

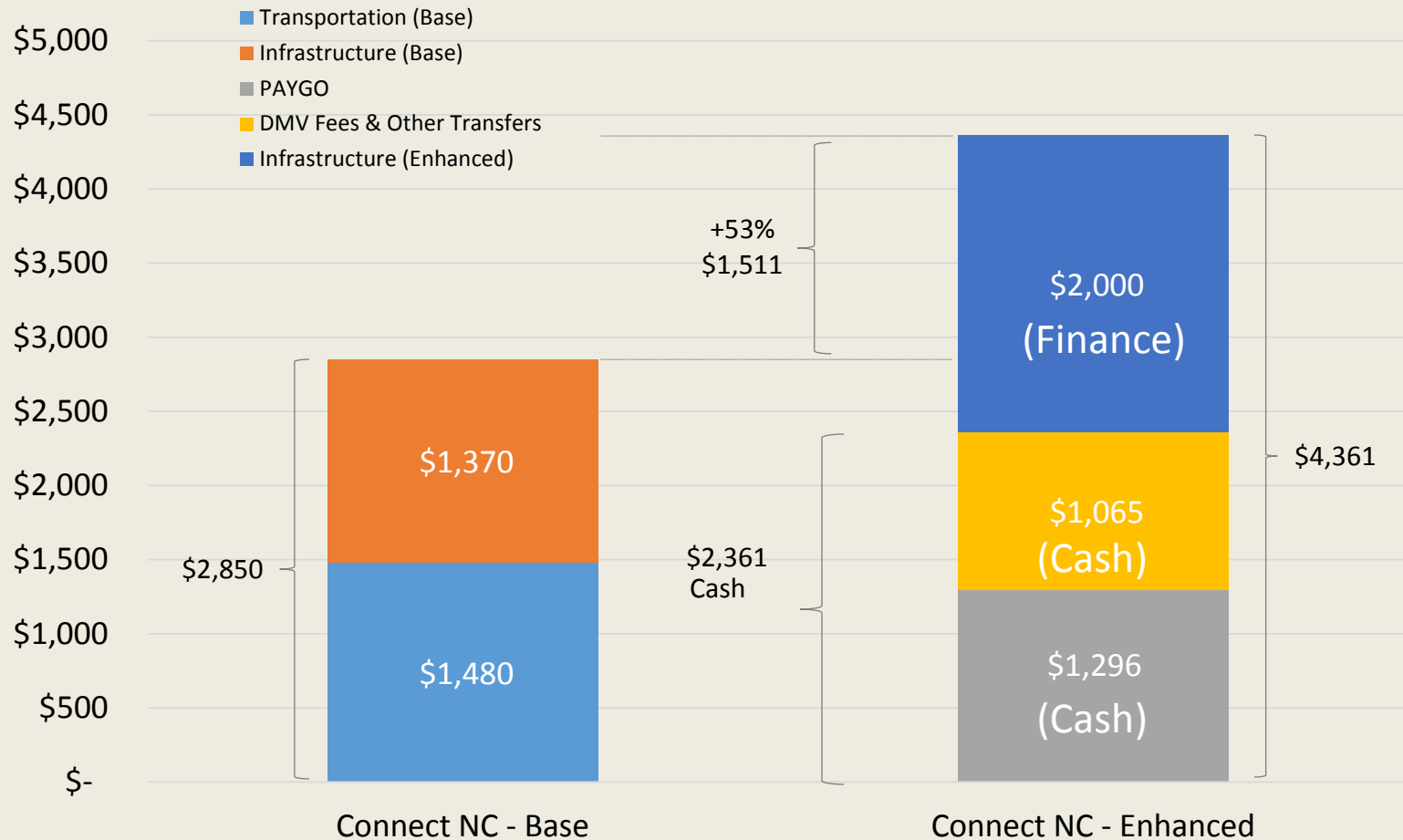
The logo for CONNECT NC is displayed within a solid blue rectangular box. The word "CONNECT NC" is written in a large, bold, white, sans-serif font. Below it, the phrase "Investing in our future." is written in a smaller, white, sans-serif font.

