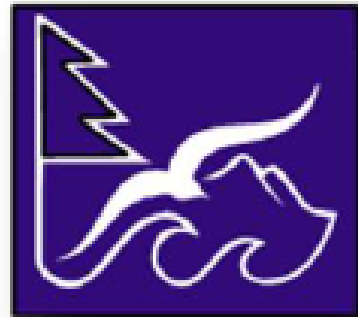


Sequim School District and Forest Revenues

Sequim School District No 323





Sequim School District and Forest Revenues

- Washington State School Districts receive forest revenues in four different ways
 - Federal Forest Funds
 - State Forest Funds
 - School Construction Assistance Program
 - Timber Excise Tax

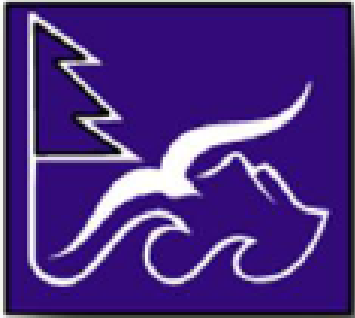




Sequim School District and Forest Revenues

- Federal Forest Funds
 - Secure Rural Schools and Community Self Determination Act provides payments to counties
 - Counties keep half and distribute rest to junior taxing districts (schools, fire departments, water districts, etc)
 - Schools receive Federal Forest Funds in General Fund
 - Until 2015-2016, Federal Forest Funds were deducted dollar for dollar from state Basic Education Funding
 - Sequim School District 15-16 Budget transfers \$120,000 in Federal Forest Funds to Capital Projects Fund for HVAC replacements
 - Federal Forest Funds have ranged from \$80,000 to \$180,000 over last 10 years





Sequim School District and Forest Revenues

- State Forest Funds
 - Generated by sales of timber on State Forest Lands
 - Received by any school fund with an outstanding tax levy
 - When received in General Fund, State Forest Funds are deducted dollar for dollar from State Basic Education funding
 - When received in Debt Service Fund, State Forest Funds are used to offset cost to taxpayers for paying off bonded indebtedness
 - Revenues are variable based on timber harvest levels
 - 2013-2014 Debt Service Fund State Forest Revenues were \$36,866





Sequim School District and Forest Revenues



- School Construction Assistance Program (SCAP)
 - Sales of timber from State Forest Trust Lands contribute to SCAP funding
 - Cutting more timber from State Forest Trust Lands does not increase a school districts eligibility for SCAP funding
 - SCAP funding is formula driven and considers:
 - The number of “unhoused” students in a district
 - The Per Student Assessed Value of Real Property within the boundaries of a school district
 - Sequim’s Per Student Assessed Value of Real Property is higher than the state average so it constrains the district’s eligibility for SCAP



Sequim School District and Forest Revenues

- Timber Excise Tax
 - Timber Excise Tax is a form of real property tax
 - Levied on the value of standing timber on private forest lands within the boundaries of the district
 - Reduces the amount of property tax levied on other forms of real property
 - School districts with an active operating levy or Debt Service Fund levy are eligible to receive Timber Excise Taxes
 - Timber Excise Taxes in Sequim School District for 15-16 are budgeted to be received in the General Fund for \$34,500





Sequim School District and Forest Revenues

- Thank you!
- Questions?
- www.sequim.k12.wa.us
- Brian Lewis, Executive Director of Business Services, 360-582-3266