

BUDGET WORK SESSION 1

Fire Districts
Education
Selected CIP Projects



ORANGE COUNTY
NORTH CAROLINA

*May 26, 2016 Budget Work Session
Southern Human Services Center*

FIRE DISTRICTS

FY2016-17 TAX RATES

- New Hope Fire District (page 335)
 - 0.50 cent increase from 9.95 cents to 10.45 cents
 - Hire a full time Captain to cover days due to difficulty finding volunteers
 - Last increase in FY2014-15 from 9.45 cents to 9.95 cents
- Orange Grove Fire District (page 335-336)
 - 1.0 cent increase from 6.0 cents to 7.0 cents
 - Debt service increase associated with vehicle acquisitions and facilities
 - Last increase in FY2013-14 from 5.0 cents to 6.0 cents

DURHAM TECHNICAL COMMUNITY COLLEGE

- Operating Costs (non-instructional) - p.145
 - \$969,929 Total Expenditure
 - Current Expense - \$628,928
 - Recurring Capital - \$75,000
 - Debt Service – 266,001
 - Reduction of \$77,790 from prior year primarily due to completion of Campus Signage and Master Plan Update
- Orange Connect Scholarship Program - p.149
 - \$50,000 recommended appropriation for FY16-17
 - \$1,000 per year scholarship – 50 students in year one
 - High School graduates within one year of graduation
 - 24 Orange County students would have qualified in 2016
 - 62.5% received need based financial aid
 - Funded by Article 46 Sales Tax

SCHOOL FUNDING

- Projected Enrollment - p.147
 - Influence on current expense and capital funding allocations
 - Chapel Hill-Carrboro City Schools projected decrease in budgeted enrollment by 246
 - Orange County Schools projected budgeted enrollment increased by 165
 - Proportion changes by 0.98% accordingly
- Manager's Recommended Budget – p. 147 & 148
 - Health and Safety Contracts (Nurses/SROs) – \$1.4 million
 - Full reimbursement program based on actual costs incurred
 - Not calculated in current expense
 - Fully fund Charter students (205) - \$763,000
 - Not calculated in current expense
 - Mandated Retirement and Health Ins. – Add 485,000
 - Included in current expense

SCHOOL FUNDING

- Total Appropriations - \$99,848,327
 - Current expense - \$74,287,398
 - Recurring Capital - \$3,000,000
 - Long Range Capital - \$3,799,346 (pay-as-you-go in CIP)
 - Debt Service - \$15,372,383
 - Other School Related Programs - \$3,389,200
- 49.4% of General Fund Revenues recommended
- 48.1% current funding target

2015 COUNTY APPROPRIATION COMPARISON

Table 30 - County Appropriations and Supplemental Taxes for Education
Year 2015 (School Year 2014-15)

Year	LEA No	LEA Name	Amount	PPA	Rank
2015	681	Chapel-Hill/Carrboro City Schools	66,695,601	5,523	1
2015	280	Dare County Schools	20,163,320	4,097	2
2015	680	Orange County Schools	28,575,028	3,834	3
2015	111	Asheville City Schools	16,342,102	3,805	4
2015	320	Durham County Schools	118,563,483	3,559	5
2015	190	Chatham County Schools	26,818,413	3,219	6
2015	880	Transylvania County Schools	10,595,738	3,057	7
2015	950	Watauga County Schools	12,062,834	2,807	8
2015	600	Charlotte-Mecklenburg County Schools	385,936,594	2,671	9
2015	650	New Hanover County Schools	67,879,109	2,645	10
2015	100	Brunswick County Schools	31,349,382	2,542	11
2015	160	Carteret County Schools	21,000,000	2,519	12
2015	410	Guilford County Schools	179,360,398	2,508	13
2015	270	Currituck County Schools	9,353,526	2,428	14
2015	491	Mooresville City Schools	14,050,587	2,372	15
2015	480	Hyde County Schools	1,288,286	2,256	16
2015	750	Polk County Schools	4,934,788	2,196	17
2015	422	Weldon City Schools	2,028,630	2,167	18
2015	920	Wake County Schools	322,372,340	2,100	19
2015	110	Buncombe County Schools	51,666,972	2,087	20

SPENDING BY FUNDING SOURCE

	County	State	Federal
2006	44.63%	51.51%	3.86%
2007	44.60%	51.00%	4.41%
2008	44.55%	51.90%	3.55%
2009	46.36%	50.08%	3.55%
2010	45.29%	47.81%	6.89%
2011	44.76%	46.96%	8.28%
2012	44.99%	50.12%	4.89%
2013	44.99%	50.87%	4.14%
2014	45.97%	50.17%	3.86%
2015	46.59%	49.39%	4.02%
2016	46.82%	49.25%	3.92%
2017	TBD	TBD	TBD

- The proportion of the total school budget supported by County funds has increased by approximately 2% since 2006.
- State spending has decreased by approximately the same amount.
- Federal contributions have remained consistent except during the years when federal stimulus funds were available.

