

Item Title: Proposed General Obligation Bond Referenda for Schools and Wake Tech for November 2026 Ballot

Specific Action Requested:
That the Board of Commissioners:

- 1. Adopts a resolution making certain findings and determinations;**
- 2. Directs the publication of a notice of intent to file an application with the Local Government Commission and the filing of said application; All in connection with the proposed issuance of general obligation bonds by the County of Wake, North Carolina.**

Item Summary:

Purpose: State statute (*Chapter 159 Article 4*) requires a series of Board authorizations for a General Obligation (“GO”) bond referendum to appear on a Wake County voter ballot. The proposed action is the first of four required Board actions over the coming months relating to the proposed GO bond referendum for Wake County Public School System (“Schools”) and Wake Technical Community College (“Wake Tech”) to appear on the November 3, 2026, Wake County voter ballot. Remaining Board authorizations will be scheduled for consideration at Board meetings to be held June 15, 2026; July 6, 2026; and December 7, 2026.

Background: The proposed GO bond referenda are for two purposes:

Schools: not to exceed \$680 million for certain identified capital needs of Schools in FY2028 and FY2029 (2-years)

Wake Tech: not to exceed \$149.1 million for certain identified capital needs of Wake Tech in FY2028 through FY2031 (4-years)

Strategic Plan: The proposed GO bond referendum complements Wake County’s Strategic Plan, Lifelong Learning Goal 4: By 2029, three out of four residents asked will share that Wake County has high-quality education-based facilities, including schools, libraries, and other educational resources.

Fiscal Impact: Bonds to be issued under the proposed bond referendum have been anticipated in the County’s long-term Debt & Capital Financial Model.

Additional Information:

Voter approval of a GO bond referendum is required for the County to issue GO bonds. GO bonds remain the lowest-cost permanent debt option for the County. Once voters authorize a GO bond referendum, the County is authorized to issue the associated GO bonds and levy additional taxes, as needed, to allow for timely servicing and retirement of the associated GO bonds while maintaining the County's high triple-A bond ratings. If approved by voters at the ballot, the County has seven-years from the ballot date to issue the associated GO bonds.

Since 2016 the County has utilized short-term construction period bank loans (also known as draw programs, bond anticipation notes, or BANs for short). BANs offer a temporary and initial funding source for the major capital needs of Schools and Wake Tech, the County's two largest ongoing capital programs. After a successful bond referendum, the County will contract with a bank to provide a four or five-year BAN to act as the temporary, initial funding source for capital expenditures authorized under a bond referendum. During the useful life of the BAN, draws are made as project expense is incurred. From time to time and as appropriate, the current drawn balance of a BAN is converted to permanent GO bonds. Once the four or five-year useful life of a BAN concludes, the BAN is retired (its purpose being fully utilized) and any remaining undrawn balance of the BAN is issued as permanent GO bonds. A BAN strategy allows the County to achieve cashflow savings by allowing for reduced debt service in the near term when compared to permanent bond debt service. This provides the County the flexibility to delay or compress any tax increase which otherwise might be needed in near term to support the County's capital programs.

The current Board action is the first of four required Board actions related to the proposed referenda. The next related Board action will be at the June 15, 2026, Board meeting. A calendar of events related to the proposed referenda is included in the Board packet as Attachment 1.

Most Recent GO Bond Referendum for Schools

The County last held a bond referendum for Schools in November 2022 to fund \$530.7 million of certain Schools capital needs for FY2024 and FY2025 (2-years). The 2022 referendum for Schools passed with 71% voter approval among ballots cast. Bonds issued to date under the prior 2022 bond authorization for Schools include the 2024A GO Bonds (\$150,000), 2025A GO Bonds (\$115,695,000), and the 2026A GO Bonds (\$185,050,000). All bonds issued to date were to convert to permanent debt the current drawn amounts under temporary BANs. County anticipates the remaining balance of the 2022 bond authorization for Schools of \$229,805,000 will be fully issued with future 2027 and 2028 GO Bonds.

Proposed \$680 Million GO Bond Referendum for Schools Capital Needs in FY2028 and FY2029

On April 7, 2026, the Wake County Board of Education (BOE) adopted a resolution requesting the Wake County Board of Commissioners take all necessary steps in pursuit of a fall 2026 Schools GO bond referendum in amount of \$680 million to fund certain Schools capital projects for FY2028 and FY2029 (2-years). The certified resolution is

included in the Board packet as Attachment 4. The BOE action was the first required step for the County to pursue a new Schools GO bond referendum. The next required step is the proposed Board action.

