



# Potential 2023 Bond/MLO Updates

*March 28, 2023*

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# Agenda

- Board Ends
- Timeline to Date
- Funding Challenges and District Needs Continue
- Considerations for Potential 2023 Bond and MLO
- Next Steps

# Board Ends

- I. Academic Excellence
- II. Outstanding Educators and Staff
- III. Safe, Positive Culture and Climate
- IV. Collaborative Parent, Family, and Community Relations
- V. Financial Well-Being

# Potential 2023 Bond/MLO Timeline to Date

- April: Polling results showed the MLO at 39% support and the Bond at 33% support
- November Election: MLO 49% (+10%), Bond at 46% (+13%)
  - *For reference the 2018 polling was 66% for the MLO and 59% for the bond; the election results were 54% for the MLO (-12%) and 52% for the bond (-7%)*
- December: Staff tasked with
  - recommending creative retention strategies
  - hiring a consultant to analyze 2022 election data, conduct polling, and consult on messaging strategy for a potential 2023 MLO and bond
- January: RFP published for a consultant
- February: Consultant selected (PAC/West) and starts work



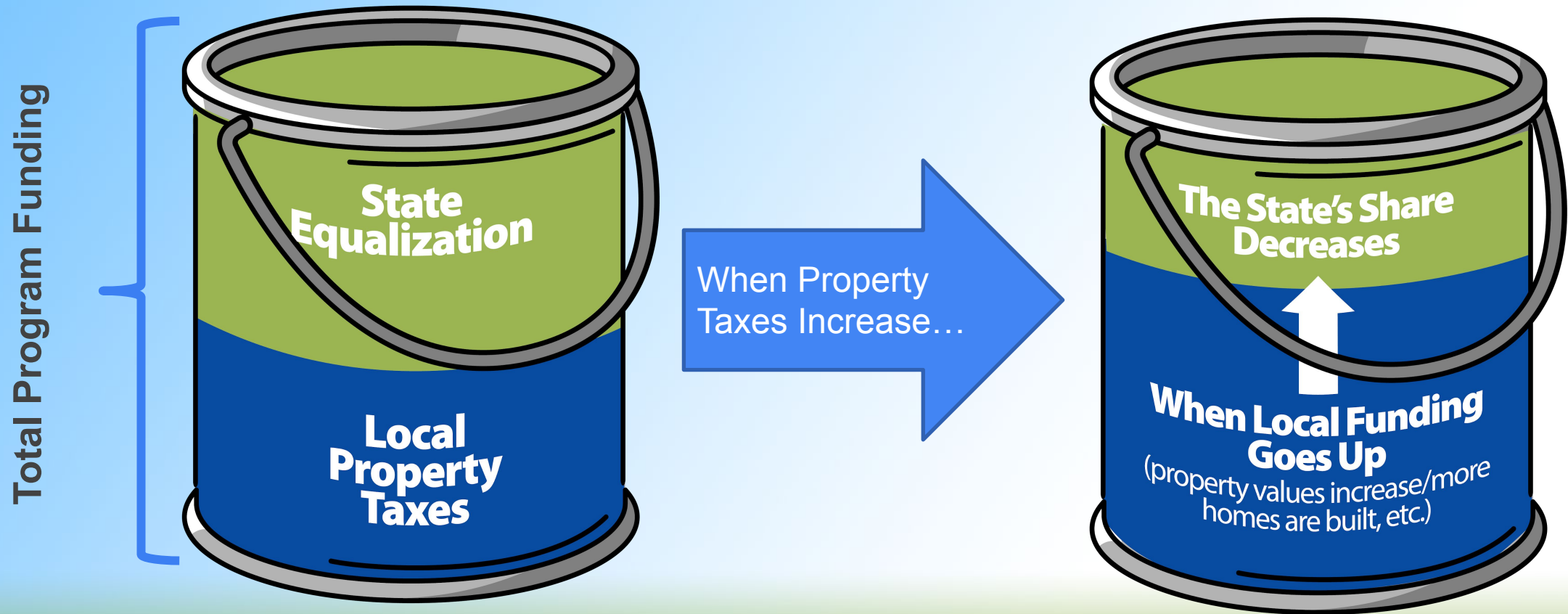


# Funding Challenges and Needs Continue

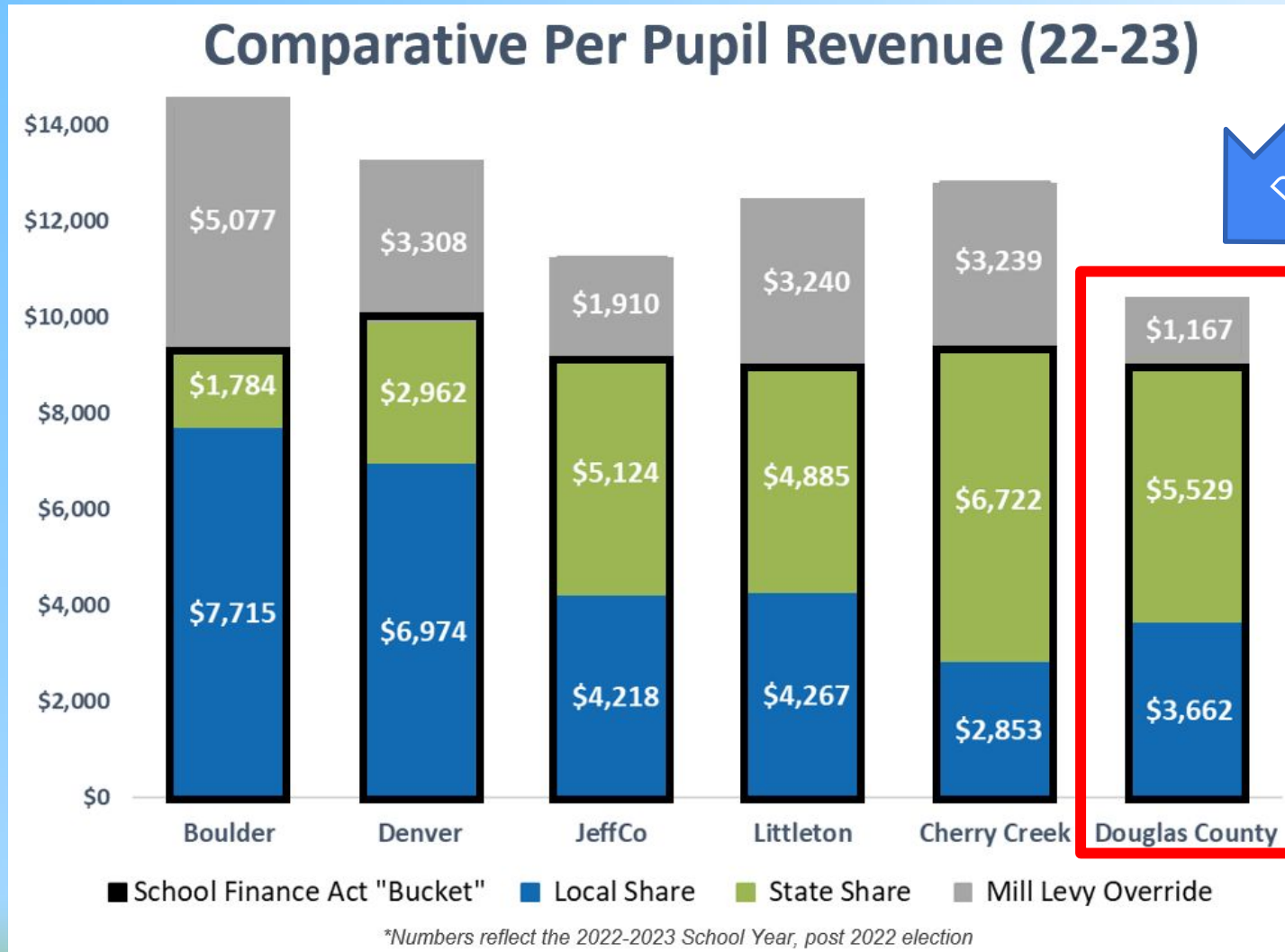
# DCSD Funding (and local property taxes)

Increased local property taxes **DO NOT** impact DCSD's Total Funding.

