

THE STATE OF LPS: MOVING FORWARD IN A PANDEMIC

LITTLETON
PUBLIC 
SCHOOLS

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FALL 2020

CLOSED CAPTIONING

Due to limited availability of screen space when hosting a meeting virtually, closed captioning for this presentation will be added to the archived meeting video prior to being uploaded to the district's website.

This meeting will not be captioned in real-time.

**HOW THE YEAR IS
GOING SO FAR**

**LITTLETON
PUBLIC SCHOOLS**



RESTART 2020–2021

LPS students, teachers, and administrators are back with overlapping extensive health and safety protocols in place. LPS continues to monitor Arapahoe County COVID-19 data and uses it to work with Tri-County Health Department and to guide decisions about changing learning models in response to changes in the data.

Learning Models

- ❖ In-person learning at all elementary schools
- ❖ Hybrid/blended learning at all middle and high schools
- ❖ Remote learning at all levels
- ❖ Temporary Online Program for Students (TOPS)



Back to School 2020-2021

SCHOOL BOUNDARY CHANGES FOR 2021–2022

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SCHOOL BOUNDARY CHANGES

- ❖ [Updating boundaries in order to:](#)
 - Address the growing transportation challenges
 - Provide boundaries for the new elementary schools being built for the Ames neighborhood and the combined Highland/Franklin neighborhood
 - Better balance enrollment between Newton and Powell middle schools
- ❖ Approved by the Board of Education at their regularly scheduled August 27, 2020 meeting
- ❖ Effective in the fall of 2021 for the 2021–2022 school year
- ❖ Next steps
 - Communicating new boundaries to LPS families during the 2020–2021 school year
 - Transportation department designing new routes during the 2020–2021 school year

ONGOING BOND PROJECTS

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ONGOING BOND PROJECTS

- ❖ New elementary school serving Ames neighborhood opening fall 2021
- ❖ New Newton Middle School opening fall 2021
- ❖ New elementary school serving combined Highland/Franklin communities opening fall 2022
- ❖ Other ongoing work includes:
 - Projects to increase accessibility
 - Projects designed to prolong the life of aging district facilities according to need by addressing the backlog of projects not considered health and safety priorities

ELEMENTARY SCHOOL AT AMES FLYOVER

SEPTEMBER 3, 2020



NEWTON MIDDLE SCHOOL FLYOVER

AUGUST 26, 2020



ONGOING BOND PROJECTS





LPS BUDGET CHALLENGES: HOW DID WE GET HERE?



BUDGET STABILIZATION FACTOR: IMPACT TO LPS

2009–2010 (Year 1: mid-year cut)	\$	(2,410,957)
2010–2011 (Year 2: state budget stabilization factor)		(10,949,491)
2011–2012 (Year 3: negative factor)		(13,829,263)
2012–2013 (Year 4: negative factor)		(17,791,090)
2013–2014 (Year 5: negative factor)		(17,343,058)
2014–2015 (Year 6: negative factor)		(14,917,613)
2015–2016 (Year 7: negative factor)		(13,965,917)
2016–2017 (Year 8: negative factor)		(13,703,273)
2017–2018 (Year 9: negative factor)		(13,548,124)
2018–2019 (Year 10: budget stabilization factor)		(10,886,553)
2019–2020 (Year 11: budget stabilization factor)		(9,112,586)
2020–2021 (Year 12: budget stabilization factor; projected)		(18,511,691)
Total Lost Revenue 2009–2021	\$	(156,969,617)
Statewide Total Impact to Education 2009–2021	\$	(9,313,576,848)



LACK OF STATE FUNDING DRIVING LPS BUDGET CUTS AND LOCALLY PASSED ELECTIONS

1988	\$3 million mill levy passed to supplement the general fund
1992–1993	\$1.7 million in cuts
1993–1994	\$2.6 million in cuts
1994–1995	\$1.3 million in cuts
1995	\$44.3 million bond election passed for capital improvements only (cannot supplement general fund)
1995–1996	\$3 million in cuts
1997	\$5 million mill levy passed to supplement the general fund
2001–2002	\$3 million in cuts
2002	\$85.4 million bond election passed for capital improvements only (cannot supplement the general fund)
2004–2005	\$3.5 million in cuts
2004	\$6.5 million mill levy passed to supplement the general fund



