

# **Adjusting Capital Plans to Current Economic Conditions**

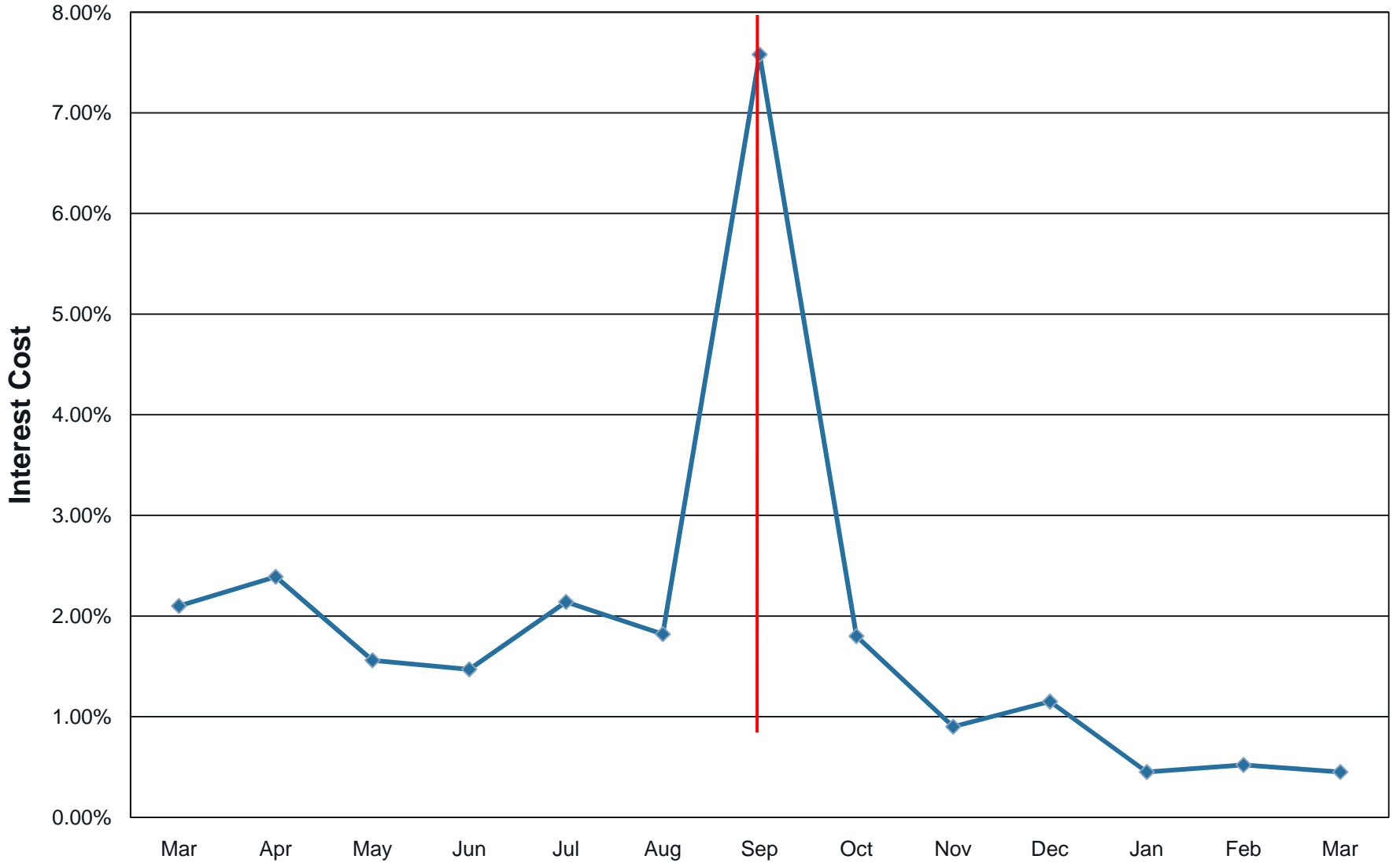
**Blue Ribbon Committee  
May 8, 2009**

# Wake County

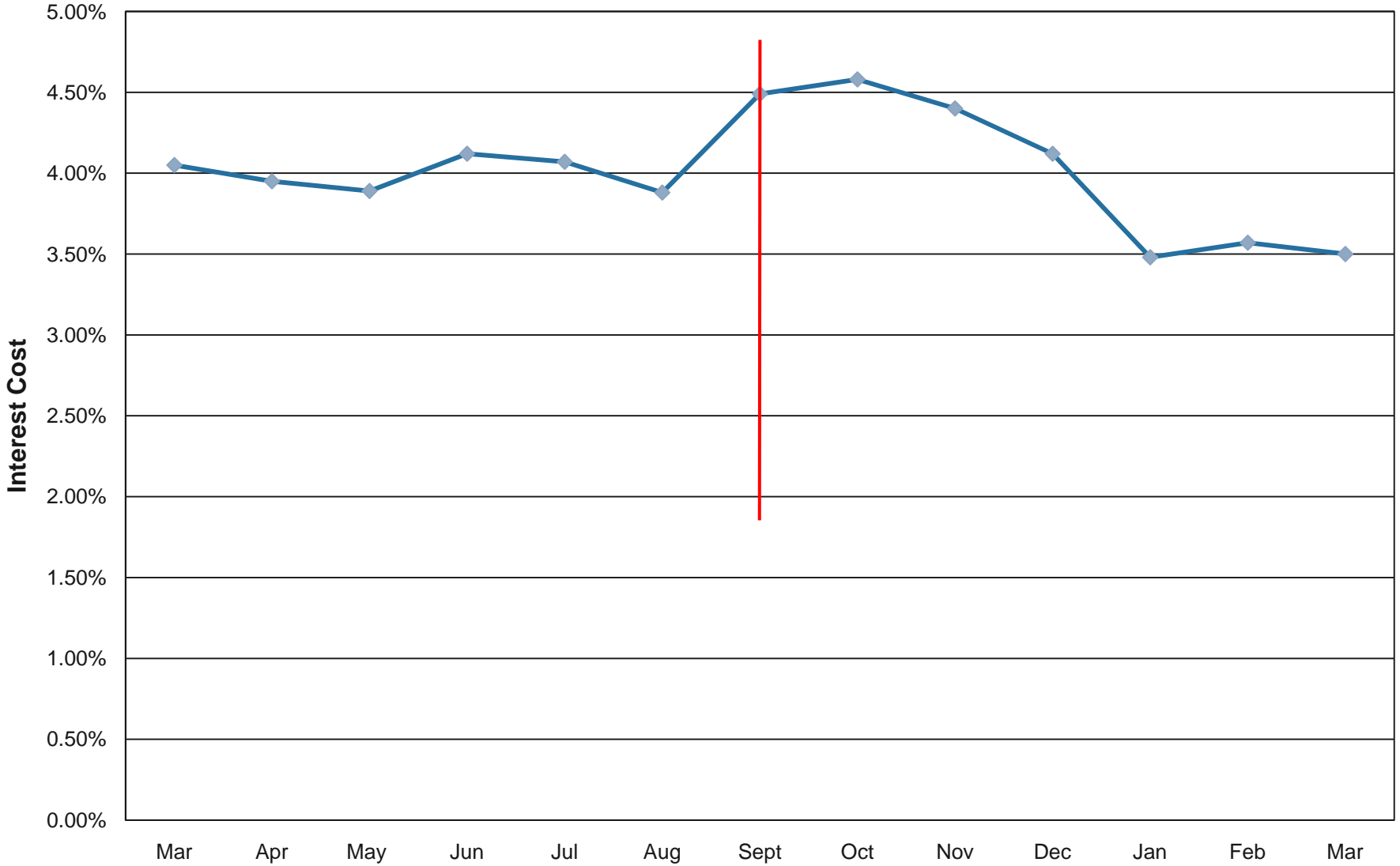
## Capital Plan: September 2008

- Over \$1 billion capital projects in motion
- \$354 million in variable rate debt
- Going to market in Sept. 2008 for \$354 million fixed rate debt
- Going to market in Oct 2008 debt for \$100 million variable rate debt