**CONNECT NC**  
Investing in our future.

*A proactive, fiscally conservative plan to  
invest in North Carolina's future.*

**HB 943 – Connect NC  
Bond Act of 2015**

## Comparison of Base and Enhanced Connect NC Bonds (\$ in millions)



Note: Connect NC – Base from H940, Governor’s Budget; PAYGO amount equivalent to 6 years of savings from stopping the HF transfer to GF (6 x \$216 M); DMV Fees & Other Transfers amount equivalent to 6 years of DMV fees, highway use tax adjustments, license registration fees, and transfers to other State agencies included in H 97; DMV Fee projections in FY 2017-18 through FY 2020-21 from DOT/OSBM forecast

# **Infrastructure**

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**\$2.00B Bond**

**6 Year Plan**

**20 Year Bond**

# **Transportation**

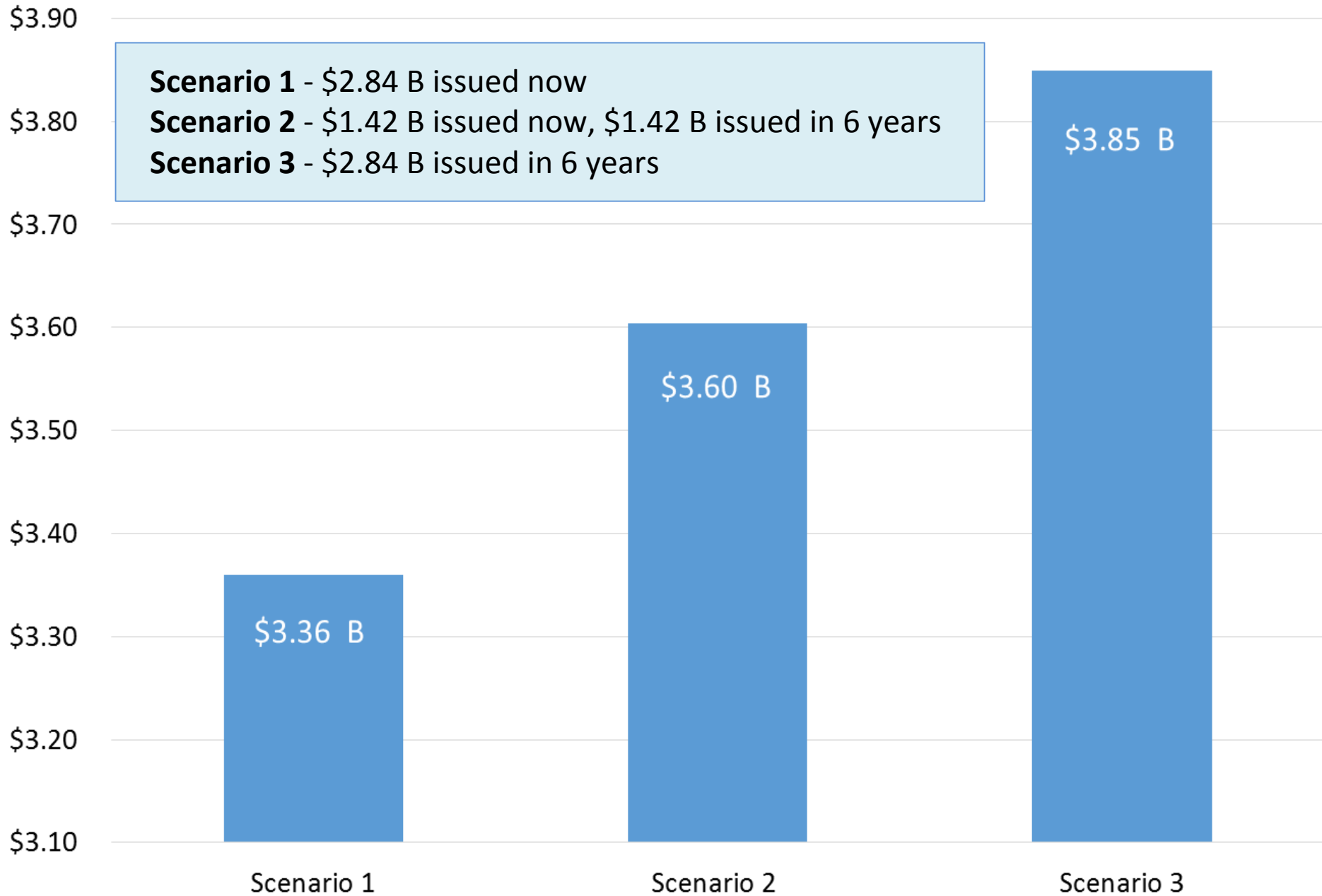
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**\$2.361B Cash**

