and dialogue about it -- not even online. We don't even know yet where one another stands when it comes to moving forward. Such conversations among all the members of the Board can only happen in a public meeting like

this one. Written comments may be submitted tonight. Public comments will also be allowed at next school board meeting, next Tuesday, February 25 in this room.

So the purpose of tonight is for us to learn about our options, understand what each option will mean in terms of the future of our school district, become clear about timelines that dictate how fast we must move forward, and determine the best way we can gather community input.

Thank you for being here tonight. We appreciate your interest, and we welcome your written feedback. Our situation is grave, because, at this point, there is no way forward that will not cause a great deal of stress for our staff, families, and, by extension, students. On behalf of the entire Board, I pledge to make decisions that will allow us to provide our children with the best education possible given the resources our State and community is willing to provide us.

With that, I will turn the agenda over to Dr. Quinn and the members of her Executive Team to assist the Board in understanding our options.