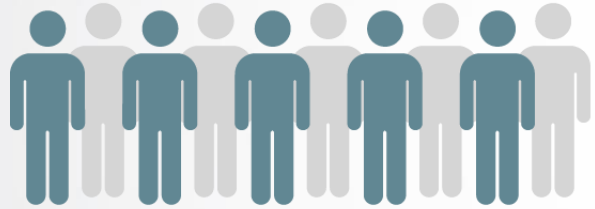# Wake County
Recommended Budget
May 6, 2019

David Ellis
County Manager

Three key drivers influence this budget

Population growth

New state regulations

Unfunded state mandates

Unfunded state mandates

- Must offer new services we haven't offered before

- Example: Voter photo IDs

- No funding for staff

Unfunded
state mandates

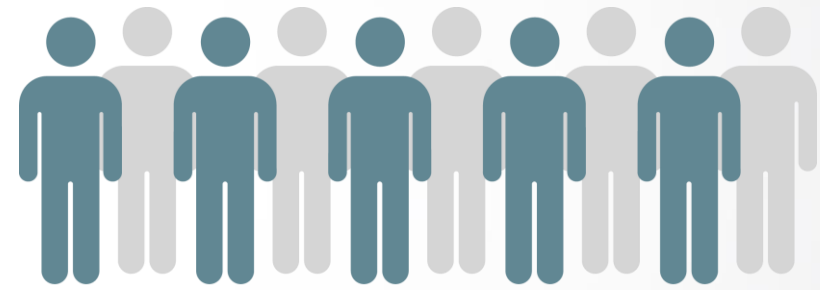# New state regulations

- Will affect our staffing and workflow

- Most impacted departments:
  - Environmental Services
  - Human Services

New state regulations

Population growth is the biggest factor driving demand for our services

1.1 million residents strong

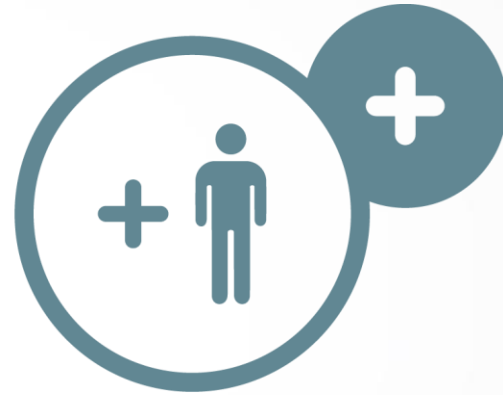**Population growth**

Population growth from 2008-2018

Wake County added more than **235,000 people**

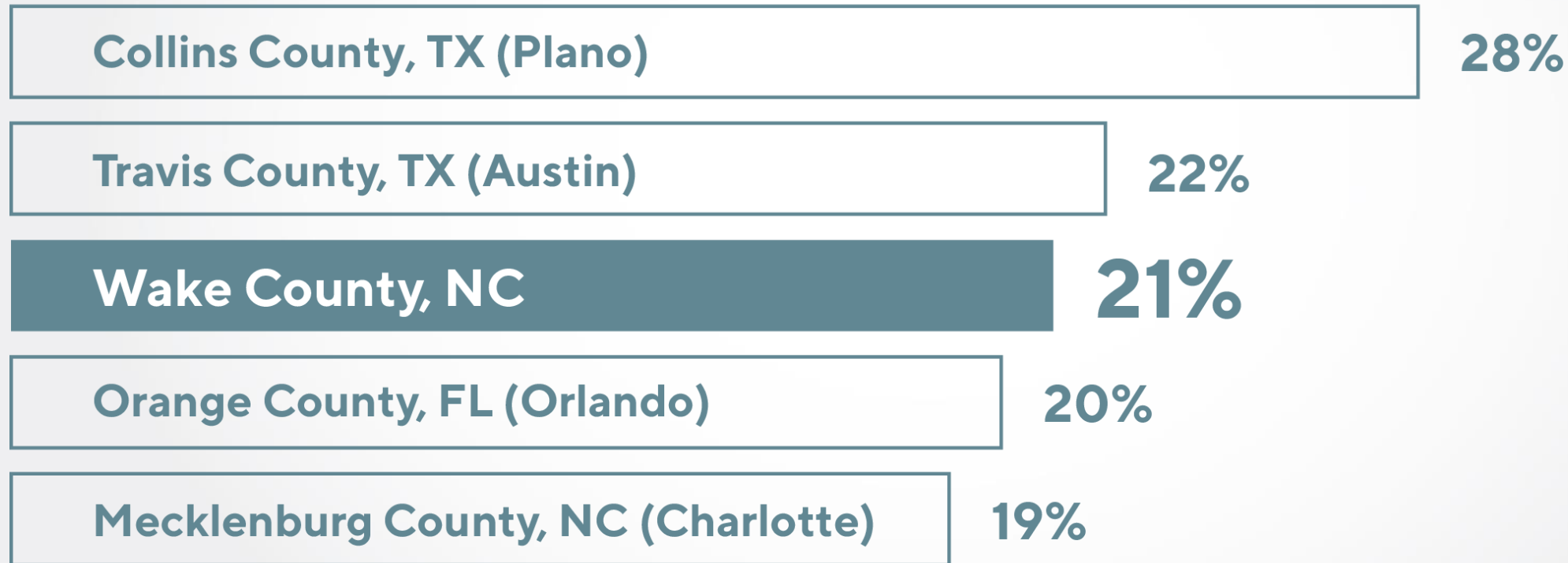More than the populations of Cary and Apex combined