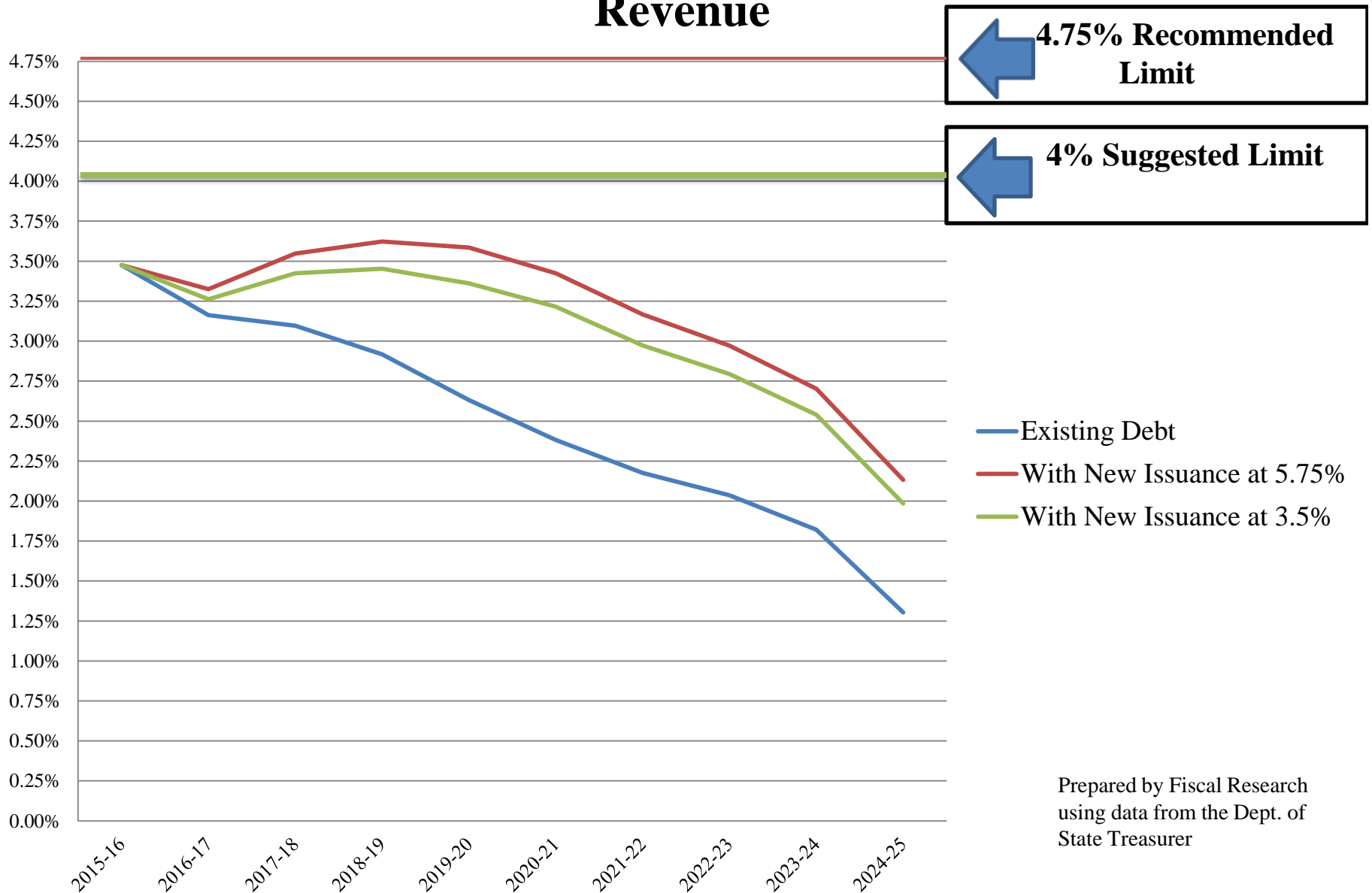
**6 Year Pay-Go Plan**

**\$393.5M On-going  
each year**

# Present Value Cost of Connect NC Scenarios



# Debt Service as a Percentage of General Fund Revenue

