
**Ventura
Community
School
Proposed
\$6.6 Million
School Bond**



**Tuesday
March 28
12:00pm - 8:00 pm
Ventura
Community
Center**

WISE Committee, a political committee, is made up of members from Ventura and Clear Lake who believe the Ventura Community School District (VCSD) board of education is floating yet another bond proposal that should be rejected. Yes, this one is for less money than the April 2005 proposal, but still extremely wasteful. The proposal is to spend \$6.4 million for a new addition to the High School, tearing down the academic area and the library/media center which was recently renovated, and to provide space for the 5th and 6th grade students as well. They propose to fund this through a public bond.

Please consider this information and then join us and vote **NO** on both ballot questions Tuesday, March 28! Here are some of our reasons.

This Is An Important Lesson For The Children

An important principle we can teach our children is to consider the long term consequences of buying something that is too costly just because someone will loan us the money to do it. If they see adults just borrow and spend, what example does this provide them? Further, when the borrowing bubble crashes, we as communities will be in much better shape with lower public debts and taxes hanging over our heads. Based on the figures provided to us by Superintendent Versteeg, the board's proposed bond calls for us to pay back \$6,400,000 in principal plus \$2,417,800 interest and roll \$244,800 of the last payment due on the bus barn and gym into a new bond for a total of **\$9,062,595** of **new** taxes over the next 15 years. This high cost could place our district at financial risk and cause the state, in a few years, to force us into a merger with Clear Lake and/or Garner, something WISE wants to avoid. We believe in our small district!

What Are we Going to do With All of The Space?

The board is proposing we add 41,070 sq. feet to our existing 36,203 sq. ft. for a proposed total of **77,272 sq. ft.** WISE totaled the square footage (by scale) for everything but the auditorium and the 5th and 6th grade pod and found we came up with approximately 66,694 remaining sq. feet. If we divide this by 194 students in 7th thru 12th grade this year, we come up with **343 sq. feet per student**. The state of Iowa stopped reviewing/approving building plans in 2002 so they provide no building guidelines which we could find. But our more liberal neighbors in Minnesota still do. Their state department of education says a school district of our size should have a weighted **average of 235 square feet per student**, not counting the school auditorium. (The weighting adjusts for the middle school and high school sizes.) While our Gopher friends have been known to spend much more on school buildings than we do in Iowa, even by their standards the Ventura board is proposing **we end up with 46% more space than we need for the middle school and high school portion!**

Are the Open Enrolled Students Helping or Hurting VCSD Taxpayers?

According to the Iowa Department of Education (IDE) we have 366 total students enrolled this year. 143 of these students are either open enrolled or tuitioned IN, mostly from Clear Lake. This is 39% of our enrollment. Are we to build this excessive new school space for these children too, whose out-of-district parents will contribute nothing to help pay for it? These children are already costing local taxpayers an excessive amount of money. According to the Iowa Association of School Boards, VCSD is levying **\$4,335 in property taxes per student** to cover our general fund expenses. This funds the portion not covered by state aid. This per pupil tax rate is the **9th highest out of 365 Iowa districts**. See <http://www.ia-sb.org/finance/financialtool.asp> \$4,335 per student in local property taxes times the 143 out-of-district students enrolled at VCSD is **\$620,000 of cash per year** being taken out of the VCSD to pay for the education of children whose parents are not contributing property taxes to VCSD. The school board needs to re-think this liberal open-enrollment policy. Worse, now the board wants us to pay for an excessive sized high school to help accommodate those children as well?

Do New School Buildings Improve Academics and Learning?

We hear much about how the new academic wing will improve our learning environment. Dr. Eric Hanushek, Stanford University educational economist, says, "Since the mid-Sixties there have been around 200 studies looking at the relationship between inputs to schools, and the performance of students. These studies tell a consistent and rather dramatic story...Result 1 is that **there is no systematic relationship between expenditures on schools and student performance.**"

This is only common sense. Brick and mortar don't necessarily make for a good education. And more importantly the board of VCSD needs to improve our education scores. The IDE says that 2003-04 proficiency profiles found 36% of our students that year were not proficient in Reading. That means they are at least one year behind in their reading skills. In Math 34% of those 8th graders were at least a year behind. A Cedar Rapids educational research group, IowaLive, does what the state refuses to do and ranks these scores. Our 8th grade Reading scores ranked us **271 from the top out of 365** Iowa districts. Our Math score in 2003-04 ranked us **293 from the top out of 365 districts**. See <http://www.iowaschoolprofiles.com/> and www.crlive.com When our children should be prepared for high school, is this the best the administration can provide? We need to upgrade our reading curriculums with a true phonics program. We need to replace our Math curriculum with a good Saxon math series, or something like it. New buildings are not going to correct this poor situation. A breath of fresh air as to what our children are being taught could take this disappointing situation and turn it into a positive for the children. Voting NO is one good way to tell the board to focus on the fundamentals first.