Our growth isn't stopping

Our population increases by

56 **PEOPLE A DAY**

Our growth is getting national attention

5 Fastest Growing Counties
with ≥ 1 million residents, July 1, 2018

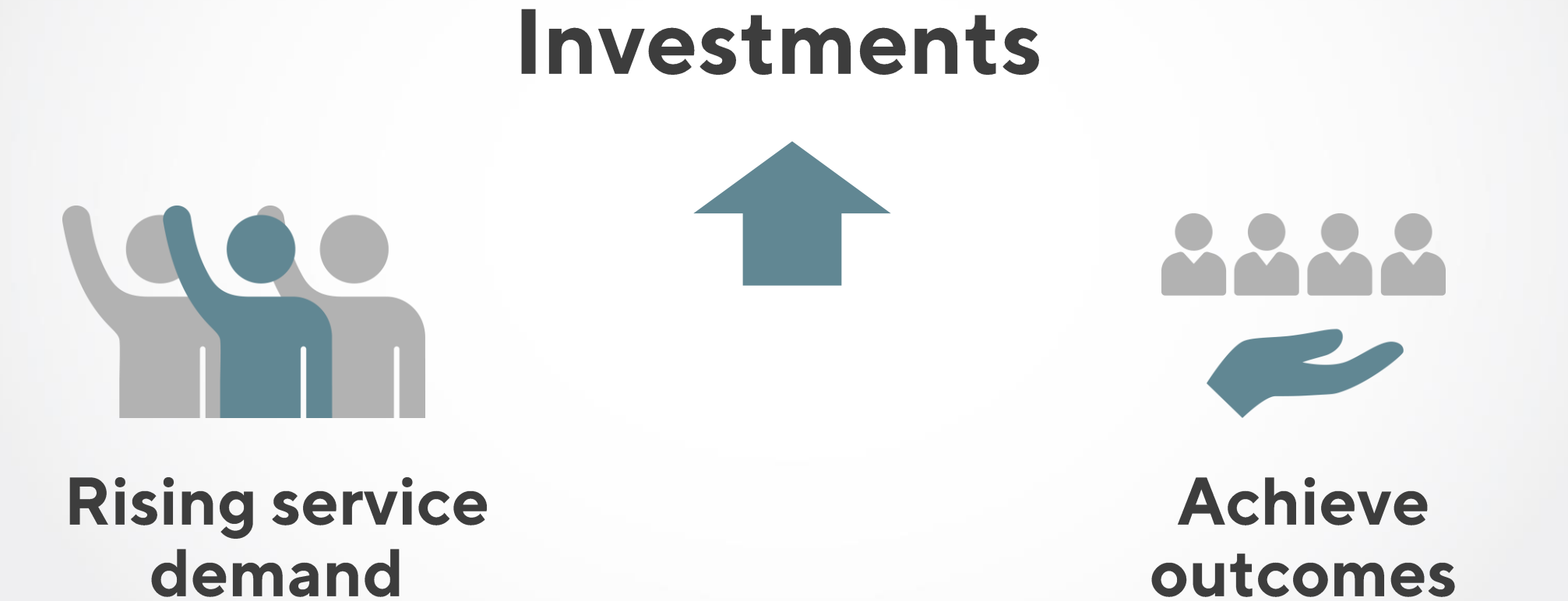| County	Growth
Collins County, TX (Plano)	28%
Travis County, TX (Austin)	22%
Wake County, NC	**21%**
Orange County, FL (Orlando)	20%
Mecklenburg County, NC (Charlotte)	19%

County growth rate, 2010–2018

We must address the cumulative effects of growth

- Right resources needed

- Timely, responsible service delivery expected

10

FY20 budget recommendation reflects results of analysis

Investments

Rising service demand

Achieve outcomes

Board Goals

Community Health

Economic Strength

Education

Great Government

Growth and Sustainability

Public Safety

Social and Economic Vitality

BEST RECOGNIZE TRAINING ACCEPTABLE CHALLENGES CONSERVATION STRENGTH SUBSTANCE EFFECTS BRING EFFORTS CONNECTIVITY PRACTICES ELIGIBILITY GROWTH

