# Durango School District 9-R November 2020 Ballot Measure FAQ

**What is a bond? And how does it work?**

A bond measure is a way for community members to give their local school district additional money on top of state-provided funding. Bonds for school projects are very similar to a mortgage on a home. To finance construction projects, the District sells bonds to investors who will be paid principal and interest. The District normally issues bonds for 15-20 years.

The bond process would begin with an election (November 3, 2020) to authorize a specific dollar amount for specific projects (see below for that list of proposed projects). With a simple majority vote, a successful election would then result in the school district selling the bonds to an interested investor. The bonds are sold at the lowest rate offered. The rate is based on the district’s bond rating: the higher the bond rating, the lower the interest rate. Principal and interest on the bonds are repaid over an extended period of time with funds from a debt service fund managed by the district.

# Is a bond measure different from a mill levy question?

Yes. The simplest way to describe the difference is a “bond” is for “buildings” and a “levy” is for “learning.”

A bond measure is when a school district like Durango 9-R places a question before the voters as a ballot measure, asking them to approve or deny additional proposed spending for capital projects, deferred maintenance and infrastructure improvements. Durango School District 9-R last placed a bond question in front of the voters in 2002. That measure passed with 62 percent of the vote.

A mill levy question is a ballot measure that asks voters living in a school district boundary to approve the collection of additional mills on property taxes to increase teacher pay, buy curriculum materials, etc. Mill levy money can be used for these types of expenses since it isn’t as restricted. Bond dollars, on the other hand, can only be used for specific purposes such as construction, maintenance or infrastructure needs.

Durango School District 9-R has successfully passed two mill levy ballot questions: 3A in 2010 and 3A-2 in 2016. Details on the 2010 and 2016 mill levies can be found at: <http://www.durangoschools.org/apps/pages/index.jsp?uREC_ID=459697&type=d&pREC_ID=1396963>

# What is a mill levy?

The mill levy is a property tax. It is applied to a property based on its [assessed value](https://www.investopedia.com/terms/a/assessedvalue.asp). The rate of the tax is expressed in mills and is equal to one dollar per $1,000 dollars of assessed value. In general, mill levies are applied to real estate, land, and buildings. We are not seeking a mill levy increase at this time; rather, we are seeking to hold the mill levy at its current rate (5.76).

# How much money is the district asking for?

With a no mill levy increase to the district’s residential and commercial property owners (current tax rates would remain the same), we can secure up to approximately $90M in funding for capital projects, deferred maintenance and infrastructure improvements at all Durango 9-R schools. This money would be repaid over a 15-20 year period.

# How can the district raise that much money without increasing taxes?

Presently Durango School District 9-R is on the tail end of bond debt payoff from the 2002 bond ($84.5M). As a district, we are in a position to request authorization from the voters for up to $90M in additional money without any financial increase to residential or commercial property owners by holding the tax rate the same. Since 2002 bond is nearly paid off, this new debt can be repaid with the tax rate.

# Why can’t the school district ask for money from a sales tax instead of a property tax?

School districts are not funded through local sales tax and cannot legally seek sales tax money for additional funding. The only funding a public school district can seek is from residential and commercial property taxes through ballot questions.

# Why is Durango 9-R asking for funding? How will the district use the bond proceeds?

[School funding in Colorado](https://cosfp.org/student-funding-trends/colorado-rankings/) consistently ranks among the lowest in the nation in terms of per-pupil funding. In 2019 the average per pupil funding nationally was $12,756. Colorado on average was

$10,053. The proceeds will help the district offset the cost of capital project and deferred maintenance needs. Based upon the work of the Long Range Planning Committee over the last two years as well as community feedback, Durango 9-R will use bond money for construction and renovation of facilities, technology needs, safety and security measures, and the purchase of capital equipment and other items.

# Safety and security

**Overall Goal:** The safety and security of our students and staff is our #1 priority. To achieve this goal, the bond will increase safety and security by:

* Building school entry vestibules and enhancing perimeter safety
* Improving traffic flow
* Installing Columbine-style locks at the school and classroom-level
* Implementing badge and control access enhancements
* Updating fire panels, public announcement systems, security systems and smoke alarms at schools

# Deferred maintenance and capital projects

**Overall Goal:** School districts that implement comprehensive preventive maintenance programs find that their systems operate more reliably, more efficiently and for a longer period of time.

