

Durham Public Schools (DPS)-Impact of ¼ Cent Sales Tax

One Vision. One Durham

DPS experienced a 2011-12 budget shortfall of \$23.5M. The district addressed 80% of this shortfall through the use of one time money. (See A below)

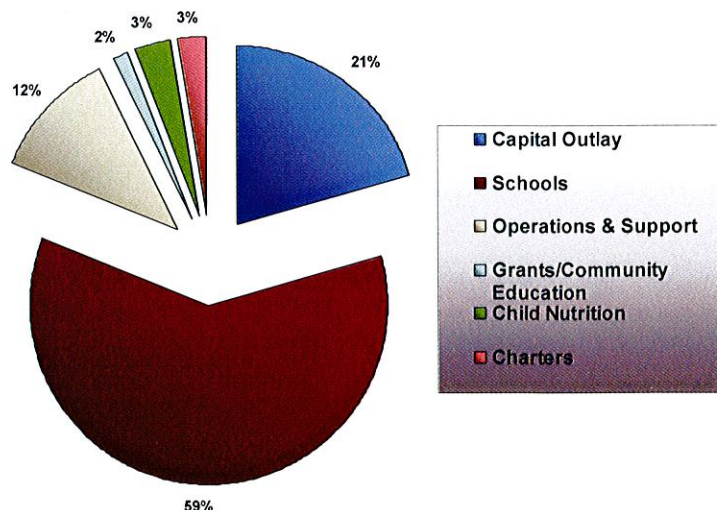
Additional dollars received from the County covered student enrollment growth, operational cost increases associated with additional square footage, and personnel benefit cost increases.

(A) The \$18.7M helped the district to do the following:

- \$6.2M in EdJobs Federal Funding Reserved by DPS
 - 35 Classroom teachers
 - 4 Assistant Principals
 - 28 School Treasurers
 - 22 School Secretaries/Receptionists
 - 28 NCWise Administrators (student attendance/grades)
 - 34 School Custodians
- \$2.9M in contract renegotiations, reorganization, and central office cost reductions
- \$1.1M in Federal carryover dollar savings
 - 20 EC facilitator positions
- \$2.1M in personnel reductions
- \$6.4M in DPS Fund Balance savings
 - 29 classroom teachers, 8 assistant principals, additional school based support services for our families, publications stipends, classroom supplies and materials, and new school start up costs

DPS will require an additional revenue source as well as continued enrollment growth and inflation funding from the County in the 2012/13 budget year just to stay even.

Where does the money go?



Recommended Sales Tax Referenda

One-Quarter (¼) Cent Sales Tax for Education

- Referendum held on November 8, 2011
- Public Hearing on Sales Tax on June 13, 2011
- Resolution to call for Referendum adopted on June 27, 2011
- Earliest effective date if approved and imposed is April 1, 2012
- Projected FY 2012 collections: \$2.7 million (escrow for FY 2013 DPS budget)
- Projected FY 2013 collections: \$9 million
- Proposed spending plan for FY 2013 Collections
 - \$825,000 for need-based student grants of up to \$2,500 for 300 Durham Public School system graduates to attend Durham Technical Community College
 - \$2 million for debt service for Durham Public Schools
 - \$6.175 million for Durham Public Schools

One-Half (1/2) Cent Sales Tax for Transit

- Referendum held on November 8, 2011 (concurrently with Orange County referendum)
- Public Hearing on Sales Tax on June 13, 2011
- Final Draft of Transit Plan presented on June 6 Worksession
- Public engagement meetings on Transit plan held in May and June
- Public Hearing on Transit Plan on June 13, 2011
- Adoption of Transit Plan on June 27, 2011
- Resolution to call for Referendum adopted on June 27, 2011
- Earliest effective date if approved and imposed is April 1, 2012
- Projected FY 2012 Collections: \$5.4 million
- Project FY 2013 collections: \$18 million
- 25,000 additional bus hours in Durham in first year of implementation
- 50,000 additional bus hours by end of third year of implementation
- Commuter Rail to Research Triangle Park operational by 2018
- Light Rail to Chapel Hill/UNC & UNC Hospital operational by 2025