Legislators recently expressed appreciation and support for two school leaders who explained how they have contained costs in facilities at their school districts and collaborated with other districts.

The House Utilities and Telecommunications Committee invited David Banks, energy manager of Wichita USD 259, and Darin Headrick, superintendent of Greensburg USD 422, for an informational meeting.

With 51,000 students, Wichita is the largest school district in Kansas, and Greensburg, having to rebuild all of its facilities after the devastating 2007 tornado, may be considered the state’s newest school district.

Banks said Wichita has spent more than two decades developing an energy program that has drastically reduced water and natural gas consumption while becoming more efficient with electricity.

“As a result of changing systems, habits and commodity pricing strategies, the program has achieved $70 million in cost savings and cost efficiencies over a 22-year span,” Banks said.

In the 1993-94 school year, Wichita public schools consumed 283 million gallons of water at a cost of $450,000. Last year, it used 81 million gallons of water, although because of increased water and stormwater rates, that cost $788,000.

Electrical usage has nearly doubled since 1993, but that is because of the greater use of computers, from 1,000 to 43,000, and the increased use of air conditioning. Before 2000, most Wichita schools weren’t air conditioned.

Even with the increased electrical usage, however, Banks said the district has implemented efficiency strategies, such as the digital control of HVAC equipment and outside lighting and a stringent shutdown of buildings during the summer, holidays and weekends.

By being a member of the 47-school district cooperative Greenbush Energy Group, Wichita has saved up to 40 percent, or $25 million, on the cost of natural gas used to heat schools over 20 years.

Headrick, the superintendent of Greensburg, said the district’s ability to rebuild after the 2007 F5 tornado helped draw families back to the town that was leveled by the storm.

The new school building includes numerous efficiency and environmental features. The district also has a 50 megawatt wind turbine that produces nearly 10 percent of its needs.

But, he said, the biggest savings was in the use of polished concrete floors, which will require little maintenance.

While the school may have cost more than most new schools, he said officials looked at the costs for the 50 year to 70 year life of the building and were satisfied the building was the most cost-efficient.

“We are paying as little as possible for the best facility,” he said.

Both officials said that while they are trying to conserve and be as efficient as possible, rising water and electrical costs continue to be a problem during tight budget times.

~ Scott Rothschild, srothschild@kasb.org

Kansas Teacher of the Year Team: Left to right, Justin Coffey, Dodge City USD 443, Dodge City High; Shelly Jennings, Maize USD 266, Maize South Elementary; Nona Mason, Goodland USD 352, West Elementary; Kristoffer Barikmo, Blue Valley USD 229, Blue Valley High; Lucinda Crenshaw, Lawrence USD 497, West Middle School; Sheila Koup, Eureka USD 389, Eureka Junior-Senior High School; Anna Sahadeo, DeSoto USD 232, Riverview Elementary; and Jolene Pennington, Paola USD 368, Sunflower Elementary.
**KASB BoardDocs named top product**

BoardDocs® was recently named a “Top 100 Product of 2015” by District Administration readers. The national print and online publication is aimed at K12 district-level school leaders.

KASB and BoardDocs partner to bring this board management service to Kansas public education agencies. This is the sixth straight year BoardDocs has received this award recognizing K-12 education services and products that support educational innovation. The winners were selected by the editors of District Administration magazine from hundreds of nominations submitted by K-12 administrators.

BoardDocs is a turn-key electronic solution for processing virtually any type of governance document, including agenda items, supporting documents, policies, procedures and more. KASB endorses this affordable, state-of-the-art solution to manage and streamline the task of assembling, printing, distributing and revising board packets.

Last fall, the company released BoardDocs Plus for all new subscribers. The major service enhancement enables organizations with multiple public governing bodies to provide a comprehensive suite of services to each group.

For more information call KASB at (800) 432-2471 or visit www.boarddocs.com.

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**McFly looks at equity**

I love me some history. Having taught the subject to teenagers, I know that my enthusiasm isn’t shared by all. We have all heard some variation of the axiom “Those who forget the past are doomed to repeat it.” Goodreads website attributes various permutations of this wisdom to folks ranging from George Santayana to Lemony Snicket to Jesse “The Body” Ventura. The ever-cynical Kurt Vonnegut offered an admonishment saying, “I've got news for Mr. Santayana: We’re doomed to repeat the past no matter what.”

Let's see if we can’t change Kurt's mind. First, I will attempt to make history interesting by making this lesson about something near and dear to everyone: your money. Next I will outline the dangers of falling into the trap of time as a flat circle.

It is time to get started, so crank up the DeLorean and fire up the flux capacitor: We are headed for 1988. Ronald Reagan is president and a Bush is running for president. (Check that dial again: 1988? This seems like déjà vu.) Denver lost the Superbowl. OK, that’s good. Bono and U2 are at the top of the charts and “Rain Man” is playing at the Cineplex. An Islamic woman prime minister is serving in Pakistan.

Locally, Danny and the Miracles will win the National Championship. That’s the good news. The bad news is that if you live in the Spring Hill School District your General Fund school mill levy is 119.3 mills. But the good news is that if you live in the Burlington School District your local mill levy is 6.9 mills. That’s right, the range of mills necessary to support local schools ranged from 6.9 to 119 mills. The median mill levy was 53 mills.

