

Capital & Referendum Planning

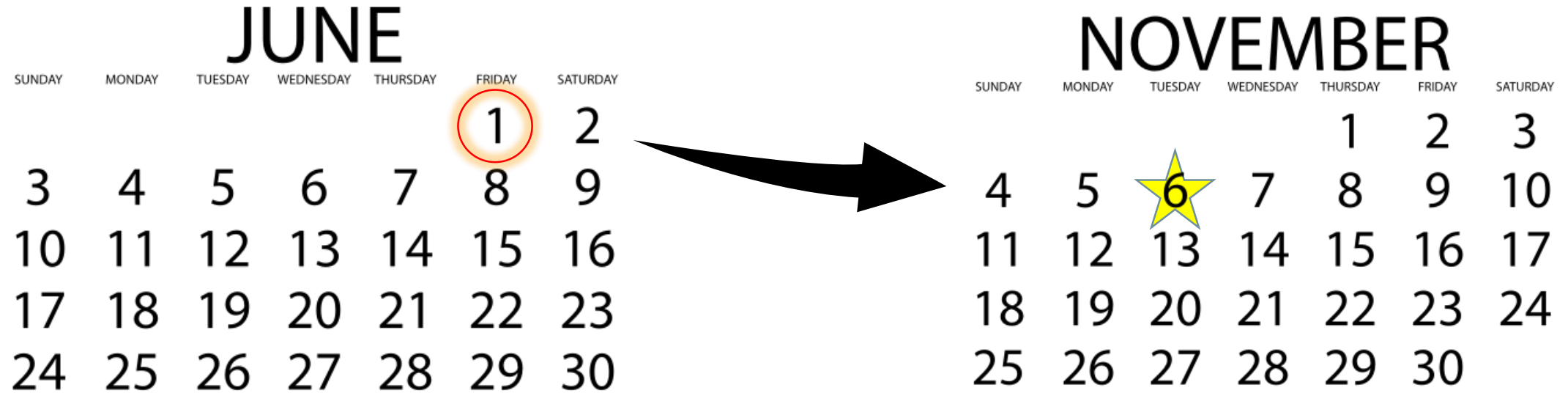
In this section, we will identify options for:

- Allocation of debt and capital capacity
- Upcoming and future bond referenda

Recap of Allocations Under “Strawman”

	2020		2021		2022		2023		2024		2025
DEBT											
WCPSS	\$	277.0	\$	265.7	\$	248.1	\$	298.8	\$	266.6	\$ 266.6
Wake Tech	\$	81.4	\$	90.7	\$	79.4	\$	91.5	\$	95.9	\$ 92.1
Unallocated Capacity	\$	30.0	\$	30.0	\$	30.0	\$	30.0	\$	30.0	\$ 30.0
Debt Capacity	\$	388.4	\$	386.4	\$	357.5	\$	420.3	\$	392.5	\$ 388.7
CASH											
WCPSS	\$	29.3	\$	52.9	\$	52.7	\$	47.8	\$	56.4	\$ 56.4
Wake Tech	\$	10.0	\$	10.0	\$	7.5	\$	7.5	\$	7.5	\$ 7.5
County Capital Base	\$	27.5	\$	26.0	\$	25.4	\$	22.8	\$	31.9	\$ 20.9
Unallocated Capacity	\$	22.5	\$	7.7	\$	3.8	\$	31.2	\$	2.3	\$ 12.4
Cash Capacity	\$	89.3	\$	96.6	\$	89.4	\$	109.3	\$	98.1	\$ 97.2
Total Unallocated Capacity	\$	52.5	\$	37.7	\$	33.8	\$	61.2	\$	32.3	\$ 42.4
Programs Seeking Funding:											
PROS	\$	20.0	\$	20.0	\$	20.0	\$	20.0	\$	20.0	\$ 20.0
Human Services	\$	5.80	\$	15.50	\$	1.50	\$	29.00	\$	32.50	\$ 2.60
Libraries	\$	15.0	\$	15.0	\$	15.0	\$	15.0	\$	15.0	\$ 15.0
Total Programs Seeking Funding	\$	40.8	\$	50.5	\$	36.5	\$	64.0	\$	67.5	\$ 37.6
Surplus (Gap) of Funding	\$	11.7	\$	(12.8)	\$	(2.7)	\$	(2.8)	\$	(35.2)	\$ 4.8