\$680 million GO bonds to be issued under the proposed 2026 Schools bond referendum will be combined with approximately \$152.3 million in cash to provide total County funding of \$832.3 million for Schools capital needs in FY2028 and FY2029. Projects identified to be completed with 2026 Schools referendum bonds include, but are not limited to, the following: new construction of two elementary schools; preliminary design of a third new elementary school; and renovation (in part or in total) of three high schools, two middle schools, and three elementary schools.

Schools CIP projects for FY2028 and FY2029 follow with designated County funding type:

(remainder of page left blank intentionally)

**Schools CIP for
FY2028 & FY2029**

	Proposed Bond Funding	Proposed Cash Funding	Total County Funding
New Schools			
Mashburn Road ES *	\$70,326,227		\$70,326,227
Poole Road ES *	\$65,876,944		\$65,876,944
Little Creek ES *	\$7,000,000		\$7,000,000
	\$143,203,171		\$143,203,171
Renovations			
Athens Drive HS *	\$2,198,947		\$2,198,947
Briarcliff ES *	\$4,535,522		\$4,535,522
East Garner MS *	\$76,752,573		\$76,752,573
Ligon MS *	\$133,400,111		\$133,400,111
Cary HS *	\$85,600,000		\$85,600,000
Wendell ES *	\$6,500,000		\$6,500,000
Washington ES *	\$6,300,000		\$6,300,000
East Wake HS *	\$14,400,000		\$14,400,000
	\$329,687,153		\$329,687,153
Program Requirements			
Life Cycle Building Components	\$98,740,863		\$98,740,863
Life Cycle Furniture	\$5,063,634		\$5,063,634
Educational Equipment	\$8,861,359		\$8,861,359
Environmental/ ADA	\$2,742,802	\$4,219,695	\$6,962,497
Temporary Classrooms/ Mobiles	\$6,540,527		\$6,540,527
Partial Renovation Improvement Projects- PRIMP	\$42,541,571		\$42,541,571
Technology Devices		\$48,737,477	\$48,737,477
Technology Infrastructure		\$16,034,841	\$16,034,841
Security		\$17,393,176	\$17,393,176
Assessments		\$1,265,909	\$1,265,909
Land/ Property Acquisition		\$27,428,018	\$27,428,018
Space Needs Analysis & Prioritization -SNAP		\$37,251,874	\$37,251,874
	\$164,490,756	\$152,330,990	\$316,821,746
Contingency & Management			
Program Contingency	\$21,309,460		\$21,309,460
Program Management	\$21,309,460		\$21,309,460
	\$42,618,920		\$42,618,920
Total	\$680,000,000	\$152,330,990	\$832,330,990

**funding for this 2-yr period is not necessarily indicative of the entire cost of this project.*

Additional detail on Schools CIP projects for FY2028 and FY2029 will be presented by Schools staff at the upcoming Board meeting on July 6, 2026 concurrent with a future requested Board action on proposed GO Bond referendum for Schools.

Most Recent GO Bond Referendum for Wake Tech

The County last held a bond referendum for Wake Tech in November 2022 to fund \$353.2 million of certain Wake Tech capital needs for FY2024 through FY2027 (4-years). The

2022 referendum for Wake Tech passed with 70% voter approval among ballots cast. Bonds issued to date under the prior 2022 bond authorization for Wake Tech include the 2024A GO Bonds (\$1,575,000), 2025A GO Bonds (\$4,125,000), and the 2026A GO Bonds (\$18,965,000). All bonds issued to date were to convert to permanent debt the current drawn amounts under temporary BANs. County anticipates the remaining balance of the 2022 bond authorization for Wake Tech of \$328,535,000 will be fully issued with future 2027 and 2028 GO Bonds.

Proposed \$149.1 Million GO Bond Referendum for Wake Tech Capital Needs in FY2028 through FY2031

The first required step for the County to pursue a new Wake Tech GO bond referendum is the proposed Board action.

\$149.1 million GO bonds to be issued under the proposed 2026 Wake Tech bond referendum will provide 4-years of funding for Wake Tech capital needs in FY2028 through FY2031. Projects identified to be completed with 2026 Wake Tech referendum bonds include, but are not limited to: construction of Fire & Rescue Classroom and Training Building (East Wake Campus); renovation of several campus facilities (Southern Wake Campus); renovation of Dental Hygiene building (Perry Health Sciences Campus); and Skilled Trade Expansions and Advanced Training Expansions (multiple campuses).