In 1988, the highest five mill levies in Kansas were:

<table>
<thead>
<tr>
<th>District</th>
<th>1988 GF</th>
<th>2016 GF</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mills</td>
<td>Mills</td>
</tr>
<tr>
<td>Spring Hill</td>
<td>119.3</td>
<td>20</td>
</tr>
<tr>
<td>Blue Valley</td>
<td>93.4</td>
<td>20</td>
</tr>
<tr>
<td>Olathe</td>
<td>92.9</td>
<td>20</td>
</tr>
<tr>
<td>DeSoto</td>
<td>91.2</td>
<td>20</td>
</tr>
<tr>
<td>Topeka</td>
<td>87.5</td>
<td>20</td>
</tr>
</tbody>
</table>

When equity was finally addressed in the 1992 law, all General Fund mill levies were set at 35 mills. The law also included assistance for low valuation districts in their bond and interest funds. For all but about 20 districts, the shift to 35 mills represented a huge decrease in local property taxes. The property tax decrease - and resulting revenue dip - was compensated for by increases in sales and income taxes.

Over the next few years, as the state’s economy improved, the General Fund mill levy was decreased a few more times until it reached the current 20 mill levy indicated above. The question of why the Legislature passed the 1992 school finance bill is subject to some debate, but it cannot be denied that tax equity was a big part of the equation.

But why is tax equity such an important factor in a school finance case? The courts have held that a child’s education cannot be a function of his or her address. Because the taxpayers in the highest taxed districts were paying 17 times what those in the lowest were paying, issues of equity come into play. It is harder to raise the revenue in a high tax district than it is in a low tax district.

Without proper equity provisions in a school finance system, Kansas runs the risk of falling back into the trap of some districts paying significantly more locally than others. We don’t want to go back to Biff’s future where up is down and down is up.

How can we avoid this? That’s the topic for the next blog - http://heimkasb.blogspot.com/
The Kansas Supreme Court issued an opinion Feb. 11, 2016 on the “equity” portion of the Gannon school finance lawsuit. The court found the Kansas school funding system unconstitutional because of changes made in state aid for local option budgets and capital outlay funds and the resulting unequal tax burden placed on taxpayers in various school districts.

Local option budgets provide additional operating funds and capital outlay funds provide for local needs such as building construction, remodeling and equipment. Because these funds are based on property taxes, state aid compensates for the wide disparity in property tax values and the amount of funding raised by each mill across the state.

However, the Legislature changed state aid provisions in the Spring of 2015 through SB 7, reducing state funding in a way that required districts with less property wealth to increase taxes at a higher rate than districts with greater property wealth to raise the same amount of money.

In addition, those reduced rates were “locked in” to the new block grants for each district for the next two school years (2015-16 and 2016-17). As a result, if local property values decline in a district, it will be forced to raise local taxes even more to keep the same spending power. On the other hand, if district wealth increases, a district will able to lower its tax rate.

The Kansas Supreme Court found the Legislature had not provided any reason why Kansas taxpayers should be treated differently to raise the same amount of revenue to fund public education in their district, and ordered the Legislature to correct this inequity.

What does this mean for local taxpayers?
KASB has prepared a report showing the impact of these changes on each district and the resulting inequity in the tax burden.

First, the report shows the mill levy required to fund the legal Local Option Budget under the old formula compared to the new formula. In most cases, school districts had to increase their mill levy between two and four mills. However, some districts had no increase because they did not qualify to receive LOB aid.

Second, the report shows the amount of revenue each district would receive if it levied the statewide average of 5.837 mills for capital outlay under the old formula and the new formula. Most districts had losses ranging from $20 to $80 per pupil, but some districts did not lose any funding because they did not receive state aid in the first place.

In the case of capital outlay, some districts may have been able to replace the lost state aid by raising their mill levy.

What does this mean for local taxpayers?
KASB has prepared a report showing the impact of these changes on each district and the resulting inequity in the tax burden.

However, this is dependent on local voters giving authorization for the higher level. The report shows the increase required to make up the state aid reduction difference if all districts were at the statewide average.

Finally, the report illustrates why the Supreme Court found the Legislature’s actions unconstitutional. Changes to these two aid formulas resulted in significantly different tax and funding consequences across the state, based entirely on the wealth of the district and with no basis in educational needs.

The full report can be found at kasb.org/research under “Publications.”

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March/April 2016

March
1  Negotiations Workshop - Oakley
4  KASBLegislatUpdateWebinar, 12:30 p.m.
7  Eureka USD 389 Supt Search Application Deadline
8-9  Kansas State Board of Education Meeting
11  KASBLegislatUpdateWebinar, 12:30 p.m.
24  Human Resources Academy
25  Royal ValleyUSD337 Supt Search Application Deadline

April
1  ECKCE 614 Director Search Application Deadline
12  Negotiations Workshop, Hays
14  Negotiations Workshop, Topeka
19-20  Kansas State Board of Education Meeting

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