Decisions on Referenda Purposes and Amounts Should be Decided by June 1



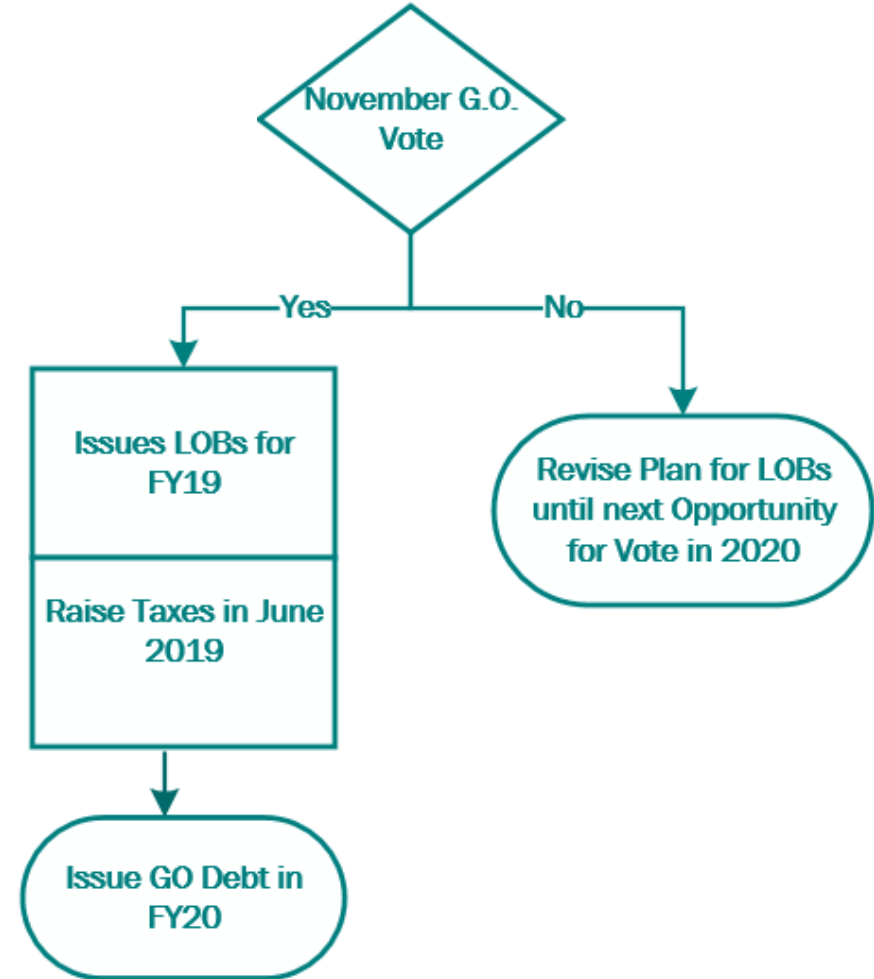
Referendum Calendar November 2018

Date	Event
By June 1, 2018	Board of Education (BOE) approves Resolution requesting Board of Commissioners (BOC) to take steps to fund capital program
June 18, 2018 BOC Meeting	BOC adopts preliminary findings resolution
June 22, 2018	Publication of notice of intent to file an application with the Local Government Commission (LGC)
July 6, 2018	Application to the LGC due
July 23, 2018 BOC Meeting	Introduction of bond order by the BOC; file Sworn Statement of Debt with Clerk; set referendum date
July 27, 2018	Publication of bond order as introduced and notice of public hearing
August 6, 2018 BOC Meeting	BOC conducts public hearing regarding bond order, adopts bond order; adopts resolution calling for referendum
By August 9, 2018	Deliver certified copy of resolution calling for referendum to BOE
November 6, 2018	Referendum
December 3, 2018 BOC Meeting	Certification of results of referendum by the BOC

Referendum Choices Impact Future Funding Options

Need to consider referendum options individually and as a whole:

- Purpose
- Amount
- 2018 and Future Timing



Option 1 – All Bond Programs Voted Every 4 Years

CALENDAR YEARS		2019	2020	2021	2022	2023	2024	2025
FISCAL YEARS		FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25
BALLOT QUESTIONS								
WCPSS GO Bonds; Vote Every 4 Years	Vote Nov	New Tax Rate Set June	G.O Debt Avail			Vote Nov	New Tax Rate Set	G.O Debt Avail
WCPSS Tax Increases		2.50					0.40+	
WCPSS Ballot Amounts			\$1.090 billion (estimated)				\$534 million (estimated) +	
WTCC GO Bonds; Vote Every 4 Years	Vote Nov	New Tax Rate Set June	G.O Debt Avail			Vote Nov	New Tax Rate Set	G.O Debt Avail
WTCC Tax Increases		1.25					0.10+	
WTCC Ballot Amounts			\$343 million				\$188 million +	
PROS GO Bonds; Vote Every 4 Years	Vote Nov	New Tax Rate Set June	G.O Debt Avail			Vote Nov	New Tax Rate Set	G.O Debt Avail
PROS Tax Increases		0.25					??	
PROS Ballot Amounts			\$80 million				\$40 million +	