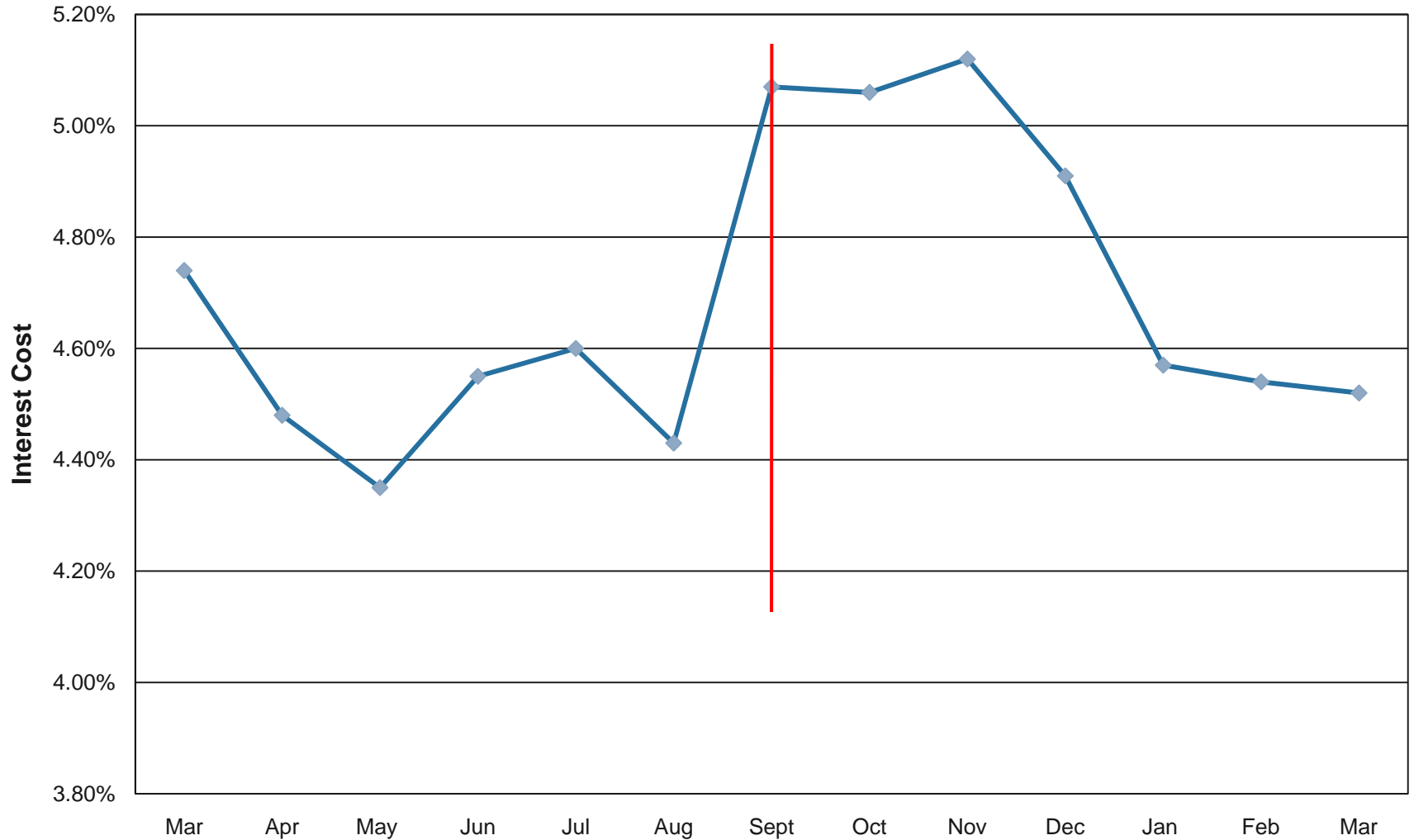
## Variable Rate Debt



## Long-Term Fixed Debt (10-15 year)

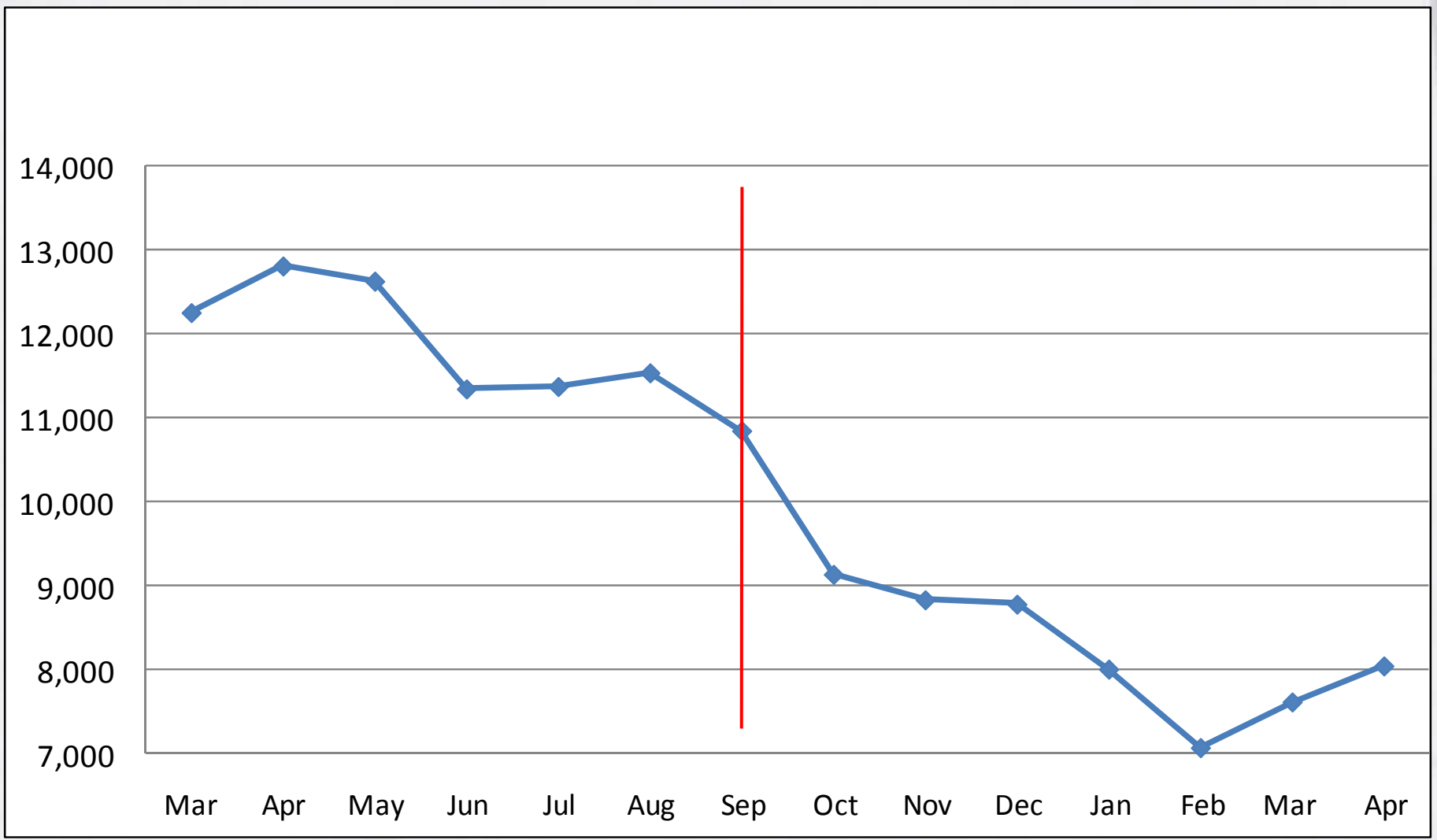


## Long-Term Fixed Debt (20 Year)



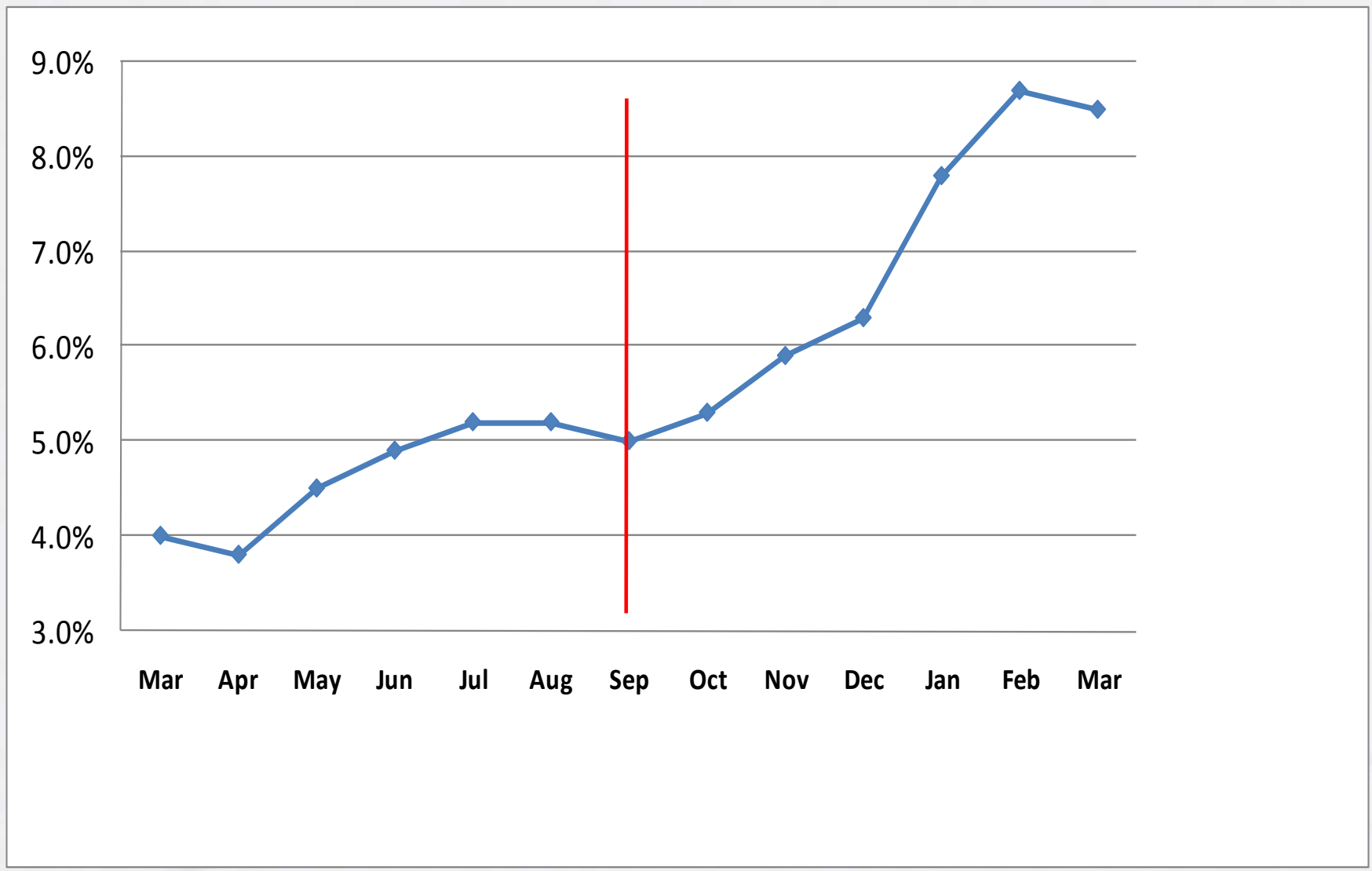


# Stock Market – Last Day of Each Month

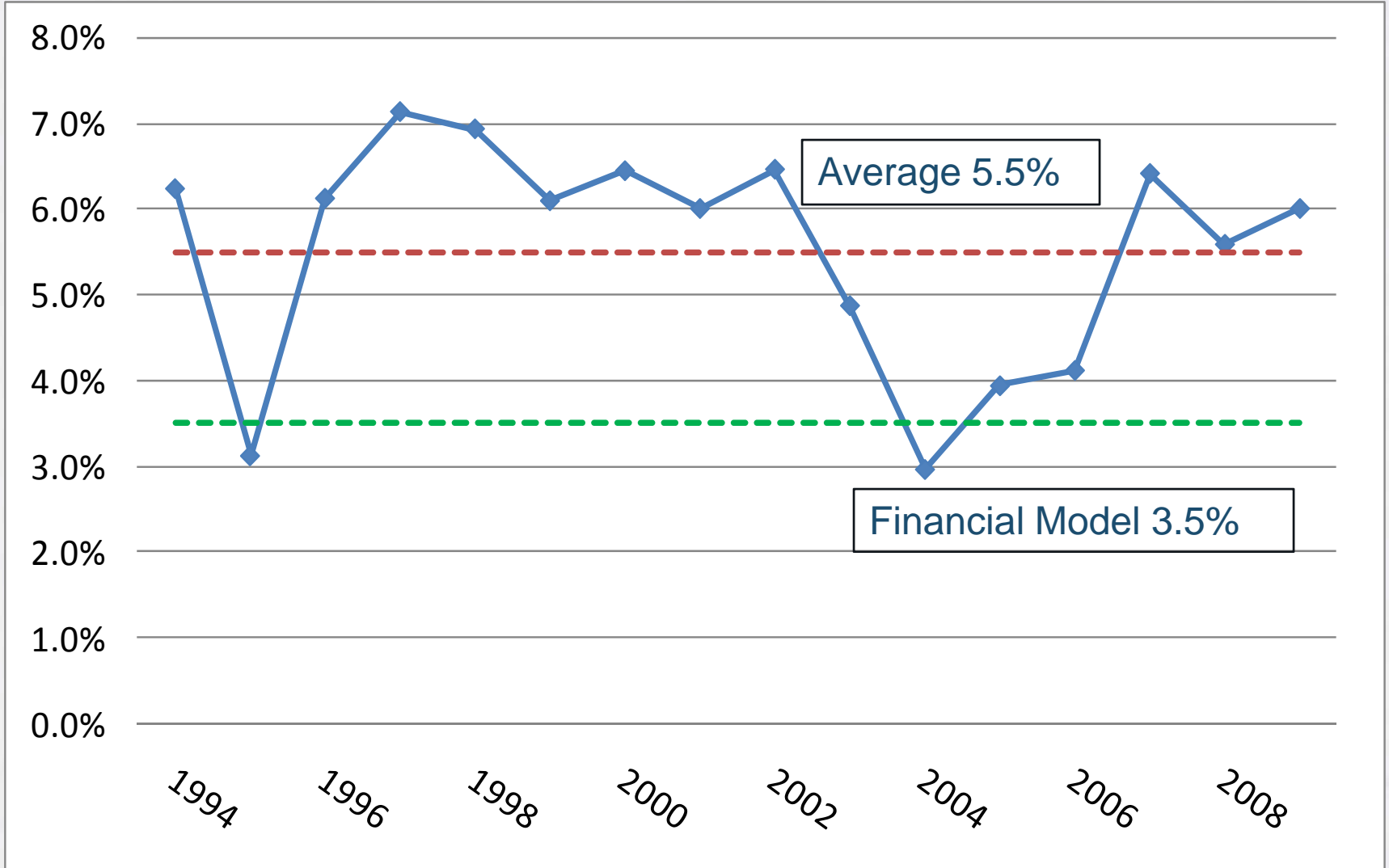




