



Public Schools of North Carolina
State Board of Education
Department of Public Instruction

Report to the North Carolina General Assembly

Facility Needs Survey 2015-16

G.S. 115C-521(a)

Date Submitted: May 6, 2016

Report # 30

DPI Chronological Schedule, 2015-2016

STATE BOARD OF EDUCATION

SBE VISION: Every public school student will graduate ready for post-secondary education and work, prepared to be a globally engaged and productive citizen.

SBE MISSION: The State Board of Education has the constitutional authority to lead and uphold the system of public education in North Carolina.

WILLIAM COBEY

Chair :: Chapel Hill

BECKY TAYLOR

Greenville

WAYNE MCDEVITT

Asheville

A.L. COLLINS

Vice Chair :: Kernersville

REGINALD KENAN

Rose Hill

ERIC DAVIS

Charlotte

DAN FOREST

Lieutenant Governor :: Raleigh

KEVIN D. HOWELL

Raleigh

PATRICIA N. WILLOUGHBY

Raleigh

JANET COWELL

State Treasurer :: Raleigh

GREG ALCORN

Salisbury

JUNE ST. CLAIR ATKINSON

Secretary to the Board :: Raleigh

OLIVIA OXENDINE

Lumberton

NC DEPARTMENT OF PUBLIC INSTRUCTION

June St. Clair Atkinson, Ed.D., State Superintendent

301 N. Wilmington Street :: Raleigh, North Carolina 27601-2825

In compliance with federal law, the NC Department of Public Instruction administers all state-operated educational programs, employment activities and admissions without discrimination because of race, religion, national or ethnic origin, color, age, military service, disability, or gender, except where exemption is appropriate and allowed by law.

Inquiries or complaints regarding discrimination issues should be directed to:

Dr. Rebecca Garland, Deputy State Superintendent

6368 Mail Service Center, Raleigh, NC 27699-6368 :: Telephone: (919) 807-3200 :: Fax: (919) 807-3388

Visit us on the Web :: www.ncpublicschools.org



Public Schools of North Carolina

State Board of Education | Department of Public Instruction

Statewide Facility Needs Survey 2015-16



April 21, 2016

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
INTRODUCTION	4
SUMMARY REPORT	
Five-year Public Schools Facility Needs	7
New Schools	8
Additions to Existing Schools	9
Renovations of Existing Schools	11
Justifications	12
CONCLUSION	13
FIVE-YEAR NEEDS REPORTED BY LOCAL SCHOOL BOARDS (Summarized by local school administrative unit)	
Alamance through Weldon City	14
Harnett through Tyrrell	15
Union through Yancey	16
APPENDICES	
1. State Assistance for Facilities Funding	17
2. Other Funding	18

EXECUTIVE SUMMARY

The North Carolina G.S.115C-521(a) requires, that “Local boards of education shall submit their long-range plans for meeting school facility needs to the State Board of Education by January 1, 1988, and every five years thereafter.” The 1995 General Assembly of North Carolina authorized the School Capital Construction Study Commission and charged the Commission to conduct a comprehensive study of public school facility needs in North Carolina. School needs documented in that study helped to justify the \$1.8 billion state bond issue that was passed in 1996. It also changed the five-year cycle of the study.

The Department of Public Instruction's (DPI) Safe and Healthy School Support Division, through its School Planning Section, facilitated the statewide study and tabulated the results in the enclosed report. Consultative services and technical support were provided in assisting the 115 school systems to identify current and projected facility needs. Average Daily Membership (ADM) numbers were provided by the Financial and Business Services Division of DPI; enrollment projections were calculated by the School Planning Section.

A computer program for evaluating and reporting needs was provided to each unit electronically. The program contains a current list of schools, 2015/2016 First Month ADM for each school, and DPI's 10-year membership projections. Typical 2015 unit costs and building area standards from the N.C. Public Schools Facilities Guidelines are built into the program. In addition, the program does all math and calculations as data are entered. The entire complete Facility Needs database programs were returned by the LEAs to School Planning. The programs were used to build the state-wide database. A certification is also signed by the local Board of Education and County Commissioners and returned to DPI upon approval.

Local boards of education are to be commended for their conscientious efforts with a demanding process, and county boards of commissioners for their collaboration and support of the results. One hundred fourteen school systems have submitted needs assessments. As of this writing, 100 certifications have been signed by the local school boards and county boards of commissioners.

Results of the study identified total facility needs over a five-year period of nearly \$8.1 billion. This total includes estimated needs for the fifteen systems for which signed certificates of approval were not received before the deadline for this report, and are based upon data supplied by LEA administrators. See the supplementary table ES-1 for the types of needs and their estimated costs.

The following report reflects in detail the results of the survey. The exceptional collaboration which resulted in the success of this comprehensive school facility needs study clearly underscores broad-based concern for the welfare of students in North Carolina.

Table ES-1 Summary of Five-Year Needs		
5-Year Need	2015-16 Survey (2015 Dollars)	% of Total
New Schools	2,787,390,899	34.57%
Additions	1,632,766,326	20.25%
Renovations	3,098,241,811	38.43%
Furnish / Equip	486,474,110	6.03%
Land	57,883,543	0.72%
Total	8,062,756,689	100.00%
(The 2015-16 data does not include Alleghany County Schools)		

INTRODUCTION

Every five years local boards of education are required by G.S.115C-521(a) to submit their Facility Needs Assessment (long-range plans) to the State Board of Education. House Bill 898 (1995 Session) created the School Capital Construction Study Commission, which was charged to conduct a statewide survey of school facility needs. Data gathered in the 1995/96 Facility Needs Survey helped to justify the Public School Building Bond Act of 1996. It also changed the five-year cycle of the study.

The School Planning Section in the Safe and Healthy School Support Division developed a uniform reporting system, assisted the local school units in preparing lists of needs, and tabulated the results of the survey. Student membership and projected enrollment information were provided by the Financial and Business Services Area of DPI. Data for 2,643 schools, existing or proposed, are included in this report. Although data was collected for construction projects and costs for a ten-year period of time, because of the unreliability of long-term forecasting, data in this report primarily reflect costs reported for the next five years. The following indicates the magnitude of school facility needs reported:

Total five-year needs:

The total identified needs for the next five years are approximately equal to the total needs identified in 2010-11. The need to purchase new land is the only category showing a significant change. See Table 1.

