

# 2021 Bond Referendum

May 25, 2021



# Tax Rate Impact

## Remaining \$36 Million 2016 Referendum & \$16.3 Million 2/3 Bonds

	<u>FY 22</u>	<u>FY23*</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28*</u>
Bonds Issued February 2022:							
2/3 Bonds (\$16.3M) & Completion of 2016 Referendum (\$36M)	\$52.3M						
Tax Rate Implication (Without Revaluation)	-	<b>+1.5 cents</b>	-	-	-	<b>-2.0 cents</b>	-
Tax Rate Dedicated to Debt Service (General Fund Transfer)	9.5	11.0	11.0	11.0	11.0	9.0	9.0

\* Revaluation Effective

# Projected Tax Impact of 2021 Bond Referendum

Remaining \$36 Million 2016 Referendum, \$16.3 Million 2/3 Bonds, and \$120 Million 2021 Referendum

	<u>FY 22</u>	<u>FY23*</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28*</u>	<u>FY29</u>
Bond Issuance								
2/3 Bonds: \$16.3M & Completion of 2016 Referendum: \$36M	\$52.3M							
2021 Referendum (Phased Bond Issuance): \$120M	\$30M		\$30M		\$30M		\$30M	
Tax Rate Implication (Without Revaluation)	-	<b>+3 cents</b>	-	-	-	<b>-0.5 cents</b>	<b>-1.0 cents</b>	<b>-0.5 cents</b>
2016 & 2/3 Bonds		<b>+1.5 cents</b>						
2021 Bonds		<b>+1.5 cents</b>						
Tax Rate Dedicated to Debt Service (General Fund Transfer)	<u>9.5</u>	<u>12.5</u>	<u>12.5</u>	<u>12.5</u>	<u>12.5</u>	<u>12.0</u>	<u>11.0</u>	<u>10.5</u>

\* Revaluation Effective

# Projected Tax Impact of 2021 Bond Referendum

Remaining \$36 Million 2016 Referendum, \$16.3 Million 2/3 Bonds, and \$135 Million 2021 Referendum

	FY 22	FY23*	FY24	FY25	FY26	FY27	FY28*	FY29
Bond Issuance								
2/3 Bonds: \$16.3M & Completion of 2016 Referendum: \$36M	\$52.3M							
2021 Referendum (Phased Bond Issuance): \$135M	\$30M		\$35M		\$35M		\$35M	
Tax Rate Implication (Without Revaluation)	-	+3 cents	-	-	-	-	-1.0 cents	-0.5 cents
2016 & 2/3 Bonds		+1.5 cents						
2021 Bonds		+1.5 cents						
Tax Rate Dedicated to Debt Service (General Fund Transfer)	9.5	12.5	12.5	12.5	12.5	12.5	11.5	11.0

\* Revaluation Effective

# 2021 Bond Referenda – Recommended Funding

**2021 Bond Package Total: \$120 million**

Program Area	Cost Estimate
Housing	\$30 million
Community Services and Parks & Recreation	\$70 million
Public Safety	\$20 million
<b>Total</b>	<b>\$120 million</b>

**Additional \$15 Million – Transportation or Re-allocation of Above Purposes**

# 2021 Referenda Calendar

## Bond Approval and Issuance Calendar

### May - June 2021 (to be determined)

- City Council discusses proposed bond issue purposes (to be specified by legal purpose) and maximum amounts to be placed on a prospective November 2 referendum

### June 15, 2021

- City Council authorizes filing of application with the NC Local Government Commission for the authority to issue bonds, specifying bond issue purposes and maximum amounts

### July 20, 2021

- City Council introduces bond orders for each bond issue purpose, identifies spending details, and calls a public hearing on the bond orders

# 2021 Referenda Calendar

## Bond Approval and Issuance Calendar

### August 2, 2021

- City Council holds public hearing to receive public input on the proposal to issue bonds
- City Council votes on individual bond orders to authorize bonds
  - Second of two required readings
  - City Council may adopt, reduce amount and adopt, or not adopt each bond order
  - Adopts a resolution calling for referendum

### November 2, 2021 – Election Day

- The City holds bond referendum for residents to vote and decide on each of the specific bond issue purposes on the bond ballot. The affirmative vote of a majority of those who vote thereon shall be required for a bond order to take effect.

# FY 2022 - Two Thirds Bond Calendar

## 2/3 Bond Approval and Preliminary Issuance Calendar - \$16.3 Million

### By October 2021

- City Council discusses and finalizes purpose(s) of bonds
- City staff begins discussions with Local Government Commission
  - Preliminary cost estimates developed

### November - December 2021

- City Council authorizes filing of bond application with Local Government Commission
- City Council introduces bond orders, holds public hearing and adopts bond orders
  - Contract(s) bid, major permits obtained

### January 2022

- Local Government Commission approves debt at their monthly meeting

### February 2022

- Local Government Commission bids and sells debt for Greensboro
  - 2/3 Bonds must be sold before any other General Obligation Debt is issued