The proposal is far too expensive for a small district of our size. School construction costs are becoming so excessive that several states are stepping in to stop the abuse of taxpayers. The state governors' complaints are similar to ours – scrutinize building schools in districts with declining enrollments, etc. Massachusetts is even setting up a new state authority to oversee local school construction to stop the spending wastes. For more information, see <http://www.abc.org/wmspage.cfm?parm1=4632>

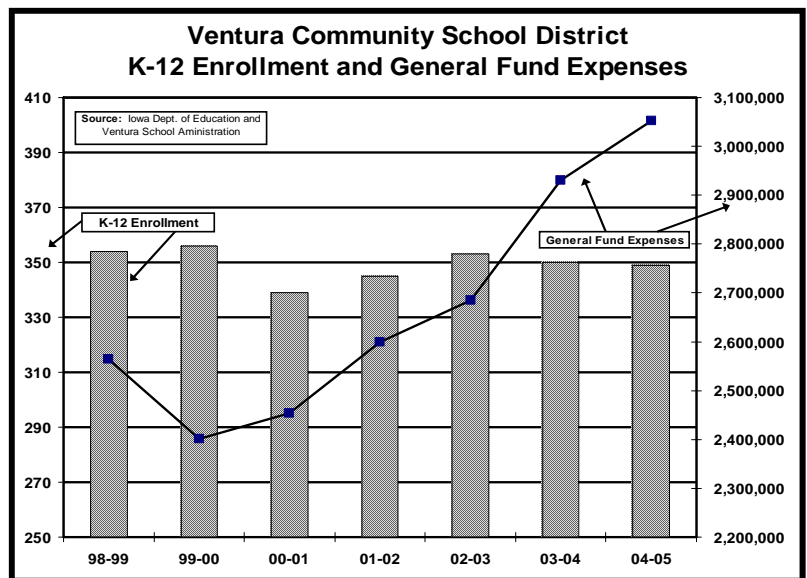
As the graph shows, general fund expenses have gone from \$2,401,000 to \$3,052,000 from the 1999-00 school year to the 2004-05 school year. During this time our K-12 enrollment went from 356 to 349. Across the country, public employee retirement funds are in trouble. We could have many more tax increases to fund those. With many operating expense difficulties lying before us, can't we do some on-site improvements for far less money? We believe so.

How'd They Arrive at The Cost And Does The Board Have to Build What They Are Proposing?

When we asked for a list of the cost projections from Superintendent Versteeg he said the architect never prepared one. Rarely will a school district propose to build a new school without having the architect do an item by item cost estimate. In this case the architect provided the school an estimate by taking the total square feet times \$125 per square foot. This is not good planning by the school board. Voters need to know that after a school board secures permission from the voters to sign the bond and raise the tax levy, they are not required to build anything they told us prior to the vote. VCSD's attorney on this project is Beth Grob of Ahlers and Cooney in Des Moines. Grob wrote the board of the West Central Valley Iowa school district on March 31, 2004 (when their district was considering placing plans for the specific site of the new building on the ballot itself for voters to approve or reject) and advised them that even if the voters approved the plans for the very location of the proposed school by voting yes, the board is still "...not bound to build the high school in the location contained in the ballot proposition." Further she wrote, "Iowa law is clear that it is the prerogative of the board to determine the location and organizational structure of the schools in its district." From this letter penned by the same lawyer representing Ventura, it is clear the school board has the legal authority to change whatever building plans they would like, **after** any voter approval.

What About On-site Replacements/Upgrades to Our Current Facilities?

Proponents keep talking about needing to wire a new school building for modern technology. The internet has become an essential tool for educators. But cables and wiring are rarely needed anymore in the most progressive



schools. Advancements in technology have brought about low cost wireless networks placed right in schools. They simply don't need to wire for the Internet anymore. We believe the board should have some more community meetings and consider some on-site replacements or re-modeling of our current facilities. A WISE committee member was ignored at the last Facility Meeting. If you'd join us and Vote NO, maybe the administration and board would listen to more of the common sense ideas we have to offer the district. If low-cost remodeling is something our architect can do, let's re-commission him. If it's beyond their capabilities, then we know of one such firm who is able to handle such projects and would be glad to recommend them, if requested by the board. There must be others also. As well, a large 85 year-old high school building in Hull, IA, was totally remodeled in 1995 and it looks beautiful. It was done for \$2.3 million. Even with inflation it could probably be done for \$3.5 million today.

Look At The Fees!

If this proposal would pass, the architects (if they pocket the standard 8% fee) would receive \$512,000 in A/E fees. WISE asked Superintendent Versteeg for a copy the contract the board has with the architect. He said he couldn't find it. According to district financial records, taxpayers have already paid the Mason City architect \$6,500 for his services to the board in helping them pass this bond vote. Why should taxpayers have to pay for the campaign material being used against them?