Total Funding is set by the School Finance Act and funded by **BOTH** local and state taxes.



# The Impact of Local Taxes on Comparative Revenue

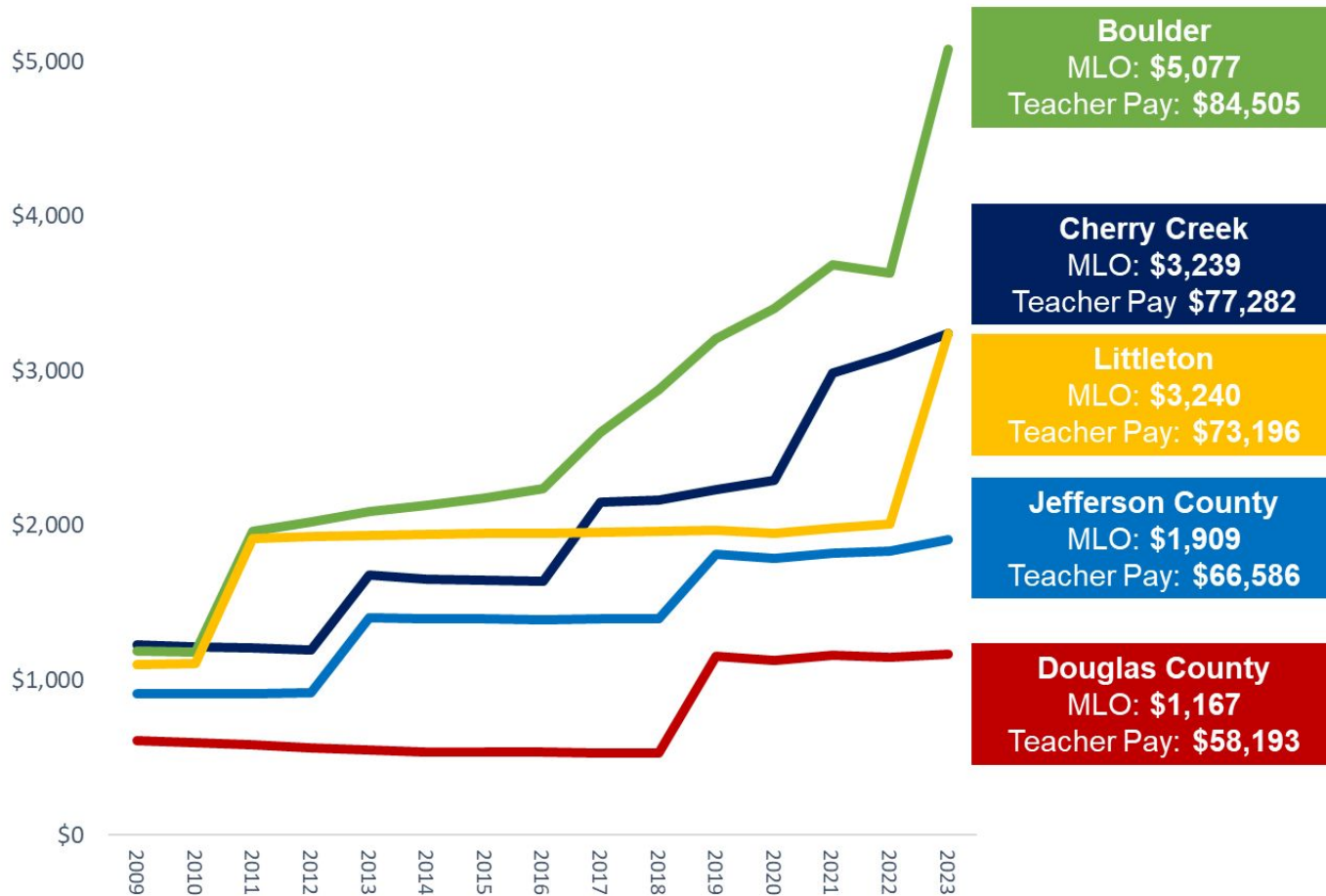


**FACT:**  
 Cherry Creek receives  
**\$2,072**  
 more per student in MLO annually.  
 equating to a  
**\$130 million**  
 Funding gap each year.\*

*\*DCSD's 22-23 student count is 63,876.*

# Compensation, Hiring and Staff Retention Challenges

## MLO Funding Per Student vs. Average Teacher Salary



\*MLO per student is total mill levy override divided by funded pupil count; Average teacher salaries are from CDE data for the 2021-2022 school year.

