

**NOTICE TO ALL REGISTERED VOTERS OF ELECTION  
TO INCREASE TAXES/TO INCREASE DEBT**

**JEFFERSON COUNTY SCHOOL DISTRICT NO. R-1  
(JEFFERSON AND BROOMFIELD COUNTIES, COLORADO)**

Local Election Office: 1829 Denver West Drive, Building #27, Golden, Colorado 80401  
Telephone: (303) 982-6801

Election Date: November 6, 2012

Election Hours: 7:00 a.m. to 7:00 p.m.

**Ballot Title and Text of Ballot Issue 3A:**

“SHALL JEFFERSON COUNTY SCHOOL DISTRICT R-1’S TAXES BE INCREASED \$39 MILLION ANNUALLY BY THE COLLECTION OF AD VALOREM PROPERTY TAXES FOR THE 2012-2013 BUDGET YEAR AND EACH BUDGET YEAR THEREAFTER FOR DEPOSIT IN THE DISTRICT’S GENERAL FUND FOR THE EDUCATIONAL PURPOSES OF MAINTAINING THE DISTRICT’S TRADITIONS OF EXCELLENCE, GREAT TEACHERS AND GREAT LEADERS, INCLUDING, BUT NOT LIMITED TO:

- MAINTAINING REASONABLE CLASS SIZES BY RECRUITING AND RETAINING HIGHLY QUALIFIED TEACHERS AND INSTRUCTIONAL STAFF;
- MAINTAINING CURRENT EDUCATIONAL PROGRAMS SUCH AS ELEMENTARY INSTRUMENTAL MUSIC, LIBRARIES, COUNSELING, TEACHER TRAINING, AND DISTRICT-WIDE TECHNOLOGY;
- MAINTAINING HEALTHY AND SAFE LEARNING ENVIRONMENTS;
- CONTINUING THE DISTRICT’S COMMITMENT TO ACADEMIC EXCELLENCE AND ACCOUNTABILITY, AND TO MAINTAIN AN EDUCATIONAL PROGRAM OF THE HIGHEST QUALITY AND STANDARDS;
- PAYING THE INCREASED COSTS OF DISTRICT UTILITIES AND FUEL; AND
- REINSTATING INSTRUCTIONAL DAYS;

WITH SUCH TAXES TO BE IN EXCESS OF PROPERTY TAX REVENUES THAT WOULD BE PROVIDED BY THE GENERAL FUND MILL LEVY PERMITTED UNDER STATE LAW WITHOUT SUCH INCREASE AND, TOGETHER WITH REVENUES FROM SPECIFIC OWNERSHIP TAXES ATTRIBUTABLE THERETO AND THE EARNINGS ON SUCH TAXES AND REVENUES, TO CONSTITUTE A VOTER APPROVED REVENUE AND SPENDING CHANGE UNDER, TO BE COLLECTED AND SPENT EACH YEAR WITHOUT LIMITATION BY THE REVENUE AND SPENDING LIMITS OF, AND

WITHOUT AFFECTING THE DISTRICT’S ABILITY TO COLLECT AND SPEND OTHER REVENUES OR FUNDS UNDER, ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?”

**Fiscal Year Spending Information**

<b>Year</b>	<b>Fiscal Year Spending (FYS)*</b>
2008-09 (Actual)	\$655,475,649
2009-10 (Actual)	664,975,687
2010-11 (Actual)	623,849,171
2011-12 (Actual)	617,957,124
2012-13 (Current Year Estimated)	618,000,000
Overall FYS percentage change through 5 years (2008-09 - 2012-13):	-5.7%
Overall FYS dollar change through 5 years (2008-09 - 2012-13):	-\$37,475,649

\*Does not include payments on bonded debt of \$75,648,964 in fiscal year 2008-09; \$73,543,042 in fiscal year 2009-10; \$77,909,288 in fiscal year 2010-11; \$74,081,813 in fiscal year 2011-12; and \$72,326,841 in fiscal year 2012-13.

Fiscal year spending without the tax increase in the ballot issue is estimated to be up to \$618,000,000 in the 2012-13 Fiscal Year, not including payment of bonded debt shown above and assuming no other tax increase is approved. The proposed maximum dollar tax increase in the ballot issue is \$39,000,000 in such Fiscal Year.

