NOTICE TO ALL REGISTERED VOTERS OF
ELECTION TO INCREASE TAXES

BOULDER VALLEY SCHOOL DISTRICT NO. RE-2
(BOULDER, BROOMFIELD AND GILPIN COUNTIES, COLORADO)

Local Election Office: 6500 East Arapahoe, Boulder, Colorado 80303, Telephone: (303) 447-5114

Election Date and Hours: Tuesday, November 5, 2002 – 7:00 AM to 7:00 PM

Ballot Title and Text of Question 3A:

"SHALL BOULDER VALLEY SCHOOL DISTRICT RE-2'S TAXES BE INCREASED $15,000,000 ANNUALLY, WHICH INCLUDES A SUPPLEMENTAL COST OF LIVING ADJUSTMENT FOR THE DISTRICT IN AN AMOUNT AUTHORIZED BY THE PUBLIC SCHOOL FINANCE ACT OF 1994, AS AMENDED, TO BE DEPOSITED IN THE GENERAL FUND OF THE DISTRICT FOR EDUCATIONAL PURPOSES, INCLUDING, BUT NOT LIMITED TO:

- LOWERING AVERAGE CLASS SIZE AND PUPIL-TEACHER RATIOS IN IDENTIFIED GRADES BY PROVIDING MORE TEACHERS AND INSTRUCTIONAL STAFF DURING PARTS OF THE SCHOOL DAY;
- ATTRACTING AND RETAINING HIGH-QUALITY TEACHERS AND SUPPORT STAFF AND MAINTAINING COMPETITIVE SALARIES AND BENEFITS;
- INCREASING TEACHERS AND INSTRUCTIONAL STAFF TO ADDRESS THE NEEDS OF STUDENTS WHO PERFORM BELOW DISTRICT STANDARDS IN READING, WRITING, MATH, SCIENCE AND OTHER BASIC ACADEMIC SKILLS;

WITH SUCH TAXES TO BE GENERATED IN THE 2002-2003 BUDGET YEAR AND EACH YEAR THEREAFTER BY SUCH INCREASES AS MAY BE NECESSARY IN THE DISTRICT'S MILL LEVY CERTIFIED AGAINST THE ASSESSED VALUATION OF ALL TAXABLE PROPERTY IN THE DISTRICT IN AN AMOUNT SUFFICIENT TO GENERATE THE AMOUNT OF TAXES STATED ABOVE, 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, TO CONSTITUTE A WEAKENING OF ANY LIMIT IMPOSED BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION ON THE AMOUNT OF SUCH ADDITIONAL PROPERTY TAX REVENUE IN EXCESS OF THE DISTRICT'S TOTAL PROGRAM ALLOWED BY SECTION 22-54-108, C.R.S., OR ANY SUCCESSOR STATUTE, AND TO CONSTITUTE VOTER-APPROVED REVENUE AND SPENDING CHANGES 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

Year	Fiscal Year Spending (FYS)*
1998-99 (Actual)	$161,622,876
1999-00 (Actual)	165,905,645
2000-01 (Actual)	174,066,016
2001-02 (Unaudited Actual)	187,008,630
2002-03 (Current Year Estimated)	204,150,069

Overall FYS percentage change through 5

years (1998-99 - 2002-03):	26.3%
Overall FYS dollar change through 5 years (1998-99 - 2002-03):	$42,527,193

*Does not include payments on bonded debt of $13,465,854 in fiscal year 1998-99; $14,751,603 in fiscal year 1999-00; $13,936,250 in fiscal year 2000-01; $13,966,108 in fiscal year 2001-02; and $13,385,255 in fiscal year 2002-03.

Fiscal year spending without the tax increase in the ballot proposal is estimated to be up to $204,150,069 in the 2002-03 Fiscal Year. The proposed maximum dollar tax increase in the ballot proposal is up to $15,000,000 in any Fiscal Year.

