



VALLEY CITY PUBLIC SCHOOLS

School Facilities Planning

Report to School Board

The Study of School Facilities- New School Facility v. Remodeled Schools (2021-2023)

Over the past two years, the school board conducted an extensive study of the facilities in the school district. This included a study of new school facilities during the 2021-22 school year which encompassed a capital maintenance plan, preliminary design plans (3-phases), community survey, and public presentations. During the 2022-23 school year, the district studied a remodeling project that aligned with an updated capital maintenance plan, school safety and security plans, and other cost reducing operational plans (combining district/school offices, adding a parking lot, rebuilding district storages spaces, etc.).

The Community Survey (October 2021) and Advisory Committee Meetings (2023)

During the process the school board has consistently asked for and received feedback from the community of Valley City. In addition to a community survey conducted by a third party in October 2021, the school board hosted four public meetings during the 2021-2022 school year. The results of the survey provided valuable information supporting the need to address the facilities in the school district. In the spring of 2023, six advisory committee meetings were held with more than 75 stakeholders representing staff, parents, community leaders, rural/agriculture residents, senior citizens, and young adults. Of the participating stakeholders that completed the survey, 90% indicated the school district should concentrate efforts on new school construction (4-12, 7-12, or K-12) vs. remodeling existing schools.

The Increases in Cost, Limitations of Local Funds, and Why State Funds Are Needed?

Since 2021, the cost of school construction in North Dakota has increased by more than 60%. In 2021, the estimated cost to build a new 7-12 high school was \$40 million. Today, about two years later, that cost has exceeded \$65 million. Many school districts, including Valley City Public Schools, cannot fund necessary school construction projects due to the impact on taxpayers and/or the school debt limits. A \$40 million-dollar referendum in West Fargo will cost taxpayers \$25 dollars for a home valued at \$100,000. This cost in Valley City is \$325 dollars per \$100,000 or 13x's more the cost than a taxpayer in West Fargo. The current and unchanged debt limit for Valley City Public Schools is \$40 million. Even if 100% of taxpayers in the Valley City Public School District voted in favor of building a new school, the district doesn't have the ability to finance a school construction project costing more than \$40 million. The increasing cost of construction, along with the impact on taxpayers and limitations on school debt, have created an inequitable funding model for school districts in North Dakota. For this reason, a school district construction coalition was created and will pursue new legislation to fund school construction equitably in North Dakota.

A School District Construction Coalition - Pursuing State Funds for New School Construction

In the summer of 2023, a school construction coalition was formed consisting of seven North Dakota school districts. The short-term goal of the coalition is to identify school facility challenges in North Dakota, research other models of state funded school construction, and propose state school construction funding plans to an interim legislative committee. On September 13, 2023, the coalition accepted an invitation to present to the ND School Funding Task Force Committee in the fall of 2023. As the coalition continues preparing to present to the committee, it also looks ahead to the 2025 legislative session. The long-term goal of the coalition is to find a bill sponsor who will draft and support new legislation that will provide state funded school construction in North Dakota. In the meantime, the school district construction coalition has and will continue engaging with legal representatives to better understand the inequities of school facilities, by district, across North Dakota.

A Recommendation on Next Steps for the School Board at Valley City Public Schools

Based upon the feedback from our advisory committees and the recent progress of the school construction coalition, a school facilities recommendation has been provided to the school board of Valley City Public Schools. The recommendation includes:

- 1) Support the school construction coalition in their efforts to propose state construction funding to the interim legislative committees and to identify a bill sponsor who will draft and support legislation on school construction funding in the 2025 session.
- 2) Support the school construction coalition to engage with legal representation to better understand the inequities of school facilities in North Dakota and prepare, if necessary, for an equity lawsuit against the state of North Dakota.
- 3) Consider calling for a vote of the residents of the school district in June 2024 to increase the building fund from the current 10 mills to 20 mills. The additional dollars in the building fund will be used for a possible school bus garage/storage building, building maintenance at Jefferson and Washington Elementary Schools, and the necessary expansion of the current activities' facilities in the school district.
- 4) Consider immediately limiting the allocation and expenditure of funds to the Junior/Senior High School facility. This action will allow for school administration to continue to address facility issues that would be related to general operations, safety/security, health/wellness, and code requirements.