

**Boulder Valley School District RE-2  
Ballot Issue**



**League of Women Voters®  
of Boulder County**

*The League of Women Voters is not responsible for the accuracy or fairness of the arguments of either side.*

**BVSD BALLOT ISSUE 3A  
MILL LEVY OVERRIDE**

SHALL BOULDER VALLEY SCHOOL DISTRICT RE 2 TAXES BE INCREASED BY \$22,500,000 DOLLARS IN 2010 FOR COLLECTION IN THE 2011 CALENDAR YEAR, AND BY SUCH AMOUNTS AS MAY BE COLLECTED ANNUALLY THEREAFTER BY THE IMPOSITION OF A MILL LEVY WHICH GENERATES REVENUE, WHICH TOGETHER WITH THE REVENUES PRODUCED BY PREVIOUS VOTER AUTHORIZED TAX INCREASES OF THE DISTRICT UNDER 22-54-108, C.R.S., AS AMENDED, IS NOT GREATER THAN TWENTY-FIVE PERCENT OF THE DISTRICT'S TOTAL PROGRAM FUNDING PLUS SUPPLEMENTAL COST OF LIVING ADJUSTMENT, TO BE USED FOR GENERAL FUND PURPOSES, WHICH MAY INCLUDE BUT ARE NOT LIMITED TO:

- RESTORING CRITICAL BUDGET CUTS;
  - MITIGATING FUTURE BUDGET CUTS;
  - SUPPLEMENTING TEACHER AND STAFF COMPENSATION;
  - FUNDING EARLY CHILDHOOD EDUCATION PROGRAMS;
- AND SHALL SUCH INCREASE BE AN ADDITIONAL PROPERTY TAX MILL LEVY IN EXCESS OF THE LEVIES THE DISTRICT IS OTHERWISE AUTHORIZED BY LAW TO IMPOSE; AND SHALL THE DISTRICT BE AUTHORIZED TO COLLECT, RETAIN AND SPEND ALL REVENUES FROM SUCH TAXES AND THE EARNINGS FROM THE INVESTMENT OF SUCH REVENUES AS A VOTER APPROVED REVENUE CHANGE AND AN EXCEPTION TO THE LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

**Background**

In Colorado, funding for a school district's Total Program is calculated starting with a base per-pupil amount and making adjustments that reflect specific characteristics of the district. Local revenue sources from property taxes and specific ownership taxes (paid as part of the vehicle registration process) provide the local share of Total Program. Where the local sources are insufficient, state money, primarily from state income tax and sales and use taxes, makes up the difference. A school district that desires to spend more revenues than its Total Program amount must seek voter approval for "override" revenues which come from increased property tax via an additional mill levy. The approval of override revenues does not affect the state share funding that the district receives. In the Boulder Valley School District (BVSD) voters have already approved override revenues of \$32.6 million annually, or roughly 16% of current Total Program.

Because of decreased state revenues, the state's allocation for K-12 funding was reduced in 2010-2011, and the state funding formula includes a new factor which reduces most districts' Total Program amount by 6.35%. Further reductions in state funding are expected in 2011-2012. BVSD cut \$11.7 million in classroom funding for 2010-2011 and more cuts are expected to bring expenditures in line with lower revenues.

**Major Provisions**

Proposal 3A will raise property taxes in the BVSD, with resultant revenues to be used for general educational programs and district operating expenses. (In contrast, revenues from the bond redemption mill levy may be spent only for capital/building needs). The proposal will increase the property tax mill levy so that BVSD's override revenues equal the maximum allowed, 25% of Total Program set by the state's funding formula. The increase per \$100,000 of property value would be about \$37 for residential and \$133 for commercial. Estimated additional revenue for the first year, 2011 (collected in 2012), is \$22.5 million. The BVSD mill levy would be adjusted every year in such a way that override revenues come up to 25% of the amount given by the Total Program funding formula.

If Issue 3A passes, the district will use the additional revenue to reverse recent budget cuts and to provide better compensation for teachers and staff, as spelled out in an agreement between the teachers' association and the school board. Additionally, BVSD will use at least \$5 million of the override revenues on expanding preschool and full-day kindergarten opportunities for low-income students.

### **Those IN FAVOR say**

- Without this measure the BVSD will have to make additional cuts in classroom funding, increasing student-teacher ratios and class sizes.
- The proposal allows BVSD to provide competitive salaries, and to keep up with rising costs of benefits (health care, retirement).
- The proposal supports the expansion of early childhood education. BVSD has a wide gap in academic achievement between low-income students and their peers, wider than other districts in the metro area. Research shows that investing in early childhood education is the best way to close that gap; moreover, such investment returns to taxpayers at least \$4 for every \$1 invested.
- Passage of 3A will improve property values by maintaining our top-ranked schools, thus keeping our communities desirable as places for families and businesses to locate.
- Compared to other states, Colorado ranks near the bottom in per-pupil spending. Over the long term under the provisions of 3A, the BVSD will be able to prepare our kids for the high-quality, high-paying jobs of the future.

### **Those OPPOSED say**

- By seeking a 25% override relative to the school funding formula, the district is undermining the goal of equitable funding for students across Colorado, even those who live in less affluent communities.
- There is no sunset (expiration date) built into this measure. If 3A passes and the state puts more towards K-12 funding, an even greater tax burden will be imposed on local property owners.
- With high unemployment and declining property values through much of the district, this is not the time to raise our taxes. • The subcommittees of the Superintendent's Budget Advisory Committee submitted their recommendations in June 2010. Instead of asking taxpayers for more money now, district administration should first follow those recommendations, eliminate waste and inefficiencies, and see that BVSD gets the most bang for the buck with current revenues.
- BVSD is not leaving any cushion to ask for more funds if the economy gets yet worse, and it is not allowing for a decrease in the mill levy if state revenues pick up.