

EDITORIAL

Outsider bond agitators' objective would result in Mexico style education

The Rand Corporation recently studied education in Mexico to learn if it could feasibly promote school improvements through grants or other financial applications. It found the long-term shortfalls in Mexico's school system too great for any Rand award to have an impact.

School terminology used in both Mexico and the United States' is similar, but have substantially different meanings. A simple example is that schooling is "mandatory" under both government systems, but "mandatory" schooling, even though required by law in Mexico, is ignored. The result is high rates of illiteracy in Mexico. Few Mexican children progress to what we call high school. The elite Mexican University system sponsors most secondary schools. A system the masses haven't a ghost of a chance to enter.

The second problem for Rand was obtaining reliable data from Mexico's bureaucracy. Ultimately, Rand considered most available data too suspect for them to grant financial awards toward assisting Mexican schools.

The Rand study further discovered there was an enormous shortage of qualified teachers in Mexico, a problem writ large in providing an education to the masses. Rural areas are especially vulnerable to this shortfall of qualified teachers. The student dropout rate at approximately the third grade level in rural areas is hugely significant.

Newspapers, in America, that have put out Mexican language publications discovered the hard way that most Mexican immigrants are illiterate in their own language. Conversely, elite Mexican University sponsored high schools require students to learn English.

The outside agitator's vision of education may not contemplate a Mexican style education, but that is their direction. But then what does their objective of closing down public education contemplate? How did our local folks ever get tangled up with them? *Editor.*

September 29, 2005, Editorial Page of the Nebraska Journal-Leader:

Our beloved Editor is at it again. What a vivid imagination he must have. Let's see if we have this straight. The headline literally screams about a conspiracy by the so-called "outsider bond agitator's" objective to turn the Ponca School District into a Mexican-style education system. And by the end of the editorial he changes his mind, or at least contradicts himself.

Five paragraphs describe a study by the Rand Corporation that cites difficulties in receiving reliable information, the shortcomings of the Mexican educational system, and the consequences of the lack of mandatory school attendance.

The final paragraph then makes an unsubstantiated allegation (not unheard of in the Journal-Follower, er, Leader) that includes a contradiction to his own headline. He admits that the so-called outsider "may not contemplate a Mexican style education." Really? That is what the headline blares!

Once again, we ask the Editor where the so-called "outside agitator" ever said he wanted to close Ponca's school? Show us documentation, show us a quote concerning Ponca's school. A real reporter would have no problem backing up his statements with facts. He doesn't even have the common decency to use the man's name.

Then again, this is the Editorial page which allows a broad range of interpretation of the truth.

Letter to the Editor

Dear Editor:

Is growing your community beneficial? The 5 homes on the west block tax valuations are **\$256,200.00**

If we tear them down to build a School the new tax valuations will be **\$0.**

A TAX VALUATION LOSS OF: \$256,200.00

This means there will be less tax money to pay the bills. **Putting more of a burden on you and I.**

The original School bond, the developer **guaranteed** 5 homes in the first year and 3 more in 5 years the taxable valuation of these 8 new homes would of been. (using an average of \$169,000.00 each) **A GUARANTEED TAX VALUATION GAIN OF: \$1,352,000.00**

There was to be an additional 52 lots ready to build. Using a very conservative average of **\$149,000.00** each. Their new taxable valuation could have been **A POTENTIAL TAX VALUATION GAIN OF: \$7,748,000.00**

TOTAL = \$9,100,000.00

Plus we don't lose the tax value from tearing down 5 homes

Hopefully you can see growing your community, grows the tax base and when the tax base grows there is **more money to pay** the same amount of bills which puts less of a burden on you and I going forward.

What if the 8 homes don't sell? It doesn't matter. When they are built the developer has to **pay the taxes till they are sold** and then the new owners do. No cost to you or me. *Sincerely, Bob Lux*

September 29, 2005, Bob Lux Letter on the Editorial Page:

It is interesting to see folks try to use math to argue their point. Mr. Lux does a great job of painting his picture of the future using one side of the discussion. We will gloss over the obvious grammatical errors and his reference to a developer (that is actually a BROKER only).

Let's start with the "west block." We will assume that he is referring to the block west of the current school. We would like to know why Mr. Lux thinks we need to tear down homes on the "west block." Is this his latest proposal? Perhaps it is Mr. Lux who wants to invoke eminent domain on the "west block."

The implication, of course, is that the ABC's Committee wants to condemn homes. When we speak of building on-site, the "Pride" group immediately says that that means condemning homes on the "west block." We have made no such proposal. Regardless, let's continue.

The valuation is said to be \$256,200, which we will take as fact for the moment. According to the last property tax statements in the Ponca School District, there are two school levies being applied. The general school fund tax levy is \$1.04652 per \$100 of valuation. The existing school bond levy is \$0.05324 per \$100 of valuation. Combined, this is \$1.09976.

Applying this tax levy against the aforementioned \$256,200 of valuation yields total school tax revenues of \$2,817.59 per year. The last two bond proposals were for a 25-year period. Multiply the annual tax by 25 to get \$70,734.75.

Now, let's compare this amount to the latest proposal, which had a total construction cost of \$10,278,000. By comparison, this is surely small potatoes. This works out to be less than 0.69% of the total cost. (The % would be much lower if we were to take interest into consideration!)

Later, Mr. Lux speaks of the "potential tax valuation gain" that would be generated with a housing development. The key word here is POTENTIAL. There are no guarantees beyond the initial eight homes and multiple studies show limited growth potential. And even then, for up to 15 years, there will be no tax revenues to help pay for a school.

Due to the Tax Increment Financing (TIF), there will be no benefit to "you and I" (Mr. Lux's words) from the housing development for 15 years. No tax revenue for the new school. No tax revenue for the current school. No tax revenue for the city. No tax revenue for the county. No benefit at all until the TIF bond is paid off. (See our article on the cost of urban sprawl.)

In reality, the TIF is a tax subsidy. "You and I" pay for the services and infrastructure that the potential owners of the homes in the development enjoy. Those owners only pay for their own street, their own sewer lines, their own water lines, and any other utilities that they need. If you've built recently, you might ask yourself, "Why didn't I get that same tax advantage when I built my home?"

What guarantee is there that the community will grow? \$3.00 per gallon gasoline? The high tax rates? The high sewer and water rates? The lack of decent paying jobs? Or perhaps the competition from small towns in Iowa? All of these elements work against a growth explosion in any housing development surrounding the past proposed school location.

Mr. Lux's points also assume that a new school on-site or on the west block (which we have neither endorsed nor opposed) is mutually exclusive of growth. Why would a school on the Curry site bring growth but a new school on-site is not assumed to also bring growth? This is another point made by the "Pride" group that just doesn't stand up to scrutiny.