COUNTY PER PUPIL APPROPRIATION HISTORY

Per Pupil Appropriation (General Fund) *Historical Comparison*

*Fiscal Years 1983-84 through 2015-16 reflect Commissioner
approved per pupil appropriations*

Fiscal Year	Per Pupil Appropriation	Annual \$ Increase	Annual % Increase
83-84	\$603		
84-85	\$642	\$39	6.47%
85-86	\$773	\$131	20.40%
86-87	\$871	\$98	12.68%
87-88	\$870	(\$1)	-0.11%
88-89	\$967	\$97	11.15%
89-90	\$1,057	\$90	9.31%
90-91	\$1,175	\$118	11.16%
91-92	\$1,310	\$135	11.49%
92-93	\$1,310	\$0	0.00%
93-94	\$1,363	\$53	4.05%
94-95	\$1,451	\$88	6.46%
95-96	\$1,571	\$120	8.27%
96-97	\$1,782	\$211	13.43%
97-98	\$1,889	\$107	6.00%
98-99	\$2,040	\$151	7.99%
99-00	\$2,256	\$216	10.59%
00-01	\$2,395	\$139	6.16%
01-02	\$2,437	\$42	1.75%
02-03	\$2,516	\$79	3.24%
03-04	\$2,566	\$50	1.99%
04-05	\$2,623	\$57	2.22%
05-06	\$2,796	\$173	6.60%
06-07	\$2,957	\$161	5.76%
07-08	\$3,069	\$112	3.79%
08-09	\$3,200	\$131	4.27%
09-10	\$3,096	(\$104)	-3.25%
10-11	\$3,096	\$0	0.00%
11-12	\$3,102	\$6	0.19%
12-13	\$3,167	\$65	2.10%
13-14	\$3,269	\$102	3.22%
14-15	\$3,571	\$302	9.24%
15-16	\$3,697.50	\$126.50	3.54%
16-17*	TBD	TBD	TBD

**To Be Determined; the FY 2016-17 Budget is scheduled for
approval by the Board of County Commissioners on June 21, 2016*

TEACHER TURNOVER DISTRICT VS. STATEWIDE

School District	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
CHCCS	10.71%	12.80%	14.47%	15.8%	18.58%
OCS	8.49%	10.77%	14.61%	12.75%	16.10%
Statewide	11.17%	12.13%	14.33%	14.12%	14.84%

Teacher Turnover in Counties 125,000 – 160,000 Population

Turnover Rank	County	County Population	District Name	Total Teachers	Teachers Leaving	Leaving with Career Status	Turnover Percent
12	Catawba	155,830	Hickory City Schools	299	64	44	21.40
20	Harnett	125,730	Harnett County Schools	1370	266	158	19.42
25	Orange	139,933	Chapel Hill-Carrboro City Schools	942	175	133	18.58
29	Catawba	155,830	Newton Conover City Schools	205	37	28	18.05
46	Orange	139,933	Orange County Schools	559	90	71	16.10
47	Robeson	133,567	Public Schools of Robeson County	1511	240	162	15.88
50	Alamance	155,789	Alamance-Burlington Schools	1507	231	166	15.33
61	Rowan	138,710	Rowan-Salisbury Schools	1300	183	144	14.08
64	Randolph	143,079	Asheboro City Schools	356	49	33	13.78
75	Randolph	143,079	Randolph County Schools	1193	153	116	12.82
82	Catawba	155,830	Catawba County Schools	1050	124	105	11.81
84	Wayne	125,681	Wayne County Public Schools	1218	142	106	11.66

Source: 2014-2015 State of the Teaching Profession in North Carolina

www.dpi.state.nc.us/docs/educatoreffectiveness/surveys/leaving/2014-15turnoverreport.pdf

STATE TEACHER PAY SCENARIOS

Estimated Locally Paid Teacher Raise Costs at Various Percentages

District	<u>5.0%</u>	<u>4.5%</u>	<u>4.0%</u>	<u>3.5%</u>	<u>3.0%</u>	<u>2.5%</u>	<u>2.0%</u>
Chapel Hill - Carrboro City Schools	1,105,542	994,988	884,433	773,879	663,325	552,771	442,217
<i>Savings</i>		<i>110,554</i>	<i>221,108</i>	<i>331,663</i>	<i>442,217</i>	<i>552,771</i>	<i>663,325</i>
Orange County Schools	576,125	518,513	460,900	403,288	345,675	288,063	230,450
<i>Savings</i>		<i>57,612</i>	<i>115,225</i>	<i>172,837</i>	<i>230,450</i>	<i>288,062</i>	<i>345,675</i>
Total Cost	1,681,667	1,513,501	1,345,333	1,177,167	1,009,000	840,834	672,667
Total Savings		168,166	336,333	504,500	672,667	840,833	1,009,000

SCHOOL CAPITAL BUDGET

○ FY16-17 Capital Budget Recommendations

Category	Amount
Bond Referendum	\$40,000,000
Pay-as-you-go	\$3,799,346
Lottery Proceeds	\$1,356,362
Article 46	\$1,503,863
Older School Improvements	\$1,000,000
TOTAL	\$47,659,571

- Capital funds distributed by ADM between districts
- FY2016-17 is first of three (3) installments for bond financing
- Next two draws recommended in FY2018-19 and FY2020-21

BOND DEBT SERVICE PAYMENTS

Fiscal Year	General Obligation Bond Debt Service
2017-18	3,718,750
2018-19	3,639,063
2019-20	5,365,625
2020-21	6,410,938
2021-22	8,083,438
2022-23	11,067,049
2023-24	10,802,326
2024-25	10,537,604
2025-26	10,272,882
2026-27	10,008,160
2027-28	9,743,438
2028-29	9,478,715
2029-30	9,213,993
2030-31	8,949,271
2031-32	8,684,549
2032-33	8,419,826
2033-34	8,155,104
2034-35	7,890,382
2035-36	7,625,660
2036-37	7,360,938
2037-38	4,971,215
2038-39	4,786,181
2039-40	4,601,146
2040-41	2,180,000
2041-42	2,090,000

- Debt service schedule based on \$125 million issued in three installments
 - FY 2016-17 \$42,500,000
 - FY 2018-19 \$42,500,000
 - FY 2020-21 \$40,000,000

- Impact fees may be used to reduce debt burden for projects that increase capacity.

