

## Debt Service and the Tax Rate

The 2001, 2005 and 2006 voter-approved referenda authorized the County to borrow a total of \$372.0 million for purposes of fire/rescue station construction and equipment purchases, transportation projects, library and parks projects, public safety and general government purposes, and school construction and technology purchases. \$259.9 million has been borrowed against this referenda authority. The authorized balance - \$112.2 million – will remain unissued because the time has expired for legal issuance.

In 2014, a voter-approved referendum authorized the County to borrow a total of \$241.4 million to fund public safety, transportation and school capital projects. At the end of FY 2021, \$132.4 million will have been borrowed against this referendum authority.

The following table shows the *potential* impact on the tax rate stated at the time of each referendum:

Referendum	Purpose	Potential Tax Rate Impact*
2001	Fire/Rescue	\$0.05 per \$100
2005	Transportation	\$0.10 per \$100
2005	Library & Parks	\$0.01 per \$100
2005	Public Safety	\$0.06 per \$100
2005	Schools	\$0.05 per \$100
2006	Schools	\$0.04 per \$100
2014	Public Safety	\$0.03 per \$100
2014	Transportation	\$0.05 per \$100
2014	Schools	\$0.11 per \$100
		<b>\$0.50 per \$100</b>

\* This is the potential tax rate impact identified in materials distributed at the time of the referenda. Tax rate impact calculations were based on the value of one penny on the real property tax rate at the time of the referenda.

There have been two tax rate increases *specifically* tied to repayment of the debt service associated with these borrowings:

- A \$0.02 tax rate increase in calendar year 2005 for the purpose of funding fire/rescue debt service; and
- A \$0.01 tax rate increase in calendar year 2010 was approved for general County debt service.

Capital projects completed or in progress from these referenda include:

Schools	Public Safety	Gen. Gov't/Transportation
<ul style="list-style-type: none"> <li>✓ 1 new elementary school</li> <li>✓ 4 elementary, 1 middle school, and 1 high school addition and/or renovation projects</li> <li>✓ John J. Wright renovation</li> <li>✓ Various capital maintenance projects</li> <li>✓ Technology upgrades/replacements</li> <li>✓ New/replacement buses</li> <li>✓ Fleet Maintenance facility (shared with County)</li> <li>✓ New warehouse</li> <li>✓ Renovation of Courtland High School</li> </ul>	<ul style="list-style-type: none"> <li>✓ New Salem Fields station</li> <li>✓ Replacement Four Mile Fork F/R station</li> <li>✓ Replacement Courthouse F/R station</li> <li>✓ Replacement ambulances/fire trucks</li> <li>✓ Replacement Chancellor F/R station</li> <li>✓ New Lee's Hill F/R station</li> <li>✓ Salem Ch. Station bunkroom addition</li> <li>✓ Circuit Court building</li> <li>✓ Public Safety building</li> <li>✓ Replacement public safety/CAD system</li> </ul>	<ul style="list-style-type: none"> <li>✓ Patriot Park</li> <li>✓ Salem Church Library addition</li> <li>✓ Multiple intersection improvement projects<sup>1</sup></li> <li>✓ Paving of "poor" and "fair" unpaved roads<sup>2</sup></li> <li>✓ Roadways and bridge in area of new hospital<sup>3</sup></li> <li>✓ Massaponax Church Road</li> <li>✓ Towles Mill Road</li> <li>✓ VRE station/parking area</li> <li>✓ Grand Brooks Road resurfacing</li> <li>✓ Jones Powell Road improvements</li> <li>✓ Roadway improvements at Massaponax and Harrison Crossing<sup>3</sup></li> <li>✓ Various improvements at two I-95 interchanges (Exits 118 &amp; 126)</li> <li>✓ Removal of Rt. 3 bumpouts</li> <li>✓ Roundabout – Old Plank &amp; Chancellor roads</li> <li>✓ Bloomsbury road improvements</li> </ul>

<sup>1</sup>Intersection improvement projects include: Chancellor/Gordon, Harrison/Rt. 1, Mine/Falcon/Spotsylvania, Smith Station/Courthouse, Harrison/Kingswood/Beauclair, Mine/Hardwood/Campbell, Mine/Lansdowne, Hickory Ridge/Rt. 1, and Thornton Rolling/Rt. 17.

<sup>2</sup>Improvements to roads ranked "poor" were completed on Ham's Ford Road, Sunnybrooke Farm Road, Tribble Road, Pepper Tree Road, Gladly Fork Road, and Stewart Road. Improvements to roads ranked "fair" were completed or are in progress/planned for Lanes Corner Road, Belfonte Road, Williams Lane, Haley's Mill Road, Spotswood Furnace Road, Woolfolk Road, Sullivan Road, Mastin Lane, Parker Lane, Mallard Point Lane, Ryland Payne Road, Wigglesworth Road, and Dovey Road.

<sup>3</sup>Debt service on these projects funded through special taxes applied to Special Service Districts.