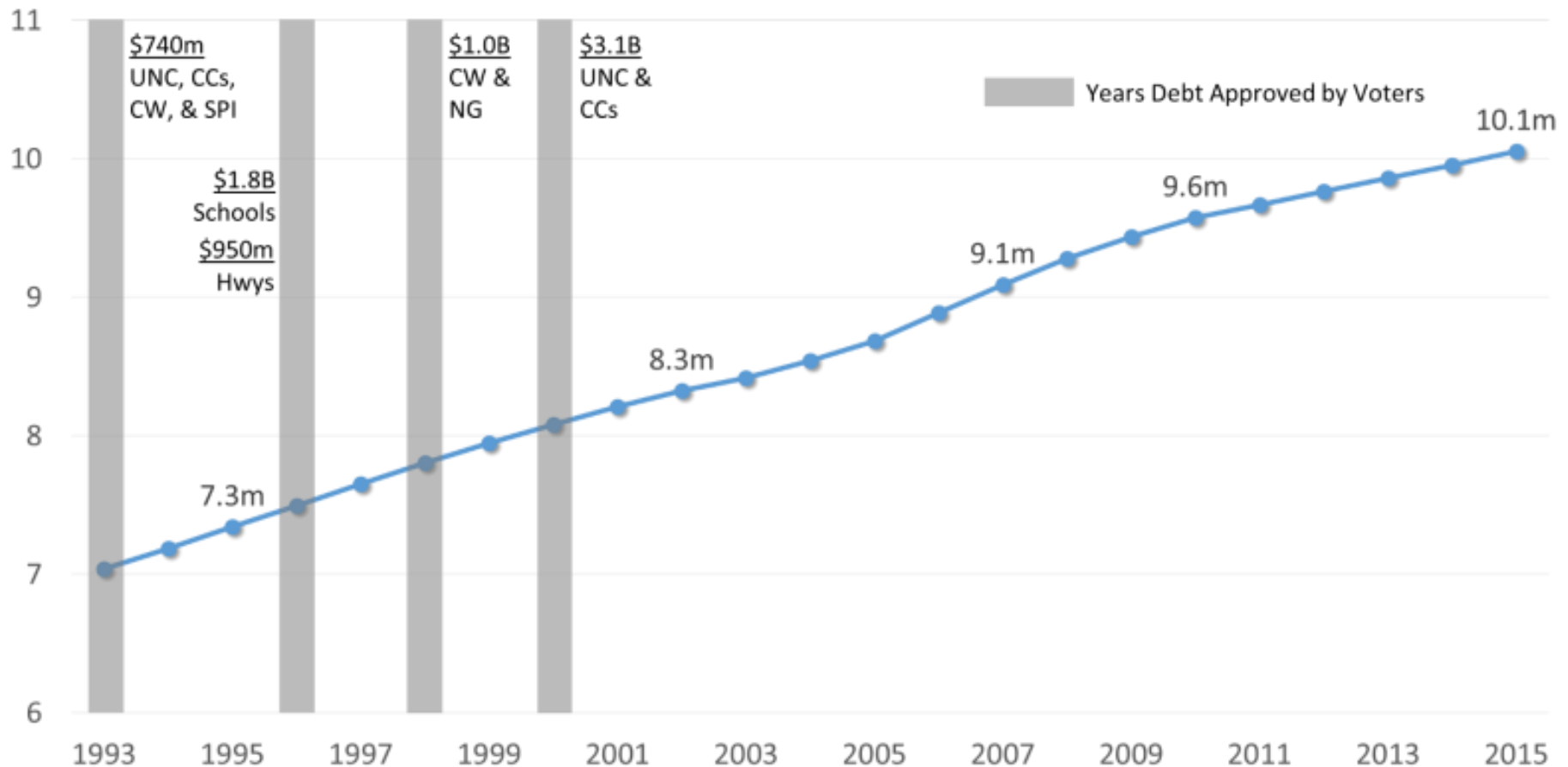


Prepared by Fiscal Research  
using data from the Dept. of  
State Treasurer

# 15 Years Since Last Bond Referendum

## North Carolina Total Population & Voter-Approved Debt

Millions of Persons, 1993-2015



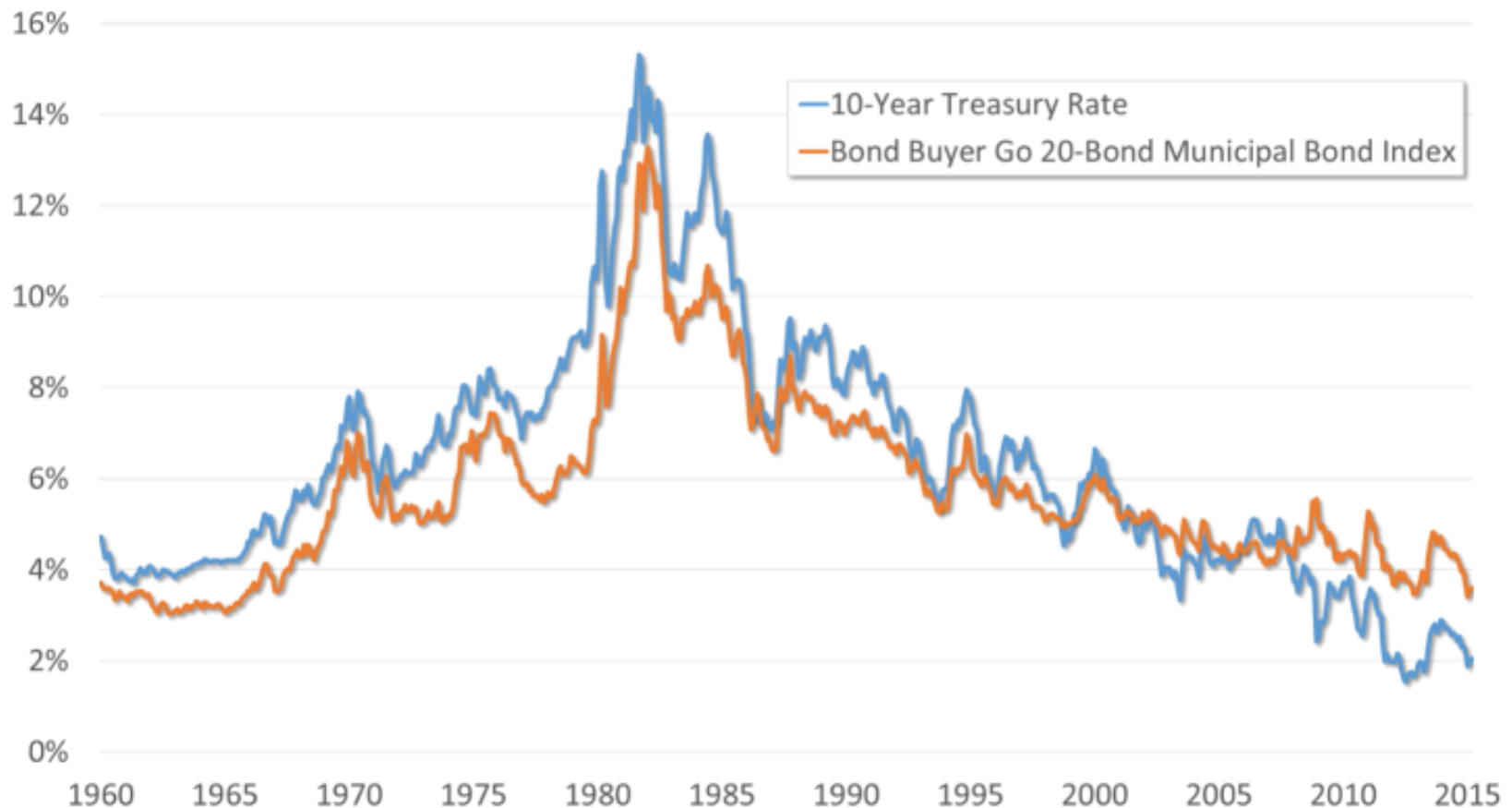
# Time is Money

“We maintain our call for the first fed funds rate hike in September of this year.”

