
**Ponca Public
School Proposed
\$9.9 Million
School Bond
Vote**



**Tuesday
February 14
8:00am - 8:00 pm
Ponca
Community Center
Jackson
Legion Hall**

ABCs Committee, a political committee made up of members from the communities of Ponca, Martinsburg, Jackson, and Waterbury, believe the Ponca Public school board of education is floating yet another bond proposal that should be rejected. The proposal is to spend \$10.5 million for a new 7th through 12th grade school building on the hill southeast of town. They propose funding \$9.9 million of it through a public bond.

Please consider this information and then join us and vote **NO** on the ballot question Tuesday, February 14th! 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 a much better shape with lower public debts and taxes hanging over our heads. Based on the figures provided to us by Superintendent Wineland, the board's proposed bond calls for us to pay back \$9,930,000 in principal plus \$9,582,600 interest for a total of **\$19,512,600** of **new** taxes over the next 30 years.

Proposed New Building Site Includes Only 20% For Academics

We took the design plan presented by the board and added up the total square footage (by scale) of the proposed school building. We then totaled the square footage (by scale) for the 8 new classrooms, the 2 special ed rooms, the classroom next to the shop, the 3 science rooms and the media center (library) without the computer area and then divided this by the total. We determined 20% + or - of the total 82,294 square feet is dedicated to academics! Yes a school needs halls and a boiler room, etc. but 20% to academics?! We had an education reporter (www.GoBigEd.com), Susan Darst Williams, from Elkhorn speak at our Town Meeting in Jackson where she said our proficiency test scores don't score well and rank down with some poorer Omaha metro districts. If our children need help with academics, then why is so much space dedicated to a Gymnasium, wrestling, weights, new locker rooms, the stage and commons in this new proposal? Where is the board's priority for the children? This proposal should be rejected on this serious lack of commitment to the academic part of our children's school!

**Town Hall Meeting
Ponca High School
Gymnasium
Monday evening
February 13, 7:30pm
Details Below**

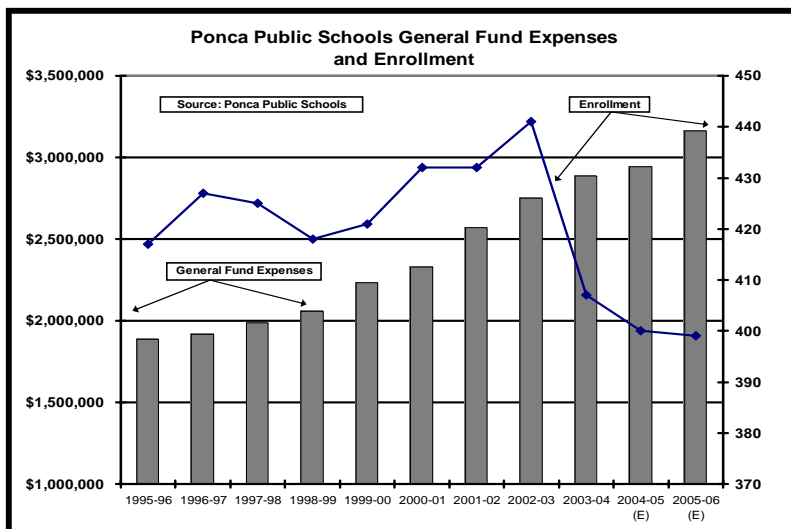
The proposal is far too expensive for a small district of our size. School buildings around the midwest get built for far less money than the proposed cost we are facing, which is \$52,240 per student (\$10.5 million / 201 students.) Williams informed us that the \$1/4 Billion spent in Omaha (OPS) a few years ago amounted to \$5,000 per student. Ours is **ten times** that. Pender spent \$26,700 p/student, ½ of our proposal, and their operating costs per student has increased nearly 40% since 1999. The new school has made operating expenses worse. Voters in Iowa and Minnesota districts have recently rejected proposals costing \$37,000 and \$44,700 per student. One school near in Avoca, IA (near Council Bluffs) recently approved (by one vote) a school construction project costing \$15,300 per student. **Ours is over \$50,000 per student!** School construction costs are becoming so excessive that several states are stepping in to stop the abuse of taxpayers. The state governor's complaints are similar to ours – i.e. building schools in districts with declining enrollments, too little emphasis on academics in new schools, etc. Massachusetts is even setting up a new state authority to oversee local school construction to stop the spending wastes in the schools. For more information see <http://www.abc.org/wmspage.cfm?parm1=4632> How long before our state steps in and puts a foot down on \$52,000 cost per student expenditures like the proponents want us to bear?

