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TESTIMONY – SB 308  
SENATE COMMITTEE ON TAXATION  
APRIL 1, 2003

GOOD AFTERNOON MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. FOR THE RECORD MY NAME IS PAT ZAMORA AND I'M REPRESENTING THE CLARK COUNTY SCHOOL DISTRICT.

AT THIS TIME, THE CLARK COUNTY SCHOOL DISTRICT IS OPPOSED TO SB 308.

SECTION ONE OF THE BILL ONLY EXEMPTS PROPERTY TAXES LEVIED FOR THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED BEFORE JULY 1, 2003.

THE CLARK COUNTY SCHOOL DISTRICT IS IN THE MIDST OF A MULTI-YEAR VOTER-APPROVED BOND AUTHORIZATION. CURRENT FINANCIAL PLANS PROJECT THAT THE DISTRICT WILL ISSUE APPROXIMATELY \$2.2 BILLION ADDITIONAL BONDS SUPPORTED SOLELY BY PROPERTY TAXES AFTER JULY 1, 2003.

IN CREATING A FINANCIAL MODEL FOR THE DISTRICT'S SCHOOL CONSTRUCTION NEEDS, ASSESSED VALUE GROWTH HAS ALWAYS BEEN A MAJOR COMPONENT IN PROVIDING THE NECESSARY.

THE ESTIMATED IMPACT OF SB 308 WOULD BE TO REDUCE THE CLARK COUNTY SCHOOL DISTRICT'S BONDING CAPACITY FOR SCHOOL CONSTRUCTION BY APPROXIMATELY \$160 MILLION, OR THE EQUIVALENT OF TEN NEW ELEMENTARY SCHOOLS.

FOR REFERENCE, ATTACHED ARE PAGES FROM THE DISTRICT'S SCHOOL FACILITIES FINANCING PLAN FROM MAY 1998 THAT SHOWS THE PROJECTED ASSESSED VALUE GROWTH FOR THE CLARK COUNTY SCHOOL DISTRICT. ALSO ATTACHED IS THE ASSESSED VALUE GROWTH THAT THE DISTRICT IS CURRENTLY PROJECTING.

IN SUMMARY THE CLARK COUNTY SCHOOL DISTRICT IS OPPOSED TO SB 308.

THANK YOU

**Clark County School District, Nevada  
School Facilities Financing Plan  
Assessed Value Growth Projection**

| Fiscal Year (A) | Enrollment Growth Factor 1/ (B) | Adjustment Assumption 2/ (C) | Assessed Value Growth % (D)=B+C | Projected Net Assessed Value 3/ |
|-----------------|---------------------------------|------------------------------|---------------------------------|---------------------------------|
| 1998            |                                 |                              |                                 | 23,599,894,583                  |
| 1999            |                                 |                              |                                 | 26,345,735,246                  |
| 2000            | 6.24%                           | 3.50%                        | 9.74%                           | 28,911,027,355                  |
| 2001            | 6.14%                           | 3.50%                        | 9.64%                           | 31,699,035,279                  |
| 2002            | 6.02%                           | 3.50%                        | 9.52%                           | 34,715,693,931                  |
| 2003            | 5.80%                           | 3.50%                        | 9.30%                           | 37,944,804,726                  |
| 2004            | 5.61%                           | 3.50%                        | 9.11%                           | 41,403,366,033                  |
| 2005            | 5.45%                           | 3.50%                        | 8.95%                           | 45,108,557,717                  |
| 2006            | 5.30%                           | 3.50%                        | 8.80%                           | 49,077,172,686                  |
| 2007            | 5.03%                           | 3.50%                        | 8.53%                           | 53,263,306,894                  |
| 2008            | 4.67%                           | 3.50%                        | 8.17%                           | 57,613,371,262                  |
| 2009            | 2.50%                           | 3.50%                        | 6.00%                           | 61,072,293,537                  |
| 2010            | 2.50%                           | 3.50%                        | 6.00%                           | 64,736,631,150                  |
| 2011            | 2.50%                           | 3.50%                        | 6.00%                           | 68,620,829,019                  |
| 2012            | 2.50%                           | 3.50%                        | 6.00%                           | 72,738,078,760                  |
| 2013            | 2.50%                           | 3.50%                        | 6.00%                           | 77,102,363,485                  |
| 2014            | 2.50%                           | 3.50%                        | 6.00%                           | 81,728,505,295                  |
| 2015            | 2.50%                           | 3.50%                        | 6.00%                           | 86,632,215,612                  |
| 2016            | 2.50%                           | 3.50%                        | 6.00%                           | 91,830,148,549                  |
| 2017            | 2.50%                           | 3.50%                        | 6.00%                           | 97,339,957,462                  |
| 2018            | 2.50%                           | 3.50%                        | 6.00%                           | 103,180,354,910                 |
| 2019            | 2.50%                           | 3.50%                        | 6.00%                           | 109,371,176,204                 |
| 2020            | 2.50%                           | 3.50%                        | 6.00%                           | 115,933,446,776                 |
| 2021            | 2.50%                           | 3.50%                        | 6.00%                           | 122,889,453,383                 |
| 2022            | 2.50%                           | 3.50%                        | 6.00%                           | 130,262,820,798                 |
| 2023            | 2.50%                           | 3.50%                        | 6.00%                           | 138,078,590,046                 |
| 2024            | 2.50%                           | 3.50%                        | 6.00%                           | 146,363,305,449                 |
| 2025            | 2.50%                           | 3.50%                        | 6.00%                           | 155,145,103,776                 |
| 2026            | 2.50%                           | 3.50%                        | 6.00%                           | 164,453,810,002                 |
| 2027            | 2.50%                           | 3.50%                        | 6.00%                           | 174,321,038,602                 |
| 2028            | 2.50%                           | 3.50%                        | 6.00%                           | 184,780,300,918                 |