Douglas County starting teacher pay (23-24):

**\$45,209**

1-Bedroom apartment in Douglas County:

**\$1,665+/mo**





# Compensation, Hiring and Staff Retention Challenges

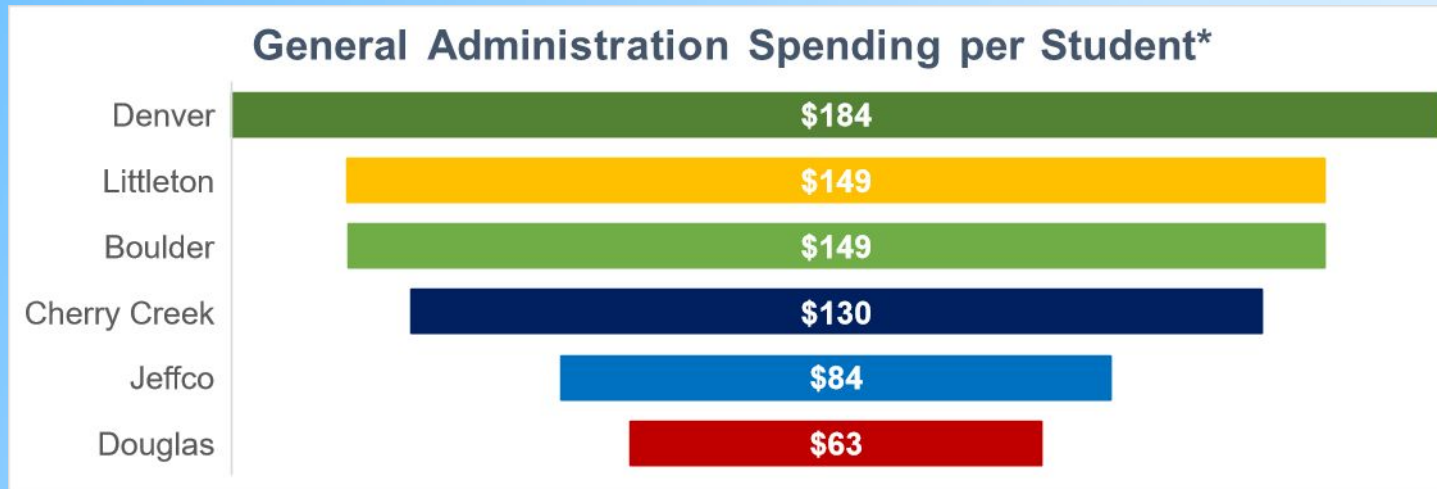
### Starting Bus Driver Pay



### Starting Educational Assistant Pay



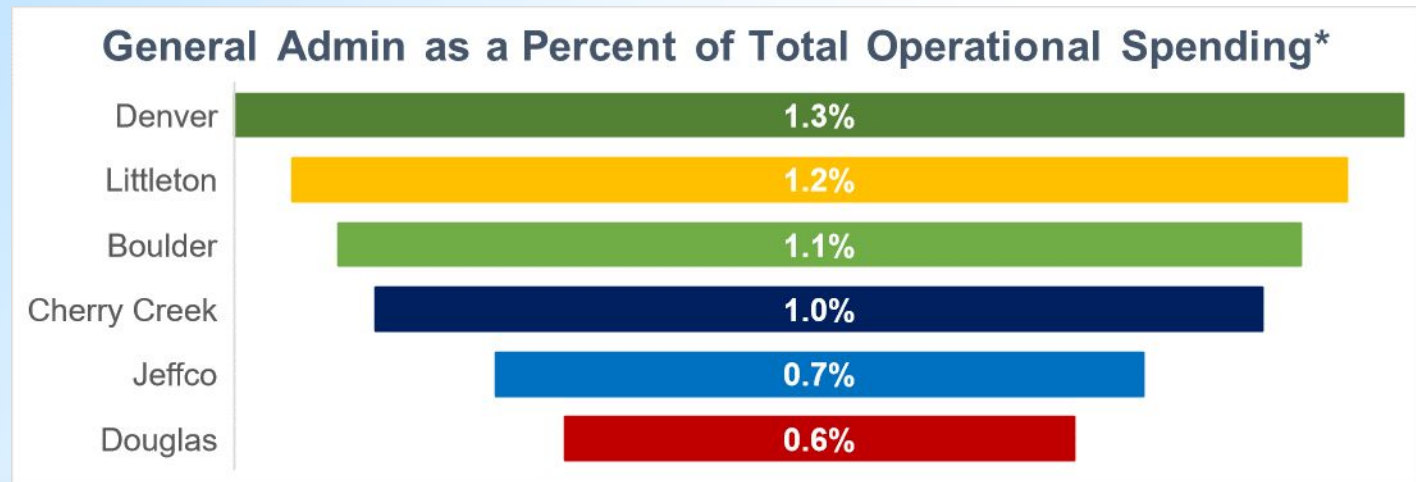
