

Council Bill 1-2026 Fiscal Analysis

Introduced: January 5, 2026

Fiscal Manager: Owen Kahn

Legislative Intent: This legislation enables the County to transfer the revenue from the issuance of \$7.6 million in General Obligation to fund renovation at Oakland Mills Middle School.

ANALYSIS

Fiscal Impact:

This legislation will have no fiscal impact because the \$7.6 million in bonds was already approved to be issued for [FY2026 by CB65-2025](#). This legislation only authorizes the bond revenue to be transferred to a different capital project, resulting a net zero change for the [FY2026 capital budget](#).

[TAO1-FY2026](#) is the corresponding legislation to authorize the transfer between capital projects.

The purpose of this transfer is to allow the \$7.6 million to be spent on capital project [E1036, Oakland Mills Middle School Addition and Renovation](#), to address a budgetary shortfall. According to the Board of Education, rising costs of construction have required an additional \$11 million over what was budgeted for FY2026. The money is being moved out of capital project [E1058, Systemic Renovations](#). Specifically, the funds will come from two Heating, Ventilation, and Air Conditioning (HVAC) replacement projects that have come in under budget: the Lime Kiln Middle School HVAC replacement and the St. John's Lane Elementary School HVAC replacement projects.

Budget Implications:

- This legislation will have a net zero fiscal impact on the previously approved capital budget for FY2026. All fiscal impacts, including the cost of bond issuance and future debt service, were approved by the County in by CB65-2025.
- Adoption of TAO1-FY2026 is necessary for the implementation of this legislation. Both bills are necessary to approve the transfer of funds and the bond issuance.
- The FY2026 bond issuance is scheduled to occur in March 2026. Records of past bond issuances can be found on the [County's bond sale website](#).

Other Notes:

- According to the Board of Education, the budget shortfall at the Oakland Mills Middle School project is reflective of broader challenges in funding school construction. Building costs have risen 70% since FY2018.