



NEWS RELEASE

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WAKE SELLS \$345.2 MILLION OF BONDS FOR SCHOOLS, LIBRARIES *Triple-A Rating Affirmed by Rating Agencies*

Wake County competitively bid and sold \$345.24 million in fixed-rate, tax-exempt general obligation public improvement bonds (Series 2014) on **Tuesday, August 19, 2014**, for the Wake County Public School System building program (\$334.24 million) and Libraries (\$11 million). The three major rating agencies confirmed the County's triple-A rating in early August in conjunction with the bond sale.

Commissioners approved the resolution to sell the bonds at their regular meeting on Monday, August 4, 2014. Tuesday, the County received 6 bids for the general obligation bonds with the winning bid being awarded to Bank of America Merrill Lynch, at a true interest cost of 2.621 percent.

"Building new schools and libraries, and improving the ones that we have is essential to our growing community," said County Manager Jim Hartmann. "The County's exceptional credit rating allows us to have the lowest financing cost available in the market which provides the lowest cost of debt to the tax payer."

The school bonds are the first bonds to be issued from the \$810 million of school bonds approved by the voters on October 8, 2013. The bonds from this sale will be used to fund the construction of six elementary and two high schools, renovations at existing schools, and additional land acquisition for future schools.

Voters approved the libraries bonds in October 2007. When the economy slowed in 2008, the County postponed the issuance of library bonds and construction of additional libraries that required new operating dollars.

The library building program is now back underway, and the proceeds of this bond sale will be used to fund the design and construction of Middle Creek Community Library, design of Fuquay-Varina community library, a renovation at Southeast Regional Library, and lifecycle upgrades at East Regional and Olivia Raney Local History Library. Funds will also be used to reimburse cash funding previously appropriated for the construction of Northeast Regional Library and lifecycle upgrades at Zebulon Community Library.

Wake's triple-A bond rating allows the County to receive low 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 since 1983 and Fitch since 2000.

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