

**Colorado Springs School District 11
2017 Mill Levy Override Plan**

Program: Debt Redemption
 Program Budget Manager: Glenn Gustafson
 Division: Business Services
 Division Head: Glenn Gustafson

Program No.: Allocation

MLO Item No.: 10

Item Description: Debt Redemption

Alignment with District Business Plan Goal:

Goal 4: Communicate and engage frequently with our customers
 Goal 7: Demonstrate fiscal prudence and financial responsibility

This PIP Aligns with Ballot Question Point: #7, Reducing long-term interest costs by paying off existing debt sooner

Explanation of Use of Resources:

The proposal is to use the mill levy override (MLO) funds to create a debt service reserve account in the general fund in order to pay off bonds prior to final maturity.

Description for Use of Funds and Calculations:

Each year the District would take the difference between the full MLO amount (\$42 million) and the amount of the six-year MLO plan phasing and place those funds into the Mill Levy Override Fund (Fund 27). These funds will then be transferred to pay off existing General Obligation (GO) bonds and/or Certificates of Participation (COPs) in order to reduce the bond levy on an annual basis and thereby save property taxpayers on their annual property tax bill and save D-11 citizens on unexpended interest costs.

Acct #	Object	Job Class	FY15-16	FY16-17	FY17-18	FY18-19	
			Actual	Actual	Actual	Changes	Adopted Budget
084000	CONTINGENCY		-	-	-	-	9,300,000
Total Expenditures			-	-	-	-	9,300,000

Initial PIP Review: 11/27/18	PIP Review Date(s) 11/27/18
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