# How do DCSD Administrative Costs Compare?



Douglas County School District has the **LOWEST** General Administration Costs in the Metro Area.

**\$63 Per Student**  
**0.6% of Total Spending**

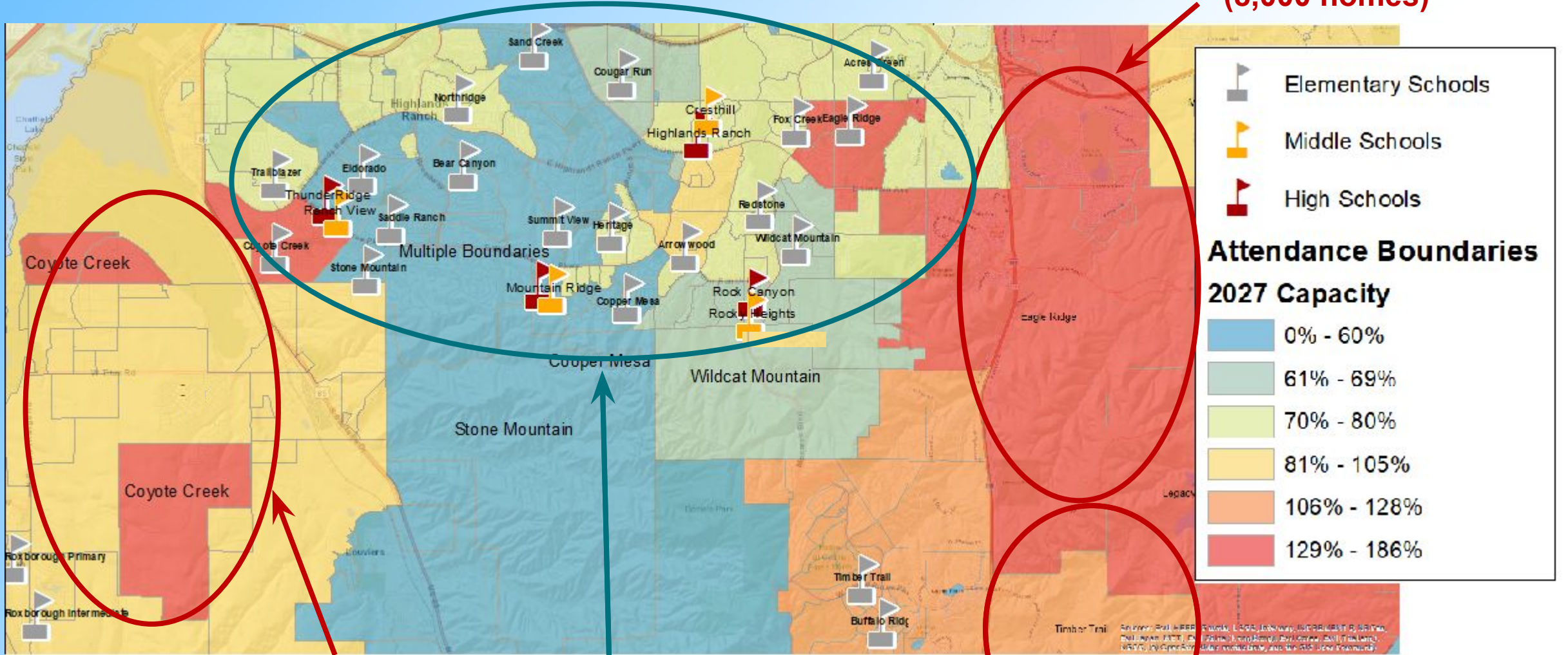
DCSD has very low administration costs. For example, DCSD Human Resources has 23 professionals to serve 8500 employees (1:370 ratio) – other districts’ ratios are 1:100 to 1:250; industry standard is 1:50.



