2012 Bond Campaign



April 26, 2012

Bridging the Gap

Option 1:

- Go to the voters in 2012 for traditional bond authorization
- Request to raise property tax rate from \$0.5534 to \$0.7654
- Would generate \$550 million* in capacity over a 2-year period

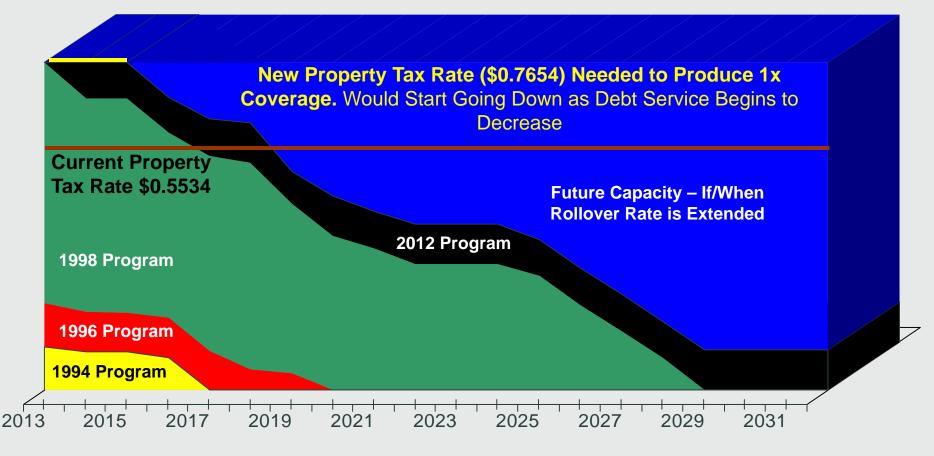
Option 2:

- Go to the voters in 2012 for a 6-year capital levy (pay-as-you-go)
- Request to raise property tax rate from \$0.5534 to \$0.7654
- Would generate \$669 million** in capacity

*Assumptions: 20-year bonds, 5.5% interest, no further decline in assessed values past 2013 **Assumption: No further decline in assessed values past 2013

Option 1 (Traditional Bond – Short Bridge)

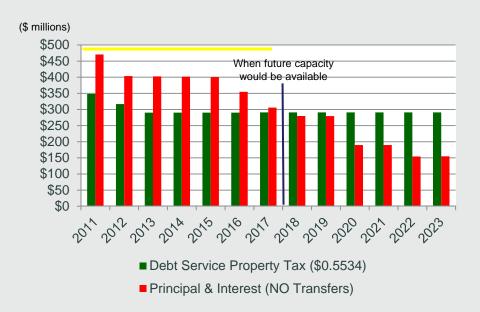
Property Tax revenues must be at least equal to next year's principal and interest payments



Requesting the issuance of \$550 million over a 2-year period.

Option 2

Pay-As-You-Go Program No Debt (Medium Bridge)



Rationale for \$0.212 increase

- Consistent with Option 1 rate
- Length of 6 years will serve **as a bridge** until future capacity exists for a rollover rate

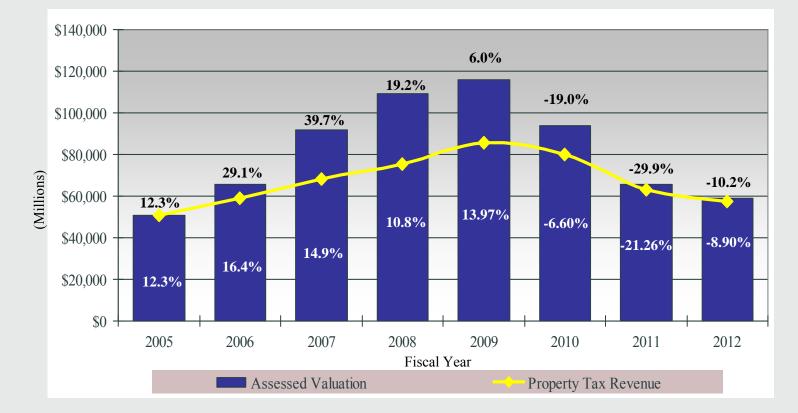
	Length of Capital Levy								
	1 Year	2 Year	3 Year	4 Year	5 Year	6 Year	10 Year		
Tax Rate									
\$0.01	\$5.2 million	\$10.4 million	\$15.6 million	\$20.8 million	\$26 million	\$31.2 million	\$52 million		
\$0.119	\$62.4 million	\$124.8 million	\$187.2 million	\$249.6 million	\$312 million	\$374.4 million	\$624 million		
\$0.212	\$111.5 million	\$223 million	\$334.5 million	\$446 million	\$557.5 million	\$669 million	\$1.1 billion		