**SUMMARIES OF WRITTEN COMMENTS FILED WITH THE ELECTION OFFICER**

The following summaries were prepared from comments filed by persons FOR the proposal:

The biggest impact of not getting the mill passed will be a severe cut in the number of teachers. Fewer teachers means more students per teacher.

Student achievement of Jeffco Schools continues to surpass Colorado state averages and a yes vote on 3A will help the District continue those gains.

Passing 3A can help preserve the elementary band and orchestra programs.

Without 3A, the District will face another \$45 million in budget cuts for the 2013-2014 school year and not be able to contribute to the Outdoor Lab.

Without the passage of 3A, a significant number of school counselors will be cut from Jeffco's budget and staff. School counselors play critical roles in the schools and in students' lives.

Vote yes on 3A to maintain Teacher Librarians. Elementary schools stand to lose their full-time TLs to half-time status. Middle schools may lose their TLs entirely.

Vote "Yes" on 3A to maintain Instructional Coaches in our schools. The average school stands to lose their IC entirely.

Without 3A, middle schools will lose two teachers and high schools will lose up to eight teachers, reducing each school's ability to offer electives and educational choices.

Not one penny of 3A will go to the Public Employees Retirement Association. PERA contribution rates are legislated by the Legislature and cannot be changed by the Jeffco Board.

The potential loss of more custodians will further detract from a quality education. A safe, clean and healthy environment is easier to learn in.

Support 3A to continue and improve teacher training. Failure to improve teachers' education has a direct impact on students getting the best instruction.

Support 3A because the District's funding has not kept pace with important benchmarks; neighboring districts, national averages, and the rate of inflation.

Our children cannot take the loss of nearly 600 employees, including 300 teachers and teacher librarians, elementary school instrumental music, choice of electives in middle and high school, counselors, and more.

Over the past three years, Jeffco has cut its budget by \$63 million, plus another \$15 million this year. Without 3A Jeffco faces another \$45 million in budget cuts next year.

In 2012, Jeffco schools' TCAP scores exceeded state averages in science, math, reading, and writing. 3A will allow Jeffco schools to continue the upward trend in student achievement

With \$39 million we can pay teachers more to get more effort, improve much needed school performance, and improve remediation rates. It's only a 15% increase for both 3A and 3B.

The net impact of the proposed ballot initiatives on property taxes is not 15%. The total increase from the current levy is 1.845 mills. That increase compared to the current total mill assessment (48.721) is 3.79%.

An investment of \$1.23 per month per \$100,000 of assessed value for both 3A and 3B helps maintain Jeffco schools tradition of excellence and secure Jefferson County's place in the 21st century economy.

Property owners in Jeffco can afford a few more dollars to improve school performance.

The following summaries were prepared from comments filed by persons AGAINST the proposal:

After falling in the recession, housing values finally have stabilized in Jefferson County. This measure will threaten the improvement in your home's value. Increases in the cost of home ownership have been shown to drive down property values. This is a \$39 million threat to future housing stability.

Tax proponents are not being fair, honest or reasonable. Rather than being starved for funds, the R-1 School District has received 16% more operations money from all sources in the past decade. Each pupil gets over \$9,000 every year; can't you educate and provide support services for about \$225,000 per classroom, on average?

When the economy improves, there will be more funding automatically available.

There is no good reason to raise taxes now. About 87% of school district costs go to salaries and benefits. The current poor economy has meant that many Jefferson County families have had to cut their budgets and do without. Using higher taxes to fund salary increases means that the school district employees do not share the difficult times.

Public pensions in Colorado and in JeffCo are in trouble. That situation should be addressed responsibly and reasonably rather than merely fund it with higher taxes. About half of the tax increase will be used to pay for higher pension charges.

The tax increase is not "just pennies per day." The R1 property tax rate for 3A and 3B would soar nearly 15%.

Rents are going up across the Denver area. Landlords are likely to use higher taxes as a reason for increasing rents for housing.

Having been a business and industrial prospector for communities and a site locator for companies, I can state with authority that tax increases are the number two concern (after lack of a right-to-work law). Property tax hikes are damaging to business, and reduce residential values. This tax increase proposal, along with the bond ballot, totals \$138,000,000. Annual spending per pupil, including bond retirement, is about \$12,400. This is more than enough for any schools to work with. A 15% increase for 3A and 3B is not necessary.

