

BALLOT QUESTION CC 1

CARSON CITY SCHOOL DISTRICT BOND QUESTION

Shall Carson City School District be authorized to issue general obligation school bonds to finance the acquisition, construction, improvement and equipping of school facilities?

Taxes generated by the District's existing school bond property tax rate may be used for capital projects if they are not needed for the payment of the bonds and purposes related to bonds, including the required reserves. **District projections at the time the bonds are issued must indicate that issuance of the bonds will not result in an increase of the existing school bond property tax rate of 43 cents per \$100 of assessed value.** If approved, this authorization will expire November 2, 2020.

EXPLANATION

A "yes" vote would permit Carson City School District, with the approval of the Carson City Debt Management Commission, to issue bonds between the date of the authorization and November 2, 2020, if at the time the bonds are issued it is expected that issuance of the bonds will not cause the existing property rate for repayment of school bond indebtedness (43 cents per \$100 assessed value) to increase during the term of the bonds. Funds provided by the bonds described in this Question will be used by the District to finance the acquisition, construction, improvement and equipment of schools and school support facilities, as needed between now and November 2, 2020. If the proceeds of the taxes generated by the 43 cents per \$100 of assessed value are not needed for payment of the bonds and purposes related to bonds including the required reserves for bonds, the proceeds may be used to pay for capital projects of the District.

A "no" vote would prevent the District from issuing general obligation school bonds or utilizing available property tax revenues as outlined in this Question.

ARGUMENTS FOR PASSAGE

When you build a house you know that while it looks great today, regular repairs and upgrades will be required if it is to serve your needs in the years to come. The Carson City School District finds itself in much the same position. Existing school facilities and grounds continually require repairs, upgrades, and modernization. In recent years, improvements have been made to existing school properties thanks to voter approved school bonds. However, due to the number and age of our properties, much remains to be done.

To this end, a blue ribbon committee of citizens and educators - the Master Plan Committee - has developed an excellent master plan that identifies proposed projects and repairs to be completed within the District during the next ten years.

Some of the projects identified by the Master Plan Committee that will be completed by the school bonds include: removal of the portable classrooms at Empire Elementary and replacing that classroom space by building a brick and mortar structure; remodel Eagle Valley Middle School to improve the inadequate gymnasium and PE facilities, kitchen and cafeteria areas, and

modernize the existing mechanical systems. Upgrading and replacing inefficient heating and cooling systems in the District's buildings saves maintenance and operational dollars that can be put back in to the classroom for the benefit of our students and staff.

The Master Plan Committee unanimously feels that issuing bonds is the most cost-effective way to provide the work yet to be done in the District. By so doing, Carson City School District will be able to continue upgrading our school buildings and the quality of education at every level.

The school bonds are expected to be tax neutral to the taxpayers of Carson City. Under current conditions, the school bonds will not raise your real property taxes and the current levy of 43-cents will not be increased. As a point of fact, your school board, this year, returned just over 8% of the District's existing levy to the City and recently refinanced existing bond debt at a lower interest rate that is projected to save the tax payers approximately \$450,000 over the remaining life of those bonds.

For the children and the future of Carson City, we earnestly request your support for the school bonds on this ballot.

ARGUMENTS AGAINST PASSAGE

If the school bonds are not approved, the District's debt levy could decrease in future years.

Given the current state of the economy, the taxpayers cannot afford to make improvements to schools. The condition of the schools is adequate for the time being. The District should allow its facilities to deteriorate until the economy improves.

The District should continue to ask for voter approval of specific projects each general election rather than plan for capital improvements over a 10-year period. The voters should retain control of the District's long-term capital planning.

The District should focus on the basics of reading, writing and arithmetic. Spending by the District should focus on improvements in the curriculum rather than facilities.

ANTICIPATED FINANCIAL EFFECT

The maximum principal amount of bonds to be issued will not exceed that which the school board and the Debt Management Commission determines can be repaid without increasing the District's existing tax levy for school bonds. The maximum term of the bonds is 30 years, but the school board expects that the bonds will have a 20 year term. The estimated annual operation, maintenance, and repair costs of the District are not expected to increase as a result of the projects associated with the bonds. The school board anticipates that the costs of operation, maintenance and repair will be paid from the District's general operating budget, and will not result in any increase in the tax rate. There are no requirements relating to the bond proposal which are imposed pursuant to a court order or federal or State statute.