

## CLARK COUNTY QUESTION NO. 2

### Clark County School District Capital Projects Funding Question

Shall the Clark County School District be authorized to levy an additional property tax rate of up to 21.2 cents per \$100 assessed valuation for capital construction for schools for a period of up to 6 years, commencing on July 1, 2013? The cost for the owner of a new \$100,000 home is estimated to be \$74.20 per year. If this question is approved by the voters, any property tax levied as authorized by this question will be outside of the caps on a taxpayer's liability for property (ad valorem) taxes established by the legislature in the 2005 session.

Yes .....

No .....

### EXPLANATION

A "YES" vote would permit the Clark County School District to levy a capital projects tax for up to six (6) years in an amount of up to 21.2 cents per \$100 of assessed valuation commencing July 1, 2013. The capital projects tax rate will be set in each year at a rate (not more than 21.2 cents per \$100 assessed valuation) that raises no more than \$120,000,000 for capital projects in any year. The proceeds of the capital projects tax will only be used for capital projects for schools, including but not limited to, constructing and equipping school improvements and replacements, and acquiring school sites.

A "NO" vote would prevent the District from levying this capital projects tax at this time and accomplishing the capital projects that would be financed with the capital projects tax.

### ARGUMENT ADVOCATING PASSAGE

A "YES" vote for Question No. 2 will fund critical renovations and repairs at local schools, providing a healthy, safe learning environment for children. School facilities directly impact the learning process, and many Clark County schools are in dire need of improvements. Over 90% of the funding will be used for renovations at older schools, with the remainder used to alleviate severe overcrowding.

Older schools struggle with inadequate plumbing, heating, air conditioning, and electrical systems. Some require roof replacements. Others need new fire sprinklers and fire alarms. Classrooms need repairs to floors, walls, and ceilings. The Capital Projects Funding plan equalizes older and newer schools by funding these basic necessities.

The plan also equips classrooms with updated technology infrastructure. It is critical to prepare students for the high-tech world they will face upon entering the workforce, yet some older classrooms have only one or two electrical outlets and cannot accommodate computers or other electronic teaching tools. These updates support systems that optimize the teaching and learning process.

Lack of funding prevents these urgently-needed renovations and repairs. Unless funding is provided, monies would be taken from the classroom operating budget, resulting in cuts to existing programs, increased class sizes, or even closing schools.

The plan is a “pay-as-you-go”, fiscally responsible financing of crucial renovations and repairs. Prioritized projects will be undertaken only as funds become available over a period of up to six years. The funds will go directly to capital improvements without the issuance of bonds or debt. The funds cannot be used for operating expenses nor for teacher or administrator salaries.

New systems will provide greater efficiency than systems up to 50 years old, generating operational savings. The improvements will extend the life and increase the utilization of existing Clark County School District assets, thereby saving taxpayers money over time. The projects will also create much-needed jobs in Southern Nevada.

The cost to the average homeowner with a \$100,000 assessed valuation will be \$6.18 per month, about the same as one fast-food “combo” meal. The maximum funding that can be collected in any one year is \$120 million. The levy will remain in effect for no more than six years, and cannot be extended without voter approval.

Education plays a vital role in our community’s future. The Capital Projects Funding plan helps provide a healthy and safe environment for students to learn and succeed.

*The above argument was submitted by the Ballot Question Committee as provided for in NRS 295.121*

## **ARGUMENT OPPOSING PASSAGE**

CCSD wants a 28% PROPERTY TAX INCREASE over what it gets for Maintenance & Operations. That is absurd!

That’s \$720 MILLION over the next 6 years and can cost the average new homeowner over \$880. When home values rise — taxes will rise.

When has a “temporary tax increase” ever gone away? We’ll probably see an extension in 2018. By then, new spending programs will be permanently in place, leaving voters no choice but to approve.

The \$720 million dollars is not limited to bricks and mortar buildings, but can also be spent by bureaucrats on other things.

Worst of all, CCSD is out of touch with the community: We are hurting! The last thing we need is a tax increase. This hurts the elderly, vulnerable homeowners, renters, and particularly harms small businesses that are already struggling.

We do not need new schools. Enrollment is projected to decrease. Year-round school scheduling will add 20% seating capacity in schools.

