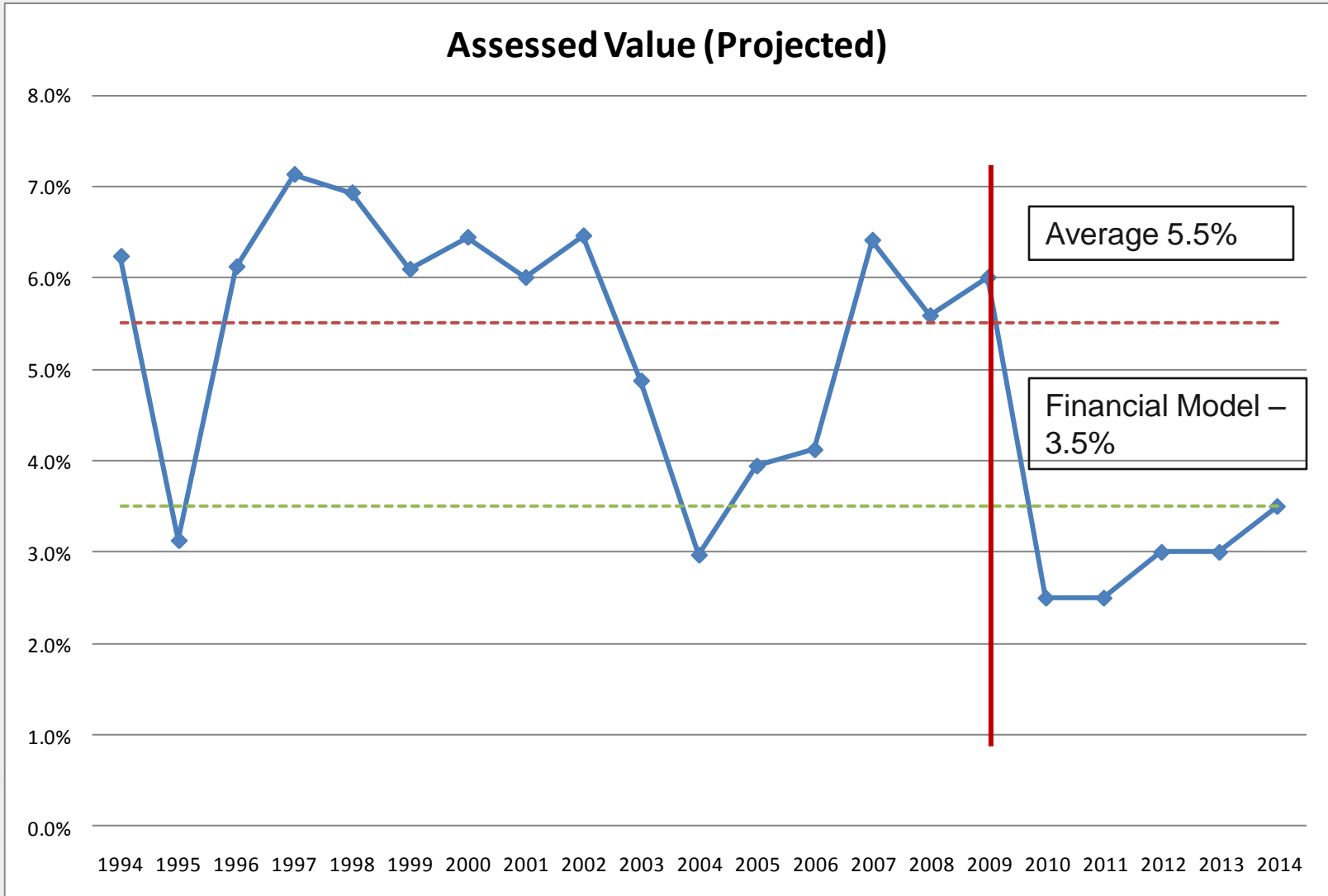