CAPITAL INVESTMENT PLAN

COUNTY PROJECTS

- Southern Branch Library - \$6.38M: *Page 31*

Prior Year Funds – Land Acquisition	\$700,000
Prior Year Funds – Professional Services	\$472,500
Construction	\$5,625,000
Equipment/Furnishings	\$750,000
TOTAL PROJECT	\$7,547,500

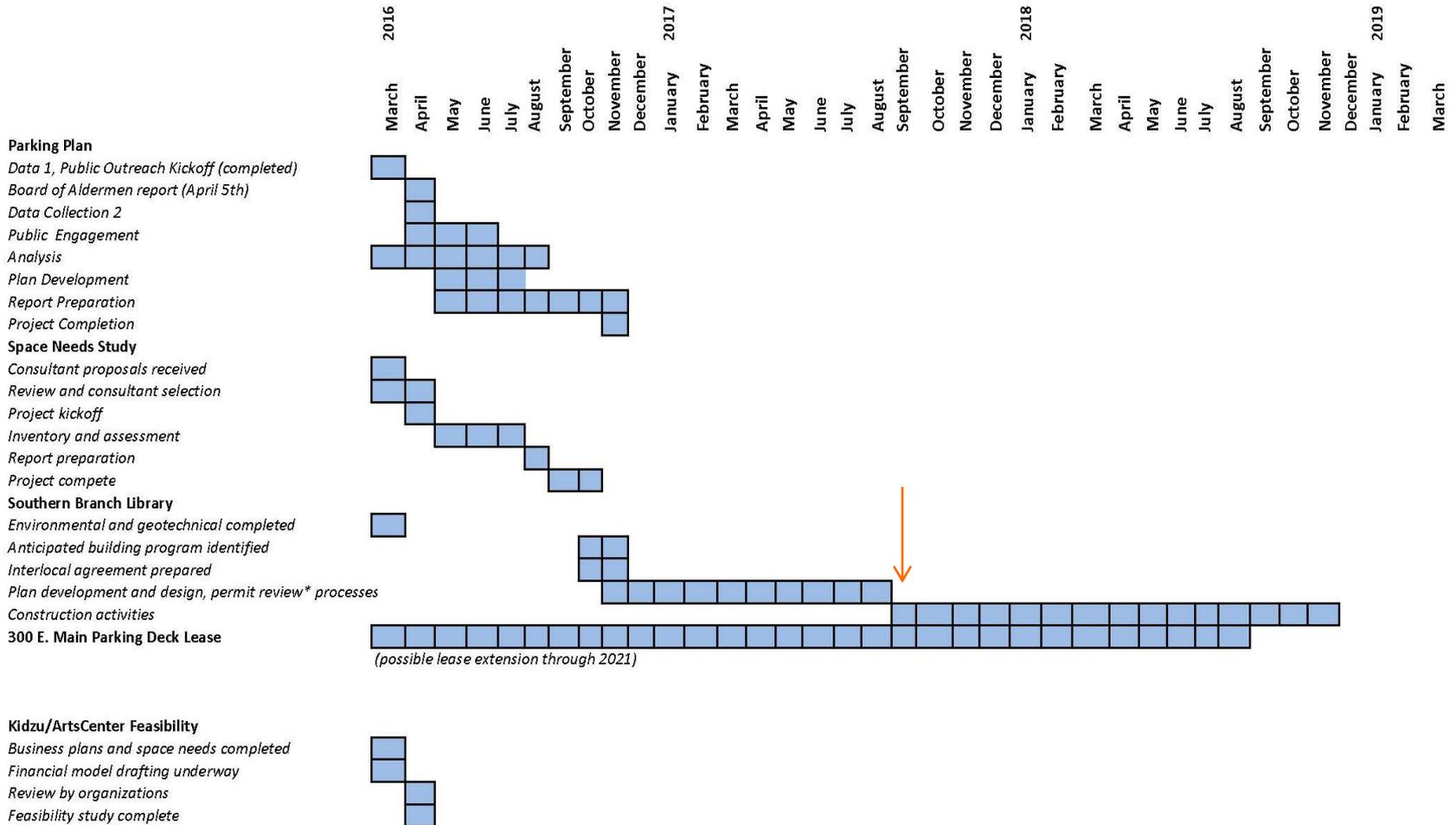
- Construction cost estimates based on 10,000 to 12,000 square foot urban library to be determined through schematic design
- \$580,000 increase for new personnel and operating expenses over current budget
- Interlocal Agreement to be negotiated on operations prior to executing contract with architect
- Schedule to be shared with stakeholders following budget adoption

PROPOSED LIBRARY SITE



SOUTHERN BRANCH LIBRARY UPDATED PROJECT SCHEDULE

Southern Branch Library and Related Activities - Projected and Estimated Timelines - April 2016



*Timeline considers expedited review of land use permit.

