

Item Title: Public Hearings on 2026 Bond Referenda for Schools and Wake Tech

Specific Action Requested:
That the Board of Commissioners:

1. Holds a public hearing on the Bond Order related to proposed November 3, 2026, Bond Referendum for Schools;
2. Holds a public hearing on the Bond Order related to proposed November 3, 2026, Bond Referendum for Wake Tech; and
3. Following the public hearings, adopts on second reading each of the two Bond Orders related to proposed November 3, 2026, Bond Referenda and directs the adopted Bond Orders to be published; adopts a resolution calling for a November 3, 2026, Bond Referendum on the adopted Bond Orders; and directs a Notice of Bond Referendum to be published twice, as provided in Local Government Bond Act.

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 third of four required Board actions relating to the proposed GO bond referenda for Wake County Public School System (“Schools”) and Wake Technical Community College (“Wake Tech”) to be held on November 3, 2026. Prior Board action was taken on May 18, 2026, when the Board adopted a resolution making certain findings and determinations, and directed publication of notice of intent to file an application with the Local Government Commission, and directed the filing of said application. On June 15, 2026, a bond order was introduced and adopted on first reading by the Board, a Sworn Statement of Debt and a Statement of Disclosures was filed with the Board, and a public hearing was called for today’s meeting. The next and final required Board action will be December 7, 2026, when the Board will certify results of the November 3, 2026, bond referenda.

Background: The proposed GO bond referenda serve two purposes:

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

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

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 third of four required Board actions related to the proposed referenda. The next and final required Board action will be December 7, 2026, when the Board will certify results of the November 3, 2026, bond referenda. 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 BOE action was the first required step for the County to pursue a new Schools GO bond referendum. On May 18, 2026, the Board completed its next action by adopting a Preliminary Findings Resolution. On June 15, 2026, a bond order was introduced and adopted on first reading by the Board, a Sworn Statement of Debt and a Statement of Disclosures was filed with the Board, and a public hearing on the Bond Order was called for today's meeting. 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:

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**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
Envirnomenal/ 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.*

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

On May 18, 2026, the Board completed its first action by adopting a Preliminary Findings Resolution. On June 15, 2026, a bond order was introduced and adopted on first reading by the Board, a Sworn Statement of Debt and a Statement of Disclosures was filed with the Board, and a public hearing on the Bond Order was called for today's meeting. The next required step 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:

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**Wake Tech CIP for
FY2028 through FY2031**

Proposed Bond Funding	Total County Funding
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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
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**funding for this 4-yr period is not necessarily indicative of the entire cost of this project.*

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 third of four required Board actions relating to the proposed GO Bond referenda for Schools and Wake Tech on November 3, 2026. The next and final required Board action will be December 7, 2026, when the Board will certify results of the November 3, 2026, bond referenda.

Recommendation

At this time, staff recommends the Board takes the following ordered actions:

1. Holds a public hearing on the Bond Order related to proposed November 3, 2026, Bond Referendum for Schools;
2. Holds a public hearing on the Bond Order related to proposed November 3, 2026, Bond Referendum for Wake Tech; and
3. Following the public hearings, adopts on second reading each of the two Bond Orders related to proposed November 3, 2026, Bond Referenda, and directs the adopted Bond Orders to be published; adopts a resolution calling for a November 3, 2026, Bond Referendum on the adopted Bond Orders; and directs a Notice of Bond Referendum to be published twice, as provided in Local Government Bond Act.

Attachments:

1. Presentations by Schools; Wake Tech; and County Finance
2. Referenda Calendar of Events
3. Notice of Publication for Adopted Bond Orders
4. Notice of Publication for November 3, 2026, Bond Referenda
5. Form of Ballot Questions for November 3, 2026, Bond Referenda
6. Public Hearing Certification; Resolution for November 3, 2026, Bond Referenda