Table 1: Comparison of Five-Year Needs			
5-Year Need	2010-11 Survey (2011 Dollars)	2015-16 Survey (2015 Dollars)	% Change
New Schools	2,814,328,286	2,787,390,899	-0.96%
Additions	1,684,746,985	1,632,766,326	-3.09%
Renovations	3,031,579,800	3,098,241,811	2.20%
Furnish / Equip	526,116,103	486,474,110	-7.53%
Land	112,538,602	57,883,543	-48.57%
Total	8,169,309,776	8,062,756,689	-1.30%
(The 2015-16 data do not include Alleghany County Schools)			
(The 2010-11 data do not include Henderson or Bladen County Schools)			

This is a decrease from the 2005-06 Survey which identified \$9.8 billion of need. Part of this decrease might be explained by the severe economic conditions, which dissuaded districts from reporting needs for which no funding is foreseeable. Another explanation for a decrease in the identified needs may be linked to projections of enrollment growth. When the 2005-06 Survey was published, an enrollment of 1,475,241 was anticipated in 2010-11. However, the 2010-11 Survey data reflected only 1,415,075 students (4.4% less growth). In addition, both the 2005-06 survey and the 2010-11 survey anticipated increasing enrollment statewide. Current projections are for declining ADM, statewide over the next five years. See Figure 1 (next page).

Number of K-12 students (First Month ADM of 2015/2016):

1,441,943 (an increase of 26,868 or 1.90% since 2010-11)

Projected decrease in K-12 students in the next five years:

-46,833 (-3.25%). See Figure 2 (next page).

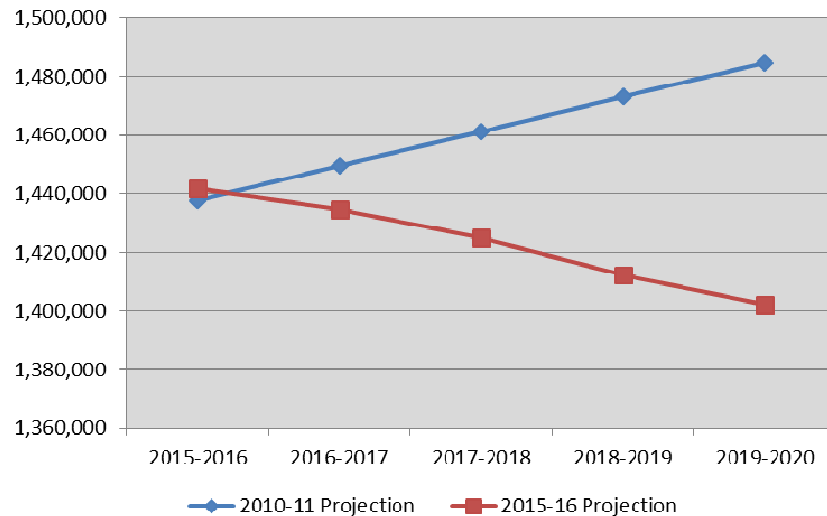


Figure 1: ADM Projections, 2010-2015

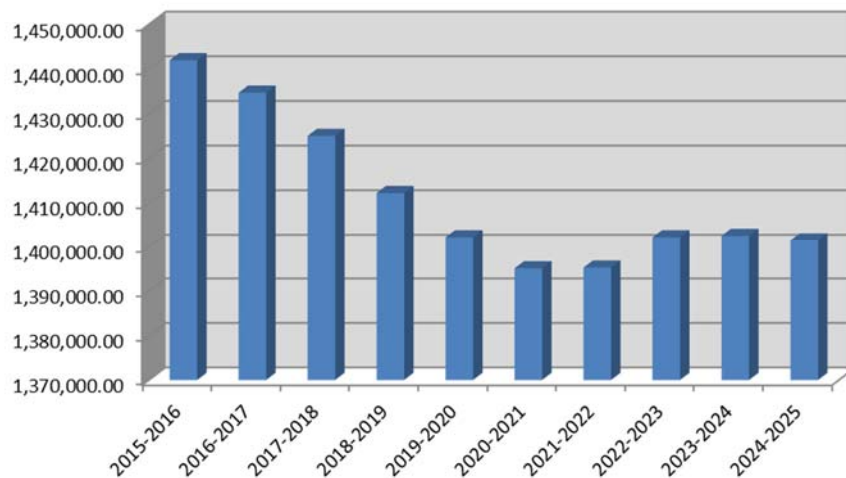


Figure 2: Projected Average Daily Membership

Mobile Units & Temporary Classrooms currently in use:

- 5,501** classroom units (a decrease of 344 or 5.9% since the 2010/11 Assessment)
- ~110,020** students are in mobile classrooms (at an average of 20 students/classroom)
- ~7.6%** of all students are in mobile classrooms.

Enrollment growth:

Increases and decreases in enrollment vary by grade level, as different size cohorts of students move through the system. Overall enrollment grew 1.90% statewide over the past five years, with elementary schools growing by 0.77%, middle schools declining by 1.02%, and high schools increasing by 5.94%.

Projections indicate this trend will reverse during the next five years with elementary schools declining by 5.52% (-37,084 students), middle schools increasing by 2.51% (8,096 students), and high school declining by almost 4% (-17,845 students). Five years later, projections indicate elementary schools growing by 3.9% (25,280), middle schools declining by 7.36% (-24,343), and high schools increasing by 1.28% (5,514). See Table 2, next page.

Table 2 First Month ADM by Typical Grade Grouping										
Grades	2010-11	Change	%	2015-16	Change	%	2020-21	Change	%	2024-25
K-5	667,013	5,118	0.77%	672,131	-37,084	-5.52%	635,047	25,280	3.98%	660,327
6-8	325,756	-3,327	-1.02%	322,429	8,096	2.51%	330,525	-24,343	-7.36%	306,182
9-12+	422,306	25,077	5.94%	447,383	-17,845	-3.99%	429,538	5,514	1.28%	435,052
Total	1,415,075	26,868	1.90%	1,441,943	-46,833	-3.25%	1,395,110	6,451	0.46%	1,401,561

Pre-K facilities:

Many LEAs included new classrooms for Pre-K students in response to the “Smart Start” and “More At Four” programs. Additions needed within 5 years include 122 Pre-K classrooms, and new schools include about 134 new Pre-K classrooms.

Class size reductions:

Only one school reported construction needs related to class size reduction policies in the next five years. Thirty-four schools reported construction needs relating to replacement of mobile units with permanent construction within 1-2 years, and twenty-nine schools reported such need within 3-5 years.

