

Capital and Assignment Planning During a Period of Economic Uncertainty

1. CIP 2006 source of funds:
 - a. General obligation bonds: \$ 970 million
 - b. Cash 86
 - c. Total \$1,056

2. Cash available for period October 2008 through September 2009:
 - a. Short term financing: \$ 256.5 million
 - b. Cash 80
 - c. Total \$ 336.5

3. Staff proposal for CIP 2006, Plan 2004 and Plan 2000:
 - a. New school projects:
 - i. All projects will continue as scheduled; however...
 - ii. WCPSS and Wake County staffs will review progress and fiscal status monthly;
 - iii. Decision must be made by December 2008 on schedule for E-21;
 - b. Major renovation projects;
 - i. All projects will continue as scheduled; however...
 - ii. WCPSS and Wake County staffs will review progress and fiscal status monthly;
 - iii. Decision must be made by March 2009 on schedule for Wilburn Elementary (school will not be relocated to Spring Forest Road modular in December, as had been planned);
 - c. Other projects and purchases:
 - i. Most life cycle projects will be suspended, with funds held in reserve for emergencies;
 - ii. PC Refresh, life cycle furniture replacement, and life cycle equipment replacements will be suspended;
 - iii. Land acquisition will continue; however, decision must be made by March 2009 on additional purchases beyond H-7;
 - iv. Mobile/modular classroom relocations will be reduced;
 - v. Facility Assessments will be performed utilizing existing staff funded from Program Management, thereby saving facility assessment labor costs;

4. Student assignment planning:
 - a. The multi-year student assignment plan is predicated upon a firm school construction schedule, which, in-turn, depends upon the availability of general obligation bonding;
 - b. Staff proposes to present a multi-year assignment plan, with the second and third years contingent upon sufficient capital funding;
 - c. Because of the delay in resolving the funding issues, the presentation of the assignment plan proposal will be delayed about two weeks;

5. Bottom line:
 - a. This proposal is based upon the best information that is available today;
 - b. WCPSS and County staff will monitor the construction schedule and cash availability closely and will meet monthly to update the schedule as appropriate.