

APPENDIX A

REGARDING THE DISSOLUTION AND ANNEXATION OF THE VADER SCHOOL DISTRICT

Having reached a decision the negotiating parties submit this written summary of the decision, including rationale for the decision reached, to the Vader and Castle Rock school district boards of directors. The school boards shall act on the recommendations by written resolution adopted at a board meeting.

**TRANSFER OF TERRITORY
REQUIRED CRITERION FOR
ADJUSTMENT OF ASSETS AND LIABILITIES**

(In determining an equitable adjustment of assets and liabilities, the negotiating school districts and the regional committee shall consider the following factors :)

FACTORS/CRITERIA																															
X	<p>RCW 28A.315.245(1) The number of school-age children residing in each school district and in each part of a district involved or affected by the proposed change in school district organization</p> <p>Discussion: Vader is a nonhigh. Students in grades 9-12 currently attend Castle Rock (25), Toledo (40), and Winlock (21) schools.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">District</th> <th style="text-align: right;">Vader</th> <th style="text-align: right;">C. Rock</th> </tr> </thead> <tbody> <tr> <td>KINDERGARTEN</td> <td style="text-align: right;">5.07</td> <td style="text-align: right;">47.14</td> </tr> <tr> <td>GRADES 1-3</td> <td style="text-align: right;">26.86</td> <td style="text-align: right;">272.29</td> </tr> <tr> <td>GRADE 4</td> <td style="text-align: right;">7.00</td> <td style="text-align: right;">119.14</td> </tr> <tr> <td>GRADES 5-6</td> <td style="text-align: right;">15.43</td> <td style="text-align: right;">209.29</td> </tr> <tr> <td>GRADES 7-8</td> <td style="text-align: right;">25.29</td> <td style="text-align: right;">206.71</td> </tr> <tr> <td>GRADES 9-12</td> <td style="text-align: right;">0.00</td> <td style="text-align: right;">483.60</td> </tr> <tr> <td>*Sub-TOTALS</td> <td style="text-align: right;">79.64</td> <td style="text-align: right;">1,338.17</td> </tr> <tr> <td>Est. Gr. 9-12 Served in other Districts</td> <td style="text-align: right;">86.00</td> <td style="text-align: right;">(25.00)</td> </tr> <tr> <td>*** TOTALS</td> <td style="text-align: right;">165.64</td> <td style="text-align: right;">1,313.17</td> </tr> </tbody> </table> <p>The total enrollment, if all were to attend Castle Rock is estimated at 1,478.81 (165.64 + 1,313.17); and if all students currently enrolled in another high school remain there, the total attending Castle Rock is estimated at 1,417.81 (79.64 + 1,338.17).</p>	District	Vader	C. Rock	KINDERGARTEN	5.07	47.14	GRADES 1-3	26.86	272.29	GRADE 4	7.00	119.14	GRADES 5-6	15.43	209.29	GRADES 7-8	25.29	206.71	GRADES 9-12	0.00	483.60	*Sub-TOTALS	79.64	1,338.17	Est. Gr. 9-12 Served in other Districts	86.00	(25.00)	*** TOTALS	165.64	1,313.17
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X	<p>RCW 28A.315.245(2) The assessed valuation of the property located in each school district and in each part of a district involved or affected by the proposed change in school district organization</p> <p>Discussion: 2005 Vader assessed valuation: 107,527,031 2005 Castle Rock assessed valuation: 441,886,268</p>																														
X	<p>RCW 28A.315.245(3) The purpose for which the bonded indebtedness of any school district involved or affected by the proposed change in school district organization was incurred.</p> <p>Discussion: Vader has no bonded indebtedness. Castle Rock bonded indebtedness is 4,148,132.</p>																														
X	<p>RCW 28A.315.245(4) The history and relationship of the property affected to the students and communities affected by the proposed change in school district organization.</p> <p>Discussion: The Ryderwood community is a retirement community in Cowlitz County with closest access</p>																														