General information:

One hundred fourteen school systems have submitted needs assessments. Allegheny County declined to participate in the survey. All have been approved by the local school boards and the county boards of commissioners; however, only 100 signed certifications have been received.

Costs have been standardized statewide to current (2015 \$'s) average cost of new construction. There is no allowance for inflation, and no attempt has been made to account for regional cost differences. Since the last Facility Needs Study, construction costs have increased significantly, so that the “base” cost grew from \$138 to \$194 per square foot.

Needs addressed by projects currently under design or construction are not included. This method provides a good overall assessment of needs and relative comparisons. Actual needs for individual school systems may differ from reported amounts. This survey does not include any needs for district administration, maintenance or transportation facilities.

Progress since the 2010-11 Facility Needs Survey:

The 1996 \$1.8 billion State Bond Referendum was exhausted prior to 2005, and there have been no state bonds for public schools since then. The Public School Building Capital Fund (ADM Fund and Educational Lottery) allocated over \$588 million between January 1, 2010, and December 31, 2015. Most of that (75%) was used for debt service. See Appendix 1.

Local bonds for schools amounted to almost \$1.7 billion between January 1, 2011 and December 31, 2015. There have been no bond referendums since then. For a listing, see the School Planning website at <http://www.schoolclearinghouse.org>. Certificates of Participation (COPs), qualified Zone Academy Bonds (QZABs), Qualified School Construction Bonds (QSCBs) and other special county indebtedness amounted to over \$2 billion between January 1, 2011, and July 1, 2015 (the last date for which information is available). See Appendix 2 for a further discussion.

FIVE-YEAR PUBLIC SCHOOLS FACILITY NEEDS

TOTAL FACILITY NEEDS

Construction costs for new schools plus additions to existing schools comprise over half of future costs. Costs for land and furnishings & equipment account for approximately 7% of the costs. Renovations of existing buildings comprise the major single share—over 38%—of projected needs. See Table 3.

Table 3 Five-Year Projected Needs		
5-Year Need	2015-16 Survey (2015 Dollars)	% of Total
New Schools	2,787,390,899	34.57%
Additions	1,632,766,326	20.25%
Renovations	3,098,241,811	38.43%
Furnish / Equip	486,474,110	6.03%
Land	57,883,543	0.72%
Total	8,062,756,689	100.00%
(The 2015-16 data does not include Allegheny County Schools)		

The most common justifications reported for future expenditures are to resolve Building Code / Life Safety issues (25%) and to resolve Depreciation / Deferred Maintenance issues (36.3%). Other justifications include replacement of obsolete facilities (10.4%) and the installation or improvement of air conditioning or other energy conservation activities (9.1%). Providing for technology accounted for 4.6% of need and reduction of current crowding accounted for 5.4% of need. The relative costs by project type are shown in Figure 3

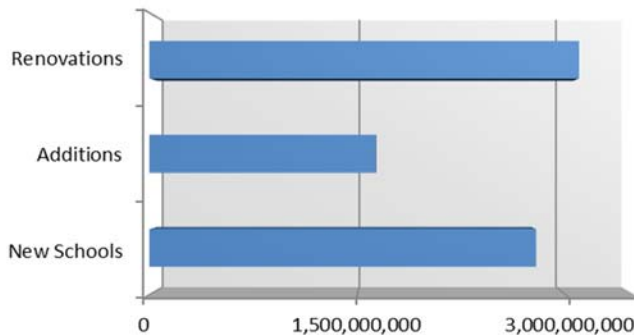


Fig. 3: Cost by Project Type

Elementary schools account for almost thirty-eight percent of the total construction cost, while middle and high schools together account for over one-half, and mixed grades for the rest. See Table 4.

Table 4 Construction Cost by Type of School					
School Type	New Schools (\$)	Renovations (\$)	Additions (\$)	Sum By Type (2)	%
Elementary	1,030,010,986	1,148,312,514	644,870,408	2,823,193,908	37.6%
Elem/Middle K-8	99,966,478	146,387,047	156,874,116	403,227,641	5.4%
Middle	622,862,892	624,395,552	279,043,270	1,526,301,714	20.3%
High	950,935,106	1,114,844,476	518,522,599	2,584,302,181	34.4%
Other (1)	83,615,437	64,302,222	33,455,933	181,373,592	2.4%
Totals	2,787,390,899	3,098,241,811	1,632,766,326	7,518,399,036	100.0%

1. "Other" includes schools with grades that overlap typical grade organization for elementary, middle, or high school - such as 6-12 schools -- as well as special or alternative schools.

2. Does not include costs of Furniture, Equipment or Land.

NEW SCHOOLS

Compared to the Facility Needs Survey of 2010-11 (New schools = \$2,814,328,286), there is a decrease of only -0.96% in the need for new schools (based on dollar-value). The 118 new schools identified in this survey compare to 143 new schools in 2010-11, 268 new schools identified in 2005-06 and 196 new schools in 2000-01. For costs by grade level for 2015-16, see Table 5.

Table 5 New School Construction Needs by Grade Level (5 Years)							
School Type	Count	Construction (\$)	Furn/Equip (\$)	Land (\$)	Total Costs (\$)	Student Capacity	Cost per Student
Elementary	57	1,030,010,986	92,457,527	21,587,190	1,144,055,703	38,640	29,608
Elem/Middle K-8	4	99,966,478	8,249,285	4,500,000	112,715,763	3,454	32,633
Middle	25	622,862,892	56,281,356	5,130,000	684,274,248	20,775	32,937
High	27	950,935,106	78,633,695	19,300,590	1,048,869,391	24,900	42,123
Other (1)	5	83,615,437	7,882,199	900,000	92,397,636	1,648	56,067
Totals	118	2,787,390,899	243,504,062	51,417,780	3,082,312,741	89,417	34,471

1. "Other" includes schools with grades that overlap typical grade organization for elementary, middle, or high school - such a 6-12 schools -- as well as special or alternative schools.

In the initial five years of the Facility Needs Survey, 50 new schools are needed immediately (priority 1) and 68 are needed in the next three to five years (priority 2). Looking into the subsequent years, no new schools were identified within six to ten years. [It is difficult for districts to quantify needs that far in advance.] The 118 new schools in priorities 1 and 2 are planned to serve a total of 89,417 students. See Table 6.