Enrollment is Going Down!

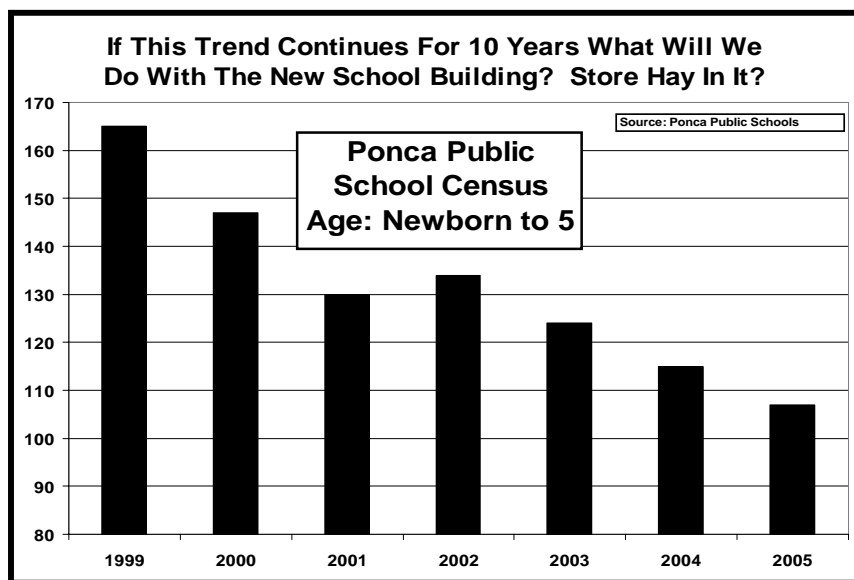
Our total school enrollment fell to 399 students this year, down from 441 students in the 2002-03 school year. Yet the General Fund Expenses have been rising during this same period. See the graph of the two at the top of the next page. Here is what is more disturbing. The Census report of pre-school age (newborn to 5) children in the Ponca school district has

dropped from 165 children in 1999 to 107 children of the same age in 2005. This 35% drop in six years represents more than what we could absorb in students from the Jackson elementary school. Doesn't this make one building (when we include the new Jackson school) nearly unneeded? The loss in these pre-school numbers has been consistent and sustained. See the graph below.

In the year 1999-2000 school year, Sioux City, So. Sioux City and Sergeant Bluff had a total enrollment of 18,756 according to the Nebraska and Iowa Department of Education reports. In 2009-2010, these departments project the three districts will have a total of 18,218 student....down 538 over the ten year time span. This trend is not uncommon, even in areas that are showing a population increase. **They are not increasing in the critical numbers of school age children.** As Sergeant Bluff and So. Sioux are picking up numbers, the Sioux City district is losing; they are not picking up more than Sioux City's total losses. In this net-student-loss environment, are we to believe that a new school will attract many parents with young children to Ponca? ABCs would love to see this, too, but the demographics aren't there. To believe so is a fanciful dream. But dreams can't fund \$640,000 per year of bond payments.



We still owe \$777,800 of the principal and interest on the elementary school bond. The proposed new Jr./Sr. High School (including interest) would cost us 25 times as much as what we still owe on the elementary school.



State aid is tied to this declining enrollment trend, so our budget will only get worse as our operating costs for any new addition would get added on our declining tax receipts. As our graph shows, operating expenses have gone from \$2.3 million to \$3.2 million during this time. But it will likely get worse. Total retirement contributions for Ponca teachers have shot up from \$100,400 in 2000-01 to a district estimated \$154,800 in 2006-07 (average of nearly 9% per year), prior to the Jackson merger. Across the country public employee retirement funds are in trouble. We could have many more tax increases to fund those. With so many operating expense difficulties lying before us, can't we do some on-site improvements for far less money? We believe so.

