



Board of County Commissioners Education Bond Referendum Update July 2022





DISCUSSION

- **Capital Improvement Plan Process Highlights**
- **2022 Education Bond Fiscal Impact**
- **Capital Finance Plan Model Overview**

[Capital Improvement Plan Documents | Durham County \(dconc.gov\)](https://dconc.gov)

Capital planning essential elements

- › Multi year essential - for up to ten years
- › Prioritization by importance, essentially and long-term need
- › Strong emphasis on timing of improvements - matching available capital sources with timing alternatives
- › Blending borrowed and pay as you go sources as a means to diversify – perceived as strong credit wise
- › Target improvements that improve operating efficiencies and improved service delivery
- › Separating operating and capital resources is essential to large CIP

Utilize dedicated capital only resources and affordability modeling

- › Debt affordability modeling defines ability to pay - most efficient use of capital resources
- › Use of debt model means to “manage” constant change in CIP – timing of projects, change in market conditions



Capital Improvement Plan Highlights

Summer/Fall 2021

- FY 2023-33 CIP Process Kickoff
- Facility Plan updates
- CIP request submitted from Durham County Government, Durham Public Schools, Durham Technical Community College and Museum of Life and Science

Winter 2022

- CIP Proposals reviewed by staff and financial advisor
- Board discussion, community feedback

Spring 2022

- Additional vetting of proposed CIP projects based on BOCC and community feedback
- Board endorses CIP to include moving forward with potential 2022 Bond Referendum
- Notice of Intent to have bond referendum published June 19, 2022

Summer 2022

- Public Hearing on Bond Referendum
- Blue Ribbon Committee Established

2022 Education Bond Referendum

***\$550.2
Million***

\$423.5 M

\$112.7 M

\$13.9 M





DURHAM
PUBLIC SCHOOLS

\$423.5 M

- Funds will support major **upgrades to existing facilities** focused on efficiency, modernization and addressing renewable energy goals.
- Dollars will **support safety and security measures**, site and building infrastructure such as roofing, HVAC enhancements and support lighting upgrades.
- Funds will go toward **elementary school renovations** that will also add classroom space and create additional Pre-K classrooms. Funds will also support one new elementary school and will replace an existing high school.



\$112.7 M

- Funding supports the **construction of a new 86,000 square foot Allied Health Building** providing modernized spaces including simulation labs and other classroom labs to meet local requirements for medical assistants, nursing assistants, nurses, pharmacy technicians and other health professions.
- Funds will also support **construction of a new 36,000 square foot Life Science Training Facility and Classroom Building** to life science industry training needs.
- Dollars will also support **land acquisition** to address future campus expansion.





MUSEUM
of LIFE +
SCIENCE

\$13.9 M

- Funding will support **reinvention and modernization** of many of the museum's learning environments, improve and expand visitor infrastructure, and make significant sustainability upgrades.
- Dollars will support **new exhibits** focused on climate change, technological innovation, and health science, as well as enhancements and improvements to other indoor and outdoor learning environments.
- Funds will **allow renovations** to meeting room space to better serve more significant events and programs.

Proposed 2022 GO Bond Referendum Related Property Tax Bill for Various House Valuations



House Valuation	Estimated 2.5 cents Tax Rate Increase	Monthly Average
\$100,000	\$25	\$ 2.08
\$150,000	\$38	\$ 3.13
\$200,000	\$50	\$ 4.17
\$250,000	\$63	\$ 5.21
\$300,000	\$75	\$ 6.25
\$350,000	\$88	\$ 7.29
\$400,000	\$100	\$ 8.33
\$450,000	\$113	\$ 9.38
\$500,000	\$125	\$ 10.42
\$550,000	\$138	\$ 11.46
\$600,000	\$150	\$ 12.50