*Wells Fargo Securities, May 27, 2015*

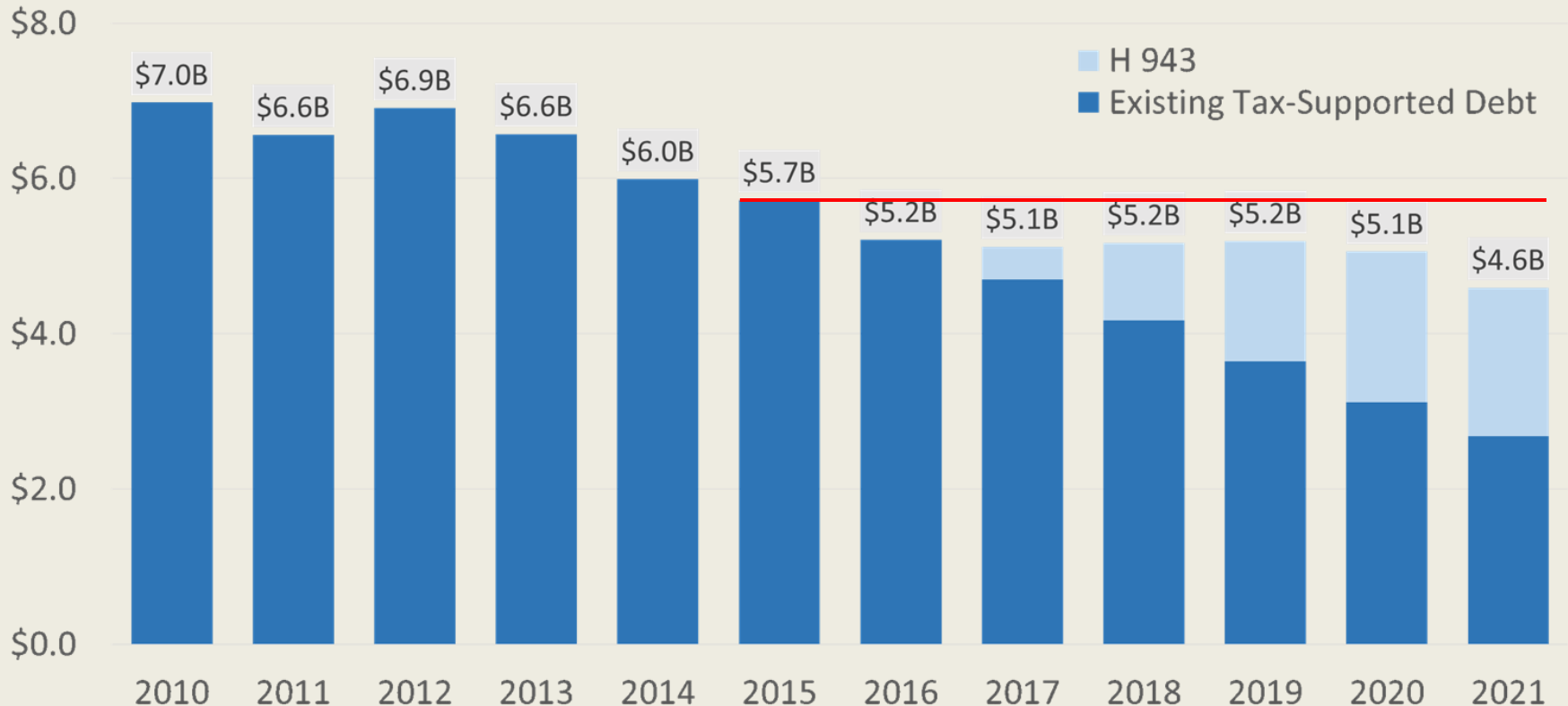
Each 0.25% increase in interest rates costs \$7.5 million in the first year alone