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

On January 5, 2006, Superintendent Wineland wrote us and stated, "A structural engineer has visited the building on several occasions and verbally told me the building was safe, but we have nothing in writing from him. Secondly, we have never requested any cost estimates for repairing the high school building. Our architect has stated that in his experience, remodeling is often more expensive than building new, but there **are no figures on what remodeling costs would be.**" (Emphasis added. See Wineland's letter at www.ABCsCommittee.org) Yet board president Doug Rickett in the **Sioux City Journal** (2/7/2006) says the architect, "...did evaluate remodeling the 89 year old building and determined it would cost 1½ times more than new construction." If Rickett is quoted accurately, then who are the voters to believe?

Though a cosmetic issue, the third floor cracks are not a safety hazard, as Wineland reports in the letter. Further, a visit of the architect's website (www.nmwarchitects.com/) shows few remodeling projects of school buildings relative to the number of new ones they've built. The ones they did remodel were often tied to some new addition being added to a school. We believe the board should cut their losses with this architect and find a firm that specializes in on-site replacements or re-modeling of public schools. We know of one such firm and would be glad to recommend them if requested by the board. There must be others available. As well, an 84 year old high school building in Hull, IA was totally remodeled in 1995 and it looks beautiful. They remodeled 26,000 square feet and added another 26,000 for a total cost of \$2.3 million. Yes, \$2.3 million! And we want to spend \$10.5 million?

Is the Ponca Education Foundation Leveling With Us?

ABCs contacted the officers of the Ponca Community Education Foundation and inquired if we could see a list of those parties which they say have written checks totaling more than \$100,000, but are not to be cashed until the proposed bond passes. Well count us at ABCs a bit Missourian but they're going to have to "Show Me". If these checks are for real, we just wonder how many little \$100 checks are scattered in that envelope and if a prominent businessman (who might stand much to profit if the proposal passes) made a \$100,000 donation all by himself. We wrote the officers of the committee to inquire as to if they could show us the list. They said nope! We asked to see a copy of any blank pledge form they may be asking these donors to sign. Again they said nope! Before voting give serious consideration to the motive behind this announcement by PCEF, especially when they refuse to disclose any details. See the letters at www.ABCsCommittee.org

Is the Ethanol Plant Going to Save Us?

Much has been made that nearly 13% of the bond payments will come from the new ethanol plant in Jackson. Proponents say it will add \$20 million to our current assessed taxable base of \$138.7 million. They then believe it will all grow by 1% in value each year for 30 years. Though their real estate will not be included, as it will be in a TIF district, proponents argue the taxes will be spread over Siouxland Ethanol's personal property (equipment) at the plant. While we support the new ethanol plant, we understand the realities of maximizing corporate profits. Won't they try doing what other Nebraska ethanol plants are already doing to greatly reduce local property taxes? A new ethanol plant went on-line in Minden in 2004. In 2005 the plant filed a list of personal property with the Kearney County assessor totaling over \$28,000,000 and then proceeded to appeal this value to their County Commissioners and have it reduced to \$444,000. The Platte County Assessor told an ABCs rep that the Columbus ethanol plant's personal property has dropped 12% per year the last four years. At this rate their equipment will be valued in 2012 at 28% of what it was assessed at in 2002. Why do proponents believe the Jackson plant's equipment will increase by 1% each year for 30 years? The industry will not want to pay high property taxes more than anyone else. As the Jackson plant experiences these high equipment depreciation rates and takes advantage of several (state and local) legal avenues to reduce their property taxes, the portion they escape will shift right back on to local taxpayers. When Pam Miller, officer of Siouxland Ethanol and Dakota County Commissioner assures the press that the plant won't seek to reduce its assessed property value, is she speaking on her own or for the entire board of directors of the plant? ABCs called Siouxland Ethanol board member Ron Wetherell to ask if she spoke on behalf of him. He was not available. Wetherell serves on another ethanol plant in Cherokee County, IA, where he lives. The Cherokee County Assessor's office indicates for the current tax year that plant has \$7,252,098 of property subject to taxes, but a total of \$2,856,557 of it is **exempt** under a state of Iowa program. At this plant nearly 40% of the taxable valuation is **now exempt** and this plant just went on the tax rolls in 2003. Why won't Wetherell and other board members want to do the same with the Jackson ethanol plant? In the end, how can voters hold Miller accountable to this statement for 30 years? We have no confidence that Siouxland Ethanol is going to save the day by paying for 14% of the payments each year. Miller has also lobbied an ABCs rep as to why Ponca needed this proposed school building, so how objective can she be?

