

Federal Way Public Schools
Local Effort Assistance, aka Levy Equalization

“The primary purpose of levy equalization is to provide tax equity.”¹

FACT: In calendar year 2011, Federal Way Public School’s tax payers continue to have the highest tax rate in King County, and yet at the same time generate the least amount of funding per pupil.²

FACT: The 2011 King County average tax rate is: \$1.83 and collection per student is \$2,645.
The 2011 State-Wide average tax rate is: \$2.35 and collection per student is \$2,052.
Federal Way Public Schools average tax rate is: \$3.66 and collection per student is \$1,982.

MYTH: Local Effort Assistance (LEA) offsets differences in assessed valuations.

FACT: LEA provides an additional \$348 per student, generating total levy and LEA resources of \$2,331. However, this is still \$134 per student less than the King County average, or approximately a \$2.8M funding gap.

MYTH: Differences in home values offset the differences in tax rates.

FACT: The average home owner in Seattle pays \$567, while the Federal Way average homeowner pays 65% MORE with an annual tax bill of \$939³. Without Local Effort Assistance, this burden on the average home owner would increase an additional \$0.64 per thousand dollars of assessed valuation to \$1104 per home owner, or almost double the Seattle homeowner!

MYTH: Property poor districts receive more state and federal categorical funding than property rich districts.

FACT: According to OSPI⁴, the average per pupil funding in Bellevue for 2009-10 was \$10,013. The State-wide average was \$9,754. In Federal Way, the average was \$9,520.

Federal Way Public Schools is already operating with significantly fewer dollars and a total funding gap below the state-wide average of approximately \$5.0M. Reducing or eliminating LEA widens this funding gap – which will ultimately have negative impacts on the educational opportunities for students and the student achievement gaps that exists between districts.

If Washington State eliminates Local Effort Assistance funding, we will feel the impact beginning in 2013, in the amount of around \$8 million.

To put this in perspective, here’s what the \$7.3 million in LEA funding that the district has received in 2011 is paying for this year:

- o 92 teachers, including music and art teachers \$7,300,000
- o Resulting in an increase in class size by 4 across the district
- OR**
- o All Day K programs (beyond dedicated state funding) \$632,000
- o Air Force JROTC \$200,000
- o Advanced placement tests \$421,000
- o Transportation (beyond state funding formula) \$3,200,000
- o English Language Learner (beyond state funding formula) \$991,000
- o AmeriCorps Local Match \$487,000
- o Indirectly, athletics and activities \$2,888,000

Even with the historical 50% match to provide tax equity across the state, the differences are glaring both in terms of property owner tax burden and in terms of resources for Washington State’s students. Creating an even broader gap will compound the inequities that exist for all students. This is unacceptable, when all students are held to the same expectations of student achievement.

¹ Legislative Local Levy and Local Effort Assistance Technical Working Group

² As published by OSPI in Report 1061 on August 11, 2011

³ District calculations utilizing single family taxable units based on King County Assessor’s Living Units by School District for King County 2011 Tax Roll published March 16, 2011.

⁴ As published by OSPI in FY 2009-10 School District & ESD Financial Reporting Summary