Initial tax increase of 4.0 ¢ in FY 2020

If WCPSS and/or WTCC referendums fail, County still responsible for building programs

Option 2 – Staggered Vote on Bond Programs

CALENDAR YEARS		2019		2020		2021		2022		2023		2024		2025	
FISCAL YEARS		FY 19		FY 20		FY 21		FY 22		FY 23		FY 24		FY 25	
BALLOT QUESTIONS															
WCPSS GO Bonds; Vote Every 2 Years	<div>Vote Nov</div>	New Tax Rate Set June	G.O Debt Avail			<div>Vote Nov</div>	New Tax Rate Set June	G.O Debt Avail			<div>Vote Nov</div>	New Tax Rate Set	G.O Debt Avail		
WCPSS Tax Increases		1.95					0.75					0.40+			
WCPSS Ballot Amounts				\$543 million (estimated)				\$547 million (estimated)				\$534 million (estimated) +			
WTCC GO Bonds; Vote Every 4 Years	<div>Vote Nov</div>	New Tax Rate Set June	G.O Debt Avail						<div>Vote Nov</div>		New Tax Rate Set	G.O Debt Avail			
WTCC Tax Increases		1.20										0.10+			
WTCC Ballot Amounts				\$343 million								\$188 million +			
PROS GO Bonds; Vote Every 6 Years	<div>Vote Nov</div>	New Tax Rate Set June	G.O Debt Avail												
PROS Tax Increases		0.35													
PROS Ballot Amounts				\$120 million											

*Initial tax increase of **3.5 ¢** in FY 2020*

If WCPSS and/or WTCC referendums fail, County still responsible for building programs

Referendum History

Referendum	Purpose	Program Amount (in millions)	Bond Amount (in millions)	Tax for Capital and Debt Service (in cents)	% Voter Approval	Voter Turnout	% Voter Turnout
June 1993	Libraries	\$ 10	\$ 10	0.00	55.7%	46,319	18.5%
	Parks	\$ 10	\$ 10	0.00	50.5%		
	Wake Tech	\$ 30	\$ 30	0.00	51.3%		
	WCPSS	\$ 300	\$ 200	0.00	56.3%		
June 1996	WCPSS	\$ 400	\$ 250	0.00	79.0%	40,773	13.5%
June 1999	WCPSS	\$ 940	\$ 650	13.00	35.0%	90,741	24.5%
November 2000	Open Space	\$ 15	\$ 15	0.00	76.6%	275,112	68.8%
	Public Safety	\$ 20	\$ 20	0.00	57.8%		
	WCPSS	\$ 550	\$ 500	0.00	77.9%		
October 2003	Libraries	\$ 35	\$ 35	0.00	67.5%	87,724	20.9%
	WCPSS	\$ 550	\$ 450	0.00	64.2%		
November 2004	Open Space	\$ 26	\$ 26	0.00	73.8%	359,429	78.0%
	Wake Tech	\$ 40	\$ 40	0.00	74.8%		
November 2006	WCPSS	\$ 1,056	\$ 970	2.70	53.2%	207,800	40.5%
October 2007	Libraries	\$ 45	\$ 45	0.30	70.0%	56,032	10.9%
	Open Space	\$ 50	\$ 50	0.30	71.4%		
	Wake Tech	\$ 115	\$ 92	0.75	67.5%		
November 2012	Wake Tech	\$ 210	\$ 200	0.00	72.9%	488,599	74.6%
October 2013	WCPSS	\$ 940	\$ 810	4.40	57.7%	98,889	15.4%



Board “Take aways” and Questions



What's on the Ballot Exercise?

Board’s Decision List to Complete by June

- 1. Date of Referendum – November 2018 ✓
- 2. Breakout Group Questions:
 - Does the Strawman proposal feel okay?
 - If you wanted to add capacity, for what purposes?
 - If you wanted to reduce capacity for a purpose, which one?
- 3. Questions on the November 2018 Ballot
 - What other scenarios would you like to see?

Purpose	Yes	No	Amount
WCPSS			
WTCC			
PROS			

Based on the decisions made for the above items, the corresponding tax rate impact will be calculated.