* Replacing HVAC equipment that is beyond outdated
* Retrofitting HVAC systems to new refrigerant (phase out R-22, which is a very expensive and old version of refrigerant)
* Updating building management systems to improve energy efficiency
* Replacing leaking roofs
* Upgrading lighting and electrical systems to LEDs and light sensors
* Resurfacing parking lots, complete site repairs to improve maintainability and meet current ADA requirements
* Renewing classroom spaces to provide 21st-century learning across all Durango 9-R schools
* Repairing Building exteriors and replace windows
* Researching and prepare for solar power, possibly take on one project
* Upgrading HVAC system
* Implementing green energy and cost efficient and environmentally friendly options such as LED lighting and solar power

# Technology

**Overall Goal:** Appropriate technology infuses classrooms with digital learning tools, such as classroom computers, laptops, tablets, Chromebooks, projectors, and smartboards, expanded learning management systems and learning materials; supports learning 24 hours a day, 7 days a week; builds lifelong learning skills; increases student engagement and accelerates learning.

* Implementing 1:1 student devices
* Installing wireless access points in select gyms
* Replacing classroom network hubs
* Wiring overhead projectors for network access
* Preparing for 10Gbps internet transport
* Replacing temporary cabling exceptions
* Installing fiber optic connection to radio-served schools
* Upgrading switching and routing equipment
* Conducting server upgrades/migrations
* Replacing end-of-life endpoint devices
* Purchasing device management software

# Miller Middle School rebuild

**Overall Goal:** The opportunity to create a new facility will address the deferred maintenance and pressing safety issues; yet it can also serve as a catalyst for continued enrollment growth and culture/community building within the Miller community.

* Because of increasing enrollment and a deteriorating and outdated facility, Miller Middle School no longer meets today’s educational needs.
* Classrooms are inadequate and don’t optimize student achievement (too small, poor configuration, poor acoustics, visual obstructions).
* Antiquated and outdated interior spaces, including classrooms, restrooms, and locker rooms, which have created hazardous conditions.
* The current facility is not conducive to faculty and student collaboration. Renovations are recommended for break-out space, small group learning, and career and technical education opportunities.
* Special education and social and emotional learning spaces are insufficient in size and configuration.

# Durango Community Innovation Center building

**Overall Goal:** The Durango Community Innovation Center will be a collaborative state-of-the-art college and career preparedness facility for both high school students and the Durango community members. Courses and offerings will prepare our students for future careers.

* In collaboration with community partners in areas including engineering, computer science, construction, culinary, and business/tourism, developing a state-of-the-art community, career and technical innovation center. This innovation center will emphasize career pathways directly to employment that includes concurrent college level courses, industry certifications, portfolio development, and work based learning/internships that are aligned to student interests and fulfill the workforce needs of Durango and southwest Colorado
* The District will also pursue external funding sources for the innovation center.

# Transportation: $1,000,000

**Overall Goal:** To access Durango 9-R schools, roughly 30% of our students rely on our buses to reach school safely, on time, and be ready to learn. As such, reliable and efficient transportation plays a vital role with regard to access, equity and student success.

* Purchasing seven (7) school buses to replace an aging school bus fleet
  + The District owns 33 regular-sized buses, and the average odometer reading is 197,644. The highest odometer reading is 277,988. 17 of our buses, or fully 50% of our fleet, are 15 years or older. Older buses, especially those with high mileage, are more expensive to operate, could be subject to safety issues and run the risk of greater maintenance issues at a higher frequency.

# Charter School Allocation

**Overall Goal:** The Durango community supports a variety of educational opportunities for our students. By sharing bond proceeds with our charter partners, we are doing our share of supporting the educational needs for all students in the Durango community. Animas High School, Mountain Middle School and The Juniper School will also be allocated $2.5 million to address their most urgent capital needs.

# Will sustainable design and construction elements be incorporated into the projects?

# Yes! This bond initiative promotes the concept of Green Schools. A Green School is commonly defined as a school that creates a healthy environment conducive to learning, while saving energy, environmental resources and money. Numerous studies have shown that the benefits of incorporating green or High-Performance Building (HPB) strategies often far outweigh the up-front costs. Bond objectives include, but are not limited to: improved air quality/thermal comfort and reduced consumption of energy, water, and materials. Typical strategies include, but are not limited to: improved energy efficiency of HVAC systems and building envelopes, incorporation of renewable energy systems like solar PV, eliminate use of toxic and hazardous materials, and use of regionally sourced materials. Project specific sustainability goals and strategies will be further developed early in the design process.