Table 6 Capacity of New Schools (5 Years)					
School Type	Pre-K	K-5	6-8	9-12	Total K-12 *
Elementary	817	38,640	0	0	38,640
Elem/Middle K-8	18	2,602	852	0	3,454
Middle	0	0	20,775	0	20,775
High	0	0	0	24,900	24,900
Other	378	118	448	1,082	1,648
Total	1,213	41,360	22,075	25,982	89,417

* Total does not include Pre-Kindergarten

Schools which are currently under construction or planned schools for which funding have already been obtained are not included in this report. Over the next five years, the greatest need to construct new schools has been identified in Wake County (\$821.8 million, having 1,110 mobile units) and Guilford County (\$686.9 million, having 550 mobile units). The next greatest needs are found in Mecklenburg, Forsyth and Union Counties. See Table 7, on the next page.

Table 7 Greatest (\$) Needs for Construction					
School District	New Construction	Additions	Renovations	Total	Mobiles
Wake	352,047,252	89,251,700	380,462,815	821,761,767	1,110
Guilford	54,264,168	214,142,128	418,505,085	686,911,381	550
Mecklenburg	265,194,305	36,969,584	88,259,477	390,423,366	1,095
Forsyth	112,873,216	36,416,757	194,993,946	344,283,919	443
Union	121,208,463	111,986,439	83,914,457	317,109,359	172
Totals	905,587,404	488,766,608	1,166,135,780	2,560,489,792	3,370

Does not include costs of Furniture, Equipment or Land.

ADDITIONS

Needs for additions were reported at 459 schools (most also had needs for renovations). The greatest need is for new classrooms at 322 schools. Adding classrooms often requires additions to core areas such as cafeteria or media center as well. See Tables 8A and 8B.

Table 8A Classroom Additions to Existing Schools			
Room type	Room Count	Cost (\$)	Percent of Total
Pre-K Classroom	122	26,981,520	6.25%
Elementary	824	144,839,430	33.53%
Middle School	470	86,467,740	20.02%
High School	545	84,215,400	19.49%
Support	586	89,503,225	20.72%
All Classrooms	2,547	432,007,315	100.00%

Table 8B Additions to Existing Schools by Room Type			
Room type	School Count	Cost (\$)	Percent of Total
All Classrooms	2,547	432,007,315	39.54%
Gym / Multi / PE	164	254,539,155	23.30%
Administration	88	42,152,708	3.86%
Auditorium	12	23,191,245	2.12%
Cafeteria	99	75,277,626	6.89%
Media	65	42,351,073	3.88%
Subtotals	2,975	869,519,122	79.59%
Demo and Site Preparation		9,944,544	0.91%
Misc and Other Areas		39,209,922	3.59%
Coningency and Design Fees		173,873,763	15.91%
Total Additions		1,092,547,351	100.00%

Note: A total of 459 Schools reported need for at least one type addition.

No LEA reported plans to add a mobile unit on any existing school. Considering the six types of educational spaces listed in the table above, classrooms were by far the most prevalent need, accounting for half of all types of spaces, by dollar-value (39.5% out of 79.6%). Gymnasiums / Multipurpose Rooms / Physical Education Spaces represented almost a quarter of the need, while other types of spaces made up the final quarter. See Figure 4.

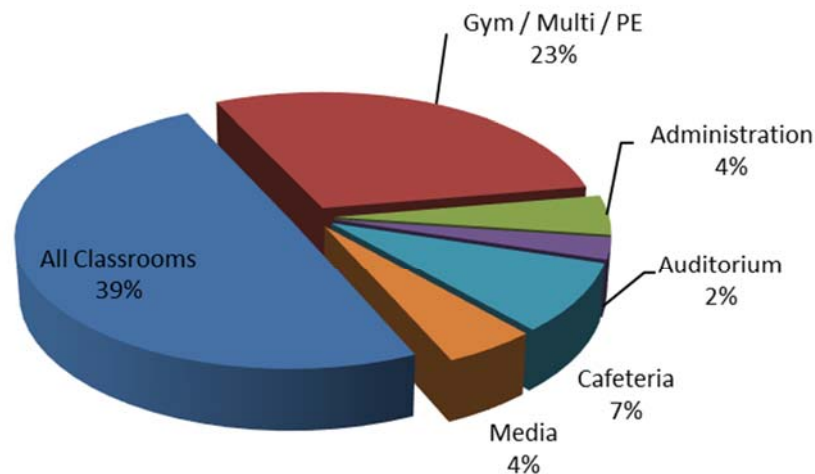


Figure 4 Needs for Additions by Costs

Most of the need—by room count and by dollar value—is identified in elementary schools. In the high schools, needs for core classrooms, additional vocational space, exceptional children's rooms, and facilities for the arts are also significant. See Table 9.

Table 9 Additions by Type of School									
	Pre-K	Core Classrooms	Arts & Music	Exceptional Children	Vocational	Health	Resource	Computer	Total
Elementary	112	524	91	100	0	0	154	22	1,003
Elem/Middle K-8	10	211	25	8	10	6	5	8	283
Middle	0	352	17	29	7	13	37	10	465
High	0	656	29	39	90	0	30	9	853
Other	0	43	1	5	8	0	7	0	64
Totals	122	1,786	163	181	115	19	233	49	2,668

	Add Gym	Add Aux Gym	Add Media	Add Cafeteria	Add Auditorium	Add Admin	Demolition
Elementary	83	0	37	38	0	0	17
Elem/Middle K-8	14	2	4	8	0	0	5
Middle	18	10	7	9	0	0	7
High	10	25	12	17	11	0	10
Other	2	3	1	1	1	0	1
Totals	127	40	61	73	12	0	40

"Core Classrooms" are those used for math, science, social studies, and language.

"Exceptional Children" includes self-contained classrooms only (not resource rooms).

"Arts & Music" includes theater arts and dance.

RENOVATIONS

Needs for renovations during the next five years were reported for 1,560 schools. Plumbing, air conditioning, and electrical needs (\$821,089,305) account for almost one-third of all reported renovation needs. Roof replacements (\$222,218,038), window replacements (\$199,084,019), and other exterior renovations (\$118,815,867) are other significant needs reported, comprising 19.9% of total renovations. See Fig. 5.