****Estimated Additional Tax Bill Annually to Support Proposed \$550 Million Bond Referendum***

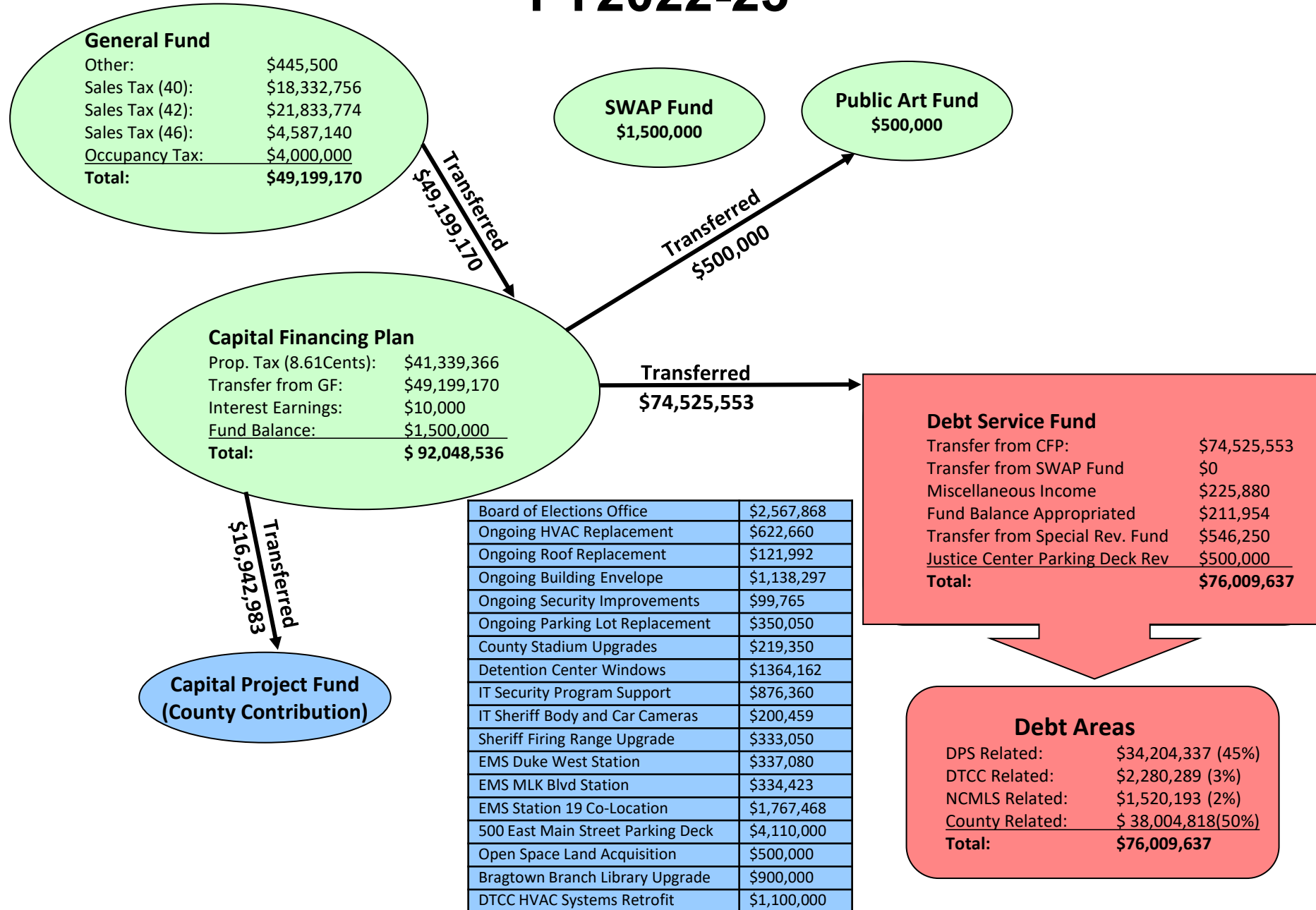
FY 2022-31 Ten Year Capital Improvement Plan