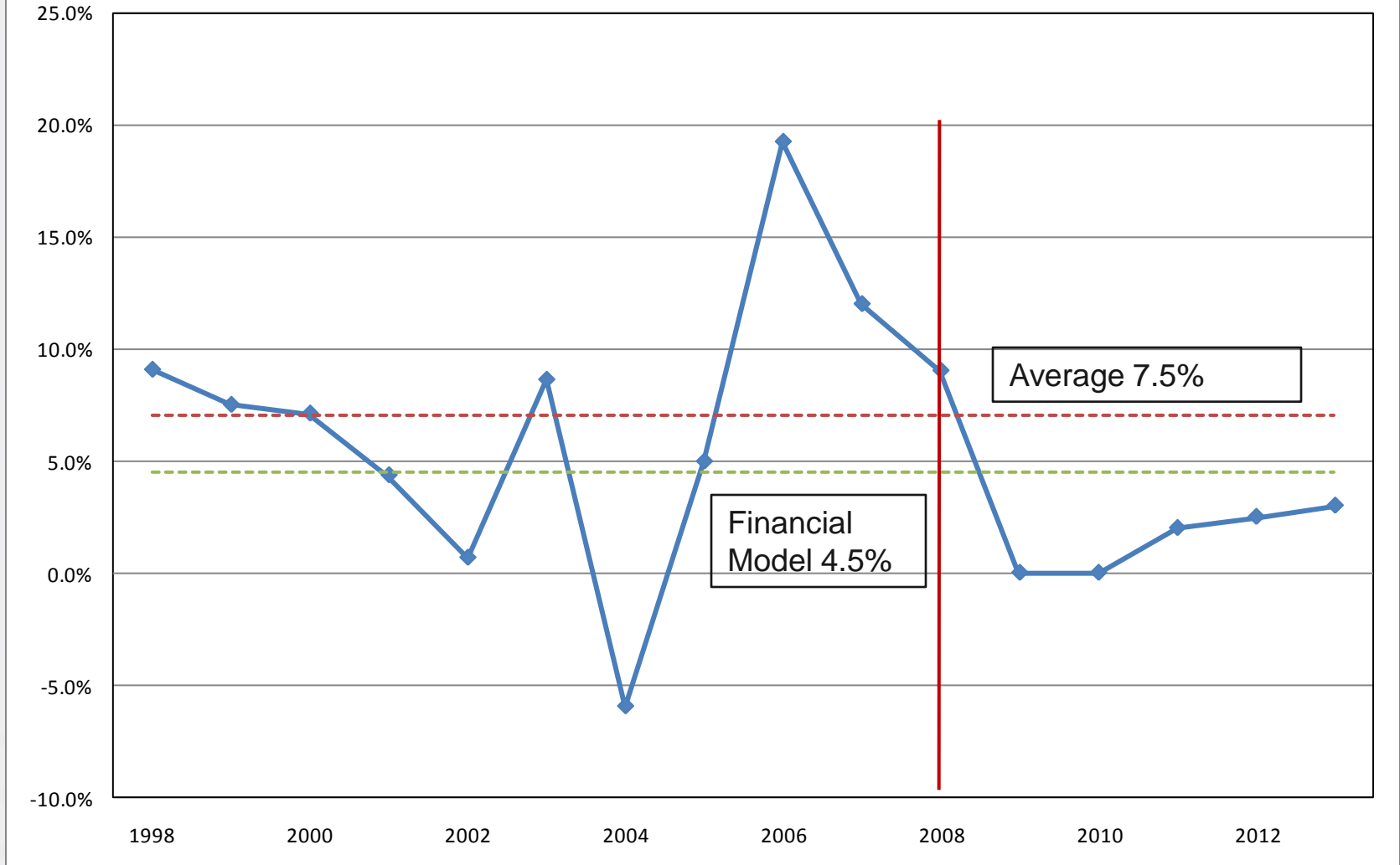


