# BDR 32-830
# AB 402

LOCAL GOVERNMENT

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 1, 2017

Agency Submitting: Clark County School District

| Items of Revenue or Expense, or Both | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Effect on Future Biennia |
|---|---|---|---|---|
| | | | | |
| Total | 0 | 0 | 0 | 0 |

Explanation (Use Additional Sheets of Attachments, if required)

If passed and if the voters approve the sales tax exemption, the overall impact on the District would be a net zero. This is due to the “Nevada Plan” which governs the District’s DSA (Distributive School Account) funding amount is built in a manner that if the Local School Support Tax (aka Sales Tax) is reduced then the State’s portion (Distributive School Account State Funding (Obligation)) will increase.

Attached you can find a diagram of the ""Nevada Plan".

Name Dillon Kay

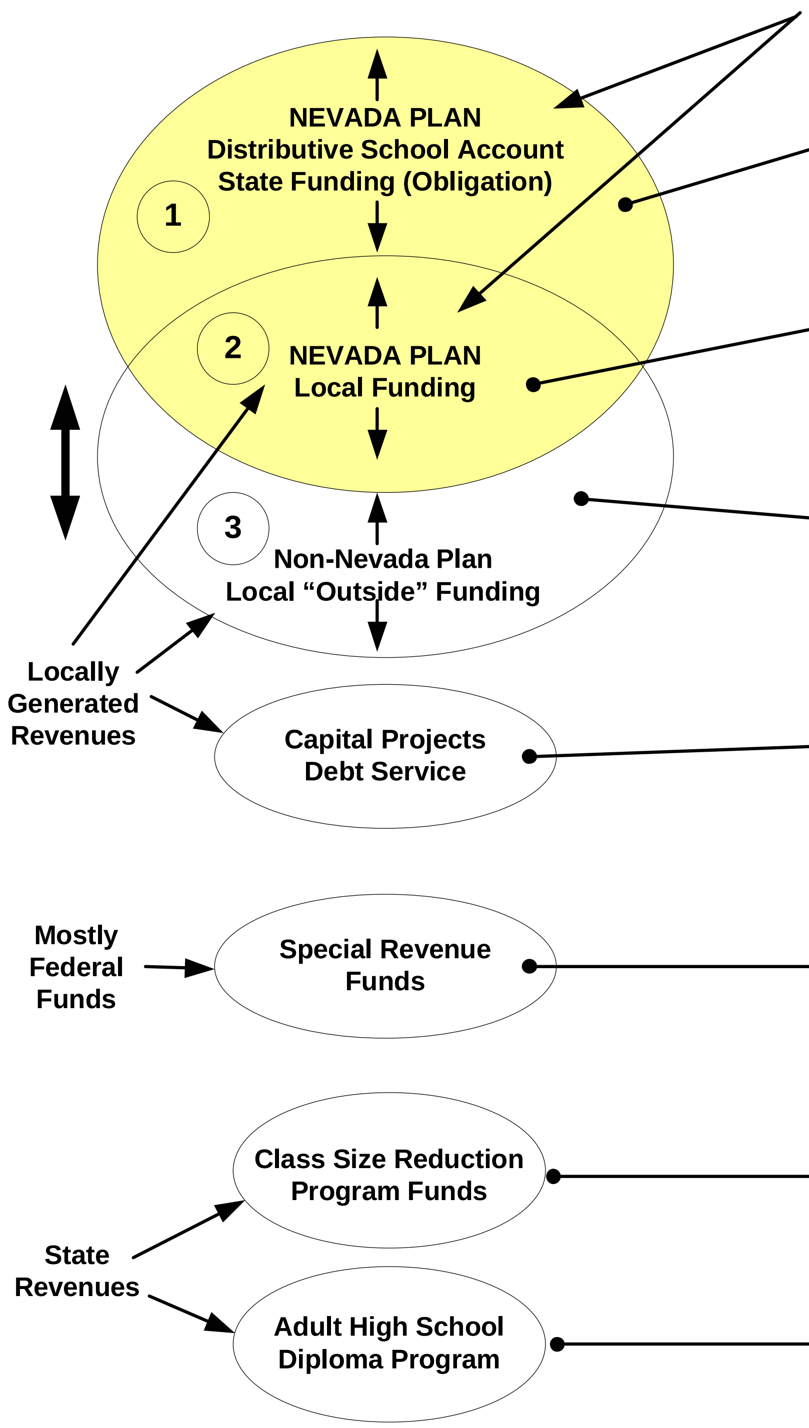
Title Assistant Budget Director

# THE FUNDING OF K-12 PUBLIC SCHOOLS IN NEVADA

## The “Nevada Plan” and Distributive School Account (DSA)

### NEVADA PLAN

**State Guaranteed Basic Support**




**1. Distributive School Account Funding:**
[1] State General Fund
[2] Out-of-State LSST (2.25%)
[3] Annual Slot Machine Tax (portion)
[4] Federal Mineral Lease Revenue
[5] Interest from Permanent School Fund