1/ See "Enrollment Growth" on page 8.

2/ See page 10 footnote # 1 & 2.

3/ Net assessed value excludes redevelopment agency's assessed value. Fiscal year 1998 is actual. Does not reflect the expiration of the Las Vegas Redevelopment Agency.

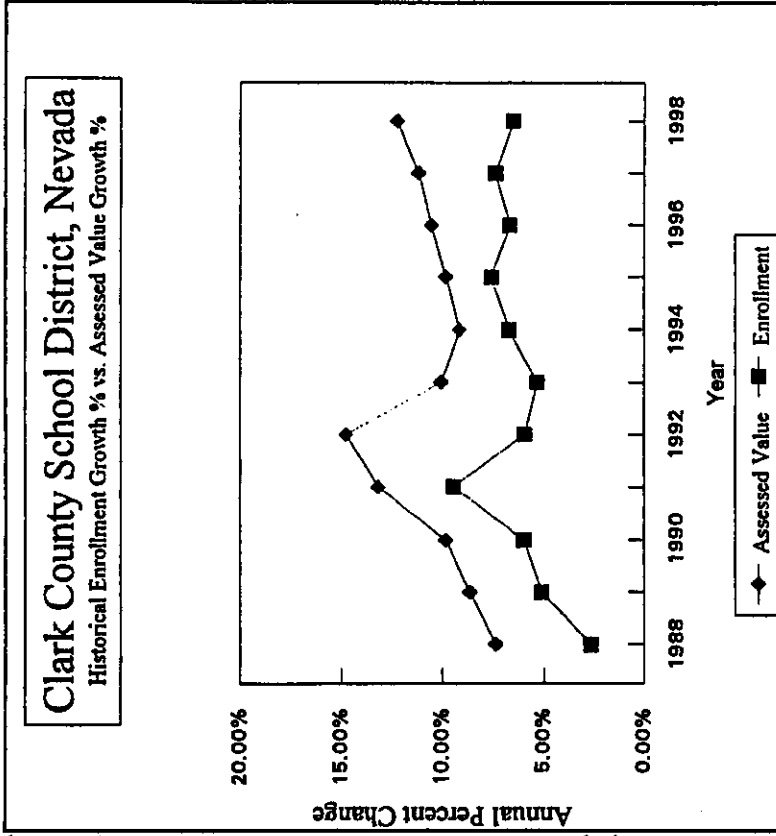
Source: Clark County School District

**Clark County School District, Nevada**  
**School Facilities Financing Plan**  
**Correlation of Assessed Value Growth and Enrollment Growth**

| Fiscal Year        | Historical Enrollment | Historical Enrollment Growth % | Historical Assessed Value | Historical Assessed Value Growth % | Difference   |
|--------------------|-----------------------|--------------------------------|---------------------------|------------------------------------|--------------|
| 1987               | 97,412                |                                | \$ 7,788,186,676          |                                    |              |
| 1988               | 100,027               | 2.68%                          | 8,361,685,190             | 7.36%                              | 4.68%        |
| 1989               | 105,151               | 5.12%                          | 9,085,929,433             | 8.66%                              | 3.54%        |
| 1990               | 111,460               | 6.00%                          | 9,980,576,502             | 9.85%                              | 3.85%        |
| 1991               | 121,984               | 9.44%                          | 11,294,874,939            | 13.17%                             | 3.73%        |
| 1992               | 129,245               | 5.95%                          | 12,964,606,443            | 14.78%                             | 8.83%        |
| 1993               | 136,167               | 5.36%                          | 14,267,549,070            | 10.05%                             | 4.69%        |
| 1994               | 145,327               | 6.73%                          | 15,574,485,655            | 9.16%                              | 2.43%        |
| 1995               | 156,348               | 7.58%                          | 17,107,694,601            | 9.84%                              | 2.26%        |
| 1996               | 166,788               | 6.68%                          | 18,909,830,761            | 10.53%                             | 3.86%        |
| 1997               | 179,106               | 7.39%                          | 21,023,607,462            | 11.18%                             | 3.79%        |
| 1998               | 190,822               | 6.54%                          | 23,599,894,583            | 12.25%                             | 5.71%        |
| <b>AVERAGES 1/</b> |                       | <b>6.96%</b>                   |                           | <b>11.72%</b>                      | <b>4.77%</b> |

**Regression Output:**  
R Squared 2/ 0.9975

- 1/ The average difference between enrollment growth % and assessed value growth % has been approximately 4.77%. For projection purposes, the assessed value growth of the District has been assumed by the Clark County School District to be the enrollment growth % plus 3.5%.
- 2/ The R Squared value tests the reliability of the regression. Values closer to 1 indicate a stronger correlation. Based on the regression analysis of historical enrollment to historical assessed value, there is a very strong correlation between the two.