When The District Says Your Taxes Will Only Rise by \$1.57, They Are Only Telling You Half The Story - The Half They Want You to Hear.

VCSD taxpayers are scheduled to have approximately \$250,000 cash back into their pockets after 2007, when the final payment on the gym and library addition is made. At that time, this \$1.67 debt service levy will no longer be needed. You'll get to keep more of your money in 2 years if you join us and **Vote NO**. Now this may get a bit confusing but follow closely and you should see the smoke and mirrors. During those two years they will raise your taxes by \$1.57 on top of this current levy to fund their proposed new bond payments. But after that proponents want to replace this \$1.57 with the new levy for 13 years - of **\$3.56 per \$1,000 taxable** valuation. To minimize the appearance of your tax increase, the administration is also assuming that the board approved PPEL tax levy of \$0.33 per \$1,000, will not be continued by future boards. So they are taking that off your short term increase for the debt service levy, making it appear as if your tax increase will be even less. But wait a minute! There is no way they can guarantee that future boards will not place the PPEL levy back on in a year or two. If this proposal would pass, it is highly likely that future boards will want to pass the PPEL levy again to provide the funds to maintain the new facility. This tax will not likely be going away!

Finally, the school is saying that \$100,000 of the \$604,000 needed annually to make the bond payments will come from sales tax receipts, offering property tax payers some relief. But curiously, when a school board plans on using sales taxes they instruct their financial advisor to factor it into their property tax projections. Ventura's advisor, Piper Jaffray, doesn't show this \$100,000 anywhere in either last fall's projection or the one they did this March for the district. **They project using only property taxes to repay the bonds.** Also, state law does not require the school board to use this \$100,000 for property tax relief. They can spend it on other infrastructure needs each year.

So, yes, for two years your increase may not be as much, but for 15 years you will most likely be paying \$3.56 per \$1,000. As said at the beginning, this totals \$9,062,600 cash taken out of the Ventura community.

Who Can Afford The New Taxes?

Like it or not, we are in a global economy today and global economic factors we have no control over can cause us much financial pain locally. American governments (federal, state, county and school districts) and individuals are spending more than we are producing. The USDA reports that Cash Farm Income this year will be **DOWN 21.7%**. The USA Today recently reported that the average American household **spent \$575 more in January** than they took in. This is \$6,900 annually. We can't just keep running up our credit cards for ever. Cerro Gordo County-chartered banks, according to the FDIC, have the **least amount of internal funds available for lending** that the WISE committee can ever remember - 96.1% loans to core deposits. For details see www.WISEVentura.org This lack of in-house cushion should also concern depositors. Taking on a new, unnecessary 15 year high-end tax load during such times is neither a risk that we should assume nor pass on to our children.



Consider the impact on new taxes over 15 years if this proposed levy rate would pass. Keep in mind inflated house values have little to do with one's income. They don't reflect the owner's ability to pay these new taxes. The tax rate has been calculated by the district to be **\$3.56 p/\$1,000** for 15 years. Yes, we are paying a portion of that for two

more years already. But for the final 13 years all of this new tax of **\$3.56** will be assessed if this proposal would pass. Voters would be wise to assume you'll be paying the \$3.56 tax levy p/\$1,000 assessed valuation. Here are some illustrated **total new tax costs** over the 15 years at this rate. For more information on your tax increase call the Cerro Gordo County Auditor at 641-421-3034

\$4,334	\$37,380	\$1,847	\$8,010
\$125,000 Rural Homestead with \$25,000 Out Building	700 Acres of Bare Farmland at Assessed Value of \$1,000 p/ac	\$80,000 Ventura Home	\$150,000 Commercial Property

A lot of farmers today need to rent/own at least 1,500 acres of cropland to make a living. If the landlord passes on the tax increases, some struggling farmers may have to pay \$80,100 in new taxes over the life of these bonds. We are facing highly uncertain financial times to take on such a great risk. Most Ventura area property owners can't afford this new tax.

Let's Get Out The Vote!

Let's put the needs of many of the children first and work on improving their Reading and Math proficiencies. That must come before new buildings. Let's set a good example of financial management for our children too. Let's get the board's attention by rejecting this proposal and then sit down with them after this election and try to work out some common sense upgrades for much less money. But to get to that point we first have to **Vote NO-NO** this Tuesday, March 28. Polls are open from 12:00pm (noon) until 8:00pm and are located at the Ventura Community Center. If you need a ride to the polls the day of the election please, call us at 641-357-7425 or 357-4395. Join us and the many supporters of WISE and....

Vote  **NO-NO**

To see the full letter to the editor the Mirror Reporter wouldn't print and for more information see -
www.WISEVentura.org

Paid for by the WISE Committee, Howard Oehlert, Treasurer

**Think of the Children And
Vote NO-NO Tuesday March 28
on the Ventura school bond**

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