Expenditures

Goal Area	FY (Prior)	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31	Total
Goal 1	\$83,661,444	\$154,924,790	\$220,919,577	\$129,200,259	\$96,825,055	\$119,533,557	\$60,172,157	\$55,738,307	\$109,147,137	\$56,651,377	\$8,501,247	\$1,095,274,907
DTCC	\$24,250,000	\$2,650,000	\$2,812,000	\$26,713,333	\$38,793,333	\$32,444,934	\$20,223,000	\$5,525,000	\$4,725,000			\$158,136,600
Durham Public Schools	\$59,411,444	\$152,274,790	\$217,204,636	\$99,221,541	\$50,600,602	\$84,697,301	\$39,006,006	\$49,923,596	\$101,965,997	\$54,425,807	\$1,480,606	\$910,212,326
NCMLS			\$902,941	\$3,265,385	\$7,431,120	\$2,391,322	\$943,151	\$289,711	\$2,456,140	\$2,225,570	\$7,020,641	\$26,925,981
Goal 2	\$20,000		\$900,000				\$2,000,000					\$2,920,000
Library	\$20,000		\$900,000				\$2,000,000					\$2,920,000
Goal 3	\$13,607,441	\$21,240,594	\$27,058,669	\$19,191,613	\$17,152,804	\$5,370,175	\$29,450,842	\$48,266,858	\$36,250,000			\$217,588,996
EMS	\$4,608,000	\$151,497	\$2,438,971	\$3,308,603	\$5,581,041	\$370,175	\$2,380,842	\$1,807,682				\$20,646,810
Public Safety Projects	\$6,269,000		\$2,192,299	\$12,468,620	\$10,931,920	\$5,000,000	\$27,070,000	\$46,459,176	\$32,250,000			\$142,641,015
Sheriff	\$919,608	\$10,774,977	\$2,795,191	\$3,066,470	\$639,844				\$4,000,000			\$22,196,090
Youth Home	\$1,810,833	\$10,314,120	\$19,632,208	\$347,920								\$32,105,081
Goal 4	\$49,019,541	\$54,084,213	\$56,823,195	\$30,774,780	\$29,814,983	\$6,266,836	\$7,939,759	\$2,714,509	\$6,111,783	\$6,869,904	\$10,639,637	\$261,059,140
Animal Shelter			\$2,399,681	\$12,154,283	\$14,865,322							\$29,419,286
DSS Main Renovation	\$800,003			\$7,500,000	\$7,200,000							\$15,500,003
Economic Development	\$18,295,000	\$6,905,000	\$6,000,000									\$31,200,000
Enterprise Fund	\$5,581,654	\$18,414,213	\$24,670,000	\$6,360,000	\$3,420,000	\$3,320,000	\$2,870,000	\$620,000	\$620,000	\$620,000	\$620,000	\$67,115,867
Environment	\$200,000	\$1,500,000	\$750,000	\$750,000	\$500,000	\$500,000	\$2,500,000	\$575,000	\$980,000	\$500,000	\$500,000	\$9,255,000
Parking Decks & Affordable Housing	\$24,142,884	\$27,265,000	\$23,003,514	\$2,650,000								\$77,061,398
Renewable Energy Plan				\$1,360,497	\$3,829,661	\$2,446,836	\$2,569,759	\$1,519,509	\$4,511,783	\$5,749,904	\$9,519,637	\$31,507,586
Goal 5	\$19,246,685	\$16,545,838	\$14,860,646	\$54,646,117	\$12,708,401	\$26,201,272	\$19,659,091	\$35,826,432	\$7,885,820	\$7,901,085	\$13,921,693	\$229,403,080
Board Of Elections Office Space		\$1,736,202	\$2,567,868	\$24,474,999	\$2,182,688							\$30,961,757
County Stadium					\$1,500,000	\$7,000,000		\$22,500,000				\$31,000,000
General Serivces	\$16,141,039	\$3,143,298	\$3,916,276	\$5,389,451	\$3,659,179	\$1,564,903	\$5,367,811	\$1,655,254	\$1,456,466	\$2,601,085	\$3,180,693	\$48,075,455
IS&T	\$1,533,765	\$10,796,802	\$6,814,814	\$23,676,586	\$3,867,720	\$16,346,989	\$12,125,868	\$10,321,988	\$5,110,000	\$5,300,000	\$10,741,000	\$106,635,531
Sheriff	\$1,571,880	\$869,536	\$1,561,688	\$1,105,082	\$1,498,814	\$1,289,381	\$2,165,413	\$1,349,190	\$1,319,354			\$12,730,338
Total	\$165,555,110	\$246,795,435	\$320,562,086	\$233,812,769	\$156,501,243	\$157,371,841	\$119,221,849	\$142,546,105	\$159,394,740	\$71,422,367	\$33,062,577	\$1,806,246,123