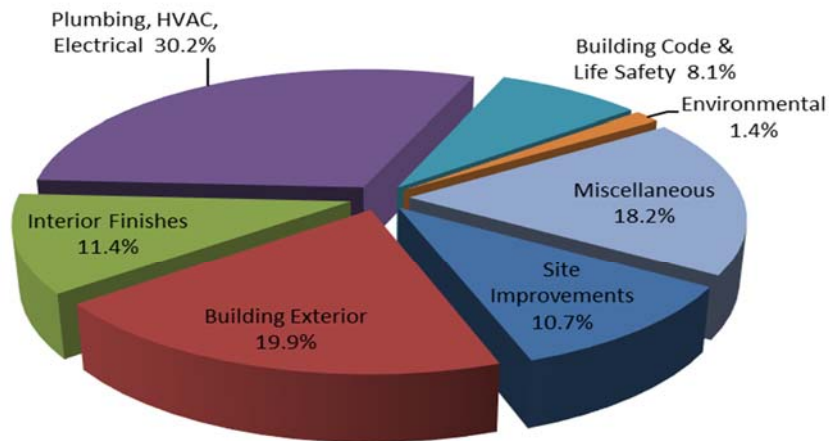


Figure 5 Needs for Renovations by Cost

Many different categories of renovation needs were identified in the Survey. See Table 10 for a listing of the major categories.

Table 10 Renovation Needs by Category

Site Improvements	Cost (\$)
Parking/Drive	111,372,681
Sewer System	30,672,212
Water System	846,585
Grading / Drainage	21,385,591
Canopy / Covered Walk	21,815,745
Other Site Work	105,312,366
Total Site Improvements	291,405,180

Building Exterior & Structure	Cost (\$)
Roof Replacement	222,218,038
Structural Repairs	21,685,866
Window Replacement	199,084,019
Masonry / Ext. Walls	6,028,302
Other Building Exterior	91,101,699
Total Building Exterior	540,117,924

Plumbing / HVAC / Electrical	Cost (\$)
Heating / Air Conditioning	342,585,001
Electrical Service	58,657,930
Lighting	60,999,393
Computer / Tech Wiring	29,931,732
Plumbing	40,413,109
Other Plumbing / Electrical	288,502,140
Total Plumb / HVAC / Elec	821,089,305

Building Code / Life Safety	Cost (\$)
Building Code / Life Safety	12,626,735
ADA Ramps / HC Accessibil	33,791,147
Fire Alarm	13,737,378
Sprinkler System	41,214,964
Other Code / Safety	119,253,261
Total Building Code	220,623,485

Continued – next page

Table 10 (Continued) Renovation Needs by Category

Interior Finishes	Cost (\$)	Hazard Materials / Environment	Cost (\$)
Partitions / Wall Construct	17,693,086	HazMat Abatement	21,256,915
Ceilings	28,279,677	In-Ground Fuel Tanks	9,936,300
Flooring	32,189,111	Indoor Air Quality	6,788,137
Painting	65,808,525	Radon Management	25,000
Other Bldg Interior	166,017,559	Other Enviornmental	1,386,523
Total Interior Finishes	309,987,958	Total Environmental	39,392,875
		Sum of All Costs Listed Above	2,222,616,727
		Sum: Other Miscellaneous	495,550,031
		Administrative Cost	231,009,278
		Contingency	149,476,580
		TOTAL: All Renovations	3,098,652,616

JUSTIFICATIONS

When entering data for new construction, additions, or renovations, the LEA administrators can select up to two “justifications” for the need. By far, the most cited reason for all projects was depreciation and deferred maintenance; the need to address issues of building code and life safety and the need to replace obsolete facilities were also significant issues. The latter was also the greatest identified need in dollar value, with \$2,585,824,674 of the costs so designated. See Table 11.

Table 11 Justifications for Building Needs

JUSTIFICATION	Primary	Secondary	Total
Projected enrollment growth	80	55	135
Ease current crowding	104	68	172
Replace obsolete facilities	276	56	332
Change in grade organization	32	10	42
Replace mobile units with building	34	29	63
Reduce class size	0	1	1
Building code / life safety	301	496	797
Air Conditioning / Energy conservation	197	93	290
Provide Technology infrastructure	45	102	147
State or Federal Mandate	9	7	16
Depreciation / Deferred Maintenance	742	415	1,157
Provide facilities for a new program	23	14	37

CONCLUSION

The total five-year need identified in this Survey is \$8.06 billion, or \$106.5 million (-1.30%) less than the need identified in the 2010-11 Survey. The identified need for renovations is slightly more than in the prior Survey. Average Daily Membership has increased steadily (1.90%), although not at the rate predicted previously. Growth in ADM is projected to be -3.25% over the next five years. Over the last five years and for the next ten years, the populations in the K-5 grades are expected to show the most overall growth. In addition, the Smart Start and More at Four programs have required Pre-Kindergarten classrooms to be integrated with public school facilities, further increasing the demand for elementary school space.

The number of mobile and modular classroom units has decreased 5.9% since the last Survey, but we still have approximately eight percent of our students in these facilities. A high priority should be assigned to further reducing the use of temporary facilities.

Costs of construction are increasing, from a base of \$136 per square foot in 2005 to a base of \$138 per square foot in 2010, to \$194 per square foot in 2015. In the next five years, new construction needs are greatest for elementary schools (\$1.03 billion), and elementary schools are also highest in need for renovations (\$1.15 billion) and for additions (\$645 million). Wake, Guilford, and Mecklenburg Counties combine to account for 24% of the state-wide need for new construction, renovations, and additions.

A total of 459 schools reported a need for additions, with many also needing concurrent renovations. The most prevalent need is for classrooms, and the most needed grade-level of classrooms is for elementary schools, which account for 34% of net building costs for additions. Renovations are needed for a variety of reasons, but the most numerous justification was to compensate for depreciation and deferred maintenance. The highest dollar-value of renovation need was for heating and air conditioning work. Overall, \$8.06 billion in need has been recorded for the next five years. See Figure 6.