I feel we have been through this before – give us more money and we will improve education. I have not seen improvement.

School performance is dismal. Throwing more money at the situation will do no good. What is needed is more parental involvement in the education of their own children.

**Ballot Title and Text of Ballot Issue 3B:**

“SHALL JEFFERSON COUNTY SCHOOL DISTRICT R-1’S DEBT BE INCREASED \$99 MILLION WITH A MAXIMUM REPAYMENT COST OF \$195 MILLION OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, AND SHALL JEFFERSON COUNTY

SCHOOL DISTRICT R-1'S TAXES BE INCREASED \$19.8 MILLION ANNUALLY OR SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT, ALL FOR THE FOLLOWING PURPOSES:

- INSTALLING, REPAIRING AND IMPROVING HEATING, VENTILATION AND AIR CONDITIONING SYSTEMS AND MECHANICAL CONTROLS, WITH A FOCUS ON ENERGY EFFICIENCY, IN DISTRICT BUILDINGS;
- RESTORING DISTRICT BUILDINGS BY REPLACING, REPAIRING AND INSTALLING ROOFS, WINDOWS AND DOORS AND MAKING BUILDING EXTERIOR IMPROVEMENTS;
- INSTALLING FIRE ALARM SYSTEM REPLACEMENTS AND UPGRADES IN DISTRICT BUILDINGS;
- REPLACING AND UPGRADING BUILDING SAFETY AND SECURITY SYSTEMS;
- REPLACING AND UPGRADING THE ELECTRICAL INFRASTRUCTURE IN DISTRICT BUILDINGS;
- MAKING PAVING AND CONCRETE REPAIRS DISTRICT-WIDE;

AND OTHERWISE EQUIPPING, IMPROVING, REPAIRING AND FURNISHING DISTRICT BUILDINGS, FACILITIES AND GROUNDS AND CHARTER SCHOOLS AS PERMITTED BY LAW; WITH SUCH DEBT TO BE IN THE FORM OF GENERAL OBLIGATION BONDS OR OTHER MULTIPLE FISCAL YEAR FINANCIAL OBLIGATIONS THAT MAY BE USED AS MATCHING MONEYS FOR FINANCIAL ASSISTANCE FROM THE STATE UNDER THE BUILDING EXCELLENT SCHOOLS TODAY ACT; WHICH DEBT SHALL MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED, DATED AND SOLD AT, ABOVE OR BELOW PAR, AND AT SUCH TIME OR TIMES AND IN SUCH MANNER AND CONTAINING SUCH TERMS, NOT INCONSISTENT HEREWITH, AS THE BOARD OF EDUCATION MAY DETERMINE; AND IN CONNECTION THEREWITH (I) TO INCREASE AD VALOREM PROPERTY TAXES IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH DEBT AND TO FUND ANY RESERVES FOR THE PAYMENT THEREOF, AND (II) TO COLLECT AND SPEND THE PROCEEDS OF SUCH DEBT AND THE REVENUES FROM SUCH TAXES AND THE SPECIFIC OWNERSHIP TAXES ATTRIBUTABLE THERETO AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES WITHOUT LIMITATION BY THE REVENUE AND SPENDING LIMITATIONS OF, AND WITHOUT AFFECTING THE DISTRICT'S ABILITY TO COLLECT AND SPEND ANY OTHER REVENUES OR FUNDS UNDER, ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?"

### Fiscal Year Spending Information

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The ballot issue for bonded debt includes the following:

Principal Amount:	\$99,000,000
Maximum Annual Repayment Cost:	up to \$19,800,000 in any fiscal year
Maximum Total Repayment Cost:	up to \$195,000,000 (maximum principal and interest over the life of the debt)

The current bonded debt for the District is as follows:

Principal Balance:	\$453,250,000
Maximum Annual Repayment Cost:	\$ 72,326,841
Remaining Total Repayment Cost:	\$621,338,991

## **SUMMARIES OF WRITTEN COMMENTS FILED WITH THE ELECTION OFFICER**

The following summaries were prepared from comments filed by persons FOR the proposal:

3A and 3B will increase the value of the average Jeffco home 3.8 times what the increase in taxes costs the home owner in the first year. Home property values will increase on average \$139.75 while the tax increase on the same home will be \$36.70.