\*Source: CDE expense data (<https://www.cde.state.co.us/cdefinance/revexp>)



# Addressing New Growing Communities



**Ridgegate East  
(8,000 homes)**

**Sterling Ranch/Solstice  
(13,000 homes)**

**Highlands Ranch  
(38,000 homes)**

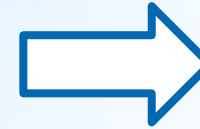
**The Canyons  
(5,000 homes)**

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# Planning for the Future: Funding Capital Needs

- Bond elections provide money for construction, maintenance, buses, and IT infrastructure
- Capital maintenance going forward is unfunded (2018 bond covered deferred maintenance)

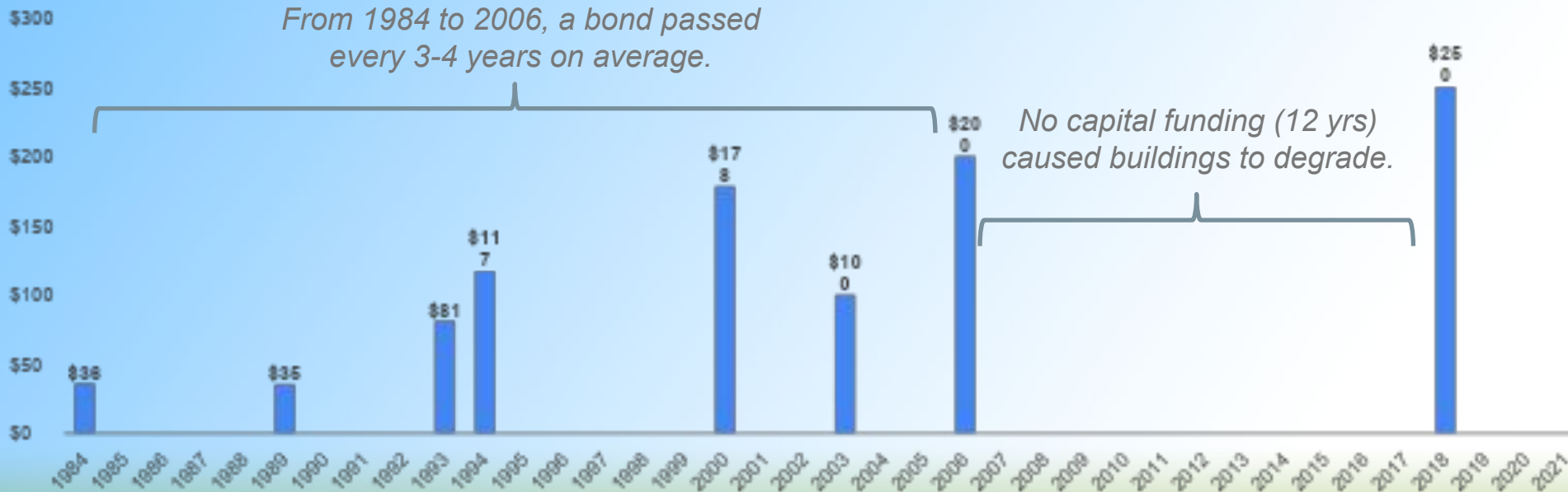
Buildings in DCSD  
**111**



**\$30-\$35M**  
*annual capital maintenance*

*\*From 2022-23 Master Capital Plan*

Bond Passed (Amount in Millions)