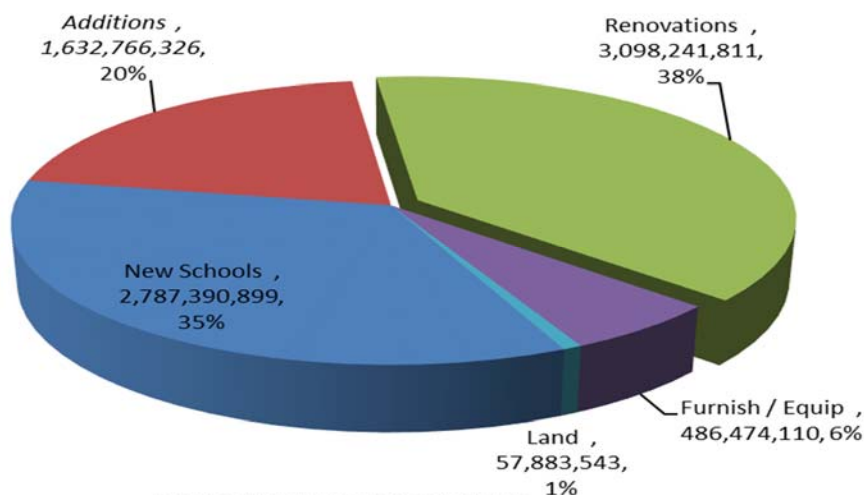


Figure 6 Total Five-Year Needs
\$8,062,756,689

Five-Year Public School Facility Needs

2015-16 Public Schools Facility Needs Assessment

Cost Summary by Unit

		New Schools	Additions	Renovations	Furn/Eqpt	Land	Total
010	Alamance - Burlington Schools	0	39,775,657	52,992,370	4,180,543	0	\$96,948,570
020	Alexander County Schools	0	897,812	9,821,497	75,352	0	\$10,794,661
030	Alleghany County Schools	0	0	0	0	0	\$0
040	Anson County Schools	74,729,721	0	3,746,944	7,045,621	0	\$85,522,286
050	Ashe County Schools	26,789,967	0	0	2,224,982	0	\$29,014,949
060	Avery County Schools	0	23,878,138	2,974,688	2,169,058	0	\$29,021,884
070	Beaufort County Schools	0	12,920,815	483,679	1,084,425	0	\$14,488,919
080	Bertie County Schools	0	80,394	2,648,718	156,747	0	\$2,885,859
090	Bladen County Schools	0	0	0	0	0	\$0
100	Brunswick County Schools	35,180,783	29,619,530	80,524,120	6,960,944	0	\$152,285,377
110	Buncombe County Schools	12,126,034	19,450,796	22,156,185	2,899,669	0	\$56,632,684
111	Asheville City Schools	0	0	7,160,178	0	0	\$7,160,178
120	Burke County Schools	31,655,106	69,312	41,190,293	4,308,481	500,000	\$77,723,192
130	Cabarrus County Schools	142,835,146	33,733,381	97,434,611	14,800,351	14,250,000	\$303,053,489
132	Kannapolis City Schools	56,543,472	1,652,414	6,116,385	4,950,825	0	\$69,263,096
140	Caldwell County Schools	16,141,954	2,330,328	28,470,930	9,270,442	0	\$56,213,654
150	Camden County Schools	42,331,137	0	0	3,482,388	0	\$45,813,525
160	Carteret County Schools	0	7,376,656	0	619,112	0	\$7,995,768
170	Caswell County Schools	0	0	0	0	0	\$0
180	Catawba County Schools	17,517,819	12,370,186	0	2,877,020	400,000	\$33,165,025
181	Hickory City Schools	0	3,484,628	3,858,159	458,160	0	\$7,800,947
182	Newton Conover City Schools	0	2,843,945	2,804,580	388,688	0	\$6,037,213
190	Chatham County Schools	60,266,800	0	9,379,998	4,948,245	1,760,000	\$76,355,043
200	Cherokee County Schools	0	10,640,495	1,302,628	1,043,041	0	\$12,986,164
210	Chowan County Schools	38,964,384	0	2,157,803	3,028,956	0	\$44,151,143
220	Clay County Schools	0	0	0	0	0	\$0
230	Cleveland County Schools	13,763,907	9,736,969	0	1,999,440	300,000	\$25,800,316
240	Columbus County Schools	0	88,819,367	75,956,640	9,956,685	300,000	\$175,032,692
241	Whiteville City Schools	0	0	734,690	0	0	\$734,690
250	Craven County Schools	12,625,881	26,493,210	26,316,929	4,286,515	1,980,000	\$71,702,535
260	Cumberland County Schools	0	72,932,991	62,396,189	6,992,877	75,000	\$142,397,057
270	Currituck County Schools	0	0	10,931,367	65,400	0	\$10,996,767
280	Dare County Schools	0	0	0	0	0	\$0
290	Davidson County Schools	15,626,210	12,482,953	54,761,382	2,915,773	400,000	\$86,186,318
291	Lexington City Schools	0	6,149,024	8,590,110	716,079	0	\$15,455,213
292	Thomasville City Schools	0	11,316,486	8,422,605	1,205,076	0	\$20,944,167
300	Davie County Schools	0	0	2,566,120	0	0	\$2,566,120
310	Duplin County Schools	0	51,235,026	37,702,382	11,481,082	0	\$100,418,490
320	Durham Public Schools	73,450,922	936,042	106,129,285	6,157,590	0	\$186,673,839
330	Edgecombe County Schools	71,846,649	31,537,537	31,846,411	10,584,058	1,260,000	\$147,074,655
340	Forsyth County Schools	112,873,216	36,416,757	194,993,946	13,531,098	0	\$357,815,017
350	Franklin County Schools	0	7,711,702	30,420,455	647,232	0	\$38,779,389
360	Gaston County Schools	0	112,479,809	175,131,595	10,803,473	0	\$298,414,877
370	Gates County Schools	16,812,702	985,908	12,066,549	1,667,015	0	\$31,532,174
380	Graham County Schools	0	0	0	0	0	\$0
390	Granville County Schools	0	0	6,354,749	0	0	\$6,354,749
400	Greene County Schools	0	673,568	8,368,880	56,532	0	\$9,098,980
410	Guilford County Public Schools	54,264,168	214,142,128	418,505,085	72,512,963	0	\$759,424,344
420	Halifax County Schools	0	4,690,749	8,030,132	543,688	0	\$13,264,569
421	Roanoke Rapids City Schools	19,596,018	0	2,113,560	1,725,550	0	\$23,435,128
422	Weldon City Schools	0	0	5,911,285	0	0	\$5,911,285