**2. Nevada Plan Local Funding:**
[1] Local School Support Tax (2.25%)
[2] Ad Valorem Property/Mining Tax (1/3 PSOPT)

PSOPT = Public Schools Operating Property Tax

**3. Non-Nevada Plan “Outside” Funding:**
[1] Ad Valorem Property/Mining Tax (2/3 PSOPT)
[2] Governmental Services Tax (formerly MVPT)
[3] Franchise Taxes
[4] Unrestricted Federal Revenue–Impact Aid
[5] Interest, Tuition, and Other Local Revenue
[6] Opening General Fund Balance

**Capital Projects/Debt Service:**
[1] General Obligation Bonds
[2] “Pay-as-You-Go” Financing Programs
[3] Ad Valorem Tax Assessments
[4] Governmental Services Tax

**Special Revenue Funds:**
[1] ESEA — No Child Left Behind (NCLB) Act*
[2] Nutrition Programs
[3] Special Education Programs
[4] Career & Technical Education
[5] State School Improvement
* Titles I, II, IV, V and VI

**Class Size Reduction Program Funds:**
[1] State General Funds

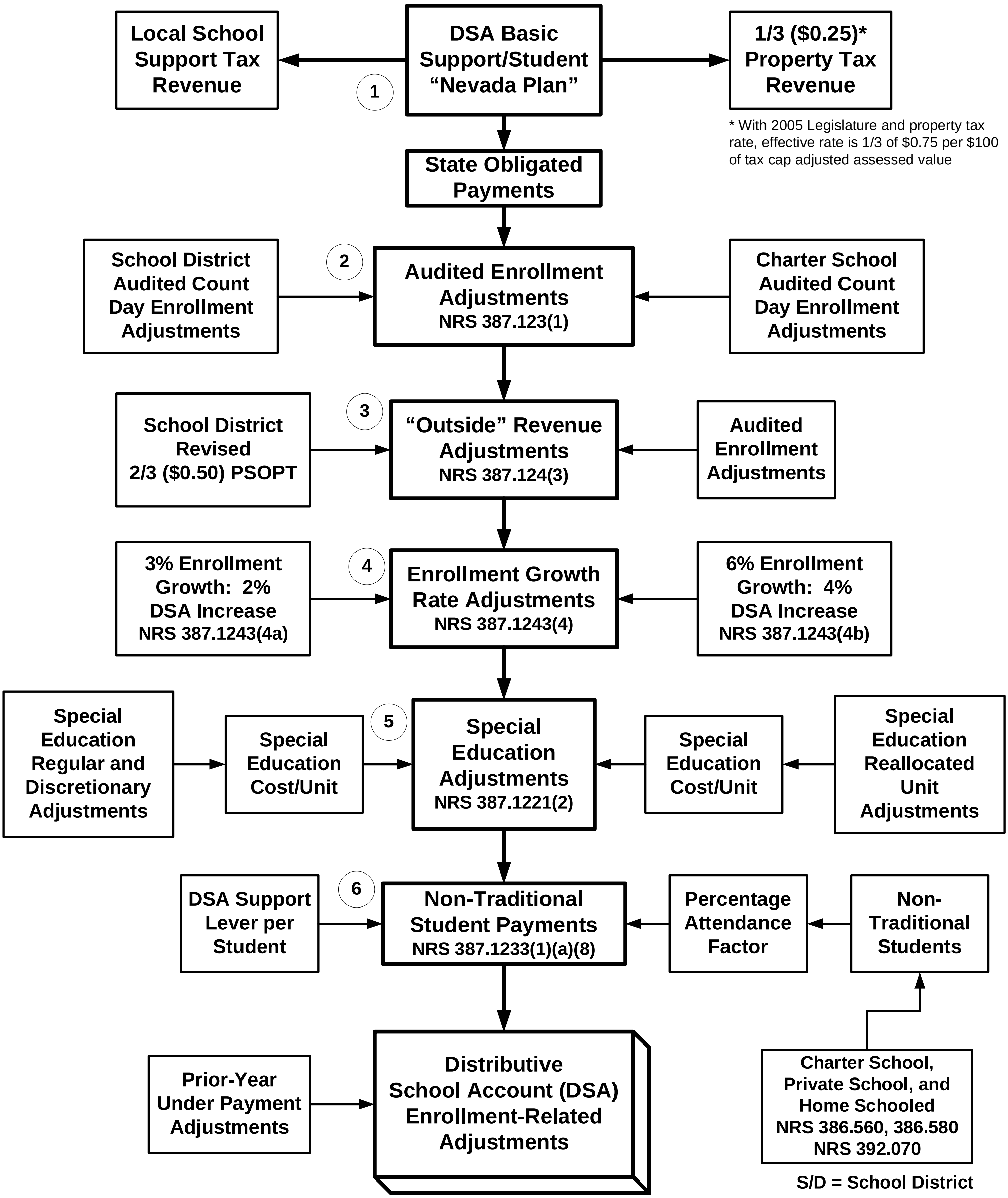
**Adult High School Diploma Program**
[1] State General Funds