LACK OF STATE FUNDING DRIVING LPS BUDGET CUTS AND LOCALLY PASSED ELECTIONS (CONTINUED)

2008–2009	\$1.5 million in cuts; \$1.5 million from reserves; \$532,000 mid-year rescission
2009–2010	\$4 million in cuts
2010–2011	\$7.5 million in cuts
2010	\$12 million mill levy passed to supplement the general fund
2011–2012	Largest cuts to K–12 funding in Colorado history; mill levy funds used to backfill more than \$5 million in cuts from the state
2013	\$80 million bond election passed for capital improvements only (cannot supplement the general fund)
2018	\$298 million bond election passed for capital improvements and new construction (cannot supplement the general fund)
2020–2021	\$4.2 million in cuts
2021–2022	\$12 million in cuts projected

2020–2021 BUDGETING CHALLENGES AND UNKNOWNNS

- ❖ Actual 2019–2020 end-of-year financial results
- ❖ Actual costs to restart school
- ❖ Actual October 1st enrollment
- ❖ Potential mid-year recission from the state
- ❖ One-time federal funding from CARES Act not available in 2021–2022, which will lead to future budget reductions
- ❖ Potential school closures during the school year due to COVID-19 and associated costs
- ❖ Actual unemployment costs



2020–2021 UNFUNDED COVID-19 COSTS (ESTIMATED)

TOPS Program	\$	4,500,000–5,000,000
PPE, signage, furniture storage containers, dumpsters, HVAC supplies, and additional utility costs	\$	300,000–500,000
Healthy Family and Workplace Act	\$	250,000–500,000
Employee COVID-19 testing (estimated total for six months)	\$	150,000
Nutrition services and SACC employee costs if continue to pay during remote learning (\$500,000/month)	\$	6,000,000
Other unknown costs		?

UPDATED 2020–2021 FINANCIAL PROJECTIONS WITH COVID-19 COSTS*

Beginning Fund Balance, Unaudited \$23,804,061

Revenues Before School Finance Act (SFA)	163,628,046
SFA Increase	2,423,040
Budget Stabilization Reduction	(9,320,361)
SFA Decrease, Less Funded Students	(900,061)
Total Budgeted Revenue	<u>155,830,664</u>

Expenditures Before Increases (Reductions)	169,542,988
Health Insurance Increase	100,000
PERA Increase	500,000
Salary Increase	0
Budget Cuts	(4,222,966) *ongoing
Reduce Transfer to Capital Projects	(1,000,000) *one-time
Reduce Transfer to Risk Management	(600,000) *one-time
Reduce Coronavirus Relief Fund Expenditures	(6,600,000) *one-time
COVID-19 Expenditures	<u>5,000,000</u>
Total Budgeted Expenditures	<u>162,720,022</u>

Net Change in Fund Balance (6,889,358)

Ending Fund Balance \$16,914,703

Composition of Fund Balance:

Unassigned Fiscal Stability	\$539,163
Unassigned Board Policy	7,400,906
Restricted TABOR	5,060,000
Assigned Budget Carryover	3,439,346
Non-Spendable Inventory	475,288
Total Fund Balance	<u>\$16,914,703</u>

Changes from prior projections:

1. Increased beginning fund balance.
2. Lowered SFA revenue for lower students.
3. Increased COVID-19 expenditures.
4. Increased TABOR reserve per audit requirements.

*Information on this slide is changing frequently and may be different from one virtual presentation to the next.

2020–2021 BUDGET REDUCTIONS

Savings Measures	Budgeted Savings
Department staffing reductions	
Retirements	\$ 842,036
Eliminations	706,196
Current vacant positions (not planning to fill)	178,573
Staffing reduction 0.5 FTE (secondary) and 0.25 FTE (elementary)	658,125
One-day reduction year-round classified staff	22,366
Two-day reduction year-round administrative staff	133,302
One-day reduction other administrative staff	27,321
One-day reduction certified staff	352,976
Reduction of transfer to Capital Projects/Risk Management Fund	750,000
Nutrition Services payment for overhead	100,000
Increase SACC overhead from 4% to 7%	134,448
Reduction of transfer to Athletic and Activities Fund	250,000
Drivers Ed increase contribution to General Fund	50,000
Eliminate Energy Manager software	11,323
Eliminate Skyview software	6,300
Total	\$ 4,222,966
Facility rental fees (estimated; therefore not included in total)	\$ 130,000

