

Matters Pertaining to Revenues Derived from Mil Levy Override Elections

Presentation to the
Douglas County School District's Board of Education

March 2, 2010

History of MLO in DCSD

- Successful mil levy override elections were held in 1989 (\$2M), 1997 (\$9.7M), 2003 (\$17M) and 2006 (\$5M).
- The total amount of revenue derived from MLO's is \$33.7M.
- Each MLO question approved by the electorate was crafted to provide monies for broadly stated educational pursuits in dollar amounts greater than would otherwise be available through the school finance act and such revenues were not restricted as to their use by program or entity.

How MLO Revenues are Shared with Schools Chartered by the DCSD Board of Education

Election Year	Dollar Amount	Charter Share
1989	\$2M	\$0
1997	\$9.7M	\$0
2003	\$17M	\$251/student for 5 charter schools then in existence
2006	\$5M	\$60/student for 7 charter schools then in existence; plus additional \$ annually computed for World Language & Literacy

Considerations for Allocation of MLO Revenue

Charter's Perspective	District Perspective
Lease Expense from PPR	Cost of Entire K-12 System (vs. K-8)
Purchased Services ~ Prescribed Choice	Purchased Services ~ Subsidized Cost
Students Transition into DCSD's High Schools	Transportation funded at 25% by state
Add seat capacity to DCSD	Special Education costs exceed PPR & support
	Athletics cost additional

Proposal for Allocation of MLO Revenues

- All revenues derived from all mil levy overrides shall be allocated on an equal, per-pupil basis for all students within the Douglas County School system.
- Beginning with FY2010-11, the calculation of such a per-pupil allocation shall be incorporated into all requisite budget documents leading up to the Board's approval of the District's annual Financial Plan and Budget.
- The dollar allocation shall include all students chartered by the Douglas County School Board except such calculations shall not include On-Line students.

Proposal for Allocation of MLO Revenues

- Utilizing the methodology proposed above, but recognizing the significant revenue shortfalls impacting school finance state-wide, the allocation will be phased in over 3-years.

2010-11	2011-12	2012-13
1/3 of charter MLO	2/3 of charter MLO	3/3 of charter MLO

- However, in no event for FY10-11 should the 1/3 distribution result in any individual charter school receiving less override money than they would have received through the current distribution methodology.

Proposal for Allocation of MLO Revenues

<i>Estimated</i> Per Pupil Allocation Comparing Current Methodology to Proposed		
	2009-10	2010-11
5 charters from '03	\$351	\$351
2 additional charters in '06	\$100	\$212
1 new charter since '06	\$ 0	\$212

- Estimated annual impact
 - FY2010-11: \$400,000
 - FY2011-12: \$550,000
 - FY2012-13: \$550,000

Proposal for Allocation of MLO Revenues

- In the event there is a successful MLO election prior to November 2011, then the full 100% of all prior MLO monies would be shared in the then current fiscal year.
- In the event of a successful MLO election at any future date, it is the express intent of this Board that all future MLO revenues be shared on an equal, per-pupil basis upon receipt by the District.