SUMMARIES OF WRITTEN COMMENTS FILED WITH THE ELECTION OFFICER

The following summaries were prepared from comments filed by persons IN FAVOR OF the proposal:

Boulder Valley is one of Colorado's premier communities - a place where people want to live and work. Referendum 3A asks residents to invest in education, our kids and the quality of life of our area. These investments are critical to the local economy - attracting homebuyers and improving property values and the business environment.

In recent years, new standards, requirements and accountability measures have been placed on Colorado's schools, including annual testing under the Colorado Student Assessment Program. We know what needs to be done to meet these standards:

- Reduce class size in core academics and early education.
- Increase pay to attract and retain quality teachers.
- Enhance the quality of educational opportunities.
- Upgrade computers and technology so that kids have state-of-the-art opportunities.

Unfortunately, state laws that affect school funding and years of inadequate investment have undermined efforts to improve education in Boulder Valley. As a result, per pupil funding for students is 15% less today in real terms than it was only 10 years ago. Boulder Valley residents and students deserve better.

In recent years, creative steps have been taken to cut central administrative costs and enhance funding for educational programs in Boulder Valley Schools. Major administrative cost reductions were achieved in the 1990s so that today there are 30% less administrators per pupil in Boulder Valley than there were 15 years ago. In addition, major savings have been realized in energy, procurement, health care and maintenance costs. Because BVSD is operated so efficiently, future cuts will impact educational programs that our kids and community need.

Already, two rounds of cuts totaling $3.5 million out of the BVSD budget have occurred in less than 12 months - including $500,000 intended for new textbooks - and more cuts are anticipated in the coming months.

A mill levy override is one of the only mechanisms available to Boulder Valley residents to exercise local control, increase revenues and improve public schools. Absent passage of 3A, deep cuts will be necessary in core educational programs. Classes will not get smaller. Initiatives to strengthen reading, writing and math skills will be undermined. Programs for gifted/talented and special needs youth will be imperiled. Arts and music programs will erode even further. Boulder Valley will not be able to offer teachers competitive compensation - let alone wages that allow teachers to live in the community.

Referendum 3A will raise $15 million each year to reduce class size, improve Boulder Valley schools, benefit our kids and strengthen Boulder Valley. Specifically, the initiative will:

- Ensure smaller class size in core academic areas;

- Reduce teacher-student ratios for kindergarten and 1st grade students and high need 2nd and 3rd graders;
- Enhance BVSD academic and CSAP performance;
- Launch new math programs for K-12 achievement;
- Strengthen programs for talented/gifted and special needs students;
- Increase teacher pay, helping BVSD attract and retain the best teachers in Colorado;
- Strengthen teacher training and development;
- Replace outdated computers;
- Help rebuild fine arts programs.

Vote yes on 3A.

The following summaries were prepared from comments filed by persons IN OPPOSITION TO the proposal:

The school district must operate more efficiently and within its budget; a tax override is not justified.
The school district wastes money operating underutilized schools in Boulder.
A large portion of the override is for computer replacement and technology upgrades, including the associated technology experts, support staff, and training programs. This is not where the district should be concentrating its resources.
A large portion of the override would go towards the same programs already funded by the 1998 override.
Housing costs would increase for renters as well as homeowners.

Ballot Title and Text of Question 3B:

"SHALL BOULDER VALLEY SCHOOL DISTRICT RE-2'S TAXES BE INCREASED $7,500,000 ANNUALLY (OR SUCH LESSER AMOUNT AS THE BOARD OF EDUCATION MAY ANNUALLY DETERMINE) BY AN ADDITIONAL LEVY OF AD VALOREM PROPERTY TAXES, NOT TO EXCEED FOUR MILLS, FOR THE 2002-2003 THROUGH 2004-2005 BUDGET YEARS TO BE DEPOSITED IN THE SPECIAL BUILDING AND TECHNOLOGY FUND TO MODERNIZE INSTRUCTIONAL AND INFORMATION TECHNOLOGY SYSTEMS AND TO MAINTAIN AND ENHANCE ACADEMIC AND OPERATIONAL EXCELLENCE, INCLUDING, BUT NOT LIMITED TO:

- UPGRADING AND EXPANDING THE DISTRICT'S COMPUTER NETWORK TO IMPROVE RESEARCH CAPABILITIES FOR STUDENTS, TO BENEFIT INSTRUCTION AND TO IMPROVE COMMUNICATION BETWEEN HOME AND SCHOOL;

- REPLACING OUTDATED STUDENT INFORMATION SYSTEMS, SPECIAL EDUCATION SOFTWARE AND OTHER APPLICATIONS TO SUPPORT THE EDUCATIONAL PROGRAM AND TO MAKE MORE EFFICIENT USE OF DISTRICT RESOURCES;

WITH SUCH TAXES TO CONSTITUTE VOTER-APPROVED REVENUE AND SPENDING CHANGES 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?"

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SUMMARIES OF WRITTEN COMMENTS FILED WITH THE ELECTION OFFICER

The following summaries were prepared from comments filed by persons IN FAVOR OF the proposal:

In today's economy, technology is critical to our academic and economic health. Boulder Valley, Colorado and the United States will not be able to prosper in the evolving information era unless our children have access to and are trained on computers and the opportunities they provide. Unfortunately, as we begin the 21st century, children and teachers in the Boulder Valley School District (BVSD) are saddled with 20th century technology.

A yes vote on Referendum 3B will raise $7.5 million in each of the next three years to replace older, outdated information and transmission technology with modern systems and efficient and fast fiber optic technology. Passage of 3B will provide teachers and students the capabilities they need to do research, acquire knowledge, present information and succeed in an increasingly competitive global economy.

Despite the fact that Boulder Valley is home to some of the world's most innovative high-technology businesses, our schools rely on older, very slow and inefficient technology for data transmission and Internet access. BVSD schools lease costly, outdated transmission lines that are filled far beyond capacity during school days. With as many as 18 schools trying to use the same line, dozens of students can be trying to share the same line that most individuals have at home. Proportionally, entire schools in BVSD are allocated about 81/Kb per second - rudimentary service in a home reaches 56Kb/second. That is woefully inadequate and exceedingly frustrating for BVSD students and teachers alike.

21st century fiber optic technology will make research easier for students and expand educational opportunities for teachers. Investment in fiber optic technology builds the infrastructure students and teachers need for enhanced computer capabilities. With upgraded technology, BVSD teachers can take advantage of the latest multimedia capabilities and educational tools to provide compelling, quality instruction and new experiences for students to learn. BVSD is attempting to obtain state-of-the-art computers, but these investments are of limited benefit to students and teachers unless data transmission technology is upgraded as well. Upgrading computers without upgrading transmission technology is like buying trains without rails to run them on.

The technology investments in Referendum 3B are one-time costs. After 3 years, BVSD will have acquired fiber optic technology and the initiative will expire. These investments make economic sense and will save the District $400,000 annually in avoided operating costs. Moreover, the time to purchase fiber optic cable is now, when reduced demand for fiber optics has resulted in reduced prices.

Beyond fiber optics, funding generated through this referendum will be used to replace outdated local area networks. In addition, funds will be allocated to upgrade BVSD's information systems, which track student attendance and other information. Current information systems are not integrated - they cannot interact with one another - causing administrators to enter the same data multiple times - costing time

and money.

The following summaries were prepared from comments filed by persons IN OPPOSITION TO the proposal:

The school district's existing computer networks and communications lines are more than adequate.
Having the latest technology is much less important than having good teachers and safe schools.
Most of the proposed upgrades would not directly benefit students or teachers.
The school district should upgrade its technological infrastructure gradually and budget for it annually; a crash program funded by higher taxes is not warranted.