	<p>to I-5 through the community of Vader. The community identity of the Vader School District extends back to the 1870's and has included the community of Ryderwood since the 1920's. The two communities have jointly supported children from this region since that time. Including the entire territory within a single school district preserves this relationship.</p>																
X	<p>RCW 28A.315.245(5) Additional burdens to the districts affected by the proposed change in school district organization as a result of the proposed organization.</p> <p>Discussion - Vader: The Vader School District is unable to continue to operate. State and federal resources have proven to be insufficient – the district must rely on local levy for maintenance and operations. In addition the Vader school building is condemned. A levy and bond both failed prompting the district and state to seek dissolution and annexation.</p> <p>Discussion – Castle Rock: The Castle Rock School District has a history of serving students from Vader at all grade levels. The district indicates they have sufficient facility space to accommodate the Vader students. The over all impact to the district may include operational efficiencies.</p>																
X	<p>RCW 28A.315.245(6) The value, location, and disposition of all improvements located in the school districts involved or affected by the proposed change in school district organization</p> <p>Discussion: The Vader School District is liquidating all debt under the supervision of ESD 113. Reduction – in – force letters were sent to staff, although it is believed that existing salaries and contracts will be honored in full. Liquid assets and certain school equipment will be used to mitigate or liquidate debts first. If necessary, school buses will then be used to mitigate or liquidate remaining debts. The value of all school equipment is estimated at less than \$6,000. Two buses have resale values of \$30,000 and \$5,000.</p> <p>Finally, the value of the land will be used to mitigate or liquidate debt resulting from the condemnation of the former Vader school. An appraisal of the real property will be sought. The legislature will provide up to \$200,000 assistance with removal of the condemned building.</p>																
X	<p>RCW 28A.315.245(7) The consideration of all other sources of funding</p> <p>Discussion – state funding sources: All state revenues including apportionment, special education, and transportation will follow those children who attend Castle Rock. State Local Effort Assistance (revenue 3300) to Castle Rock may decrease slightly from 570,311 to an estimated 562,954 as a result of the annexation.</p> <p>Discussion – federal funding sources: Federal revenues, including Title I and special education, formerly distributed to Vader will be distributed to Castle Rock as determined by OSPI.</p> <p>Discussion – local funding sources: Vader School District has no outstanding bonded indebtedness. There is no M&O levy for 2007 or future years. Castle Rock School District has M&O levies of 1,320,000 for 2007, and 1,350,000 for 2008. Castle Rock bonded indebtedness is 4,148,132. (Revised per 8.31.6 F196).</p> <p>The current (2005) assessed valuation of Vader is as follows:</p> <table border="1"> <thead> <tr> <th>County</th> <th>Property</th> <th>Adjusted Timber</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>COWLITZ</td> <td>18,922,005</td> <td>7,169,168</td> <td>26,091,173</td> </tr> <tr> <td>LEWIS</td> <td>76,218,221</td> <td>5,217,637</td> <td>81,435,858</td> </tr> <tr> <td></td> <td></td> <td></td> <td>107,527,031</td> </tr> </tbody> </table> <p>Discussion – equalization of tax burden: The transfer of assessed valuation will be effective midnight of August 31, 2007. The annexed territory will be subject to existing Castle Rock School District levies and bonds beginning January 1, 2008 pursuant to RCW 28A.315.245 – 265. The March 2007 Vader election was communicated as an election which determined, in part, whether the disparities in pupil funding would be remedied and local taxes would be paid to either Vader or another school district. Under this agreement, that district is Castle Rock.</p>	County	Property	Adjusted Timber	Total	COWLITZ	18,922,005	7,169,168	26,091,173	LEWIS	76,218,221	5,217,637	81,435,858				107,527,031
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	While it is agreed that students may continue attending other schools such as Winlock and Toledo, all related tax revenues will be levied and received by the Castle Rock School District.
X	<p>RCW 28A.315.245(8) Any other factors that in the judgment of the school districts or regional committee are important or essential to the making of an equitable adjustment of assets and liabilities.</p> <p>Discussion: The Vader School District is unable to provide sufficient operating and capital funds. The Castle Rock School District annexed with the Vader territory will be able to do so.</p> <p>Discussion: The Vader School District was condemned in April 2007 and funds are not available to remodel or replace it.</p>

NOTE: Under RCW 84.09.030, March 1 is the deadline for setting taxing district boundaries for tax collections the ensuing fiscal year.

ADDITIONAL TRANSFER OF TERRITORY BACKGROUND INFORMATION

Please note that the sections below that reference RCW 28A.315.205 are included and submitted here only as guidelines, for informational purposes, to the negotiating districts and the Regional Committee. They are not required criteria under the statutory proceedings dealing with this matter.