Wake Tech CIP projects for FY2028 through FY2031 are as follows:

(remainder of page left blank intentionally)

**Wake Tech CIP for
FY2028 through FY2031**

Proposed Bond Funding	Total County Funding
--------------------------	-------------------------

Major Projects & Strategic Expansion

Renovate Campus Facilities (SWC) *	\$65,000,000	\$65,000,000
Fire & Rescue Classroom & Training (EWC)	\$18,000,000	\$18,000,000
Skilled Trades Expansion (Multiple)	\$12,000,000	\$12,000,000
Dental Hygiene Renovations (PHSC)	\$2,000,000	\$2,000,000
Advanced Training Equipment Expansion (Multiple)	\$7,000,000	\$7,000,000
Building 2 & Parking Deck (WWC) *	\$2,000,000	\$2,000,000
	\$106,000,000	\$106,000,000

Minor Renovation & Replacement

Mechanical Equipment	\$6,500,000	\$6,500,000
Building Automation Control Upgrades	\$1,525,000	\$1,525,000
Elevator Modernization	\$1,100,000	\$1,100,000
Building Envelope Upgrades	\$3,750,000	\$3,750,000
Electrical Replacement	\$4,200,000	\$4,200,000
Life Safety Equipment Replacement	\$675,000	\$675,000
	\$17,750,000	\$17,750,000

Infrastructure Upgrades

IT Infrastructure Projects	\$10,060,000	\$10,060,000
Minor Capital	\$6,500,000	\$6,500,000
Facility Alterations	\$6,100,000	\$6,100,000
Card Readers	\$440,000	\$440,000
Signage Upgrades	\$450,000	\$450,000
Site Accessibility Upgrades	\$400,000	\$400,000
Southern Loop Road (SWC)	\$1,400,000	\$1,400,000
	\$25,350,000	\$25,350,000

Total

\$149,100,000	\$149,100,000
----------------------	----------------------

**funding for this 4-yr period is not necessarily indicative of the entire cost of this project.*

Additional detail on Wake Tech CIP projects for FY2028 through FY2031 will be presented by Wake Tech staff at the upcoming Board meeting on July 6, 2026 concurrent with a future requested Board action on proposed GO Bond referendum for Wake Tech.

Estimated Tax Impact

The County currently estimates a .5 cent tax increase for Capital (per \$100k assessed valuation) will be necessary in FY2028 to support all bonds to be issued under the proposed 2026 GO bond referenda for Schools and Wake Tech. The allocation of the current estimated FY2028 tax increase is as follows:

Purpose	Bond Amount	Capital Projects Funded by Bond	FY28 Tax Increase
Schools	\$680 million	2-years of projects (FY28 to FY29)	.41¢
Wake Tech	\$149.1 million	4-years of projects (FY28 to FY31)	.09¢
Total	\$829.1 million		.50¢

As part of the FY2028 annual budget process to occur in early 2027, the County will reassess and confirm the appropriate necessary tax increase for Capital to be levied in FY2028 to support all bonds to be issued under the proposed 2026 GO bond referenda for Schools and Wake Tech.

Remaining Board Actions

The proposed action is the first of four required Board actions relating to the proposed GO Bond referenda for Schools and Wake Tech on November 3, 2026. The remaining Board actions for this referendum process are as follows:

June 15, 2026: Board to introduce Bond Orders; Sworn Statement of Debt and Statement of Disclosures to be filed with Clerk; Board to call for public hearing on Bond Orders to be held at July 6, 2026 meeting.

July 6, 2026: Board to conduct Public Hearing regarding Bond Orders; Board to adopt Bond Orders; and Board to adopt resolution calling for Referendum on November 3, 2026.

December 7, 2026: Board to adopt resolution declaring results of the Referendum held November 3, 2026.

Recommendation

At this time, staff recommends the Board of Commissioners adopts a resolution making certain findings and determinations; directs the publication of a notice of intent to file an application with the Local Government Commission and the filing of said application; all in connection with the proposed issuance of general obligation bonds by the County.

Attachments:

1. Referenda Calendar of Events
2. Certified Resolution from Board of Education Meeting held April 7, 2026
3. Draft Resolution for Proposed Actions as Prepared by Bond Counsel
4. Notice of Intent to Apply to LGC to be published locally