		New Schools	Additions	Renovations	Furn/Eqpt	Land	Total
430	Harnett County Schools	101,346,341	81,455,903	0	17,031,184	0	\$199,833,428
440	Haywood County Schools	0	0	3,882,413	0	0	\$3,882,413
450	Henderson Co Public Schools	78,219,661	8,451,323	8,123,243	6,090,665	0	\$100,884,892
460	Hertford County Schools	19,848,739	7,423,914	7,425,866	2,320,064	0	\$37,018,583
470	Hoke County Schools	54,495,601	4,610,681	25,652,622	5,185,488	0	\$89,944,392
480	Hyde County Schools	0	770,801	2,366,283	64,692	0	\$3,201,776
490	Iredell Statesville Schools	45,753,025	5,171,264	22,406,871	4,263,601	230,000	\$77,824,761
491	Mooresville City Schools	58,005,580	10,727,114	849,300	5,600,973	0	\$75,182,967
500	Jackson County Schools	0	0	5,201,596	0	0	\$5,201,596
510	Johnston County Schools	118,811,463	18,475,318	1,505,666	11,801,160	600,000	\$151,193,607
520	Jones County Schools	27,446,118	1,505,750	68,400	2,364,526	0	\$31,384,794
530	Lee County Schools	41,684,176	5,994,212	20,482,209	5,393,486	1,950,000	\$75,504,083
540	Lenoir County Public Schools	0	0	11,136,604	640,500	0	\$11,777,104
550	Lincoln County Schools	0	499,744	19,026,976	592,693	0	\$20,119,413
560	Macon County Schools	36,729,838	0	2,257,200	2,942,615	0	\$41,929,653
570	Madison County Schools	3,815,312	18,788,898	3,461,055	2,644,616	0	\$28,709,881
580	Martin County Schools	0	8,297,271	5,598,535	696,378	0	\$14,592,184
590	McDowell County Schools	16,929,617	0	3,925,899	1,479,014	250,000	\$22,584,530
600	Charlotte Mecklenburg Schools	265,194,305	36,969,584	88,259,477	26,253,435	22,500,000	\$439,176,801
610	Mitchell County Schools	0	6,462,450	0	542,384	0	\$7,004,834
620	Montgomery County Schools	0	2,881,133	1,434,218	241,809	0	\$4,557,160
630	Moore County Schools	106,370,014	0	6,428,576	10,802,587	2,267,780	\$125,868,957
640	Nash Rocky Mount Sch Adm Unit	17,227,269	18,735,153	26,017,401	3,838,394	0	\$65,818,217
650	New Hanover County Schools	65,756,222	19,679,408	75,042,869	8,540,514	0	\$169,019,013
660	Northampton County Schools	38,232,743	3,154,420	14,801,646	4,383,787	600,000	\$61,172,596
670	Onslow County Schools	41,453,762	0	58,641,146	9,670,017	750,000	\$110,514,925
680	Orange County Schools	0	8,677,511	71,858,096	728,291	0	\$81,263,898
681	Chapel Hill Carrboro Schools	69,218,269	8,884,742	24,950,296	6,579,005	0	\$109,632,312
690	Pamlico County Schools	0	293,328	523,631	24,619	0	\$841,578
700	Elizabeth City/Pasquotank Schools	0	0	16,194,045	0	0	\$16,194,045
710	Pender County Schools	0	0	0	0	0	\$0
720	Perquimans County Schools	0	2,442,227	4,892,925	296,973	0	\$7,632,125
730	Person County Schools	0	0	2,820,130	0	0	\$2,820,130
740	Pitt County Schools	11,538,609	12,136,608	5,879,974	2,129,948	0	\$31,685,139
750	Polk County Schools	0	0	2,734,575	750,000	0	\$3,484,575
760	Randolph County Schools	23,661,491	0	0	1,981,505	0	\$25,642,996
761	Asheboro City Schools	0	0	6,868,779	895,000	0	\$7,763,779
770	Richmond County Schools	0	32,100,492	5,833,836	2,987,323	0	\$40,921,651
780	Public Schools of Robeson Co	0	28,037,160	99,454,540	3,703,118	102,000	\$131,296,818
790	Rockingham County Schools	0	39,819,758	45,295,037	5,998,380	8,763	\$91,121,938
800	Rowan Salisbury Schools	0	0	0	0	0	\$0
810	Rutherford County Schools	37,958,725	0	5,471,499	3,201,539	0	\$46,631,763
820	Sampson County Schools	26,243,010	0	1,630,200	2,116,709	0	\$29,989,919
821	Clinton City Schools	0	8,206,665	19,962,884	688,773	2,600,000	\$31,458,322
830	Scotland County Schools	0	0	4,080,630	0	0	\$4,080,630
840	Stanly County Schools	0	9,433,754	17,152,856	791,761	0	\$27,378,371
850	Stokes County Schools	0	13,624,306	15,788,215	1,436,559	0	\$30,849,080
860	Surry County Schools	0	26,237,355	63,659,650	3,816,301	2,000,000	\$95,713,306
861	Elkin City Schools	0	10,807,181	11,864,904	1,057,031	0	\$23,729,116
862	Mount Airy City Schools	0	0	5,862,519	75,000	0	\$5,937,519
870	Swain County Schools	0	24,186,632	285,000	2,000,328	0	\$26,471,960
880	Transylvania County Schools	0	15,981,879	83,768,054	1,666,336	0	\$101,416,269
890	Tyrrell County Schools	0	0	120,156	0	0	\$120,156

		New Schools	Additions	Renovations	Furn/Eqpt	Land	Total
900	Union County Public Schools	121,208,463	111,986,439	83,914,457	19,067,636	1,500,000	\$337,676,995
910	Vance County Schools	0	0	0	0	0	\$0
920	Wake County Schools	352,047,252	89,251,700	380,462,815	45,166,241	0	\$866,928,008
930	Warren County Schools	2,550,176	16,185,187	2,852,480	1,697,643	0	\$23,285,486
940	Washington County Schools	0	0	2,887,324	0	0	\$2,887,324
950	Watauga County Schools	29,654,843	482,362	16,536,128	2,380,364	0	\$49,053,697
960	Wayne County Public Schools	30,048,279	2,330,328	6,516,354	2,847,398	1,050,000	\$42,792,359
970	Wilkes County Schools	0	8,017,632	4,399,020	672,909	0	\$13,089,561
980	Wilson County Schools	0	4,660,656	4,638,090	391,162	0	\$9,689,908
990	Yadkin County Schools	0	5,352,476	538,650	1,049,224	0	\$6,940,350
995	Yancey County Schools	0	3,710,894	1,073,879	461,449	0	\$5,246,222
State Totals:		\$2,787,390,899	\$1,632,766,326	\$3,098,241,811	\$484,864,283	\$57,633,543	\$8,060,896,862

STATE ASSISTANCE FOR FACILITIES FUNDING

App. 1

Per the North Carolina Constitution, the counties are responsible for construction and maintenance of school capital facilities. However, in recent years, the State has offered assistance in the form of the Public School Building Capital Fund (PSBCF). This was originally funding with part of the revenue from the corporate income tax (and known as the ADM fund, because money was allocated to the counties based on ADM). This funding was curtailed in FY 2009-10 and FY 2010-11 by legislative action. When the North Carolina Education Lottery was created, fourteen percent (14%) of the gross proceeds was devoted to capital facilities; allocations are now a “lump sum” set by the legislature. Over the past five years (January 2011 to December 2015) approximately \$588 million was allocated for capital projects, but 75% of that was used for debt service (i.e., for projects already constructed). See Table A-1.