CRITERIA	
X	<p>RCW 28A.315.015(2)(a) A balance of local petition requests and the needs of the statewide community at large in a manner that advances the best interest of public education in the affected school districts and communities, the educational service district, and the state;</p> <p>Discussion: This request is not a petition but a response from the Office of Superintendent of Public Instruction, Educational Service District 113, and Vader School District officials pursuant to RCW 28A.215.225 <u>28A.315.225</u>.</p> <p>The Vader School District recently failed both a 3-year levy and a capital bond. Much time and effort was invested in educating the community about the importance of this election. This election was communicated as an election which determined whether or not to continue operating the Vader School District. Wishing the best for the children of the community and lacking the resources to provide them the quality education they deserve, the Vader School District Board of Directors began the process of dissolving.</p>
X	<p>RCW 28A.315.015(2)(b) Responsibly serving all of the affected citizens and students by contributing to logical service boundaries and recognizing a changing economic pattern within the educational service districts of the state;</p> <p>Discussion: The Vader territory lies within the counties of Lewis and Cowlitz. There are no direct public roads linking the Ryderwood community in the Cowlitz territory to other Cowlitz County school districts and all current transportation passes through the community of Vader. The community identity of the Vader School District extends back to the 1870's and has included the community of Ryderwood since the 1920's.</p> <p>Neither a separation along county lines, nor an artificial separation of the territory along other lines were perceived as serving affected citizens and students better than transferring the territory as a whole. Castle Rock School District is the only neighboring district with the capacity to absorb all former Vader students and all potential adjustments of assets and liabilities.</p>

CRITERIA	
X	<p>RCW 28A.315.015(2)(c) Enhancing the educational opportunities of pupils in the territory by reducing existing disparities among the affected school districts' ability to provide operating and capital funds through an equitable adjustment of the assets and liabilities of the affected districts;</p> <p>Discussion: See discussion under RCW 28A.315.245(8).</p>
X	<p>RCW 28A.315.015(2)(d) Promoting a wiser use of public funds through improvement in the school district system of the educational service districts and the state;</p> <p>Discussion: There is no increased fiscal impact to the state as a result of this transfer.</p>
NA	<p>RCW 28A.315.015(2)(e) Other criteria or considerations as may be established in rule by the state board of education.</p>
X	<p>RCW 28A.315.205(4)(a) Student educational opportunities as measured by the percentage of students performing at each level of the statewide mandated assessments and data regarding student attendance, graduation, and dropout rates;</p> <p>Discussion: Opportunities at Castle Rock exceed those at Vader both in facilities and the variety of educational programs offered. Vader is unable to offer an educational program for 2007-08.</p>
X	<p>RCW 28A.315.205(4)(b) The safety and welfare of pupils. For the purposes of this subsection, "safety" means freedom or protection from danger, injury, or damage and "welfare" means a positive condition or influence regarding health, character, and well-being;</p> <p>Discussion: See discussion under RCW 28A.315.245(8).</p>
X	<p>RCW 28A.315.205(4)(c) The history and relationship of the property affected to the students and communities affected, including, for example, inclusion within a single school district, for school attendance and corresponding tax support purposes, of entire master planned communities that were or are to be developed pursuant to an integrated commercial and residential development plan with over one thousand dwelling units;</p> <p>Discussion: See discussion under RCW 28A.315.245(4).</p>
X	<p>RCW 28A.315.205(4)(d) Whether or not geographic accessibility warrants a favorable consideration of a recommended change in school district organization, including remoteness or isolation of places of residence and time required to travel to and from school</p> <p>Discussion: The Vader territory lies within the counties of Lewis and Cowlitz. There are no direct public roads linking the Ryderwood community in the Cowlitz territory to other Cowlitz County school districts and all current transportation passes through the community of Vader.</p> <p>The Castle Rock School District schools are approximately 9 to 13 miles from the former Vader school. They are accessible from both I-5 and Highway 411, the Westside Highway.</p>
X	<p>RCW 28A.315.205(4)(e) All funding sources of the affected districts, equalization among school districts of the tax burden for general fund and capital purposes through a reduction in disparities in per pupil valuation when all funding sources are considered, improvement in the economies in the administration and operation of schools, and the extent the proposed change would potentially reduce or increase the individual and aggregate transportation costs of the affected school districts.</p> <p>Discussion: See discussion under RCW 28A.315.245(7).</p>

CRITERIA	
X	<u>WAC 180-24-00701(1)(a) 392-340-00701(1)(a)</u> See RCW 28A.315.205 (4) (a).
X	<u>WAC 180-24-00701(1)(b) 392-340-00701(1)(b)</u> See RCW 28A.315.205 (4) (b).
X	<u>WAC 180-24-00701(1)(c) 392-340-00701(1)(c)</u> See RCW 28A.315.205 (4) (c).
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X	<u>WAC 180-24-00701(1)(e) 392-340-00701(1)(e)</u> See RCW 28A.315.205 (4) (e).
X	<u>WAC 180-24-00701(2) 392-340-00701(2)</u> The boundaries of the school districts affected by a proposed change in school district organization shall be contiguous to one another. Discussion: Five school districts are contiguous to the Vader boundary. All were invited to participate in these negotiations and all have expressed support for this agreement. They include: Longview, Castle Rock, Boistfort, Winlock, and Toledo.