



# School Programs and Operations Replacement Levy

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On February 3, 2009, the Central Valley School District Board of Directors is seeking voter approval to **renew and replace** the district's expiring educational operations levy. The three-year School Programs and Operations Replacement Levy (also known as M&O levy):

- Represents approximately 19% of the district's day-to-day operating budget
- Supports virtually all school district educational programs
- Replaces the current levy expiring in December 2009. **It is not a new tax.**

## Funds Essential Educational Programs and Activities

State and federal dollars do not fully fund the day-to-day operations of Central Valley schools. To fund the gap, the district must also rely on local taxpayers through the replacement levy to pay for essential educational programs and activities, including:

- Maintaining class sizes at current levels
- Learning support programs for struggling students
- Textbooks and teaching materials
- Special education programs
- Technology for classroom instruction and support
- Programs for academically advanced students
- Extracurricular activities such as music, drama, debate and athletics
- School bus transportation

## Replaces Expiring Three-Year Levy

In March 2006, Central Valley voters approved a three-year levy to maintain essential educational programs and activities. This levy expires in December 2009. In order to continue funding the gap, the district is again seeking voter approval of a three-year levy to **renew and replace** the expiring levy. The levy is not a new tax. Voters will be asked to approve the following:

- 2010 -- \$23.85 million (estimated levy tax rate of \$3.27/thousand)
- 2011 -- \$25.5 million (estimated levy tax rate of \$3.27/thousand)
- 2012 -- \$27.3 million (estimated levy tax rate of \$3.27/thousand)

Voters approve a specific, fixed dollar amount to be collected by Spokane County. This fixed amount is shared by all district taxpayers, based on assessed property value. When property values increase, tax rates decline for all taxpayers. Over the past five years, the total tax rate for Central Valley residents has dropped from \$5.73 in 2004 to \$4.10 per thousand of assessed valuation in 2008. This means the owner of a home with an assessed value of \$100,000 will pay \$410 per year in school taxes.

All registered voters will receive their ballots in the mail beginning January 14, 2009. Ballots must be postmarked by February 3, 2009 to be counted.

Visit [www.cvsd.org](http://www.cvsd.org) or call 228-5405 for more information.

## Frequently Asked Questions

### ***What is a levy?***

Levies pay for day-to-day operations of schools including teachers, textbooks, supplies and extracurricular programs. They are a way for local communities to supplement state funding, which falls short of providing for all that is required. In Central Valley, the local levy funds approximately 19 percent of the annual budget, filling the gap between state and federal funds and maintaining essential educational programs for more than 12,300 students in 22 schools.

### ***Is this a new tax?***

No. The School Programs and Operations Replacement Levy will renew and replace the current levy, which expires in December 2009.

### ***What is the cost to taxpayers?***

The levy would provide \$23,850,000 in 2010, \$25,500,000 in 2011 and \$27,300,000 in 2012 to fund essential educational programs for students across the Central Valley School District. The proposed levy tax rate is estimated to be \$3.27 per \$1,000 of assessed property value. This is 23 cents less than the estimated rate voters approved in 2006 of \$3.50 per thousand.

### ***What is levy equalization?***

Levy equalization is a financial adjustment made by the state to reduce the total tax burden on property owners within school districts that have a lower average assessed property valuation than the statewide average. Currently, Central Valley receives about \$4.2 million in levy equalization, representing about four percent of the annual operating budget. Local taxpayers fund the remaining 15 percent (about \$17 million), for a total levy contribution of more than \$21.2 million to the district's annual 2008-09 operating budget.

### ***Although it is not a new tax, will the proposed levy increase my tax rate?***

Given the sobering financial news from Olympia and the anticipated loss of levy equalization funding beginning in 2010, the proposed Central Valley levy assumes no state levy equalization relief for local taxpayers. This means the total tax rate will increase an estimated 65¢ per \$1,000 from the current rate of \$4.10 to \$4.75 due to the expected loss of levy equalization. If state levy equalization revenue is received, the difference will be rolled back to taxpayers through lower tax rates.

### ***Will any of this money be used to remodel or build new schools?***

No. The February ballot measure is a replacement levy to pay for day-to-day school operations. A construction bond is a separate ballot measure. Bonds are used to remodel and build new schools. Central Valley is not running a construction bond in 2009.

### ***Is this the right time to be asking the community for funding?***

Central Valley citizens have a long history of strong support for levies. The current levy is expiring in December 2009, which means the district must seek voter approval to renew the levy for another three years. Given the uncertainty of state funding, voter support of the replacement levy is even more important to stabilize and maintain essential educational programs for Central Valley children.

### ***What about senior citizens on a fixed income?***

Senior citizens (age 62+) and disabled individuals with a total annual income of under \$35,000 may be eligible for a residential property tax exemption. Call the Spokane County Assessor's Office at 477-5754.

### ***What happens if the replacement levy does not pass?***

Without levy funds, the District operating budget would be reduced by approximately 19 percent. The Board would be required to make program reductions and adjustments in order to balance the budget. The loss of levy funding would have a devastating impact on students and educational programs. As one of the Valley's largest employers, a failed levy would also have a dramatic impact on the local economy.