Projects Summary of Immediate Needs

riorit				
1	Life Safety (Fire Alarms/Intercoms Systems)	\$ 4,355,000		
2	Classroom Technology Upgrades	9,280,000		
3	Electrical Upgrades (Required for Technology Upgrades) 4,825			
4	Replace Intrusion Alarm Systems1,555			
5	Life Safety - Replace CCTV Systems	3,560,000		
6	Roof Replacements	5,800,000		
7	Technology Server Replacements 4,			
	Recommended Funding Through Revision 17 - 1998 CIP		33,540,000	
8	Major Modernization/Rehabs @ 19 Schools (Including Gym Additions @ 4)	or Modernization/Rehabs @ 19 Schools (Including Gym Additions @ 4) 389,950		
9	Replace HVAC Sytems @ 7 MS's	61,740,000		
10	Electrical Upgrades	11,900,000		
11	Technology 2013 - 2017 (5 % of Need)	25,000,000		
12	Major Non-Technology Equipment Replacement 2013-2017 (5 % of Need)	25,000,000		
13	Complete Phased Replacement of BCHS	33,740,000		
14	Complete West Prep Conversion	12,000,000		
15	Replace 2 ES Schools	54,400,000		
16	2 New ES Schools for Overcrowding	50,000,000		
	Recommended Funding Through Additional Capital Levy		663,730,000	
17	Replacement Schools (8)		213,900,000	
18	Provide Classroom Equity and Multipurpose/Cafeteria Additions	641,200,000		
19	Complete Phased Replacements @ 3 Schools	79,220,000		
20	Replace Temporary Facilities with Permanent Buildings @ Sandy Valley	10,500,000		
21	Replace Football Field Turf with Synthetic Turf for Water Savings & Safety	18,905,000		
22	New Seats Required for Overcrowding (Equivalent to 7 ES Schools)	175,000,000		
23	Softball Field Upgrades (Title IX Requirements)		3,000,000	
	Immediate Unfunded Need	\$	1,141,725,000	
	Total	\$	1,838,995,000	
	Additional Unfunded Need		3,447,005,000	
		\$ \$	5,286,000,000	

HISTORY OF CLARK COUNTY ASSESSED VALUATION & PROPERTY TAX REVENUE

Fiscal years 2010 through 2012 Tax Revenues Decline Less than Assessed Value Decline Due to New Construction and Previously Abated Tax Revenues



Note: Includes Assessed Valuations for the Redevelopment Agencies

Next Steps

Date	Event	Action Needed		
May 2 Reconvened Board Meeting		Decision to develop ballot question and move forward		
Ongoing Through May	Attend City Council meetings	City Councils/County Commissioners need to approve resolutions supporting tax increase		
June 7	Debt Management Commission	Approval to raise property taxes		
June 8	Special Board Meeting	Board approves resolution of ballot question		
June 15	Registrar of Voters	Ballot Language submitted		
July 16 County Clerk		For/Against Arguments to County Clerk		

What If We Do Nothing?

- Property tax rate will go up in 2015 just to support existing debt service
- No new capacity until 2018
- There will be a negative impact to the District's general operating fund

Questions...?