CAPITAL INVESTMENT PLAN

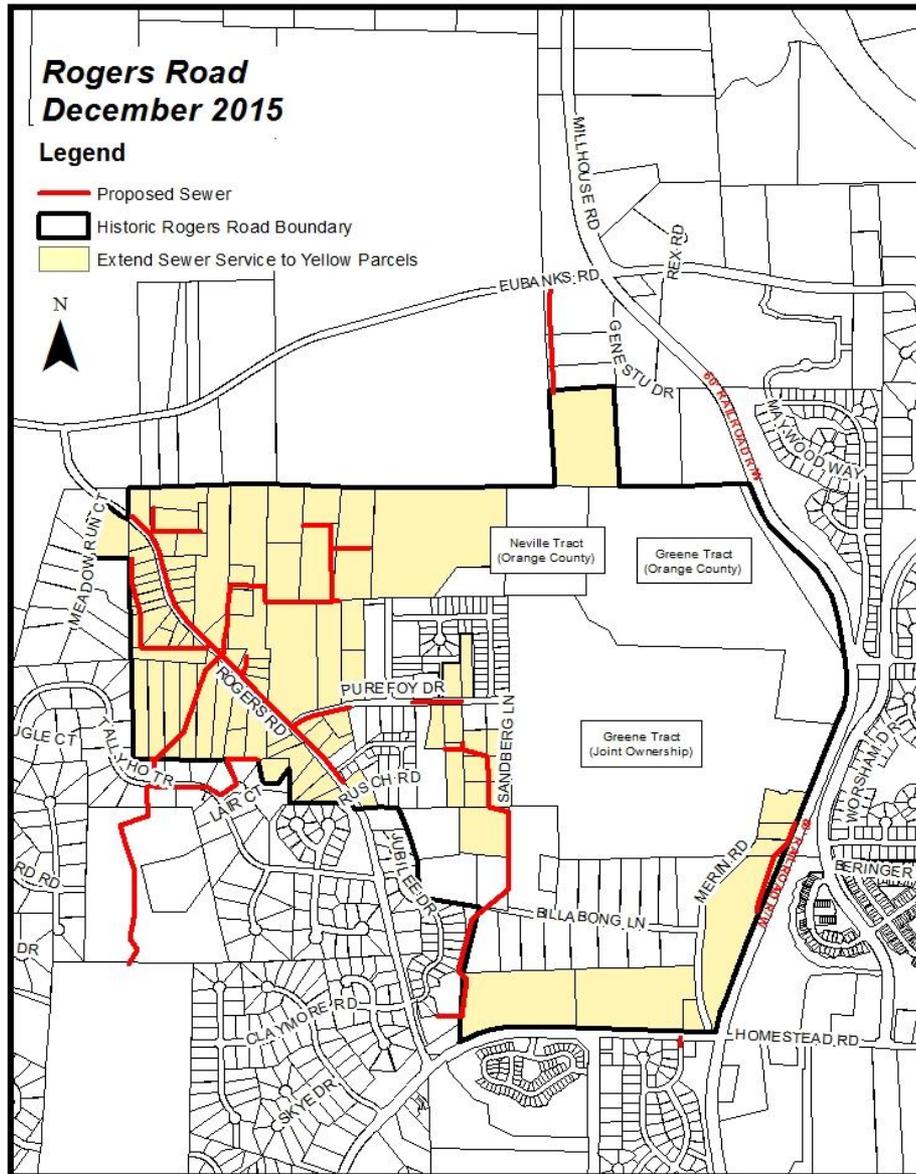
Continuation Funding:

- Historic Rogers Road Sewer - \$5.68M *Page 43*

Prior Year Funds – Professional Services-Design	\$780,000	
Prior Year Funds – Easements	\$212,000	(FY 15-16)
Construction / CEI/ Contingency	\$5,680,000	(FY 16-17)
TOTAL PROJECT	\$6,672,000	

- County CIP includes total project costs
- Chapel Hill (43%) and Carrboro (14%) will participate in cost-sharing
- County and Towns will develop an inter-local agreement for construction costs
- Construction scheduled to begin in March/April 2017
- Operating cost will be part of an agreement with OWASA
- OWASA availability fees and on site plumbing not included in above estimate.

ROGERS ROAD PROPOSED SEWER ALIGNMENT



CAPITAL INVESTMENT PLAN

Policy Priorities:

- Accessibility & Security Improvements - \$190,000 *Page 42*

Category	Amount
Whitted – Step, Curb, Rail Repair	\$75,000
Historic Courthouse Accessibility	\$40,000
Security Improvements	\$75,000
TOTAL PROJECT COST	\$190,000

- Recommended through the Space Study Work Group and collaborative accessibility survey process

CAPITAL INVESTMENT PLAN

Critical Infrastructure Improvements:

- Southern Human Services Center – \$300,000: ***Page 30***

Prior Year Funds – All Categories	\$330,000
Design Services to Implement Programming Study/Needs Assessment	\$300,000

- Facility vision study is currently underway focused on Health and Social Services
- Visioning study will be complete in early fall of 2016
- Construction funds recommended in FY2017-18 (\$5,185,000)

SOUTHERN HUMAN SERVICES MASTER PLAN



CAPITAL INVESTMENT PLAN

Other Critical Infrastructure Improvements:

- Facility Roofing Projects - \$206,700: *Page 34*

Prior Year Funds – All Projects	\$2,139,110
Construction – District Attorney (Sector 2)	\$12,000
Construction – Central Recreation	\$194,700

- Project priorities determined by Roof Asset Management Program study

CAPITAL INVESTMENT PLAN

Other Critical Infrastructure Improvements:

- Historic Courthouse Square - \$40,000: *Page 45*

Professional Services – Plan for Building and Grounds
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\$40,000

- Improve landscape features to create more public friendly square
- Rehabilitate building exterior
- Construction funds are recommended for FY 2017-18 (\$245,000)