# Will the community be given an opportunity to participate in the design process?

# Yes. Stand alone projects like the Miller Middle School Replacement Project will be designed using an Integrated Design Process (IDP). The IDP is used as a tool to support high-performance, cost-effective outcomes through an early analysis of the interrelationships among systems. The process identifies all stakeholders early in the process and provides them an opportunity for input. The results of these early discussions will be captured in the Owner’s Program of Requirements (OPR), which will be used as a touchstone throughout the design and construction.

# Is it the intent to pursue LEED certification for any of the projects?

# Yes. LEED is a third party rating system developed by the US Green Building Council (USGBC) and is the most common tool to verify that a building is in fact sustainably designed and constructed. The District intends to utilize the LEED system (or equivalent) for the Miller Middle School Project. In addition, Animas High School intends to pursue LEED gold certification as is required by statute for all projects that receive 25% or more of its funding from the State of Colorado, such as the new Animas High School project.

# Will this project result in schools that are better equipped to handle unforeseen challenges like the COVID-19 pandemic?

# Yes. This bond initiative will afford an opportunity to provide buildings that are more resilient, not only to this threat, but to other known and potential future threats. The initiative will result in improved air quality, spacial relationships, and occupant flow, etc. The projects will be designed and constructed in accordance with the current adopted version of the buildings codes for the authority having jurisdiction. In additional, it is anticipated that some industry standards and codes might soon be updated in response to the pandemic, so those potential new requirements could also be addressed if necessary. In general, with the passage of the bond, the District will be well positioned to provide healthier, more effective learning environments.

# How does Durango 9-R spend its money now?

Durango spends its limited capital projects dollars judiciously and appropriately. Unfortunately, many school districts in rural Colorado have a variety of maintenance issues such as leaking roofs and aging HVAC systems, but they have little or no money for repairs or even proper maintenance. Presently, Durango 9-R spends $1,100,000 in capital projects and deferred maintenance efforts. While this budget has been useful to address our most pressing needs, it falls short of industry and state recommendations of $5,000,000-$6,000,000 in per year spending. Proper maintenance is an important issue because deferring maintenance affects the health, safety and morale of everyone who uses our facilities, as well as the cost of operations. If the building requires extensive repairs, renovation, or replacement, deferred maintenance may even force its closure for some of our buildings.

# When will I be asked to vote on this measure? And who can vote on the measure?

On Election Day (November 3, 2020), voters within the Durango School District 9-R boundaries will decide whether to approve a bond measure that would provide Durango School District 9-R with approximately $90,000,000 to fund specific capital project needs.

# Has Durango 9-R asked for a bond measure in the past? If so, how much and where did that money go?

In 2002, 9-R voters approved a $84.5 million bond issue with 62 percent of the vote. That money went toward a variety of capital improvements for all district school buildings as well as rebuilding Riverview Elementary. This debt will be paid off by 2024. Any bond approved in November 2020 would be structured as interest-only payments until the existing debt is paid off.

# What is the tax impact to the homeowner or to a local business over the next few years if the existing bonds are paid off by 2024 and the district doesn’t put forth a new bond question on this year’s ballot?

If the existing debt is paid off, there would be a tax decrease for property owners. The owner of a

$500,000 valued residence would see a $75 reduction in their 2021 property taxes. This figure would fluctuate through 2024, and it would result in a $209 reduction in 2025. The owner of a $1,000,000 valued commercial business would see a $609 reduction in their 2021 property taxes, and it would result in a $1676 reduction in 2025.

**I thought tax money from marijuana sales was supposed to fund schools. Where does that money go?** Established in 2008 with the signing of C.R.S.22-43.7, the Building Excellent Schools Today (BEST) grant process provides an annual amount of funding in the form of competitive grants to school districts,

charter schools, institute charter schools, boards of cooperative educational services, and the Colorado

School for the Deaf and the Blind. BEST funds can be used for the construction of new schools as well as general construction and renovation of existing school facility systems and structures. Funding for the BEST program comes from The Colorado State Land Board, Colorado Lottery, and marijuana excise taxes.

Generally speaking, marijuana tax dollars do not raise enough revenue to meet all the needs of public schools in Colorado. In 2013, voters approved Proposition AA, which allowed the state to levy up to a 15 percent excise tax on unprocessed marijuana and up to 15 percent tax on retail marijuana. The first $40 million collected annually goes into the BEST grant program.

Durango 9-R has been successful with the BEST grant process and has gotten funding for roofing and fire panel projects in recent years. The BEST grant contributes roughly 25% of a project’s total cost.

Durango 9-R is responsible for the remaining 75% of expense. Durango 9-R will continue to seek funding through the annual BEST application process.