**Funding Breakout by State, Local, Federal Tax Revenues (approximate):**
[1] State - 40%
[2] Local - 55%
[3] Federal - 5%

**Funding Breakout by Category:**
[1] Sales Taxes - 50%
[2] Property (Ad Valorem) Taxes - 19%
[3] Gaming Taxes - 15%
[4] Federal Programs - 5%
[5] Estate Tax - 0.7%
[6] Mining Tax - 0.3%
[7] Other Revenue Sources - 10%

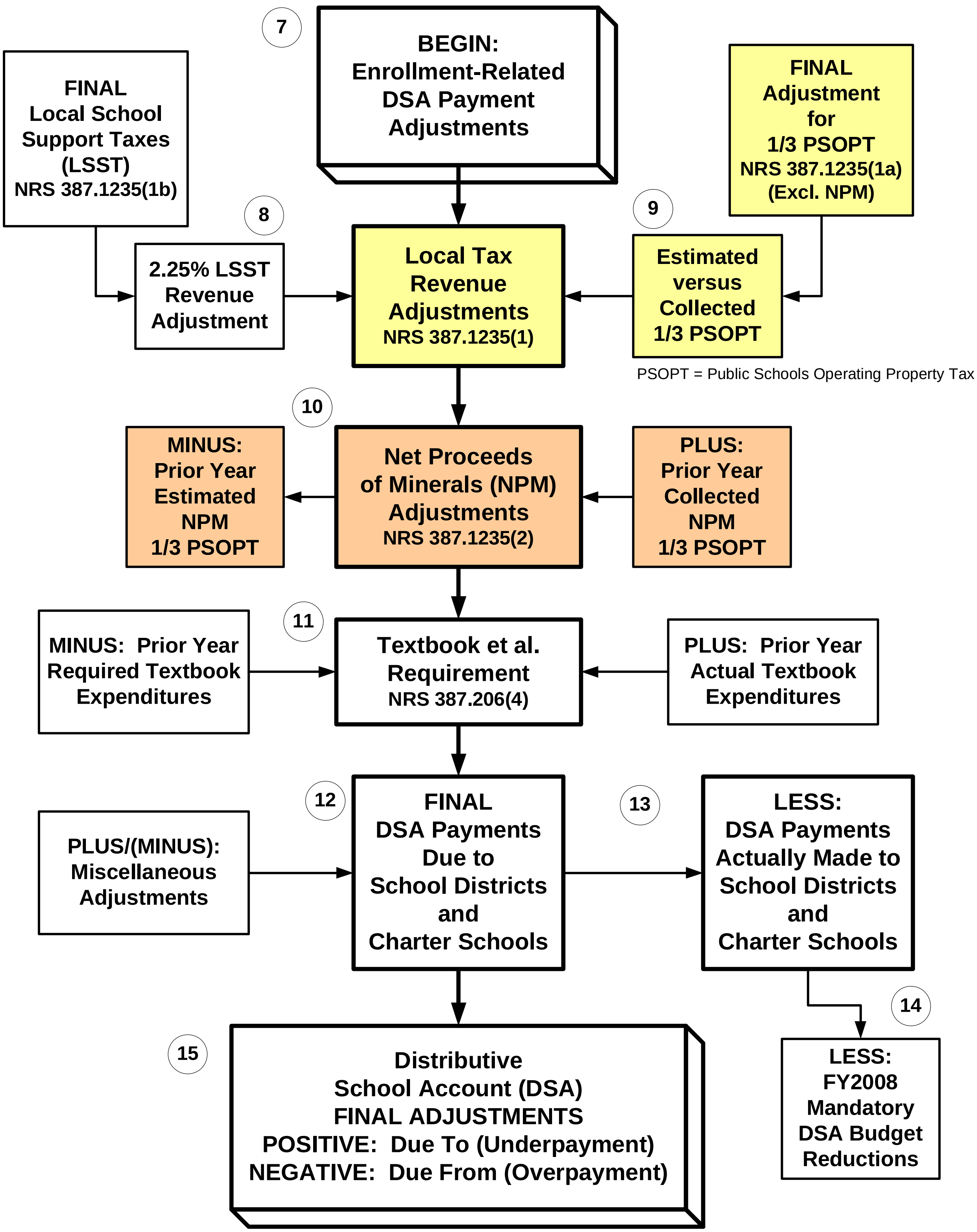
# Distributive School Account (DSA) Adjustment Model

