

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 - \$112.1 million – will remain unissued because the time has expired for legal issuance.

In 2014 and 2021, voter-approved referenda authorized the County to borrow a total of \$582.1 million to fund public safety, transportation and school capital projects. At the end of FY 2023, \$191.3 million will have been borrowed against this referendum authority.

The following table shows the *potential* gross 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
2021	Public Safety	\$0.02 per \$100
2021	Transportation	\$0.05 per \$100
2021	Schools	\$0.11 per \$100
		\$0.68 per \$100

* 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
✓ 1 new elementary school	✓ New Salem Fields station	✓ Patriot Park
✓ 1 new middle school	✓ Replacement Four Mile Fork F/R station	✓ Salem Church Library addition
✓ 4 elementary, 1 middle school, and 1 high school addition and/or renovation projects	✓ Replacement Courthouse F/R station	✓ Judicial Center renovation
✓ John J. Wright renovation	✓ Replacement Partlow F/R station	✓ Multiple intersection improvement projects ¹
✓ Various capital maintenance projects	✓ Replacement ambulances/fire trucks	✓ Paving of "poor" and "fair" unpaved roads ²
✓ Technology upgrades/replacements	✓ Replacement Chancellor F/R station	✓ Roadways and bridge in area of new hospital ³
✓ New/replacement buses	✓ New Lee's Hill F/R station	✓ Massaponax Church Road
✓ Fleet Maintenance facility (shared with County)	✓ Salem Ch. Station bunkroom addition	✓ Towles Mill Road
✓ New maintenance warehouse	✓ New Circuit Court building	✓ VRE station/parking area
	✓ New Public Safety building & subsequent addition	✓ Grand Brooks Road resurfacing
	✓ Replacement public safety/CAD system	✓ Jones Powell Road improvements
	✓ Animal Shelter addition and renovation	✓ Roadway improvements at Massaponax and Harrison Crossing ³
		✓ Various improvements at two I-95 interchanges (Exits 118 & 126)
		✓ Removal of Rt. 3 bumpouts
		✓ Roundabout – Old Plank & Chancellor roads
		✓ Bloomsbury road improvements
		✓ Roadway improvements in area of new VA clinic

¹Intersection 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.

²Improvements 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.

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