# I don’t have kids in school. Why should I vote for this bond question?

Many Durango 9-R graduates stay or return to this community to become our doctors, lawyers, business owners, teachers, parents and neighbors. If you don’t have children in Durango 9-R schools, maybe you did previously and relied on other taxpayers to support their education. Maybe you have grandchildren or nieces and nephews in Durango 9-R schools. We are sure you have neighbors and friends who have children in our public schools. Regardless, many believe it is the responsibility of the entire community to help educate our children. This ballot measure is a direct investment in our school system.

# Will money from this bond measure go to charter schools if it passes?

Yes. There are three charter schools within Durango 9-R’s boundaries: The Juniper School; Mountain Middle School and Animas High School. The Juniper School is a Durango 9-R authorized charter school whereas Mountain Middle School and Animas High School are authorized through the state’s charter institute.

The District’s Long Range Planning Committee recommended that the district collaborate with local charter schools to assess their most urgent capital needs. The Board of Education reviewed their projects and approved an allocation of $2.5 million to each of the three charter schools .

# How does Durango 9-R define capital improvements and deferred maintenance?

Capital improvements are any additions or alterations to real property that adds to the value of the real property and are intended to become a permanent installation. Deferred maintenance are repairs to infrastructure and assets that get delayed and backlogged because of budget limitations and lack of funding.

# What research did Durango 9-R do to understand whether the bond question was something community members, teachers, and staff would support?

In 2018, the Board of Education authorized the creation of an ad-hoc committee to review facility and planning needs for the district. The goal of the Long-Range Planning Committee (LRPC) was to provide recommendations for the design of a school system that reflects the Board's vision, in light of area population changes while taking into consideration staffing, budget, facilities, resources, and educational and co-curricular programs.

The Committee was a part of the multifaceted master planning process which includes stakeholder engagement with Durango 9-R staff, students, parents, community members, and the master planning consultant design team. The LRPC’s process includes consideration of background and historical documents, building conditions site, budget opportunities, enrollment trends and limitations and regulatory requirements that have been used in identifying and evaluating planning, maintenance, grant funding renovation and building/construction options.

At the June 24, 2020 Board of Education meeting, the Long-Range Planning team made their final recommendations to the board. The team will disband and the board is reviewing the recommendations for consideration.

Details on the committee’s efforts can be found at: <https://www.durangoschools.org/apps/pages/index.jsp?uREC_ID=1129508&type=d&pREC_ID=1400054>

In addition to the efforts of the Long Range Planning Committee, the district conducted focus groups and surveys with staff, parents, students and community members. The district received over 1,500 responses from these outreach efforts.

# If a bond measure passes, would it support teacher salaries?

Not directly. Revenue from the sale of bonds can only be used for specific purposes such as construction, renovations, buses, land, portable buildings and technology. By passing the bond measure, some current capital project dollars will be freed up to honor teacher raises that were not able to be met due to the state budget cuts this spring.

**Will this bond measure help Durango 9-R be able to keep up with facility needs and changes we need?** School districts across the nation like Durango 9-R are dedicating a smaller percentage of available funds to maintaining and operating their facilities. Presently, Durango 9-R spends $1,100,000 per year in

capital projects and deferred maintenance efforts. While this budget has been useful to address

pressing needs, it falls short of industry and state recommendations of $5,000,000-$6,000,000 per year. The passage of the bond would allow Durango 9-R to spend close to $5,000,000-$6,000,000 each year for four years on capital projects and deferred maintenance needs.

# Who is paying for this bond campaign?

A campaign committee comprised of teachers, parents, staff and community members has formed to advocate for the passage of this bond. Money is being raised from private donations within our community.

Per Colorado’s Fair Campaign Practices Act, no Durango 9-R resources can be used for the campaign once the ballot language is approved. All donors who give more than $20 will be identified publicly through reports filed with the Colorado Secretary of State.

# How can I be sure the money will be used for what the school district has promised to fund?

Durango School District 9-R is committed to complete transparency when it comes to budgeting and finances. Should a November 2020 bond question be placed on the ballot by the Durango School District 9-R Board of Education and subsequently approved by the voters, district staff will recommend to the Board of Education that a new committee (Bond Oversight Committee) be formed for community involvement in a thorough and transparent review of bond spending. Much like the district’s Long Range Planning Committee, this committee would be composed of community representatives, 9-R staff, and district parents, and it would provide independent oversight of bond funding, spending and allocation. District staff would be responsible for selecting and appointing Bond Oversight Committee members through an open application process.