# Unemployment (Wake & Johnston Counties)

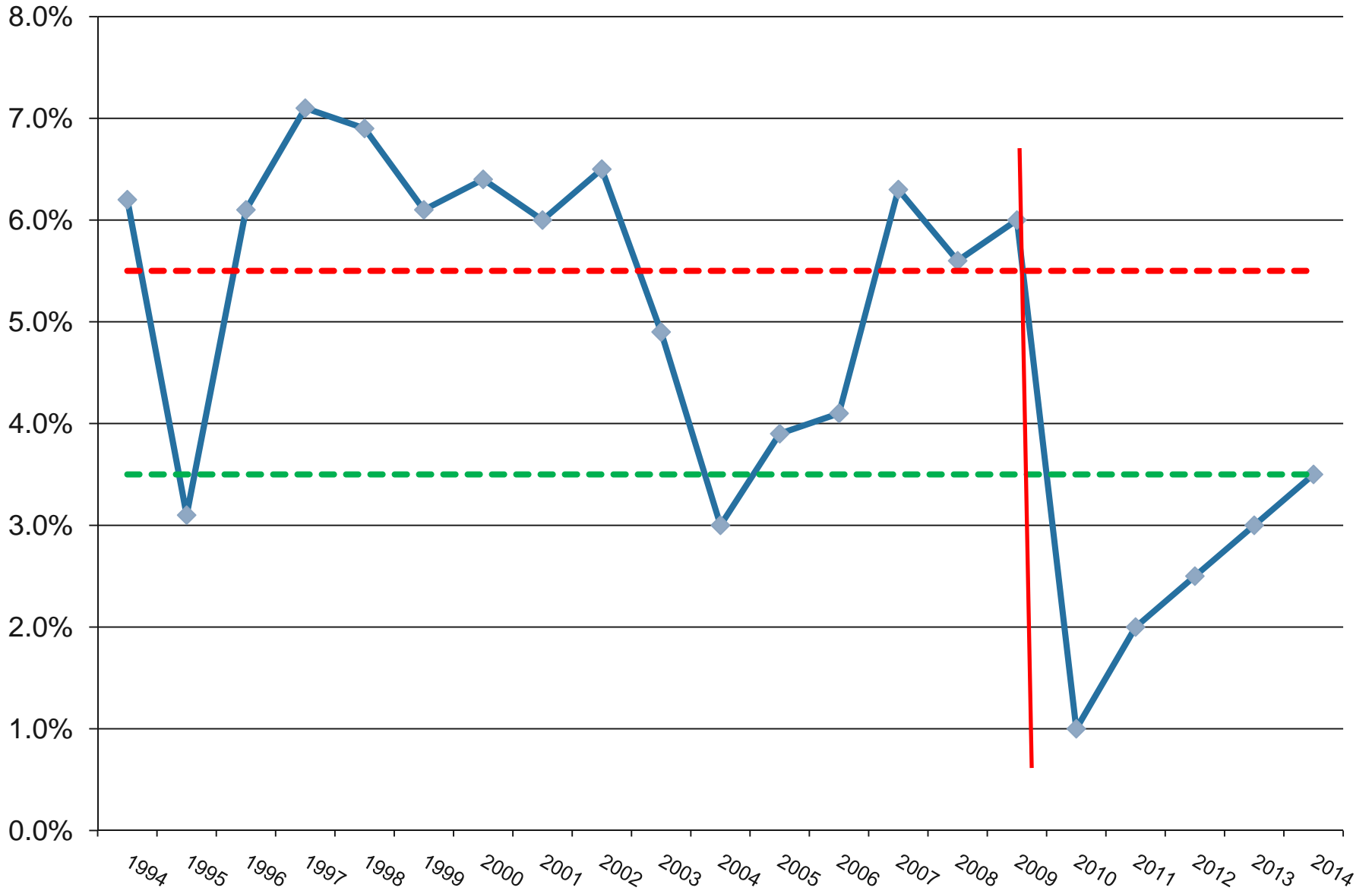


# Assessed Value History

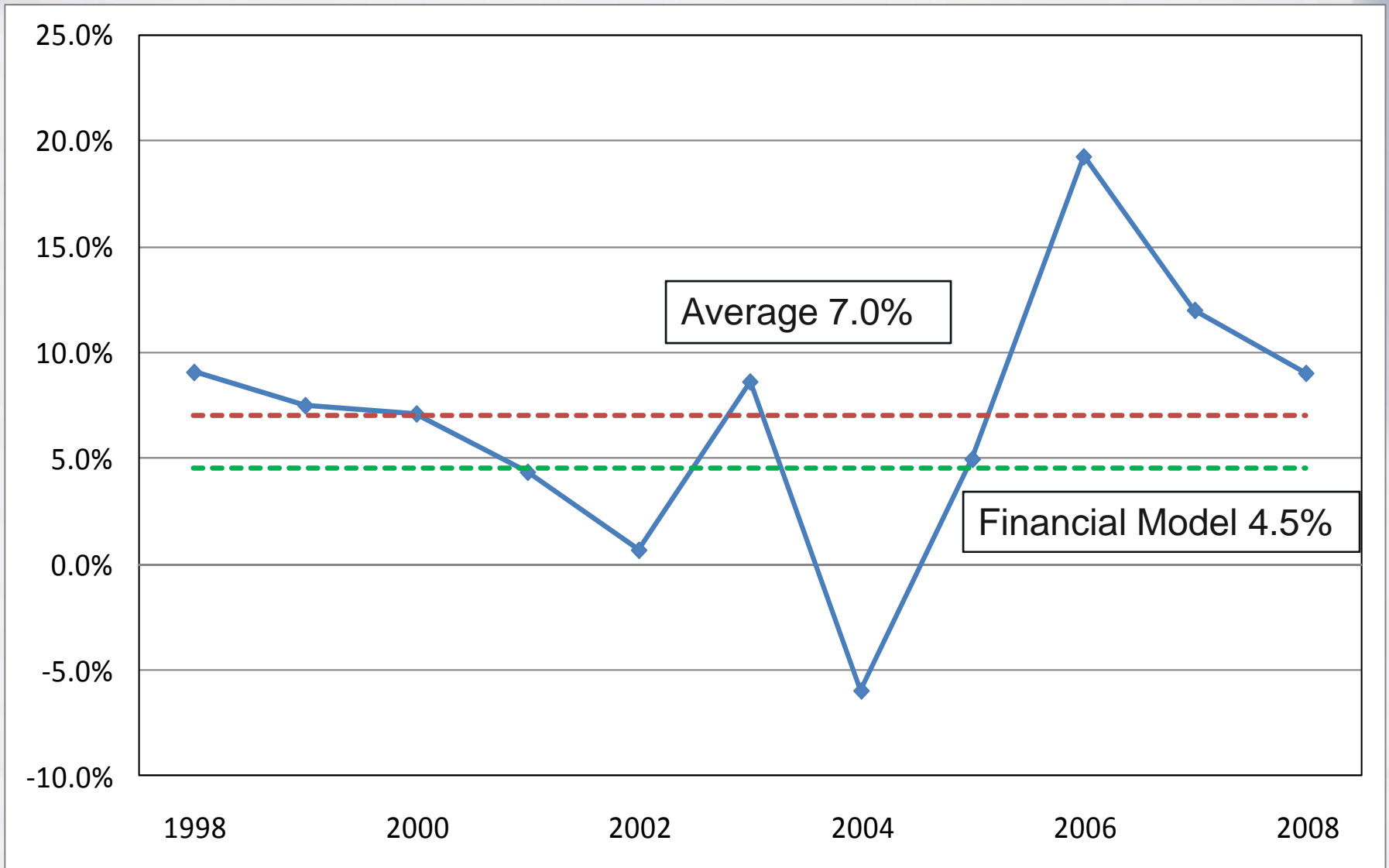




# Assessed Value Projection

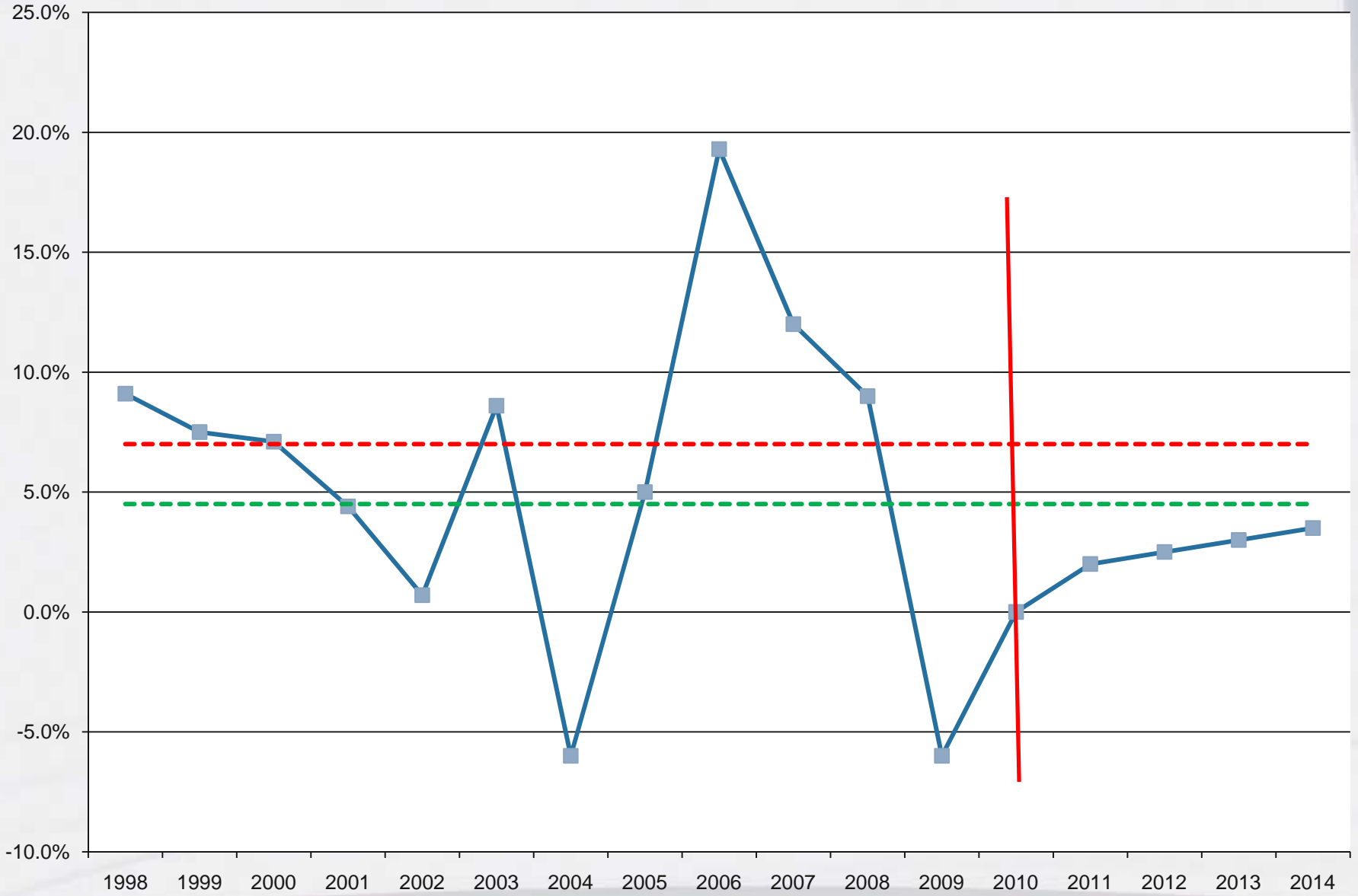


# Sales Tax Per Capita History





# Projected Sales Tax Per Capita



# Wake County

## Capital Plan: October – December 2008

- ★ Project by project assessment
- ★ Stop/freeze some projects
- ★ Find money for cash flow:
  - Bond Anticipation Notes
  - \$300 million (one year – 1.7%)
- ★ Former capital plan not financially sustainable with revised revenue assumptions

- ★ Delay Open Space and Library Projects until 2011
- ★ Evaluate all cash funded projects
- ★ Delayed Courthouse for 12 months and extended debt maturities to 25 years
- ★ Revised debt schedules to issue in advance of spending
- ★ Constrain Projects for WCPSS and Wake Tech

## ★ Bond Sale in March 2009

- Pay off Bond Anticipation note (BAN) of \$300 million
- Provide WCPSS cash flow through March 2010
- Provide Wake Tech cash flow through March 2010

# New Capital Plan

## April 2009

### ★ Successful Bond Sale: \$435 million

- AAA Credit Rating Affirmed
- 3.81% for G.O. Bonds

### ★ Next: Detention Center Financing

- Approximately \$160 million
- Bond/COP – July 2009

### ★ Fall/Winter 2009-10 Evaluate Capital Plan

# Questions?