HISTORIC COURTHOUSE SITE



CAPITAL INVESTMENT PLAN

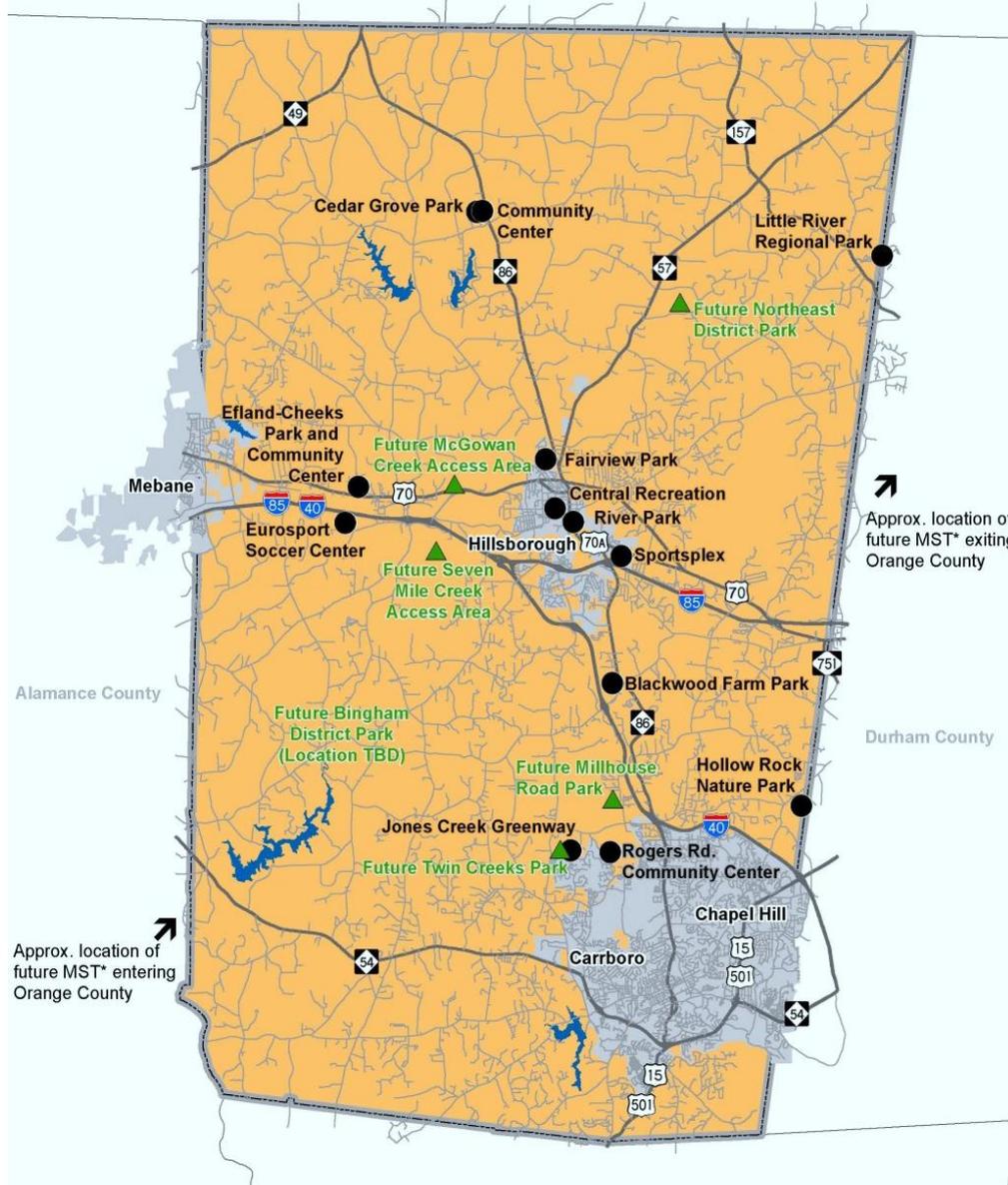
Other Critical Infrastructure Improvements:

- Generator Projects - \$375,000: *Page 46*

Prior Year Funds – All Projects	\$130,000
Animal Services Center	\$100,000
Cedar Grove Community Center	\$75,000
Efland Cheeks Community Center	\$50,000
Rogers Road Community Center	\$50,000
Jerry M. Passmore Center	\$100,000

- Community Centers may be used as temporary warming, cooling, and recharging facilities during short term power disruptions
- Emergency Services to describe role in overall sheltering plan