2021–2022 FINANCIAL PROJECTIONS*

	2021-2022 Projection 1% PPR Increase No Change to BS Factor	2021-2022 Projection 1% PPR Increase \$5 Mill BS Reduction		2021-2022 Projection 1% PPR Increase No Change to BS Factor	2021-2022 Projection 1% PPR Increase \$5 Mill BS Reduction
Beginning Fund Balance	\$16,914,703	\$16,914,703	Composition of Fund Balance:		
Revenues	156,730,725	156,730,725	Unassigned Fiscal Stability	\$0	\$0
SFA Increase	1,120,558	1,120,558	Unassigned Board Policy	1,979,632	0
Budget Stabilization Reduction	0	(5,000,000)	Restricted TABOR	5,060,000	2,039,632
Budgeted Revenue	157,851,283	152,851,283	Non-Spendable Inventory	\$475,288	\$475,288
Expenditures	165,920,022	165,920,022	Total Fund Balance	<u>\$7,514,920</u>	<u>\$2,514,920</u>
Health Insurance Increase	1,331,044	1,331,044			
Budgeted Expenditures	167,251,066	167,251,066			
Net Change in Fund Balance	(9,399,783)	(14,399,783)			
	120 staff positions 7% of GF staff	184 staff positions 11% of GF staff			
Ending Fund Balance	<u>\$7,514,920</u>	<u>\$2,514,920</u>			

*Information on this slide is changing frequently and may be different from one virtual presentation to the next.

2021–2022 BUDGETING UNCERTAINTIES

- ❖ Actual 2020–2021 end-of-year financial results
- ❖ Actual October 1st enrollment
- ❖ Additional state funding reductions
- ❖ Additional COVID-19 costs
- ❖ Employee compensation
- ❖ Health insurance rate increases
- ❖ Availability of fund balance to help balance the budget



POSSIBLE 2021–2022 BUDGET BALANCING OPTIONS (TO DEMONSTRATE MAGNITUDE OF BUDGET CRISIS)

Reduction Possibilities	Estimated Savings
Shorten school year and reduce all employee pay by 10 days	\$ 6,000,000
Reduce transportation services by 50%	3,100,000
Reduce teacher support and instructional coaches	2,800,000
Reduce safety, security, and social and emotional services by 50%	1,000,000
Further reduce all employee pay by 2%	2,200,000



POSSIBLE 2021–2022 BUDGET BALANCING OPTIONS (TO DEMONSTRATE MAGNITUDE OF BUDGET CRISIS) (CONTINUED)

Program Reduction Possibilities	Estimated Savings
Increase class size by changing the staffing formula by 5% or a reduction of 30 full-time equivalents (FTEs)*	\$ 2,900,000
Reduce or eliminate the Options Secondary, Phoenix, Voyager, and NEXT programs	4,100,000
Reduce one FTE at each school for specials/electives (music, art, PE, etc.)	2,000,000
Eliminate district subsidy and increase fees for athletics and activities (football, marching band, softball, etc.)	1,600,000
Reduce or eliminate The Village preschool programs	1,400,000
Reduce or eliminate gifted and talented education (G/T)	1,000,000
Reduce or eliminate CTE (career/tech ed) programs	550,000

*One FTE is approximately equal to one teacher or two para-educators

POSSIBLE 2021–2022 BUDGET BALANCING OPTIONS (CONTINUED)

Revenue generation possibilities

- ❖ Wait for the State of Colorado to increase funding to K–12 (highly unlikely)
- ❖ Wait for a statewide election to increase funding to K–12 (highly unlikely)
- ❖ Placement of a debt-free schools mill levy override on November ballot
 - Passage would generate ≈ \$12M
 - Allows LPS community's input and involvement in the decision

Methodology

New Bridge Strategy conducted a survey among N=300 registered voters throughout the Littleton School District via email invitation to an online survey and live telephone interviews (both cellphones and landlines).