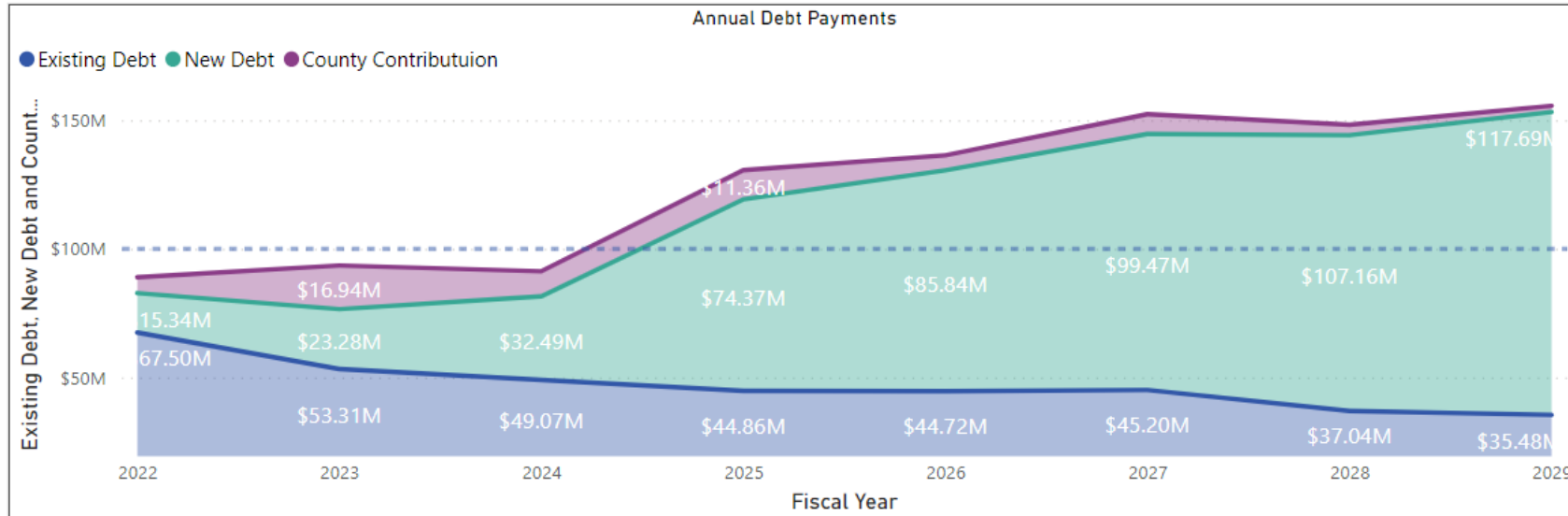
Capital Improvement Plan Debt Funding

FY2022-23

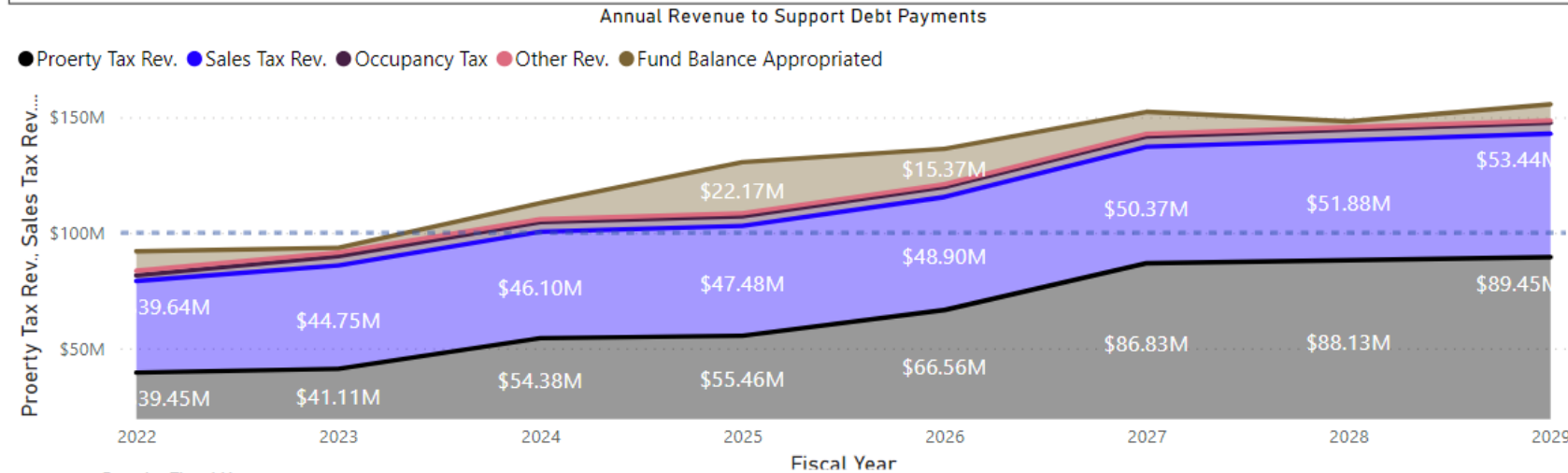


Capital Financing Plan

Capital Financing Plan



FY	Expenditures	Revenue
2022	\$88,964,515	\$91,964,515
2023	\$93,532,620	\$93,532,620
2024	\$91,305,246	\$112,917,449
2025	\$130,585,118	\$130,585,118
2026	\$136,363,719	\$136,363,719
2027	\$152,326,931	\$152,326,931
2028	\$148,238,835	\$148,238,835
2029	\$155,604,699	\$155,604,699
2030	\$161,361,738	\$161,361,738
2031	\$169,053,443	\$169,053,443
Total	\$1,327,336,863	\$1,351,949,066



FY 2020-29 Approved
FY 2020-29 Ongoing Schools V3
FY 2022-31 Original GO Version

FY	Prop Tax %	Sales Tax %	Occp. Tax %
2022	42.90%	43.10%	2.68%
2023	43.96%	47.85%	4.28%
2024	48.16%	40.82%	3.64%
2025	42.47%	36.36%	3.23%
2026	48.81%	35.86%	3.17%
2027	57.00%	33.07%	2.91%
2028	59.45%	35.00%	3.07%
2029	57.49%	34.34%	3.01%
2030	60.23%	34.11%	2.98%
2031	63.20%	33.54%	2.92%
Total	53.66%	36.56%	3.15%

