Citizens’ Advisory Committee
Meeting 1
September 12, 2022

Our Mission: Empowering lifelong learners to be engaged citizens who positively impact their local and global community.
Welcome from your Superintendent

Dr. Jamie Wilson
Superintendent
Denton ISD
Agenda

- WELCOME & INTRODUCTIONS
- CHARGE TO COMMITTEE
- NORMS & PROCESS OVERVIEW
- SCHOOL FINANCE 101
- OVERVIEW OF 2018 BOND PROJECTS
- CLOSING
Introductions

- NAME
- OCCUPATION
- CONNECTION TO DENTON ISD
- BEST VACATION EVER!
Table Activity

You are on vacation and are seated at a community table with others you don’t know. During conversation everyone shares where they are from and a little about themselves. It is during this conversation that someone at the table asks you….

What makes Denton ISD such a great district? What makes Denton ISD so unique and special?
Welcome from the Board of Trustees

Mia Price
President
Board of Trustees
Charge to Committee

To help the district plan for the future, the Citizens’ Advisory Committee is charged to:

- Assess and prioritize the district’s current and long-term facility needs, including, but not limited to:
  - District growth and capacity
  - Building age, safety and condition
  - Land acquisition
  - Evolving educational delivery and programs
  - Energy efficiency and sustainable features
- Develop and prioritize potential projects, including new construction, renovations/additions, technology, and other areas that may arise from community input
- Consider the educational needs of all students and align recommendations with the district’s mission, vision and goals
- Represent the entire school district community, values and perceptions, and seek input from other residents
- Consider the district’s current financial position and funding methods to develop a recommendation that is fiscally sound
- Make a recommendation to the Board of Trustees that addresses the district’s growth and facility needs based on the Committee’s identified priorities
Housekeeping

- All relevant materials and information will be distributed to you as handouts.

- Due to time constraints, no breaks have been scheduled. Please take care of your personal needs on your own.

- The Denton ISD Leadership Team is here to serve you and to be a resource. Ask questions.

- Your attendance at every meeting will help yield optimum results for this committee and your community.
Ground Rules

● Only one speaker at a time
● Respect the person who is speaking
● Listen with a desire to contribute & learn
● Engage in the ENTIRE meeting
Q&A Process

● Each table will discuss the information presented and select one question to ask.

● Unanswered questions or concerns will be placed on the ‘parking lot’ to be answered later via email or website post.
This scale makes it easier for participants to be honest. Using it, members can register less-than-whole hearted support without fearing that their statement will be interpreted as a veto.
Dynamics of Group Decision-Making
Consensus Building Model
Meeting Overview

**Meeting #1**
- Process, timeline, vision, end goal
- Charge from Board of Trustees
- School Finance 101
- Overview of 2018 Bond Projects

**Meeting #2**
- Demographic Report
- Facility Needs Assessment
- Safety & Security
- Technology & Infrastructure

**Meeting #3**
- Athletics
- Child Nutrition & Transportation
- CTE & Fine Arts
- Video Facility Tours

**Meeting #4**
- Land Overview
- Project Priority Presentation
- Priority Worksheet

**Meeting #5**
- Financial Advisor Presentation
- Priority Worksheet and Mock Vote

**Meeting #6**
- Bond Package Development with CoVoice
- SWOT Analysis regarding potential bond
School Finance 101

September 12, 2022
Dr. Scott Niven, CPA
Deputy Superintendent / CFO
jniven@dentonisd.org

Our Mission: Empowering lifelong learners to be engaged citizens who positively impact their local and global community.
School Finance 101

