

# Mill Levy Override Fact Finding Committee

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Report to the  
Lewis-Palmer Board of Education  
June 14, 2007

## 2007 MLO Fact Finding Committee

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## Goal

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- To provide the BOE and the community with a clear understanding of the information related to a possible mill levy override

## Objectives

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- #1 High School Funding:
  - Identify funds needed for two high schools
  - Offer suggestions for alternative funding opportunities
- #2 Teacher Recruitment & Retention
  - Analyze teacher compensation in relation to comparable districts
  - Suggest possible solutions to recruit & retain teachers

## #1 - High School Funding

- Estimates assume program elements at PRHS are comparable to LPHS
- Additional cost to run two high schools:
  - 2008 \$1.8 million
  - 2009 \$1.7 million
  - 2010 \$1.8 million
  - 2011 \$1.7 million

	2008	2009	2010	2011
Staff	\$1,184,700	\$1,321,490	\$1,636,560	\$1,789,550
Co-curricular	\$415,676	\$415,676	\$415,676	\$415,676
Transportation	\$240,000	\$240,000	\$240,000	\$240,000
Other	\$182,300	\$182,300	\$182,300	\$182,300
- Growth \$	\$(231,635)	\$(463,271)	\$(694,906)	\$(826,541)
<b>Total</b>	<b>\$1,791,040</b>	<b>\$1,696,195</b>	<b>\$1,779,630</b>	<b>\$1,700,985</b>

## HS Funding Possibilities

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- Increase average student/teacher ratio at HS
  - Reduce one department planning period by 1/2 (Teacher workload increases by one additional class for one semester per year.)  
= \$412,500
  - Change HS schedule to eliminate one department planning period altogether (1 more class per year per teacher) at HS  
= \$825,000

## HS Funding Possibilities

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- Reduce planning periods at Middle Schools
  - Reduce time by 1/2 period = \$270,825
  - Eliminate one planning period = \$ 541,650

## Considerations in Reducing Planning Time

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- Find alternatives to support PLCs
- 16.5 teachers at HS
- 10.8 teachers at Middle Schools

## HS Funding Possibilities (cont.)

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- Increase average classroom size at High School
  - 1 student = - 4 teachers = \$240,000
- Increase classroom size at Middle Schools
  - 1 student = - 2 teachers = \$100,000

## HS Funding Possibilities (cont.)

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- Use reserves to fund opening year(s)

## HS Funding Possibilities (cont.)

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- Mill levy override \$1.5 million combined with other cost reduction measures
- Reduce co-curricular activities
- Transportation
  - Charge for transportation
  - Additional charge for field trips, etc.
  - Use older buses longer

## HS Funding Possibilities (cont.)

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- Postpone opening of PRHS campus
  - Alternative uses for campus?
  - Ongoing utilities & upkeep cost
    - \$286,000 for an open building

## #2 - Teacher Retention

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- LPSD teacher salaries rank 5<sup>th</sup> among 7 comparable school districts
- Moving to other districts is the #1 reason for teachers leaving LPSD for past 4 years (32 teachers)

	LP	Doug Co	D-20 Acad	D-49 Falcon	D-11 Colo Spgs	D-2 Harrison	D-12 Cheyenne Mtn.
Reg Sal.	31,100 (4 <sup>th</sup> )	31,995	31,674	30,611	30,494	31,632	31,000
Highest	71,040 (3 <sup>rd</sup> )	75,622	72,009	64,117	64,851	65,966	69,232
Reg. MA	33,920 (6 <sup>th</sup> )	35,645	36,298	34,925	32,276	35,862	35,000
MA + 40/42/45/48 15 yrs	52,660 (5 <sup>th</sup> )	65,531	54,073	50,459	54,427	52,080	53,444
Life BA	1,162,160 (6 <sup>th</sup> )	1,298,793	1,195,228	1,044,409	1,167,352	1,249,706	1,289,148
Life MA	1,248,960 (6 <sup>th</sup> )	1,427,978	1,311,434	1,168,289	1,265,566	1,249,706	1,289,148
Rank Overall	4 <sup>th</sup>	1	2	7	4	6	3
Rank Overall BA	5 <sup>th</sup>	1	2	7	4	6	3
Rank Overall MA	3 <sup>rd</sup>	1	2	7	4	5	3

4<sup>th</sup> = 1<sup>st</sup>      5<sup>th</sup> = 2<sup>nd</sup>      6<sup>th</sup> = 5<sup>th</sup> or 6<sup>th</sup>

## What Would it Take?

- Additional 4% pay increase would make LPSD competitive with Academy D-20, 6% would reach Douglas County
  - 4% = \$774,284
  - 6% = \$1,108,634
  - 7.5% = \$1,451,782
  
- This only considers current salaries...

... and this is on the way:

D-12 Cheyenne Mtn.	7.83%*
D-20 (in '08) Academy	15.42%**
D-2 Harrison	13.33%*
Doug Co ( in '08)	5.79%**

\* Estimated if all approved MLO funding for salaries is applied to teacher salary

\*\* Possible in 2008, based on potential MLO funding

## Possible Teacher Retention Solutions

- Mill Levy override specifically for teacher salaries
  - \$1.5 million
- Additional teacher benefits
  - Housing incentives, family health insurance premiums, merit pay, etc.
- Re-design salary schedule for additional compensation in earlier years
  - 8% = \$1.5 million
  - 15% = \$2.8 million

## Other Considerations

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- MLO Timing -2007 vs. 2008 or later?
  - Local political climate
  - Local elections
  - Statewide mill levy freeze
  - Economic factors, property values, etc.

## Other Considerations (cont.)

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- Ballot issue must be clear & specific
- Growth-protected mill levy increase
- Need for long-range capital investment plan

## Costs to Taxpayers

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- Key assumptions:
  - Average home value \$362,456 in FY 2007-08
  - Assessed valuation to increase 17.5% in FY 2007-08
  - Assessment ratio to remain at 7.96% of market value
  - State mill levy freeze = \$126

## Costs to Taxpayers 2007-2009

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- NO mill levy override (with State freeze)
  - \$126

## Costs to Taxpayers 2007-2009

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- If \$3 million MLO election in 2007:
  - \$3 million all at once = \$402
    - Note: only \$1.6 collected in first year due to mill levy constraint of 54 mills
  - Phase-in option
    - \$1.5 million in '08, \$1.5 million in '09 = \$305

## Costs to Taxpayers 2007-2009

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- If election in 2007, phased in:
  - \$1 million in 2008, \$2 million in 2009 = \$302
- If election in 2007, \$1.5 million only: \$219

## Costs to Taxpayers 2007-2009

- If election in 2008:
  - \$3 million MLO = \$404
  - \$1.5 million MLO = \$199

## Comparable Costs to Taxpayers for MLO (2007-2009)

	2007 Election	2008 Election
No MLO	\$126	n/a
\$1.5 million	\$219	\$199
\$3 million (\$1.5 million in 2007, \$1.5 million in 2008)	\$305	n/a
\$3 million (\$1 million 1 <sup>st</sup> year, \$2 million in second year)	\$302	n/a
\$3 million	\$402 <small>(only \$1.5 million collectable in 1<sup>st</sup> year with 54 mill constraint)</small>	\$404

## Summary

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- Additional HS operation cost \$1.7 million
  - Funding options include program reductions, use of reserves, or postponement of PRHS
- Teacher retention efforts \$1.5 million
  - Alternatives include MLO, salary schedule, benefits
- In addition to funding needs, timing and political climate are factors