Rate by Fiscal Year





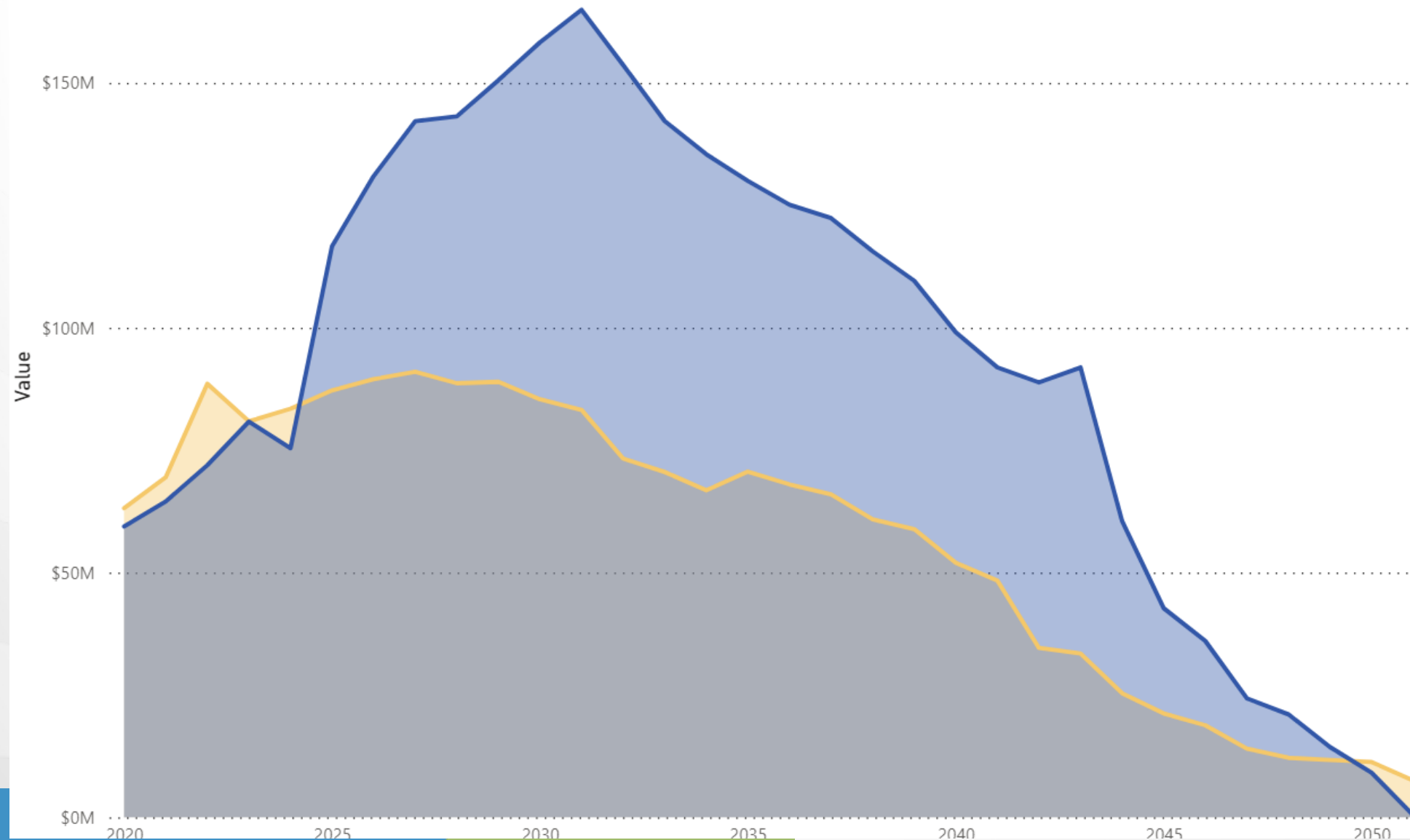
SUPPLEMENTAL INFORMATION

[Capital Improvement Plan Documents | Durham County \(dconc.gov\)](https://dconc.gov)

**Detailed timeline in appendix*

Annual Debt Service Payments Over Time

FY 2020-29 Approved FY 2022-31 Original GO Version



2022 Education Proposed Bond Referendum

*Timeline Highlights**



2022 Education Proposed Bond Referendum

Timeline Highlights*