## Part 1 - Enrollment-Related Adjustments

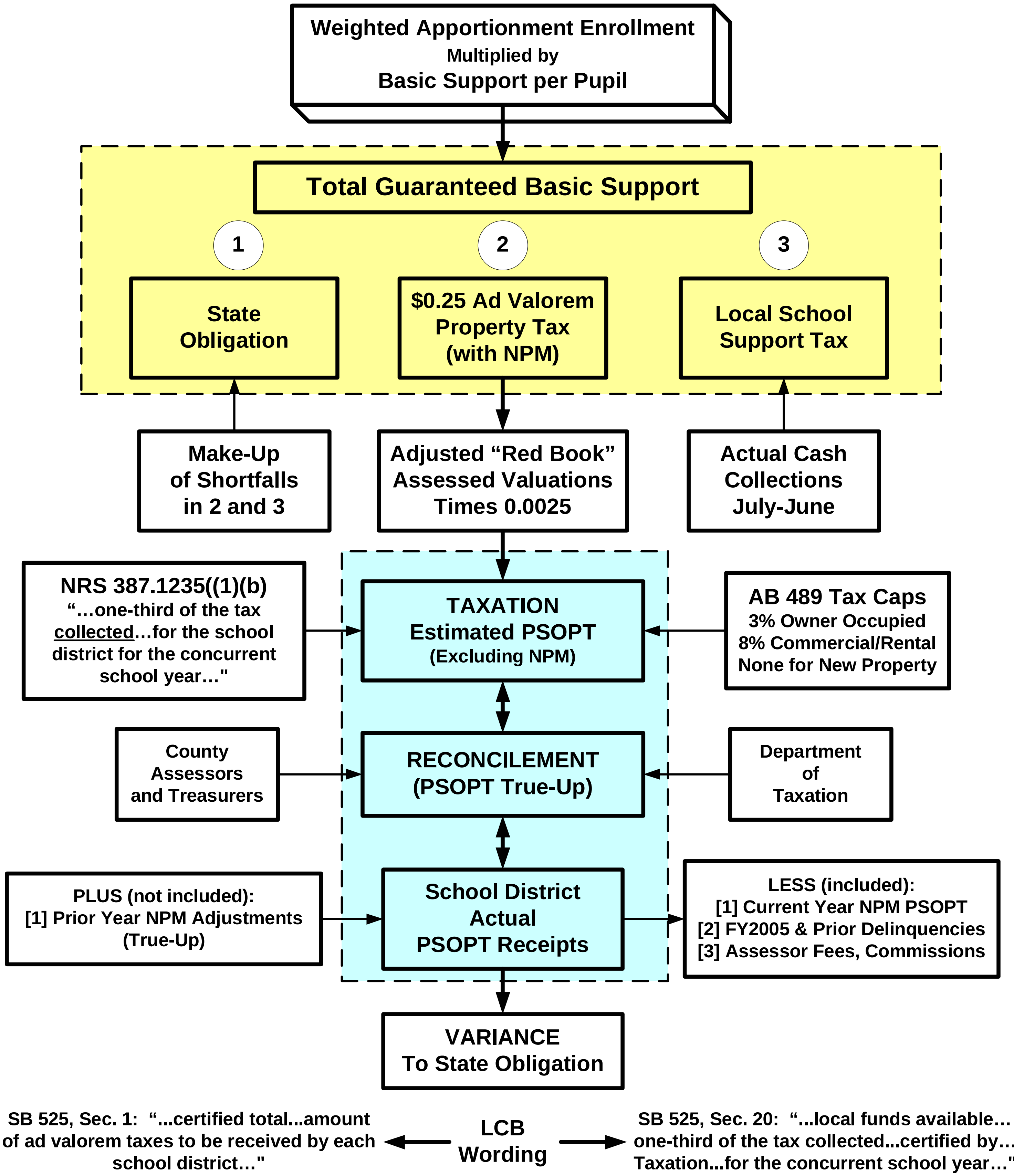


# Distributive School Account (DSA) Adjustment Model

## Part 2 - Local Revenues, Net Proceeds of Minerals. and Textbook Expenditure Adjustments



# Basic Support Guarantee True-Up of PSOPT




PSOPT = Public Schools Operating Property Tax; replaces the the School District $0.75 Ad Valorem Property Tax on Assessed Valuation