Table A-1: Past Five Year PSBCF Allocations

Project Type	Sum Allocated	Percent
Bldg Systems, incl HVAC	18,986,440	3.23%
New Construction	5,960,608	1.01%
Enlarge / Renovation	41,164,975	7.00%
Repairs & Upgrades	22,798,707	3.88%
Repairs - Roof	29,109,519	4.95%
Land Purchase & Design	12,894,818	2.19%
Misc	14,280,309	2.43%
Debt Service	442,884,430	75.31%
TOTAL	588,079,806	100.00%

\$130.9 million = 1.6 % of
future five-year need

Misc = technology, digital learning, and teacher support

The five-year needs identified in this Facility Needs Survey are approximately \$8.06 billion; the funding provided by the State (omitting funds used for debt service and technology) over the past five years would have addressed only about 1.6% of that total need. See Figure A-1 for PSBCF allocations.

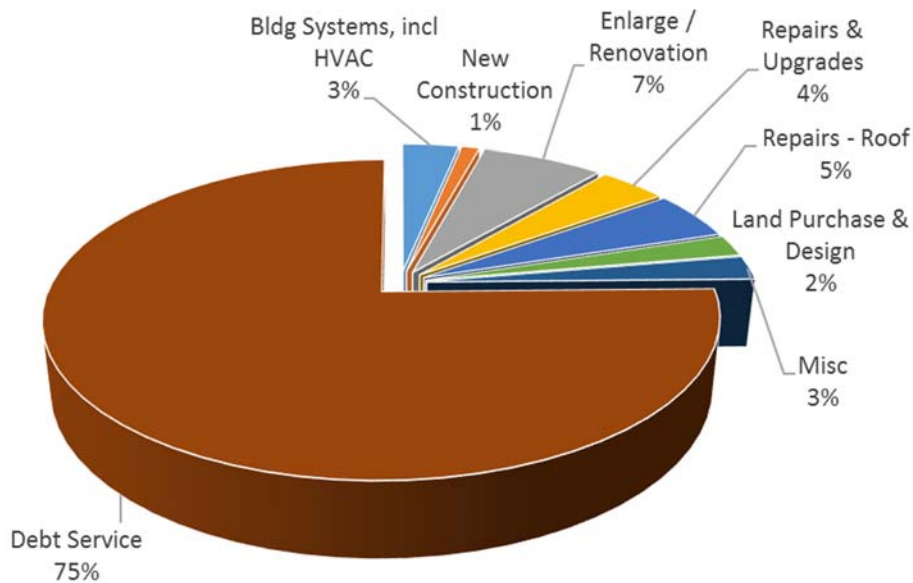


Fig A-1: Past Five Year Allocations from the PSBCF

OTHER FUNDING

App. 2

Counties provide funding for school construction with revenue from property tax, local partial-cent sales tax and other sources such as general obligation bonds. Between January 1, 2006, and December 31, 2014, twenty-four bond issues were approved by the voters, in the total amount of \$4,773,305,000.

There have been no bond issues attempted since then. A complete listing may be found at http://www.schoolclearinghouse.org/pubs/LocalBondsSince95_for%20web.pdf. In summary...

Approved Local Bonds					
2006	(5)	\$1,464,500,000	2011	(0)	
2007	(5)	\$1,038,240,000	2012	(0)	
2008	(5)	\$ 593,565,000	2013	(3)	\$1,157,000,000
2009	(0)		2014	(6)	\$ 520,000,000
2010	(0)		2015	(0)	
5-yr Total		\$3,096,305,000	5-yr Total		\$1,677,000,000

In addition to a bond issue, local governments can issue Certificates of Participation (COPs), which do not require voter approval.

Generally, Federal assistance for school construction has come in the form of tax credits to bond investors or rebates of the interest amounts to LEAs. The Qualified Zone Academy Bonds (QZAB) program is a tax code provision created under the Taxpayer Relief Act of 1997 and was incorporated into the American Recovery and Reinvestment Act of 2009 (ARRA). The school receiving funding under QZABs must establish a partnership with one or more local businesses which pledge contributions having a present value of at least ten percent of the gross proceeds of the bonds. QZABs may be used for school renovation and repairs (but not for new construction), and for equipment related to the renovation or repair.

Qualified School Construction Bonds (QSCB) are a U.S. debt instrument created by the AARA. QSCBs may be used for school construction, rehabilitation, repair, and land acquisition only. Either the LEA receives a rebate of interest paid, or the bond holder receives a federal tax credit in lieu of interest.

As with any "loan," the borrower has to meet the financial criteria imposed by the lender. This has proved to be problematic for many of the less affluent counties in the state.

Between January 1, 2006 and July 1, 2015 (the latest date for which information is available), Qualified Zone Academy Bonds (QZABs), Qualified School Construction Bonds (QSCBs), and COPs and other special county indebtedness for schools amounted to \$4,791,793,271 in North Carolina. In summary...

Other County Indebtedness					
2006	Approx. \$615.5 M	2011	Approx. \$377.0 M		
2007	Approx. \$353.0 M	2012	Approx. \$445.3 M		
2008	Approx. \$596.3 M	2013	Approx. \$450.0 M		
2009	Approx. \$524.3 M	2014	Approx. \$515.0 M		
2010	Approx. \$667.5 M	2015	Approx. \$247.9 M (1/2 yr.)		
5-yr Total		\$2,756.6 M		5-yr Total	
				\$2,035.2 M	

Additional data regarding all types of funding may be found on the website of the School Planning Section of DPI, at <http://www.schoolclearinghouse.org>.