INCARCERATED SOCIAL PROCESS WCPSS ADDRESS END GAPS PROGRAM CONTINUE GOAL MORE RESPONSIBLE

HIGH BOARD HEALTH SAFETY WORK INCREASE PRESERVE SUSTAIN OPPORTUNITIES

APPROACH BUDGET FUTURE INTERNET USERS QUALITY VULNER CUSTOMER ESTABLISH ECONOMIC NEEDS

PARTNERSHIP WORKFORCE RESPECT MEDICAL SUPPORT

BEHAVIORAL MATERIALS COLLEGE IMPROVE CITIZEN HUNGER MULTI PROVIDE ASSIST EDUCATED TRANSIT

INCLUDE HOUSING PARTNER STRATEGY RESIDENTS DATA EXPAND AREAS

HEALTHY POPULATION LIFE SHARE TRANSPORTATION COMMISSIONER EARLY NEAR CRISIS

USE PLAN COLLABORATE LAND REDUCE DEPARTMENTS BUSINESS

THROUGH ENHANCE COMPREHENSIVE GOVERNMENT SERVICE WATER ABUSE OPERATING LEVERAGE POLICY FOCUS

FOOD WELLBEING JOB ONE EXPLORE CULTURE ENCOURAGE CAPACITY

RESOURCE EXPERIENCE SUCCESS THREE ILLNESS ACCESS PROMOTE

AFFORDABLE BOND FUNDS IDENTIFY LIVE BUILD PUBLIC INITIATIVE

MENTAL AGED SHERIFF IMPLEMENT INNOVATION MAINTAIN ISSUES UPDATE

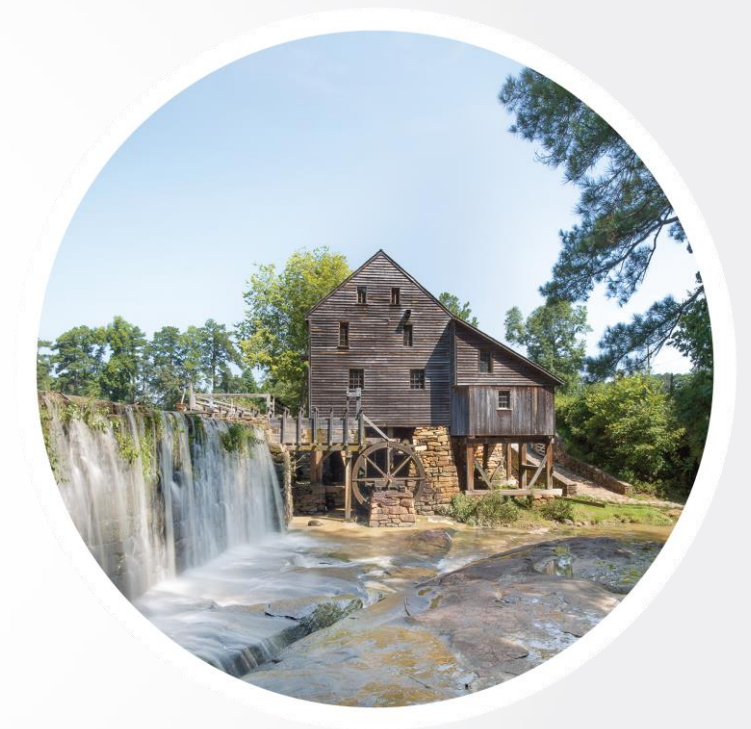# Voters approved 3 bonds in November

Voters approved 3 bonds in November

Total more than $1 billion

Voters approved 3 bonds in November

Largest bond package in NC history

WCPSS bond = $548 million over 2 years

Will fund:

- New school construction
- Renovation of existing schools
- Equipment needed to operate them

Wake Tech bond = $349 million over 4 years

Will fund:

- Further expansion of RTP campus

- Training facilities for skilled trades and law enforcement

- Technology upgrades

Parks, greenways and open space bond = $120 million over 6 years

Will fund:

- More open space preservation

- New greenway connections

- New park and nature preserve construction

- Renovations to existing parks

Impact of the bonds

3.8 cent **property tax increase** required for voter-approved projects

How we developed this budget

Scrutinized budget requests

Made data-driven, outcome-based decisions

Looked closely at our revenues

Our revenue picture

⬆ **3%**

Sales tax and property tax revenues

$31.1 million

New revenues

How we developed the budget

Budget requests = **$83 million**

Growth doesn't pay for itself
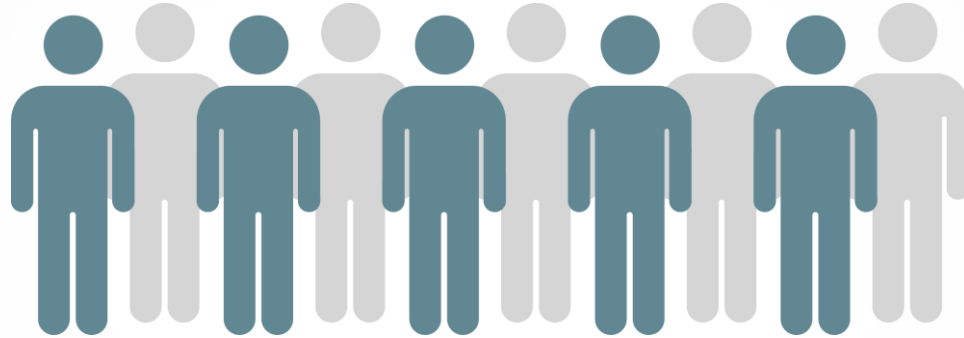
Doesn't cover the needs of:

- WCPSS
- Wake Tech
- Wake County

Increasing the property tax can help bridge the funding gap

- Equals 75% of total budget
- Only revenue source within county's control

25% Sales Tax & other
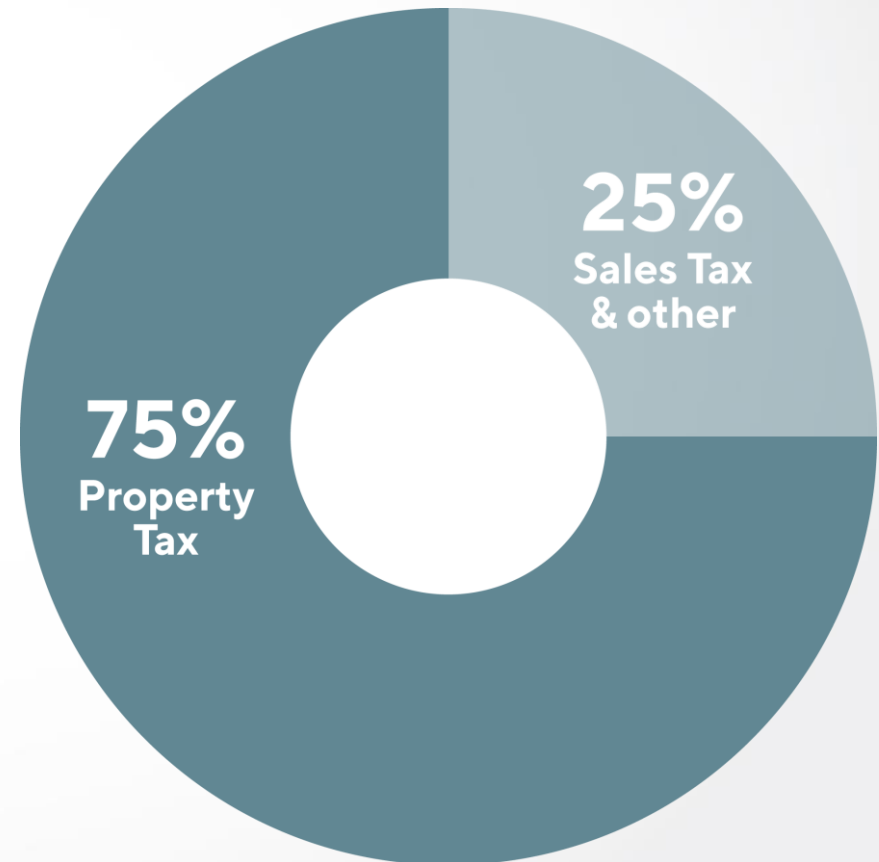
75% Property Tax

Budget recommendation is the result of an intense vetting process

Deliver **core county services**
Comply with **state regulations**

FY20 General Fund Operating Budget

$1,466,200,000

Includes a 6.36-cent property tax increase

Breaking down the proposed tax increase

$$6.36 \text{ ¢} \quad \text{total tax increase}$$

$$- 3.80 \text{ ¢} \quad \text{bond tax increase}$$

$$2.56 \text{ ¢} \quad \text{operating tax increase}$$

Breaking down the proposed tax increase

2.56 cents
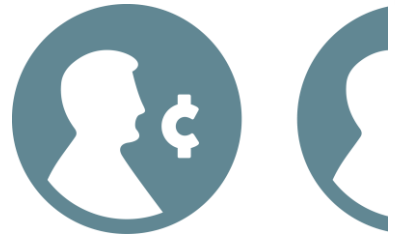
1.39-cent increase for WCPSS operations

1.17-cent increase for county operations

FY20 Recommended General Fund Budget

71.8 cents

Total property tax rate

Education

Funding recommendation for WCPSS

Invest an additional
$36.5 million

in the operating budget

First time our contribution to WCPSS operating expenses would exceed half a billion dollars
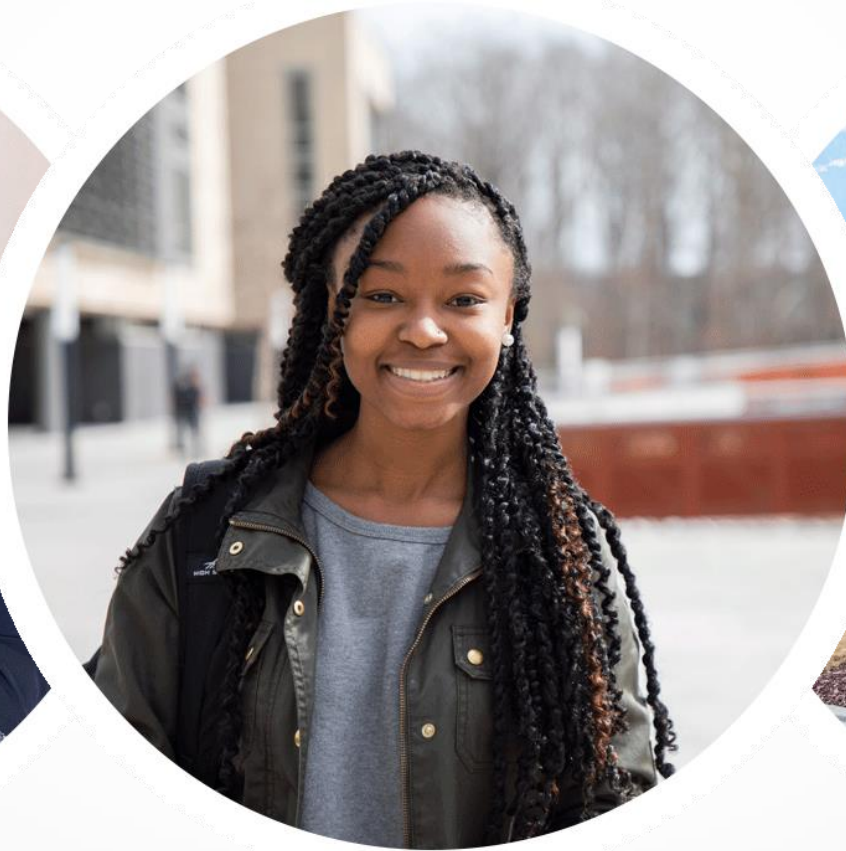
$507.5 million