CCSD has already spent \$1.25 BILLION for “renovations to existing schools, including phased replacements, additions, modernizations, lifecycle replacements, and life and safety upgrades” in the last 14 years. How is it possible that 44 schools need more major repairs?

Every school on the proposed work list received renovations. Bonanza High has had \$28,836,355 in capital improvements since it opened in 1974.

Something is seriously wrong — we don’t believe CCSD knows how to design, build, or maintain schools properly.

The 2011-2012 capital projects budget was \$465 million, with another \$225 million for Operation and Maintenance of Plant. Why aren’t preventative maintenance and critical repairs being done with that money? We don’t need more taxes — CCSD needs better management. Tell them so by voting “NO”.

CCSD’s budget for the 2011-2012 school year was \$3.3 billion — that’s \$10,704 per student for just one year!

What are they doing with all that money? Voting “NO” on this new tax will force CCSD to spend your tax dollars more carefully.

Higher taxes hurt us as much as poor education does. Families are losing their homes. Unemployment is at record levels. Now is not the time for CCSD to tax residents of Clark County.

THE MASSIVE BUREAUCRACY RUNNING CCSD NEEDS TO LEARN HOW TO LIVE WITHIN ITS MEANS — just as we do — and enact efficient management with significant financial and educational reforms.

Vote “NO”.

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### **REBUTTAL TO ARGUMENT OPPOSING PASSAGE**

Because of the difficult economy, CCSD has painstakingly prioritized necessary capital projects, seeking this levy only for the most urgent needs at severely outdated schools.

The cost to the owner of a \$100,000 home will be \$74.20 per year for up to six years, totaling a maximum of \$445.20.

CCSD last sought taxpayer assistance in 1998, when voters approved a 10-year bond for new schools and capital improvements. In 2008 and again in 2010, the district deliberately did not pursue new funding because of economic conditions.

Funds from the 1998 program were so efficiently managed that CCSD was able to stretch them for four more years than originally anticipated. The 1998 program primarily funded new schools needed to keep up with unprecedented growth. Expenditures resulted in new, updated facilities in which our community can take great pride.

With 357 schools serving over 307,000 students, ongoing maintenance is an unavoidable, expensive reality. Enrollment remained stable during the downturn, thus daily wear and tear on school buildings and systems has not changed. In contrast, state funding has steadily dwindled, leaving CCSD with a skeletal budget, unable to fund vital needs at older campuses.

A “YES” vote helps our most outdated schools.

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## **REBUTTAL TO ARGUMENT ADVOCATING PASSAGE**

What has CCSD done with the billions it's had?

Since 1998, CCSD built 101 new and 19 replacement schools to seat a projected District enrollment of 374,636 students. Enrollment is 307,574 (estimated). We already paid for all the classrooms we need.

In August 2012, CCSD “found” \$44.6 MILLION... and immediately decided to spend \$6.6 MILLION to build a gym instead of fixing schools.

Did CCSD *really* need to spend \$14.5 million on its new plush headquarters instead of buying a more modest building to house its top executives?

What do taxpayers pay for such great management? THE TOP 5 CCSD BUREAUCRATS MAKE OVER \$1.16 MILLION COMBINED A YEAR IN SALARY AND BENEFITS.

Why should CCSD make significant reforms to fix the school system, when it's easier for them to ask for more money and change little?

Teachers work hard and get paid little. Bureaucrats just keep getting paid a lot.

CCSD's top money makers need to earn their money! Do whatever it takes to fix your problems, but stop begging for more money.

CCSD get your house in order:

Close bad schools. Go year-round to increase capacity. Manage the billions you have better.

Vote “NO.”

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Committee as provided for in NRS 295.121*

## **FISCAL NOTE**

**Description of Anticipated Financial Effect:** The District anticipates that the tax rate of 21.2 cents per \$100 of assessed valuation will provide revenue of approximately \$110,000,000 to \$120,000,000 per year during the six years it will be in effect for capital projects for schools. If the question is approved, the District will ensure the tax rate will not exceed \$120,000,000 in revenue for capital projects in any year. Should anticipated revenue exceed \$120,000,000, the tax rate will be lowered. At no time will the capital projects tax rate exceed 21.2 cents per \$100 assessed valuation. The additional cost to the owner of a new home with a taxable value of \$100,000 is estimated to be \$74.20 per year (about \$6.19 per month).