Capital Budget Update

February 16, 2009



Sales Tax - Per Capita Projection

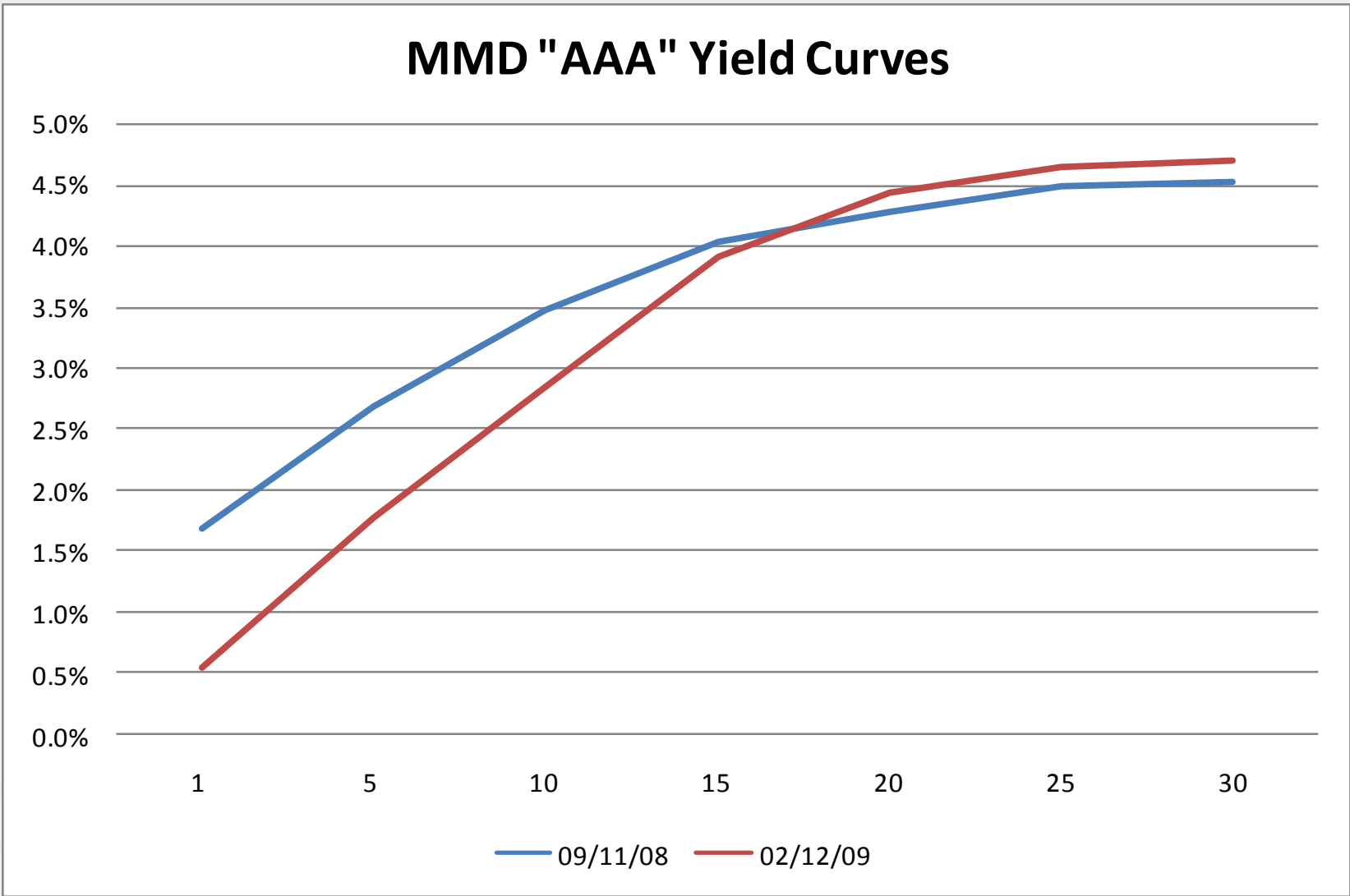




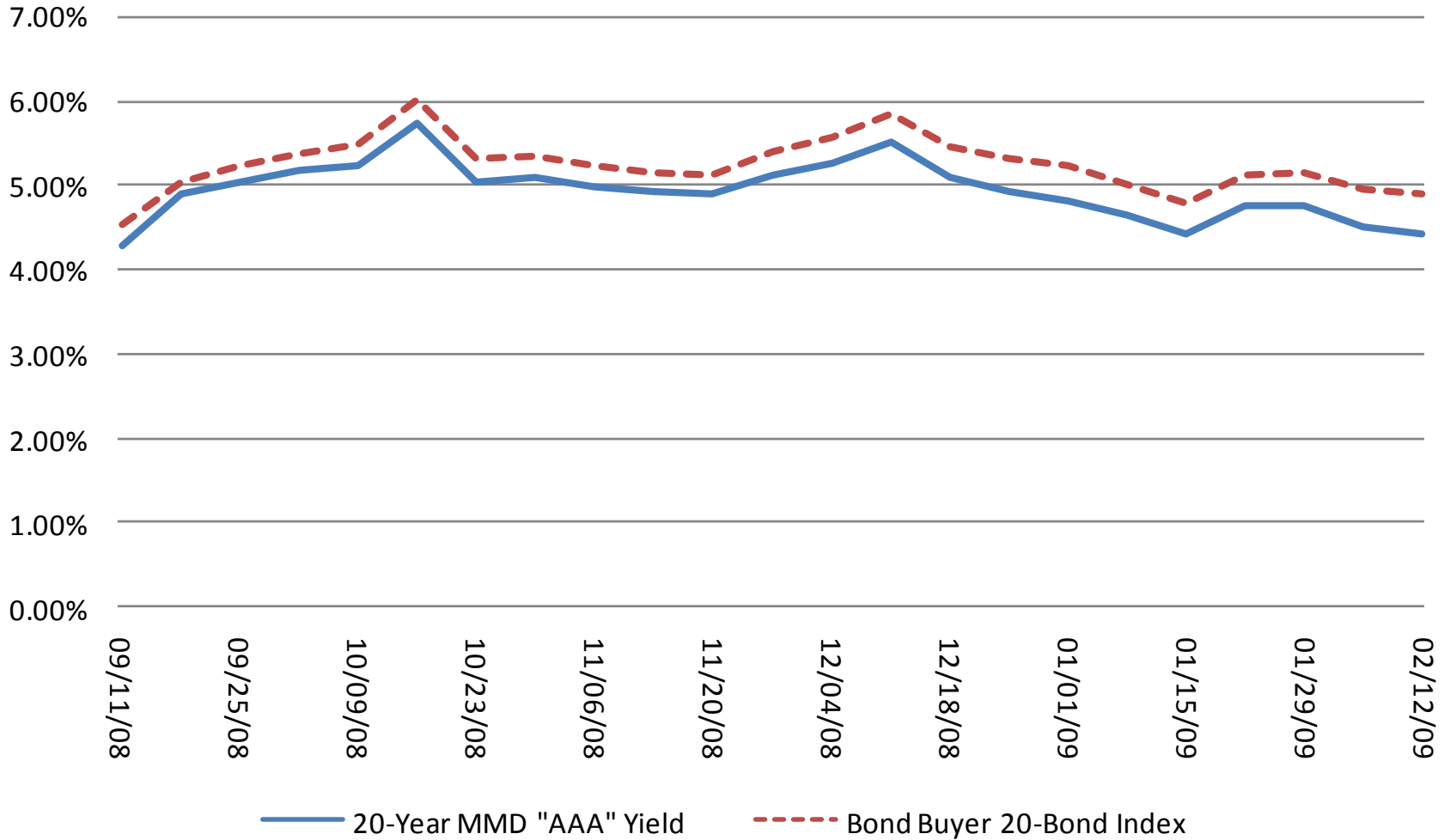
New Capital Plan Assumptions – January 2009

Property Tax			
Tax Rate	53.40 cents	No Change	
Dedicated	15.76 cents (29.5%)	No Change	
Growth Rate:	2.5% to 3.5%	Reduced	
Sales Tax			
Growth Rate:	0% to 4%	Reduced	
Interest Rates			
Interest Income	1.0% to 3.0%	Reduced	
Fixed Rate Debt	4.50%	No Change	
Variable Rate Debt	2.0% to 3.6%	Reduced	

MMD "AAA" Yield Curves



Municipal Bond Indices



Frozen/stopped a number of capital projects

Stopped some cash funded projects and re-allocated the cash to Hammond Road Detention Center and the Justice Center Project

Worked with Wake Tech and WCPSS on project schedules for each program

Delay Open Space and Library projects

Delay Justice Center for 12 months

Continue to move forward on a limited number of cash funded projects

Continue to move forward on the Hammond Road Detention Center

Continue to work with WCPSS and WTCC on a project-by-project basis but continue to restrict new projects



Capital Budget Recommendations (Continued)

Pursue a bond sale in March 2009

Pursue a Certificate of Participation transaction for the Hammond Road Detention Center by July 2009

Update financial planning model after each transaction

Questions?