Operating funding

33

Total investment in WCPSS

$789.5 million
Operating + capital funding

34

Wake Technical Community College

Funding recommendation for Wake Tech

Invest an additional
$1.7 million
in the community college operating budget

36

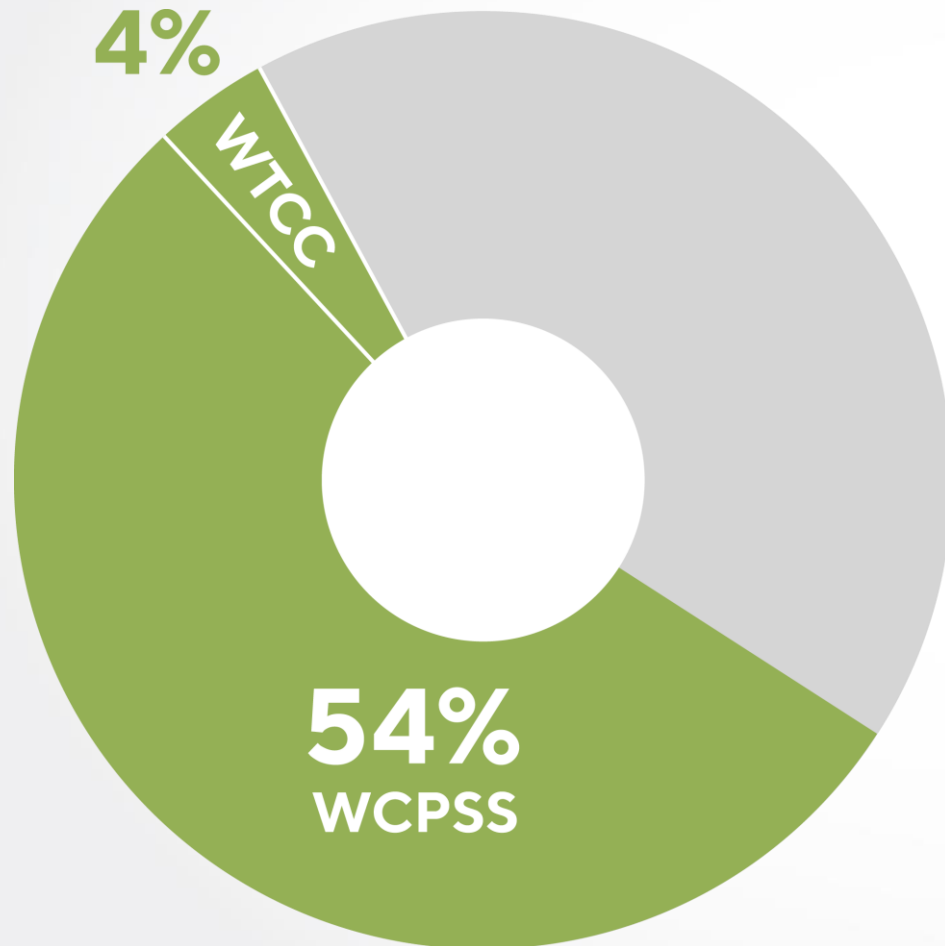# Investment in Wake Tech operating expenses

$24.6 million
Operating funding

Total investment in Wake Tech

$64.4 million
Operating + capital funding

Total investment in education = $853.9 million

4%

WTCC

54%
WCPSS

58% of total budget

$98.1 million increase over FY19

Public Health & Safety

Our top priority is public health and safety

Recommend expanding funding in 3 areas:

- Responding to crisis

- Protecting our most vulnerable residents and those in our care

- Ensuring safety through regulation

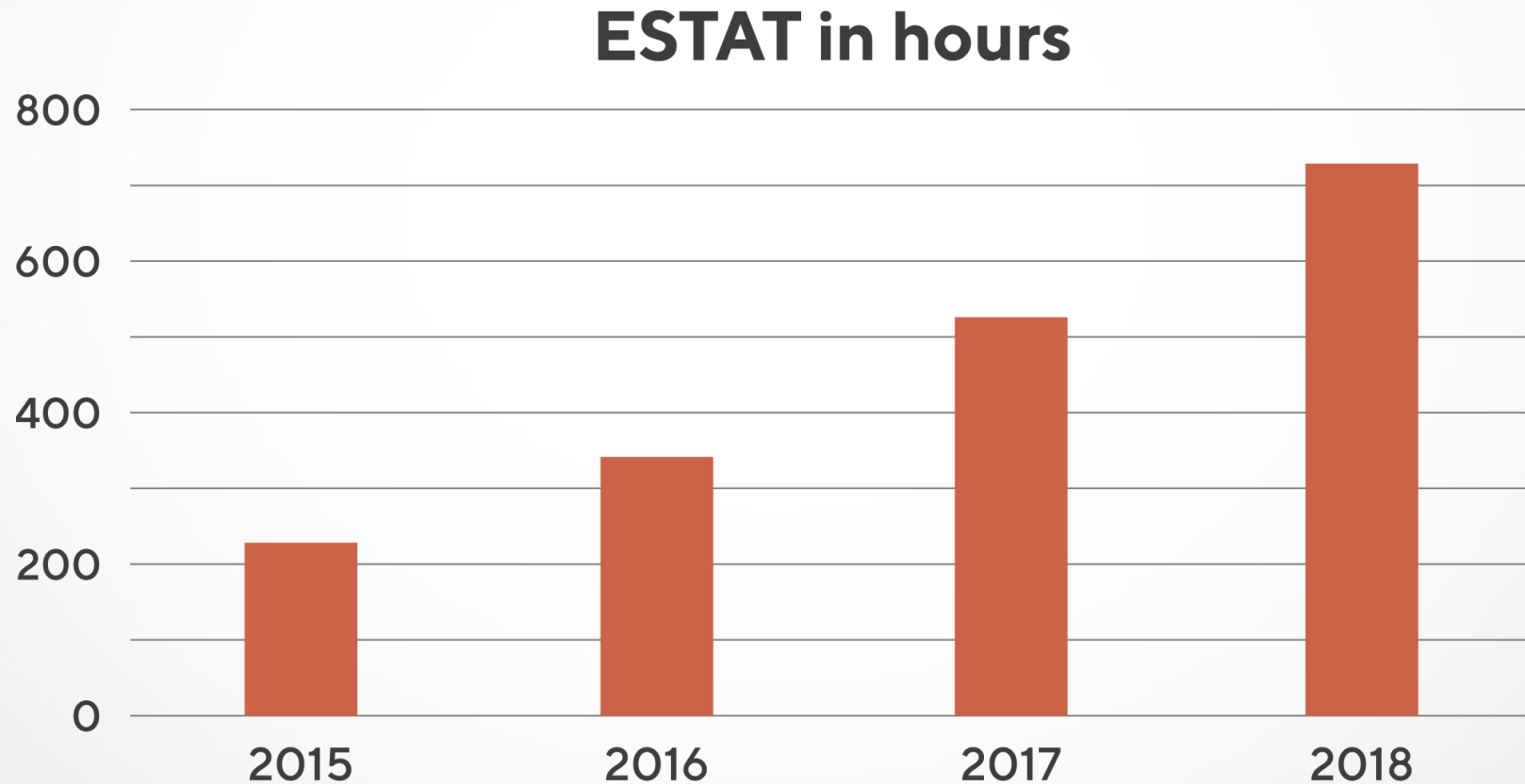# Responding to crisis

Responding to crisis: EMS

2014
89,755 calls ➡ **2018** 106,282 calls

call volume
⬆ 18.4%

Responding to crisis: EMS

Experienced a **220% increase** in ESTAT duration since 2015

ESTAT in hours

Responding to crisis: EMS

Recommendation

- **Add 5 ambulance shifts**
- **Hire 20 staff**

Will reduce ESTAT and provide faster response rates

Responding to crisis: CCBI
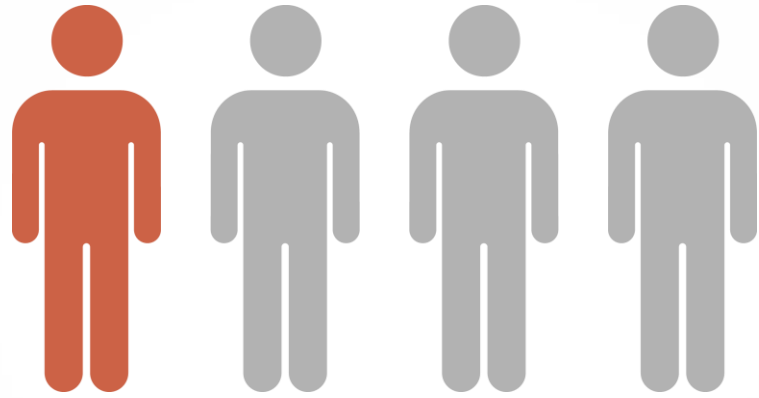
Responding to crisis: CCBI

Recommendation

Add 2 crime scene investigator positions

Will help CCBI achieve its 90% performance goal

Protecting our most vulnerable residents and those in our care

230,000 people
in Wake County are at or near the poverty line

Protecting our most vulnerable residents and those in our care

Economic Self Sufficiency

Child Welfare

Sheriff's Office

Protecting our most vulnerable residents: Economic Self Sufficiency

Thousands work but can't make ends meet

Food assistance and Medicaid give them protection

Protecting our most vulnerable residents: Economic Self Sufficiency

We currently serve:

- **170,000** Medicaid recipients

- **120,000** Food & Nutrition Services recipients

Protecting our most vulnerable residents: Economic Self Sufficiency

Recommendation

Add 6.5 positions:

- Food and Nutrition Services
- Family and Children Medicaid Program

Will help meet state requirements and make population more self sufficient

Protecting those in our care: Child Welfare

2018

- **10,000** reports of suspected child abuse or neglect

- **5,000** of those reports required follow-up

- **800** families remained together with our help

- **800** children placed in alternative care

Protecting those in our care: Child Welfare

Recommendation

Add 14 positions to Child Welfare

- Lower caseloads

- Protect children from harm

- Help children find permanent, loving homes

Protecting those in our care:
Wake County Sheriff's Office

55

Protecting those in our care: Wake County Sheriff's Office

Recommendation

Add a sergeant position

- Conduct Crisis Intervention Training

- Train 700+ staff

- Teach response to behavioral health incidents

Protecting those in our care:
Wake County Sheriff's Office

Recommendation

Add 4 nurses and 1 care technician to jail medical team

- Support staff in behavioral health and drug detox units

- Coordinate patient care

- Provide overnight clinic coverage

Protecting those in our care: Wake County Sheriff's Office

Recommendation
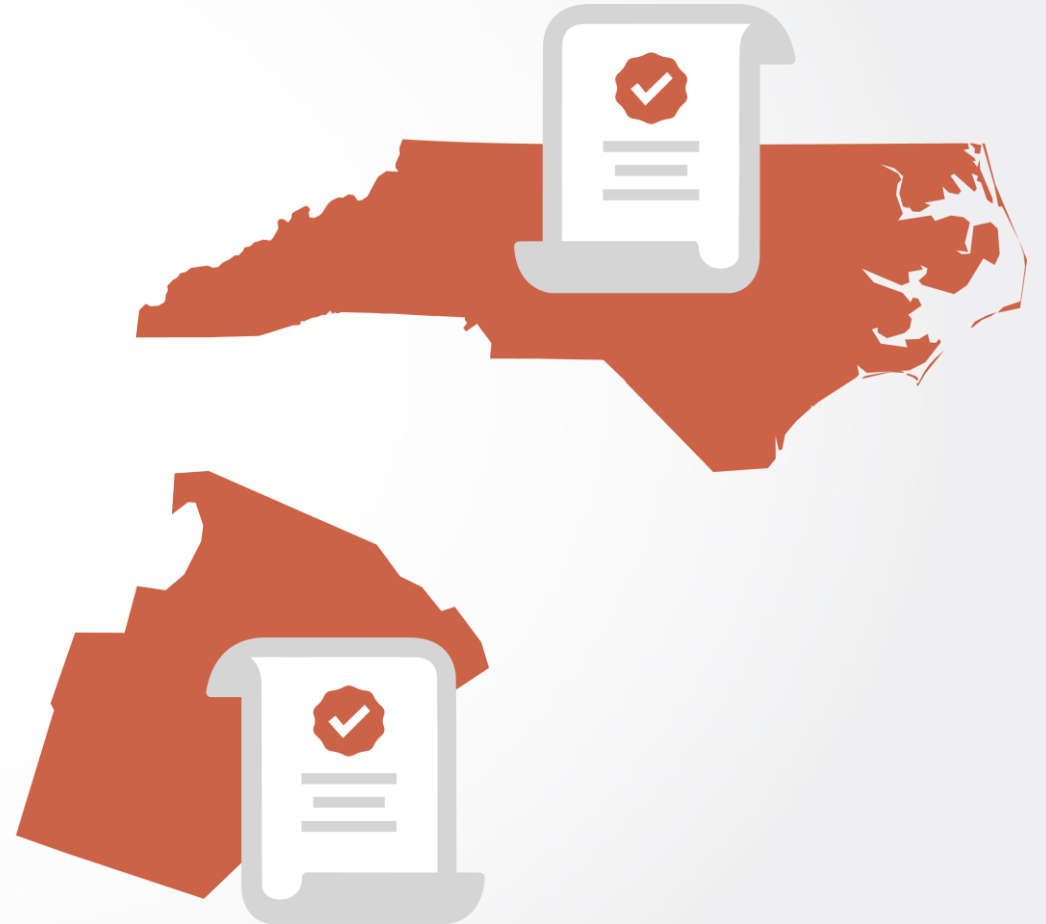
Fund the Detention Education and Workforce Initiative

- Continue 2-year pilot program

- Offer training and case management to 120 people

- Reduce recidivism

Ensuring safety through regulation

Our responsibility:

Uphold **state regulations** and **county codes** to ensure safety.

Ensuring safety through regulation: Inspections

In FY2018, our Planning, Development and Inspections staff:

conducted
60,000+ inspections

issued
9,000+ permits

Ensuring safety through regulation: Inspections

Recommendation

Add 2 inspectors

- Meet construction industry demands

- Ensure projects meet codes and are safe
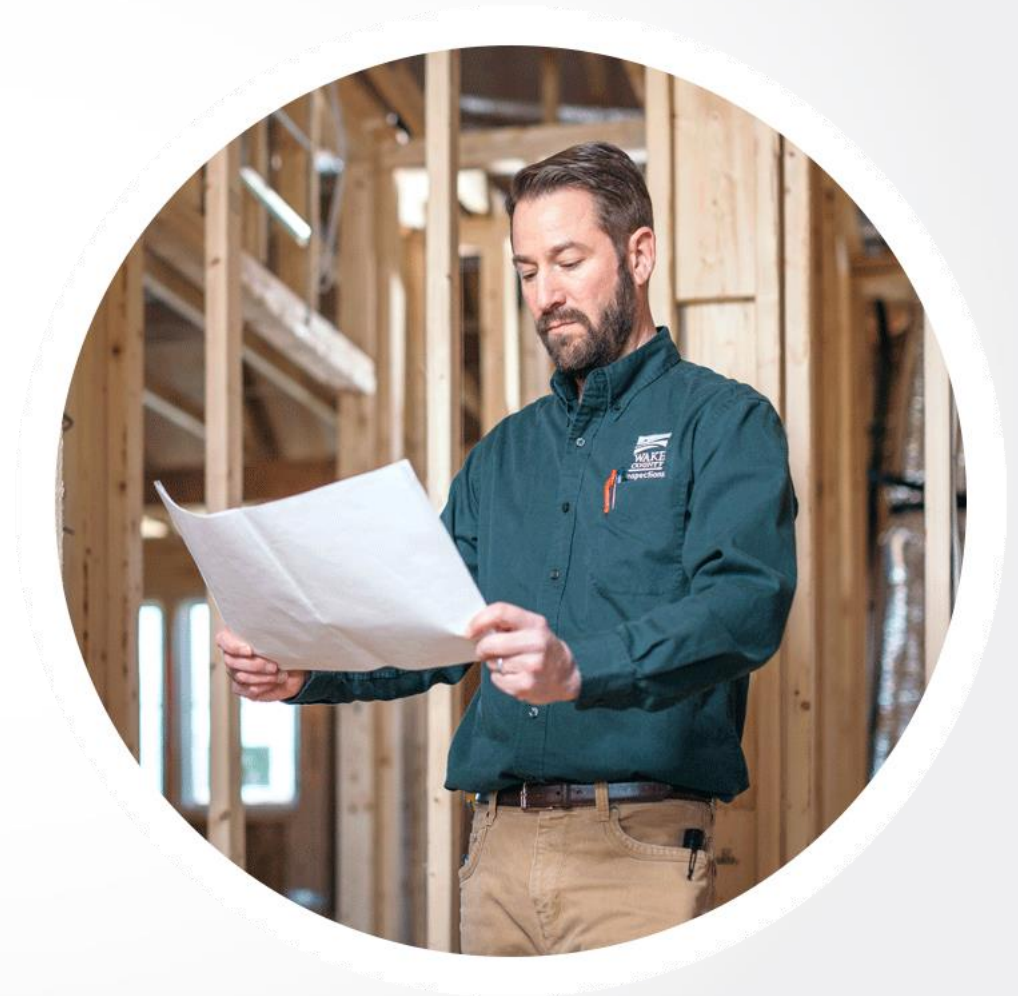
Recommendation