## Interest Rates on Government Bonds at Historic Lows



## Total State Tax-Supported Debt: Recent History & Projections

Billions of Current-Year Dollars, by Fiscal Year, 2010-2021



Note: Based on data from the 2015 DAAC Study by the NC Department of State Treasurer and HB 943 estimates from the NC Fiscal Research Division. Debt amounts include General Obligation debt and Special Indebtedness, but do not include capital leases and debt issued by NC Turnpike Authority. Projections assume four debt issuances over the next four fiscal years.



# Project List

Extends the life of the State's useful assets.

Financing aligns with the asset lifespan.

Focuses on areas that will boost State's economic activity.

Partners with university and industry to prioritize projects.

## Education: UNC System

ASU	New Health Sciences Building	\$	70,000,000
NCSU	Engineering Building	\$	75,000,000
UNCC	New Sciences Building	\$	90,000,000
UNCW	Allied Health and Human Sciences/Nursing Building	\$	66,000,000
ECU	Life Sciences and Biotechnology Building	\$	90,000,000
UNCCH	Medical Education Building Replacement	\$	68,000,000
NCAT	Engineering Building	\$	90,000,000
WCU	Sciences/STEM Building	\$	110,000,000
WSSU	Sciences Building	\$	50,000,000
UNCG	Nursing and Instructional Building	\$	105,000,000
NCSSM	North Carolina School of Technology and Engineering	\$	58,000,000
UNCP	New School of Business	\$	23,000,000
FSU	Lyons Science Building Comprehensive Renovation	\$	10,000,000
NCCU	New Business School	\$	30,000,000
	Repair and Renovations - UNC-Wide	\$	45,000,000
	<b>Sub-Total</b>	<b>\$</b>	<b>980,000,000</b>

# Education:

## Community Colleges

Community Colleges			Statewide	\$ 350,000,000
	New Schools	New Schools		
	Additions	Additions		
	Renovations	Renovations		
		(Match 1:1, 1:2 Tier 2, 1:3 Tier 3)		
		(No K-12 Funds)		

## Agriculture

Plant Sciences Building Ag / NCSU Partnership	\$ 85,000,000
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Department of Agricultural Lab Facility	\$ 94,000,000
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## Public Safety

Samarcand Training Academy	\$ 8,500,000
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## National Guard

McLeansville Regional Readiness Center, Guilford County	\$ 70,000,000
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Morganton – Readiness Center, Burke County	
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North Wilkesboro – Readiness Center, Wilkes County	
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## Parks and Natural Resources

North Carolina Zoo	
Africa Plains Safari	\$ 25,000,000
Australasia Exhibit Complex Replace African Pavilion	
Australasia Exhibit Complex	
Matching Local Parks Grant Fund for Children and Veterans with Disabilities	\$ 3,000,000
State Parks	\$ 75,000,000

## Water and Sewer

Water & Sewer Loan Program	Statewide	\$ 209,500,000
Water & Sewer Grant Program	Statewide	\$ 100,000,000

# **Transportation**

## **(CASH – Not Financed with Bond)**

New, Bridges, Maintenance,	Statewide	\$ 2,361,000,000
Resurfacing, Repairs, Ports Funding		
(\$393.5M x 6 years)		



## PORTS

- \$70 million additional spending on Morehead and Wilmington ports



## BRIDGES

- 58% increase in repair and construction
- \$242 million in 2016-17



## RESURFACING

- 22% increase
- \$498 million



## OTHER ROAD MAINTENANCE

- \$68 million



## SPECIFIED STATE CONSTRUCTION

- \$23 million in projects



## OTHER REPAIR AND RENOVATIONS

- \$150 million

Education

Parks  
and  
Culture

National  
Guard

Repairs  
and Reno

Agriculture

Public  
Safety

Transportation

*Connecting North Carolina to the Future*