PARKS, OPEN SPACE, AND TRAIL DEVELOPMENT



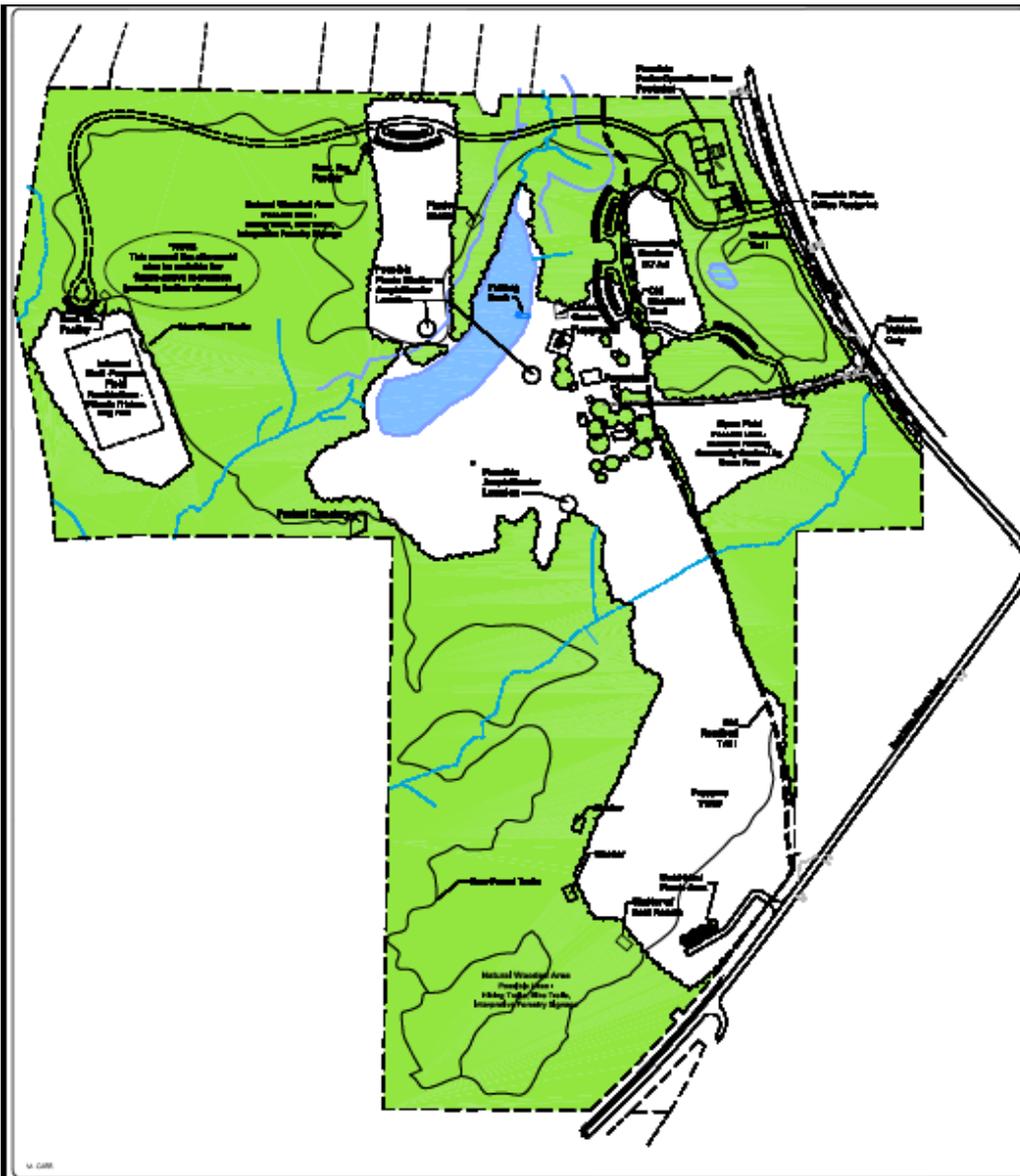
CAPITAL INVESTMENT PLAN

Parks, Open Space, and Trail Development:

- Blackwood Farm Park - \$1.26M: *Page 56*

Prior Year Funds – Construction and Equipment	\$197,400
Professional Services	\$210,000
Construction – New Entrance	\$1,050,000
TOTAL PROJECT COST	\$1,457,400

- FY2016-17 is Phase 1 of multi-year park development
- Major park construction scheduled for FY2017-18 (\$1,815,000)
- Parks Operations Base scheduled for FY2018-19 (\$2,572,000)
- New operating expenses for personnel and operations of approximately \$86,000 per year on full build out



14.000



"Future" Blackwood Farm Park
Adopted Master Plan
 March 3, 2011[†]



14.000

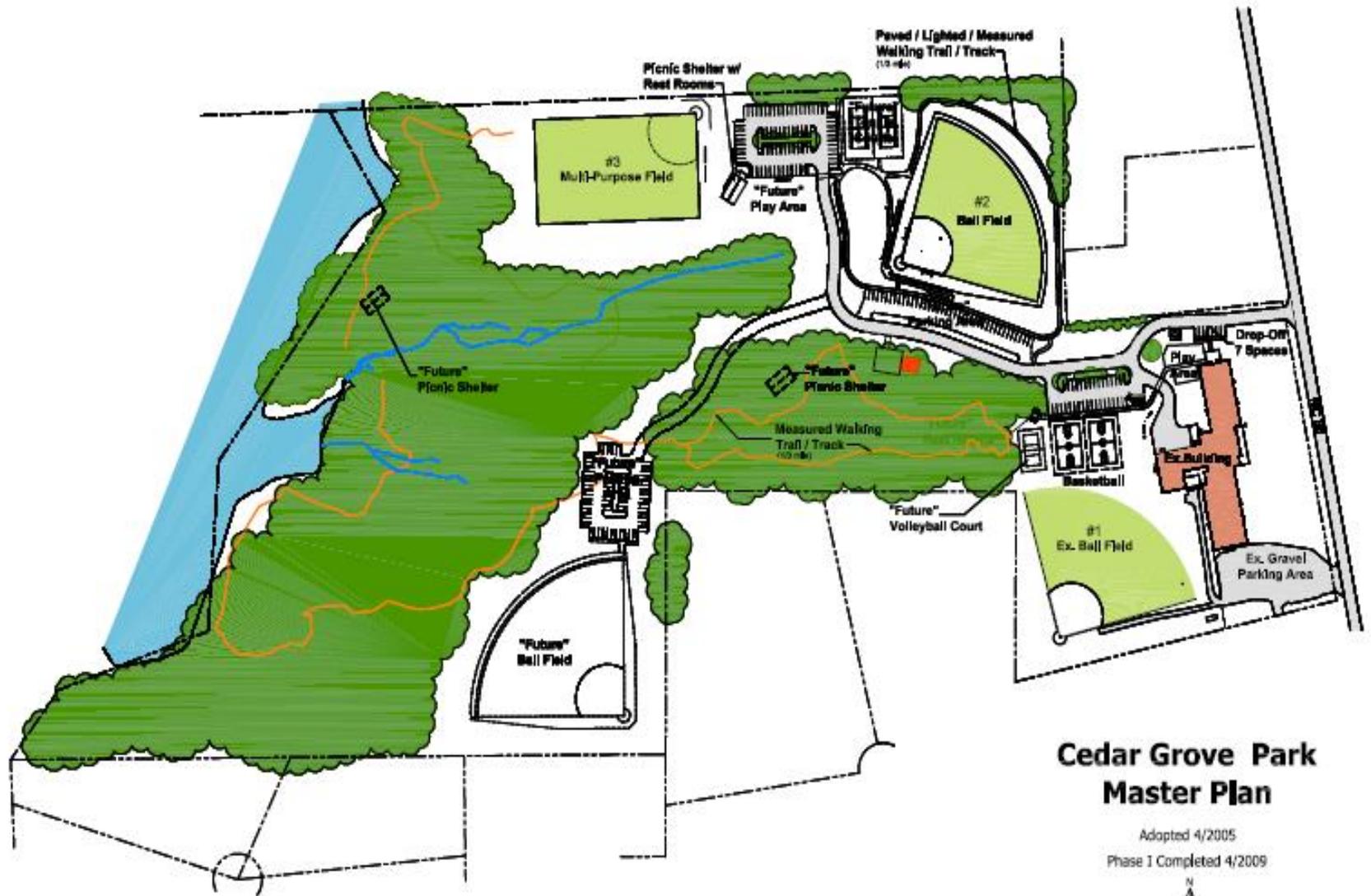
CAPITAL INVESTMENT PLAN

Parks, Open Space, and Trail Development:

- Cedar Grove Park – Phase II - \$60,000: *Page 58*

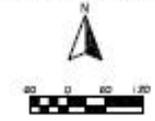
Prior Year Funds – Construction	\$1,848,000
Construction – Basketball Court Renovation	\$60,000
TOTAL PROJECT COST	\$1,908,000

- CIP recommends replacement of lighting in Field #1 and design work for park construction \$240,000 in FY2017-18
- Phase 2 construction – additional baseball/softball field, tennis court, picnic shelter, parking (\$1,500,000) in FY2018-19
- New operating expenses of approximately \$38,500 following the improvements in FY2018-19



Cedar Grove Park Master Plan

Adopted 4/2005
Phase I Completed 4/2009



CAPITAL INVESTMENT PLAN

Continuation Funding:

- Conservation Easements - \$500,000: *Page 59*

Prior Year Funding – Easement Acquisition	\$6,878,181
Easement Acquisition	\$500,000

- Component of the Lands Legacy Program
- \$500,000 budgeted annually through the 10 year CIP
- \$250,000 in County funds (anticipates matching grants)
- \$200,000 of current year \$250,000 is expended or committed

CAPITAL INVESTMENT PLAN

Parks, Open Space, and Trail Development:

- Mountains to Sea Trail - \$521,000: *Page 64*

Easement Acquisition <i>if necessary</i>	\$120,000
Construction – Trail Construction	\$313,000
Equipment – Signage and Fencing	\$88,000
TOTAL PROJECT COST	\$521,000

- Public meeting/trail process planning underway and will continue during summer of 2016
- FY2016-17 – Occoneechee Mountain to Seven Mile Creek segment (Segment 11-D): Boardwalk sections, waystation, crossing improvements (I-85/40)
- Further trail construction scheduled for FY 2018-19 (\$693,000)
- New personnel/operating expenses of approximately \$22,000 following new trail construction

MST – SEGMENT 11-D (OCCONEECHEE MOUNTAIN TO SEVEN MILE CREEK PRESERVE)



CAPITAL INVESTMENT PLAN

Parks, Open Space, and Trail Development:

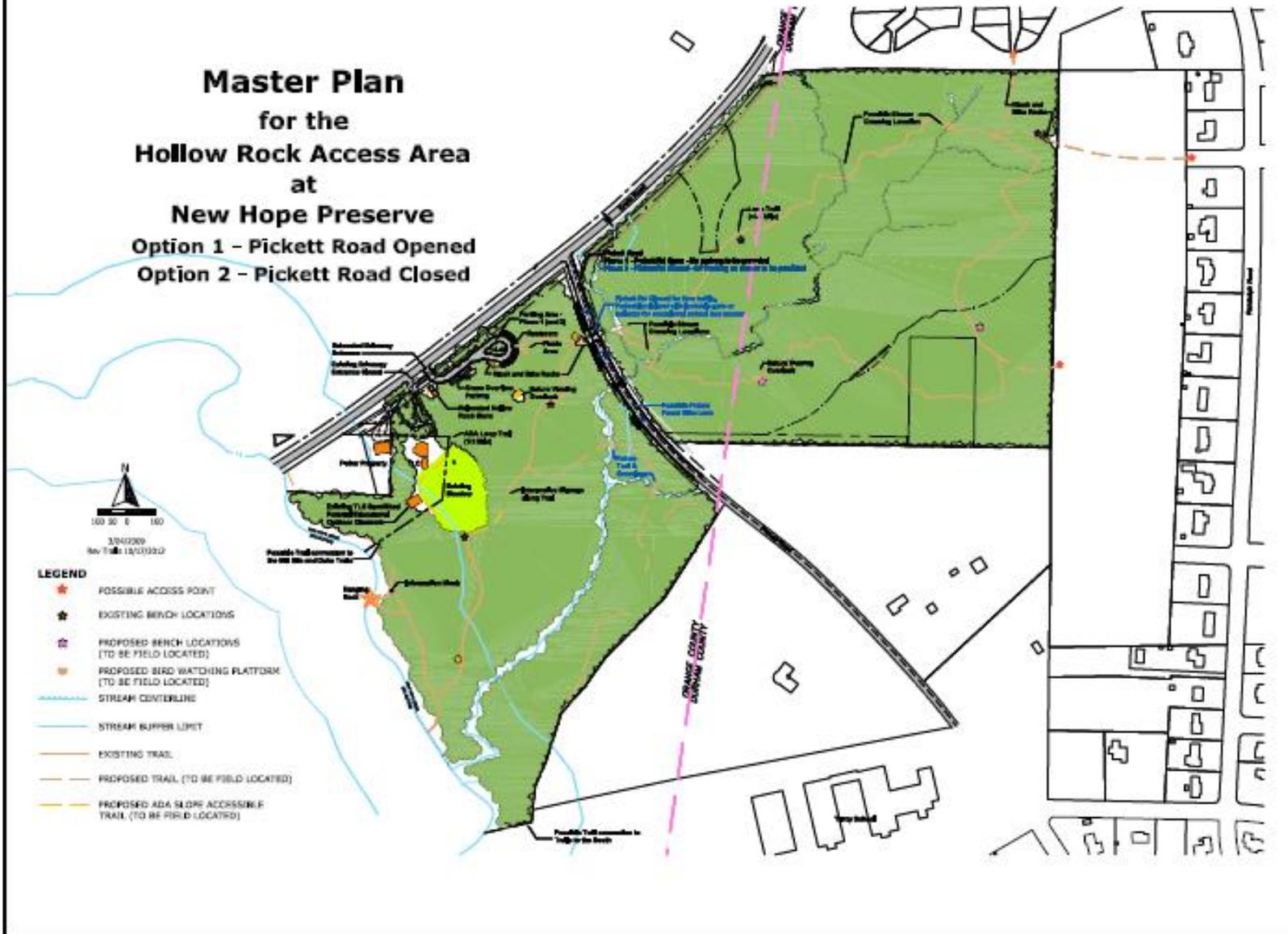
- Hollow Rock Nature Park - \$235,000: *Page 65*