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Clark County School District, Nevada  
 School Facilities Financing Plan  
 Assessed Value Growth Projection

| Fiscal Year (A) | Assessed Value Growth % (D)=B+C | Projected Net Assessed Value 3/ | Original Projection | UNLV Projection July 2001 | Variance |
|-----------------|---------------------------------|---------------------------------|---------------------|---------------------------|----------|
| 1998            |                                 | 23,599,894,583                  |                     |                           |          |
| 1999            | 11.64%                          | 26,347,735,246                  |                     |                           |          |
| 2000            | 15.91%                          | 30,539,105,841                  |                     |                           |          |
| 2001            | 10.08%                          | 33,616,436,699                  |                     |                           |          |
| 2002            | 7.58%                           | 36,163,545,308                  |                     |                           |          |
| 2003            | 12.40%                          | 40,649,294,740                  | 9.82%               | 9.96%                     | 0.14%    |
| 2004            | 9.92%                           | 44,680,269,201                  | 10.55%              | 9.79%                     | -0.76%   |
| 2005            | 9.04%                           | 48,719,365,537                  | 8.58%               | 9.04%                     | 0.46%    |
| 2006            | 8.45%                           | 52,836,151,925                  | 9.52%               | 8.45%                     | -1.07%   |
| 2007            | 8.02%                           | 57,073,611,309                  | 9.34%               | 8.02%                     | -1.32%   |
| 2008            | 7.74%                           | 61,491,108,824                  | 9.06%               | 7.74%                     | -1.32%   |
| 2009            | 7.50%                           | 66,102,941,986                  | 8.71%               | 7.50%                     | -1.21%   |
| 2010            | 7.29%                           | 70,921,846,457                  | 7.70%               | 7.29%                     | -0.41%   |
| 2011            | 7.18%                           | 76,014,035,033                  | 6.00%               | 7.18%                     | 1.18%    |
| 2012            | 7.05%                           | 81,373,024,502                  | 6.00%               | 7.05%                     | 1.05%    |
| 2013            | 6.93%                           | 87,012,175,100                  | 6.00%               | 6.93%                     | 0.93%    |
| 2014            | 6.82%                           | 92,946,405,442                  | 6.00%               | 6.82%                     | 0.82%    |
| 2015            | 6.73%                           | 99,201,698,528                  | 6.00%               | 6.73%                     | 0.73%    |
| 2016            | 6.66%                           | 105,808,531,650                 | 6.00%               | 6.66%                     | 0.66%    |
| 2017            | 6.60%                           | 112,791,894,739                 | 6.00%               | 6.60%                     | 0.60%    |
| 2018            | 6.54%                           | 120,168,484,655                 | 6.00%               | 6.54%                     | 0.54%    |
| 2019            | 6.50%                           | 127,979,436,158                 | 6.00%               | 6.50%                     | 0.50%    |
| 2020            | 6.46%                           | 136,246,907,734                 | 6.00%               | 6.46%                     | 0.46%    |
| 2021            | 6.44%                           | 145,021,208,592                 | 6.00%               | 6.44%                     | 0.44%    |
| 2022            | 6.43%                           | 154,346,072,304                 | 6.00%               | 6.43%                     | 0.43%    |
| 2023            | 6.41%                           | 164,239,655,539                 | 6.00%               | 6.41%                     | 0.41%    |
| 2024            | 6.40%                           | 174,750,993,493                 | 6.00%               | 6.40%                     | 0.40%    |
| 2025            | 6.40%                           | 185,935,057,077                 | 6.00%               | 6.40%                     | 0.40%    |
| 2026            | 6.40%                           | 197,834,900,730                 | 6.00%               | 6.40%                     | 0.40%    |
| 2027            | 6.42%                           | 210,535,901,357                 | 6.00%               | 6.42%                     | 0.42%    |
| 2028            | 6.43%                           | 224,073,359,814                 | 6.00%               | 6.43%                     | 0.43%    |

1/ See "Enrollment Growth" on page 8.

2/ See page 10 footnote # 1 & 2.

3/ Net assessed value excludes redevelopment agency's assessed value.  
 Fiscal year '98 Through 03 is actual. '04 preliminary

Does not reflect the expiration of the Las Vegas Redevelopment Agency.

Source: Clark County School District

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