Last New DCSD Neighborhood School Built  
**2010**





# Considerations for Potential 2023 MLO and Bond

# A Look Back: The 2022 Bond/MLO Proposal

2022 Mill Levy Override  
\$60M (Ongoing Funding):

Would have covered **9% increases** for teachers and support staff and 6% for other professionals.

*The 2022 MLO Impact to taxpayers would have been \$1/week per \$100K in home value.*

2022 Bond - \$450M (Capital Funding):

Category	Cost
New Construction for Growth Areas	\$216M
Student Programming Investments	\$54.5M
Safety and Security Upgrades	\$15.5M
Capital Maintenance and Renewal	\$139M
Fees, Management, & Contingency	\$25M

*The 2022 bond would have had no net impact to taxpayers.*

# Potential 2023 Mill Levy Override Considerations

- Competitive pay to retain and attract teachers, staff, and leaders is still our most urgent ongoing need.
- Staff recommendation would be to keep the MLO the same as in 2022 with the same increases to make pay more competitive.
- We are updating costing for 9% average pay increase for teachers, 9% increase for support staff and 6% increase for other professionals to ensure it is within \$60M.
- A \$60M 2023 Mill Levy Override would cost taxpayers between \$0.82 and \$0.96 per \$100K in home value per week (or \$43 to \$50 per year)



# Potential 2023 Mill Levy Override Considerations: Possible Security Additions

- Ideally, we would like to add 10 additional School Resource Officers across the district to fill in coverage gaps.
- Ideally, we would have a Campus Security Specialist (unarmed) at each elementary school.
- Ideally, we would have an ongoing equipment replacement budget so that we are not dependent on future bonds to update and replace security equipment (cameras, radios, etc.).
- These additions would add \$5-\$6M\* to the MLO, increasing the impact to taxpayers by 5 to 8 cents per week per \$100K\*.



*\*Numbers are estimates pending formal cost and impact analysis.*



# Potential 2023 Bond Considerations

- The district's capital needs remain the same as in 2022: New construction (including special education programming), capital maintenance, safety and security, and student programming.
- We have verified with our demographer that the growth needs are unchanged.
- Costs have to be updated to reflect inflation. The same projects will likely cost about 8% more on average.
- We can adjust the total bond for inflation and increase the amount or keep the amount the same and cut scope.
- The cost to the taxpayer is still being determined as it depends on how the debt is structured. The *goal* is that the new bond would still hold mils flat (zero net tax impact).



# Consultant Scope and Timeline

## Scope

Conduct public opinion polling and election analysis to help DCSD develop additional strategic communications for potential revenue-raising measures for the school district.

## March

- 2022 Election Research/Analysis
- Review Messaging/Materials from 2022
- Polling (3/17-3/24)
- Analyze polling results

## April

- Facilitated Conversations with District Leadership Team (4/6)
- Present polling results to BoE (4/11)
- Focus Groups (4/18)

## May

Develop and refine messaging and materials for 2023 (in collaboration with Comms Dept.)

# Timeline Moving Forward

## March

- Update funding presentation and funding page of website.

## April

- State of DCSD presentation to staff - 12 total presentations (4/24, 4/25, 4/26).
- Create funding messaging toolkit for staff and students.
- Planning/production of Kids with Questions Videos.
- Funding factoids/infographics.

## May

- Creation of messaging/materials in collaboration with consultant
  - op-eds, letters, website messaging, social media messaging, brochure/one-pager, newsletter blurbs, ads, etc.



# Next Steps

- Polling Presentation April 11
- MBEC Presentation May 9





A large group of graduates in blue gowns and caps are seen from behind, celebrating with their caps in the air against a bright blue sky. The scene is filled with a sense of accomplishment and joy.

# Questions?

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