Enrollment Growth
Property Value Growth
Tax Rates
Funding
## Area Growth

**DFW New Home Ranking Report**

ISD Ranked by Annual Closings – 2Q22

<table>
<thead>
<tr>
<th>Rank</th>
<th>District Name</th>
<th>Annual Starts</th>
<th>Annual Closings</th>
<th>Inventory</th>
<th>VDL</th>
<th>Futures</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>NORTHWEST ISD</td>
<td>4,519</td>
<td>3,608</td>
<td>2,508</td>
<td>3,040</td>
<td>38,878</td>
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<tr>
<td>2</td>
<td>DENTON ISD*</td>
<td>3,803</td>
<td>2,834</td>
<td>2,550</td>
<td>3,367</td>
<td>31,645</td>
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<tr>
<td>3</td>
<td>FORNEY ISD</td>
<td>2,484</td>
<td>2,712</td>
<td>1,109</td>
<td>2,412</td>
<td>30,175</td>
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<tr>
<td>4</td>
<td>PROSPER ISD</td>
<td>2,844</td>
<td>2,630</td>
<td>2,323</td>
<td>3,032</td>
<td>21,195</td>
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<tr>
<td>5</td>
<td>FRISCO ISD</td>
<td>1,590</td>
<td>1,799</td>
<td>1,291</td>
<td>1,339</td>
<td>9,749</td>
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<tr>
<td>6</td>
<td>DALLAS ISD</td>
<td>2,031</td>
<td>1,614</td>
<td>1,834</td>
<td>2,128</td>
<td>6,257</td>
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<td>7</td>
<td>PRINCETON ISD</td>
<td>2,434</td>
<td>1,557</td>
<td>1,609</td>
<td>1,826</td>
<td>9,571</td>
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<td>8</td>
<td>ROYSE CITY ISD</td>
<td>1,812</td>
<td>1,312</td>
<td>1,348</td>
<td>1,929</td>
<td>8,515</td>
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<tr>
<td>9</td>
<td>MIDLOTHIAN ISD</td>
<td>1,341</td>
<td>1,157</td>
<td>916</td>
<td>1,037</td>
<td>20,949</td>
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<tr>
<td>10</td>
<td>CROWLEY ISD</td>
<td>1,334</td>
<td>1,154</td>
<td>796</td>
<td>2,130</td>
<td>16,373</td>
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<tr>
<td>11</td>
<td>CRANDALL ISD</td>
<td>1,186</td>
<td>1,138</td>
<td>890</td>
<td>1,021</td>
<td>13,856</td>
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<tr>
<td>12</td>
<td>WAXAHACHIE ISD</td>
<td>1,030</td>
<td>1,072</td>
<td>540</td>
<td>1,172</td>
<td>26,958</td>
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<tr>
<td>13</td>
<td>LEWISVILLE ISD</td>
<td>1,242</td>
<td>1,015</td>
<td>989</td>
<td>1,208</td>
<td>2,504</td>
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<tr>
<td>14</td>
<td>EAGLE MT-SAGINAW ISD</td>
<td>1,225</td>
<td>987</td>
<td>820</td>
<td>2,277</td>
<td>16,479</td>
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<tr>
<td>15</td>
<td>ROCKWALL ISD</td>
<td>1,411</td>
<td>942</td>
<td>1,214</td>
<td>2,369</td>
<td>8,889</td>
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<tr>
<td>16</td>
<td>MCKINNEY ISD</td>
<td>1,146</td>
<td>940</td>
<td>883</td>
<td>1,512</td>
<td>14,761</td>
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<tr>
<td>17</td>
<td>ANNA ISD</td>
<td>1,164</td>
<td>913</td>
<td>732</td>
<td>880</td>
<td>7,162</td>
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<tr>
<td>18</td>
<td>CELINA ISD</td>
<td>1,330</td>
<td>880</td>
<td>1,035</td>
<td>765</td>
<td>33,549</td>
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<tr>
<td>19</td>
<td>AUBREY ISD</td>
<td>1,590</td>
<td>841</td>
<td>1,154</td>
<td>680</td>
<td>5,737</td>
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<tr>
<td>20</td>
<td>COMMUNITY ISD</td>
<td>1,245</td>
<td>835</td>
<td>895</td>
<td>706</td>
<td>8,679</td>
</tr>
</tbody>
</table>

* Based on additional Templeton Demographics housing research
** Includes Age-Restricted subdivisions
District Student Growth

- 2022-23: 33,380
- 2023-24: 34,728
- 2024-25: 36,112
- 2025-26: 37,462
- 2026-27: 38,837
- 2027-28: 40,121
- 2028-29: 41,569
- 2029-30: 42,934

Source: [data source] Education Demographic Study

10,000 student growth estimated in next 7 years
Appraisal Growth

- 2016: $12,758,213,322
- 2018: $16,119,003,341
- 2019: $18,029,768,401
- 2020: $19,251,900,992
- 2021: $21,103,192,951
- PROJECTED 2022: $25,049,073,962

Appraised Values have doubled in 7 years!
Bonds

- What is a Bond?
- Why do School Districts need them?
- How are they Approved?
- How are They Funded?
### Tax Rates

<table>
<thead>
<tr>
<th>M&amp;O Tax Rate</th>
<th>I&amp;S Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predominantly for staff salaries</td>
<td>Payment of principal and interest on bonds sold to</td>
</tr>
<tr>
<td>and benefits (85% of budget)</td>
<td>construct and furnish school district facilities; no</td>
</tr>
<tr>
<td>Student services</td>
<td>state funding for debt service</td>
</tr>
<tr>
<td>Contracted services</td>
<td>Redemption of callable bonds resulting in interest</td>
</tr>
<tr>
<td>Instructional supplies</td>
<td>savings</td>
</tr>
<tr>
<td>Staff development</td>
<td>Not allowed for operational costs such as staff,</td>
</tr>
<tr>
<td>Utilities</td>
<td>supplies and instructional materials</td>
</tr>
<tr>
<td>Maintenance of facilities</td>
<td></td>
</tr>
<tr>
<td>Subject to Recapture (Excess</td>
<td></td>
</tr>
<tr>
<td>Local Revenue)</td>
<td></td>
</tr>
</tbody>
</table>
Tax Rates

- **2018-19**: Total Tax Rate = $1.06, Maint. & Op. = $0.78, Interest & Sinking = $0.28
- **2019-20**: Total Tax Rate = $0.99, Maint. & Op. = $0.76, Interest & Sinking = $0.23
- **2020-21**: Total Tax Rate = $0.9276, Maint. & Op. = $0.7426, Interest & Sinking = $0.185
- **2021-22**: Total Tax Rate = $0.8820, Maint. & Op. = $0.7120, Interest & Sinking = $0.170
- **2022-23**: Total Tax Rate = $0.8646, Maint. & Op. = $0.7046, Interest & Sinking = $0.160

Legend:
- Blue: Maintenance and Operations
- Orange: Interest and Sinking
Debt (I&S) Tax Rate Comparison
History of Aggressive Debt Management

- Since 2005 Bond Refunding, Restructuring, and Prepayment have saved taxpayers $274.8 million!
- *The district is scheduled to payoff early approximately $31 Million in debt this fiscal year*

- The district bond ratings:
  - Maintains a AAA Bond Rating Through the Permanent School Fund (Highest Rating Possible)
  - AA Underlying Rate with Fitch and S&P Global

- Here is what the Rating Agencies are saying about us:

  "Very Strong Reserve Position"
  "Growing assessed values and above average income"
  "Growing enrollment with ensures steady Texas state funding"
  "Strong financial management practices supporting the District’s favorable operating performance"
  "Superior financial resilience, based on solid expenditure flexibility, limited historical revenue volatility and sound operating reserves"
  "Steady expansion of economic resource base"
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