Prior Year Funds – Land and Construction	\$387,500
Construction – ADA Trail, Boardwalk, Restrooms	\$225,000
Equipment – Signage	\$10,000
TOTAL PROJECT COSTS	\$622,500

- Park opened May 23; Grand opening June 5
- Relocation of old Hollow Rock Store to occur late 2016
- ADA loop trail, restrooms, wildlife viewing deck, boardwalk
- 50% cost share with Durham County
- New operating expense of approximately \$48,000-\$59,000 as property is improved

Master Plan for the Hollow Rock Access Area at New Hope Preserve

Option 1 - Pickett Road Opened
Option 2 - Pickett Road Closed



CAPITAL INVESTMENT PLAN

Parks, Open Space, and Trail Development:

- River Park – Phase II - \$50,000: *Page 67*

Prior Year Funds – Construction	\$350,000
Construction – Stormwater Improvements, Signage	\$50,000
TOTAL PROJECT COSTS	\$400,000

- Stormwater control, entry sign from new Churton St. bus turnout
- New operating expense of approximately \$12,000 per year after park improvements are complete



CAPITAL INVESTMENT PLAN

Parks, Open Space, and Trail Development:

- Little River Park – Phase II - \$100,000: *Page 69*

Prior Year Funds – Construction	\$1,621,720
Construction – Entry Road, Parking, Maintenance Shed	\$100,000
TOTAL PROJECT COSTS	\$1,721,720

- Prior year funds comprised of grants, Durham County cost share, and other sources
- Primary task – repaving of original entry road
- 50% Cost share with Durham County

CAPITAL INVESTMENT PLAN

Parks, Open Space, and Trail Development:

- Fairview Park Access w/Parking - \$325,000: *Page 70*

Prior Year Funds – Construction	\$100,000
Construction – Entry and Parking Lot	\$325,000
TOTAL PROJECT COSTS	\$425,000

- New entry and parking lot to be under construction this fall
- Bid opening scheduled for June 21

CAPITAL INVESTMENT PLAN

Future Capital Projects:

- **FY2017-18**
 - School Capital Improvements – \$8.3M: *Page 104*
 - Water/Sewer – \$895,000: *Page 76*
 - Solid Waste – \$1.1M: *Page 89 & 96*
 - Southern Orange Campus – \$2M: *Page 28*
 - Southern Human Services Center – \$5.2M: *Page 30*
 - Information Technology – \$1.5M: *Page 35*
 - Detention Facility – \$20.6M: *Page 37*
 - Environment & Ag Center – \$3.15M: *Page 39*
 - EMS Substations – \$1.2M: *Page 53*
 - Blackwood Farm Park – \$1.8M: *Page 56*
 - Efland-Cheeks Community Center – \$391,000: *Page 73*
 - Park Facility Renovation and Repairs – \$180,000: *Page 74*
 - Sportsplex – \$400,000: *Page 100*

CAPITAL INVESTMENT PLAN

Future Capital Projects:

- **FY2018-19**
 - School Capital Improvements – \$47.8M: *Page 104*
 - Water and Sewer – \$375,000 : *Page 76*
 - Solid Waste – \$1.1M: *Page 90 & 91*
 - Information Technology – \$1.5M: *Page 35*
 - Affordable Housing – \$2.5: *Page 48*
 - EMS Substations – \$1.5M: *Page 53*
 - Blackwood Farm Park – \$2.6M: *Page 56*
 - Cedar Grove Park – \$1.5M: *Page 58*
 - Mountains to Sea Trail – \$700,000: *Page 64*
 - Sportsplex – \$400,000: *Page 100*

CAPITAL INVESTMENT PLAN

Future Capital Projects:

- **FY2019-20**
 - School Capital Improvements – \$7.8M: ***Page 104***
 - Water /Sewer – \$2.1M: ***Page 76***
 - Solid Waste – \$2.1M: ***Page 90, 93 & 95***
 - Information Technology – \$1.5M: ***Page 35***
 - EMS Substations – \$1.5M: ***Page 53***
 - Soccer Center Phase II – \$4.6M: ***Page 61***
 - Lands Legacy - \$500,000: ***Page 62***
 - Millhouse Road Park – \$6.4M: ***Page 63***
 - Sportsplex – \$380,000: ***Page 100***

- **FY2020-21**
 - School Capital Improvements – \$47.9M ***Page 104***
 - Water/Sewer – \$25,000: ***Page 75***
 - Solid Waste – Recycling – \$800,000: ***Page 90***
 - Southern Orange Campus – \$2M: ***Page 28***
 - Information Technology – \$1.5M: ***Page 35***
 - EMS Substations – \$1.5M: ***Page 53***
 - Bingham District Park – \$6.7M: ***Page 57***
 - Lands Legacy - \$500,000: ***Page 62***
 - Cedar Grove Park – \$1.5M: ***Page 58***
 - Northeast District Park – \$7.7M: ***Page 66***
 - Little River Park – \$3.8M: ***Page 69***
 - Sportsplex – \$1.8M: ***Page 100***