Look At The Fees!

If this proposal would pass, the architects would receive \$537,000 in A/E fees, according to administration reports. ABCs reviewed the contract the board has with the architect. Among other services, they agree to provide "prebond election services" and "election strategy assistance" to the board. (See the relevant pages at www.ABCsCommittee.org) According to Superintendent Wineland, they have earned over \$58,000 in fees so far that are due from the taxpayers, regardless if we ever approve a bond or not. Further \$1.5 million would be in site preparation. This is dirt work, building a street, utility runs, etc. Who all prospers down the road, once the taxpayers put these basic services in? In the end, if approved **\$1,840,000** (over 17.5% of the total cost) **would not go toward the building**.



Want A New Gymnasium?

We at ABCs are concerned about the physical health and well-being of our children as much as anyone. We appreciate the practice gym and competition gym we already have. Yet, the school's proposal for a new Gym, weight rooms, and locker rooms is just too costly. We need to place a greater priority in getting our finances in order and placing greater emphasis on the educational content of our children's daily lives. For those who want to "dream big" and build such a gym, we would suggest they do what people with a similar goal are doing at the Clinton Central School District in DeWitt, IA. Not to be deterred by the defeat of their bond issue they formed a group and started a private fund raising effort to build a new gymnasium for the school. If our Foundation would take on this task local families who place a high emphasis on a new gymnasium could see their dreams fulfilled without bringing financial hardship to their neighbors, just as the folks in DeWitt are trying to do.

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. Taking on a new unnecessary 30 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 30 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 misrepresented to have voters believe the increase in levy rate will be \$0.265 p/\$100 assessed value, when in fact the district calculates it to be **\$0.345 per \$100** and then refers to the \$0.265 as the **Net Levy Increase**. The reduction assumes the "proposed 8 cent building fund levy reduction" the board mentions will be reduced each and every year for 30 years! With all the new building expenses to maintain three campuses ABCs has no confidence in this "proposed" levy reduction. Voters would be wise to assume you'll pay the \$0.345 tax levy per \$100 assessed valuation. Here are some illustrated tax costs over the 30 years at this rate.

\$15,008	\$72,450	\$7,763	\$20,700
\$125,000 Rural Homestead with \$20,000 Out Building	700 Acres of Bare Farmland at Assessed Value of \$1,000 p/ac	\$75,000 Ponca Home	\$200,000 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 \$155,300 in new taxes over the life of these bonds. We are facing highly uncertain financial times to take on such a great risk. Most Ponca area property owners can't afford this new tax.

Let's Get Out The Vote!

ABCs is sponsoring a **Town Hall Meeting**, Monday evening, **February 13, 7:30pm** in Ponca. It will be held at the High School Gymnasium. ABCs committee members and others will present our case and then open up the floor to Q & A. The public is invited to attend.

The election is Tuesday, February 14. Polls are open from 8:00am until 8:00pm and are located at the Ponca Community Center or the Jackson Legion Hall. If you need a ride to the polls the day of the election please, call us at 755-4110 or 755-2394. Join us and the many supporters of ABCs and **Vote NO**.

Vote  **No**

Paid for by the ABCs Committee
58523 878 Road, Ponca, NE 68770

**Think of the Children And
Vote NO Tuesday February 14
on the Ponca school bond**

ABCs Committee
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Ponca, NE 68770