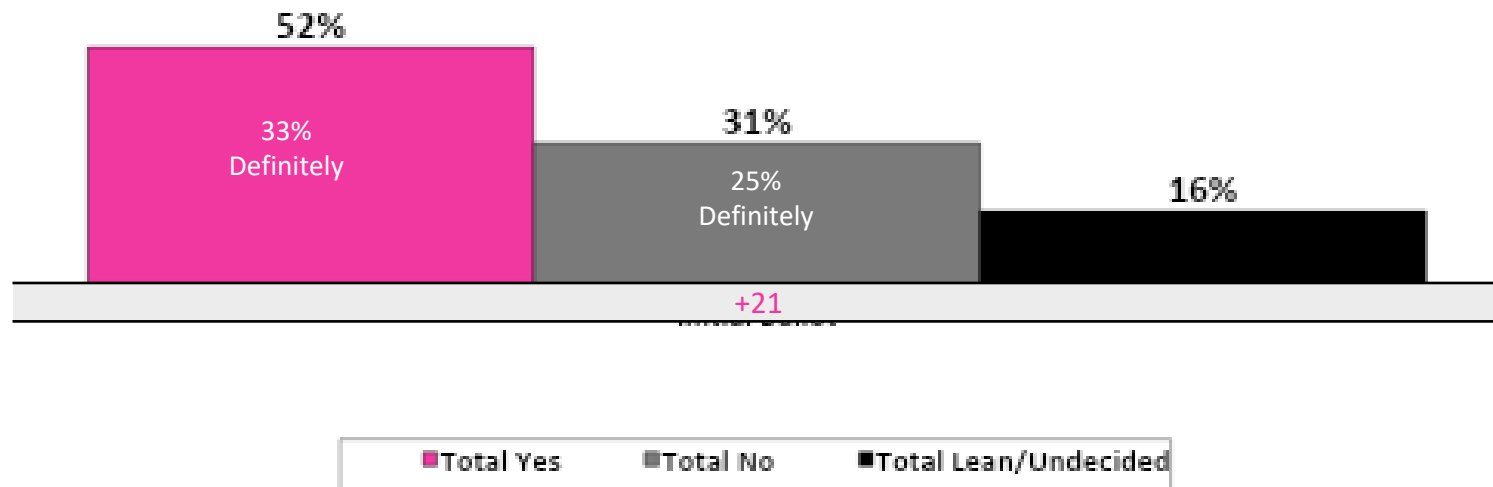
Interviews were conducted July 21–26, 2020 and were distributed proportionally throughout the district. Quotas were also set for key demographic sub-groups, such as gender and age.

The margin of error is $\pm 5.66\%$ for the overall sample. The margin of error will vary for sub-groups.

Comparisons are made to similarly conducted survey in February 2020.

A slim majority of voters support the debt-free schools ballot measure, which raises taxes by \$12 million.

Debt-Free Schools Measure



Please tell me if the election were being held today and this proposal was on the ballot, would you vote yes or no on that question?

Two-thirds of voters side with a rationale to help fund the needs of the school district, as opposed to dealing with cuts.

Some people say that Littleton Public Schools want our kids back in the classroom, but they also need to ensure that every child has the ability to learn remotely if necessary. Unfortunately, this need comes while the state of Colorado has had to slash funding, with Littleton schools expected to lose over nine million dollars it normally would have received. Especially in these tough times, we should pull together and invest in our community.