Jeffco Schools has 389 permanent structures and 350 portable structures totaling more than 12.1 million square feet. These need to be kept in working order so that Jeffco students can focus on learning in safe and secure conditions.

The bond request is to correct deficiencies such as ancient HVAC systems, security, roofing, and other repairs critical to our schools, including charter schools. The deficiencies amount to over \$200 million and this request is for a fraction of that need. 3A and 3B would add just \$3 per month for a \$250,000 home.

Jeffco schools has a proven track record for keeping its bond-funded capital projects on time and on budget. The 2004 bond was well thought out and virtually crisis free.

Nearly \$134 million of deficiencies requiring immediate attention or remediation within a year have been identified through a widely used industry metric. The largest category of deficiencies is fire and safety systems. Passage will begin to address these deficiencies.

Jeffco schools maintain 739 permanent and temporary facilities worth \$2.28 billion. Over \$332 million of deficiencies are in need of repair in the next three years.

Due to the historic nature of the sites, both Outdoor Lab school sites are in serious need of capital repairs.

Due to a lack of infusion of bond dollars, many of our school buildings are in dire need of repair. We are not talking about a new coat of paint, but leaking roofs, failing heating and cooling systems, and even fire alarms and electrical systems.

3B will provide \$99 million in funds for much-needed repairs on Jeffco's facilities including upgrades to safety and environmental systems; 16 major roof replacements; replacement of sidewalks, pavement, windows, doors, water heaters, fire pumps, and roof drains, costing just 1.23 per month per \$100,000 in home value.

3B raises \$99 million in the sale of bonds. Although no new capital projects are planned, this transfers traditional operating expenses such as maintenance into a capital fund. This releases management from the burden of deciding which items actually are maintenance, and makes the operating budget look smaller.

Just because bond underwriters contribute to the campaign doesn't mean that there is any dishonesty.

By passing this mill increase, the necessary repairs needed to give our students a better learning environment will be made even though this should come out of maintenance.

Students need a good environment for learning and teachers for teaching well. All Jeffco residents can be proud of our schools. So what if it will increase our taxes?

Selling bonds allows us to put money into our schools without raising taxes. Our children are our future leaders and we should spend whatever it takes to give them a good education.

The following summaries were prepared from comments filed by persons AGAINST the proposal:

The proposal does not follow prudent financial rules. It purchases short-term fixes using long-term bonds. That's like you buying birthday presents with a 20-year mortgage. We'll all be paying for the bonds long after the purchases wear out. Read the District's list – it is NOT building new schools or rehabilitating old ones, but fixing pavement, buying equipment and upgrading air conditioning. The strict rule for investment in capital improvements is to match the life span of the expenditure with the financing. This is a terrible lapse in fiduciary responsibility. Even people who have no other objection to higher taxes for the School District should reject this poorly conceived plan.

After falling in the recession, housing prices have stabilized in Jefferson County, but this measure will threaten the improvement in your home's value. Increases in the cost of home ownership have been shown to drive down property values. This is a \$99 million threat to future housing stability.

The largest contributor to date in support of this ballot issue is an investment banking house. Are the higher taxes really to benefit students, or investment bankers?

3B approves \$70,000,000 more total spending for principal and interest than needed under current interest rates for 20 year bonds and asks you to approve a \$19,800,000 payment, three times larger than necessary. With such poor planning and no explanation, citizens should not write this blank check.

Rents are going up across the Denver area. Landlords are likely to use higher taxes as a reason for increasing rents for housing.

Since 3B is to raise \$99 million for operating expenses and NOT for capital, it is a non-starter to begin with. Proper budgeting demands that these expenses be budgeted as ordinary operating expenses and NOT on the property tax payers.

Transferring so much of the traditional operating costs is a management no-no. It is an intentional misrepresentation to the public regarding costs, by shoveling them down the road to the future. This ballot is aimed at the uninformed voter in hopes they won't notice that taxpayers will pay nearly double (1.86 X) the cost for maintenance.

Is not maintenance planned and included in capital building projects? I feel this is just a slush fund (unaccountable). (I have seen a good building torn down and replaced at Golden High in recent times. Wasteful.)