



News Release

Board of Commissioners

FOR IMMEDIATE RELEASE

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BONDS SOLD FOR SCHOOLS, OPEN SPACE AND WAKE TECH

Triple-A Rating Affirmed by Rating Agencies

Wake County competitively bid and sold \$176.415 million in fixed-rate, tax-exempt general obligation bonds **today, Tuesday, April 9, 2013**, for use by the Wake County Public School System (WCPSS), Open pace and Wake Technical Community College (Wake Tech).

The school bonds, totaling \$51.165 million, were sold to Citigroup Global Markets Inc., at a true interest cost of 2.32 percent. The public improvement bonds, totaling \$125.250 million, were sold to J.P. Morgan Securities LLC., at a true interest cost of 2.33 percent. Five bids were received for the school bonds, and six bids were received for the public improvement bonds.

School Bonds

The school general obligation bonds will be used by the County to fund the construction of the new Career and Technical Education high school and to accelerate projects in the next WCPSS building program. The school general obligation bonds were issued as authorized by NCGS 159-49 which permits a County to issue general obligation bonds that are two-thirds the amount by which the outstanding indebtedness of the County was reduced in the last preceding fiscal year.

Public Improvement Bonds

Of the public improvement general obligation bonds, \$21 million will be used to acquire additional Open Space and proceed with partnerships such as greenways. In October 2007, Wake County voters authorized \$50 million of Open Space bonds. With today's sale, all of the bonds authorized by the voters for Open Space have been issued.

The public improvement general obligation bonds also include \$104.250 million for Wake Technical Community College facilities. This is the first issuance of bonds authorized by voters for Wake Tech in November 2012. The proceeds will allow Wake Tech to construct classroom buildings on the Northern Campus, fund re-roofing projects for the College, and fund Phase 3 of the Public Safety Campus at Chapanoke Road.

The Wake County Board of Commissioners approved the resolutions to sell the bonds at the regular meeting on Monday, April 1, 2013.

The County's triple-A bond rating allows the County to receive lower interest rates on debt issued for capital expenditures. The County's triple-A rating was affirmed by rating agencies prior to the sale. Fitch, Moody's, and Standard and Poor's base their decisions on factors including the County's excellent financial management, diverse economic base and sound financial position.

Wake County has received the highest possible rating from Moody's since 1973; Standard & Poor's, 1983; and Fitch, 2000.

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