66%

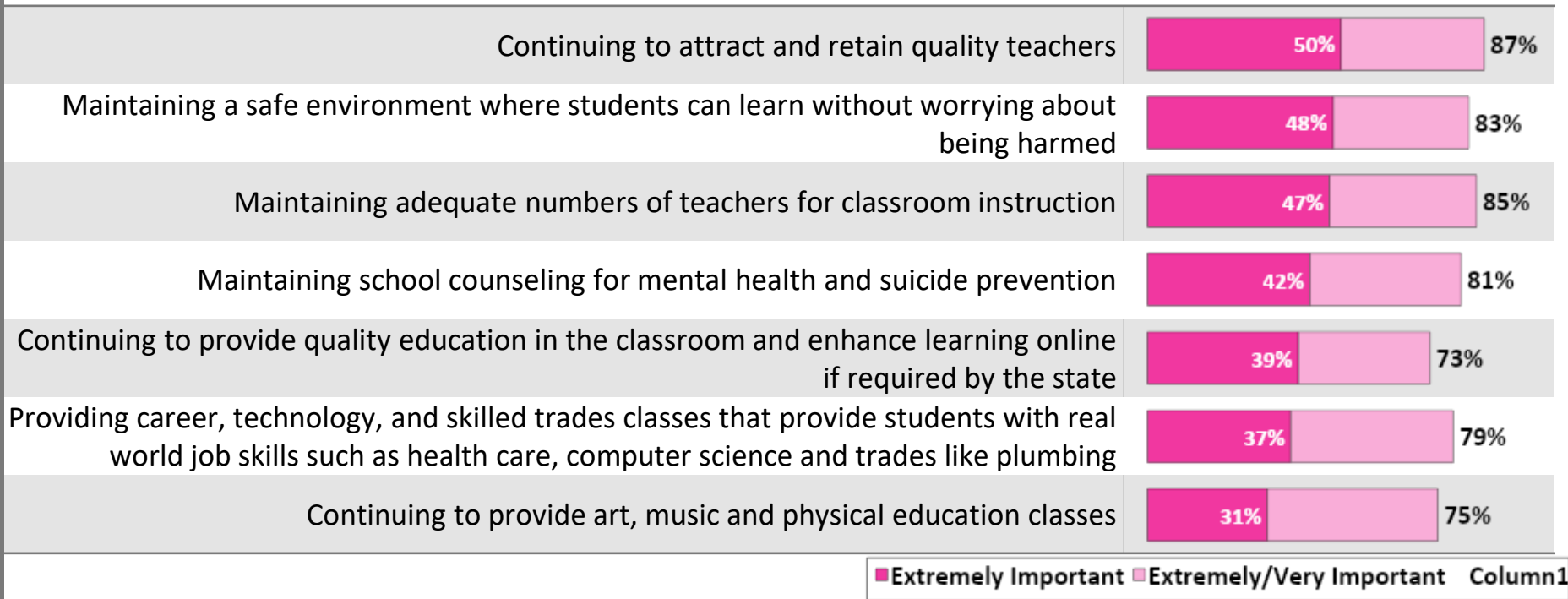
...while....

Other people say that many people are having to tighten their belts these days, and the school district should be no different. With the economy like it is, the district should not be asking taxpayers to sacrifice more, but should instead be cutting back, even if that means larger class sizes, fewer academic and extracurricular opportunities, or less time in the classroom.

28%

I'm going to read you a pair of statements, and please tell me which one comes closest to your own views, even if neither of the statements matches your views exactly.

All needs are viewed as important, but voters prioritize retaining quality teachers, safety and having adequate numbers of teachers.



Now, turning to some specific things which MIGHT be funded if a proposal is placed on the ballot in the future. Keeping in mind that it is difficult for everything to be equally important, please indicate how important each one of these is to you personally. Is it extremely important, very important, somewhat important, or not very important to ensure funding is dedicated to that purpose?

**DEBT-FREE
SCHOOLS MILL
LEVY OVERRIDE**

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DEBT-FREE SCHOOLS MILL LEVY BALLOT LANGUAGE

IN ORDER TO MAKE MORE GENERAL FUND REVENUES AVAILABLE FOR THE PURPOSES DESCRIBED BELOW, SHALL ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX (LITTLETON PUBLIC SCHOOLS) TAXES BE INCREASED BY \$12,000,000 IN 2020 FOR COLLECTION IN 2021 AND BY SUCH AMOUNTS IN ANY YEAR THEREAFTER AS MAY BE RAISED FROM A MILL LEVY OF UP TO 11 MILLS, PROVIDED THAT THE MILL LEVY FOR THE FIRST YEAR SHALL NOT EXCEED 6 MILLS AND NO MILL LEVY INCREASE FROM YEAR TO YEAR THEREAFTER SHALL EXCEED ONE MILL IN ANY PARTICULAR YEAR, AND PROVIDED FURTHER THAT SUCH MILL LEVY MAY BE INCREASED ANNUALLY SUCH THAT THE AMOUNT OF REVENUE PRODUCED BY SUCH MILL LEVY REFLECT THE PERCENTAGE INCREASE IN INFLATION, WITH THE EFFECT THAT MORE GENERAL FUND REVENUES WILL BE AVAILABLE FOR PURPOSES SUCH AS:

CONTINUING TO ATTRACT AND RETAIN QUALITY TEACHERS;

MAINTAINING SCHOOL COUNSELING FOR MENTAL HEALTH AND SUICIDE PREVENTION;

PROVIDING CAREER, TECHNOLOGY, AND SKILLED TRADES CLASSES THAT PROVIDE STUDENTS WITH REAL WORLD JOB SKILLS SUCH AS HEALTH CARE, SKILLED TRADES AND COMPUTER SCIENCE;

AND SHALL SUCH ADDITIONAL REVENUES FROM THIS TAX INCREASE, IMPOSED PURSUANT TO AND IN ACCORDANCE WITH SECTION 22-54-108.7, C.R.S., BE DEPOSITED INTO THE SUPPLEMENTAL CAPITAL CONSTRUCTION, TECHNOLOGY AND MAINTENANCE FUND AND USED FOR ONGOING CASH FUNDING FOR CAPITAL CONSTRUCTION, NEW INSTRUCTIONAL TECHNOLOGY, EXISTING TECHNOLOGY UPGRADES, AND MAINTENANCE NEEDS OF THE DISTRICT; AND SHALL THE DISTRICT BE AUTHORIZED TO INCREASE SUCH MILL LEVY BEGINNING IN TAX COLLECTION YEAR 2022 AND ANNUALLY THEREAFTER TO OFFSET PROPERTY TAX REFUNDS OR ABATEMENTS OR REDUCTIONS IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION?



EXPENDITURE CATEGORIES *before* DEBT-FREE SCHOOLS MILL LEVY ELECTION

General Fund

Instruction

- Elementary, middle, and high schools
- Alternative programs
- Special education
- Career/technical education (CTE)
- Charter schools

Support

- Learning services
- Human resources
- Transportation
- Financial services
- Operations and maintenance
- Technology

Transfers

- Risk management
- Student athletics and activities
- Capital projects



EXPENDITURE CATEGORIES *after* DEBT-FREE SCHOOLS MILL LEVY ELECTION

General Fund

Instruction

- Elementary, middle, and high schools
- Alternative programs
- Special education
- CTE
- Charter schools
- Continue to attract and retain quality teachers
- Maintain counselors and mental health support
- Maintain and expand programming, i.e., CTE

Support

- Learning services
- Human resources
- Transportation
- Financial services

Transfers

- Risk management
- Student athletics and activities

Operations Fund (Funded by new MLO)

Support for LPS and Charter Schools

- Operations and maintenance
- Capital projects
- Technology

PROJECTED PROPERTY TAXES TO RAISE \$12M

Debt-Free Schools
Operational Mill Levy Override
Projected 5.955 Mills

Actual property value	\$100,000	\$300,000	\$500,000	\$700,000
Annual property taxes (7.15%)	\$42.58	\$127.73	\$212.89	\$298.05
Cost per month	\$3.55	\$10.64	\$17.74	\$24.84

HOW TO CALCULATE PROPERTY TAXES

(this information is also located on the district's [Budget Matter\\$](#) page)

Formula

actual property value x assessment rate (set by the state)* = assessed value (AV)

AV x 1 mill levy (\$1 for every \$1,000 of AV) = property tax

property tax x number of mills = additional property tax due to mill levy override

* residential rate is 7.15%; non-residential rate is 29%

Example Home

\$100,000 x 7.15% = \$7,150.00 assessed value (AV)

\$7,150.00 x 0.001 = \$7.15 property tax

\$7.15 x 5.955 mills = \$42.58 additional property tax



Littleton is home to one of the top-ranked school districts in Colorado. Without passage of a local mill levy override, Littleton Public Schools will be forced to make severe cuts to programs impacting every student. With looming budget cuts of \$12 million in the 2021-2022 school year, there are no other options. We understand that this is not the most ideal time, economically and otherwise, to ask for help, but a quality education is what we have come to expect from LPS and we want to ensure that continues. More than ever, we need to come together as a community in support of 4C and keep our schools strong.

Email: citizens4lps@gmail.com

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Social Media:

- Facebook: [Citizens for Littleton Public Schools](#)
- Twitter: [@CitizensforLPS](#)
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QUESTIONS