Add 4 positions to:

- Comply with changes to state regulations

- Meet increasing demand for well water testing

Total investment in public health and safety = $389.9 million

26% of total budget

$10.5 million increase over FY19

Board of Elections

Two-thirds of Wake County residents are registered voters

740,000
Registered Voters
and growing every day

65

Voter turnout is on the rise

440,000 voters

cast their ballots in the 2018 General Election.

⬆ **34%** increase from 2014

More people are requesting absentee ballots

2014 ➡ 2018
Increased by nearly

50%

More people are getting involved in the democratic process

Board of Elections: March primary

Early voting

for presidential primary election

Recommendation

Invest $3.3 million to:

- Hold the election
- Operate 11 early voting sites

Board of Elections: Unfunded state mandates

Voter IDs

Now required to:

- Issue voter photo ID cards

- Take additional steps to process absentee ballots

- Follow new early voting schedules

Board of Elections: Unfunded state mandates

Recommendation
Add 6 new positions

- Comply with unfunded state mandates

- Respond to historic demand for voter registration

- Prepare for unprecedented turnout at the polls

Additional staff to meet demand

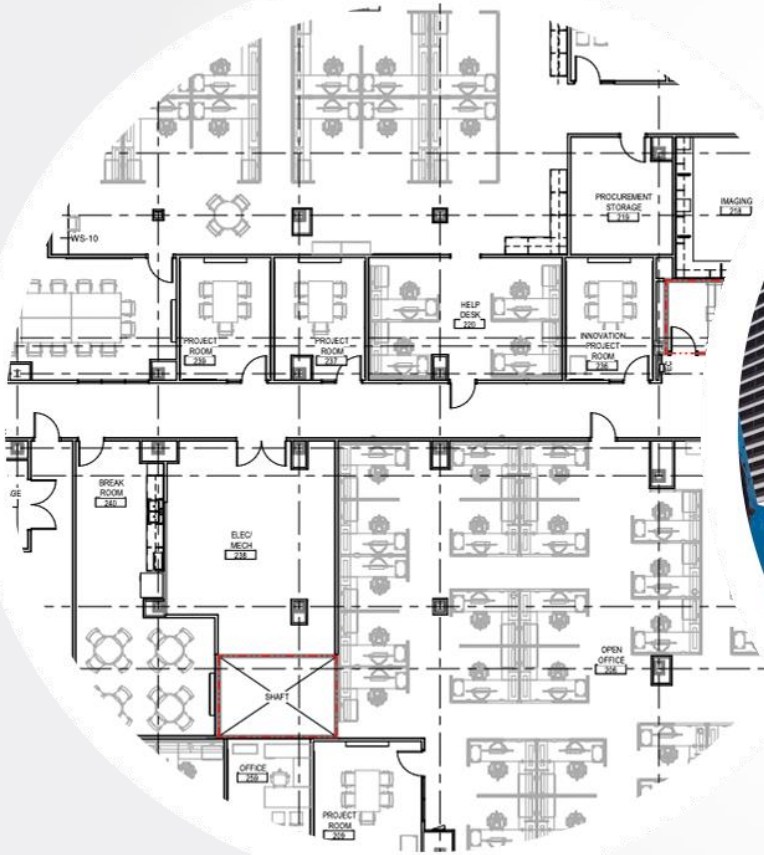# Total investment in Board of Elections = $8.3 million

1% of total budget

$3.5 million increase over FY19

Facilities, Technology and Infrastructure

Facilities, technology and infrastructure

Facilities, technology and infrastructure

We build on this strong foundation every day.

Dependable IT networks
Effective project oversight
Well-maintained facilities

Facilities, technology and infrastructure: IT Security

10,000
connected devices

17,000
user accounts

430
terabytes
of data stored onsite

Facilities, technology and infrastructure: IT Security

August 6, 2018

Atlanta ransomware recovery cost now at $17 million, reports say

January 14, 2019

Ransomware attack sends City of Del Rio back to the days of pen and paper

March 19, 2019

Hackers demand ransom from Orange County for 3rd time in 6 years

March 25, 2019

Oregon Agency Reports Phishing Attack Affecting 350,000

Facilities, technology and infrastructure: IT Security

Recommendation

Invest an additional $1.7 million in:

- IT security
- Network improvements

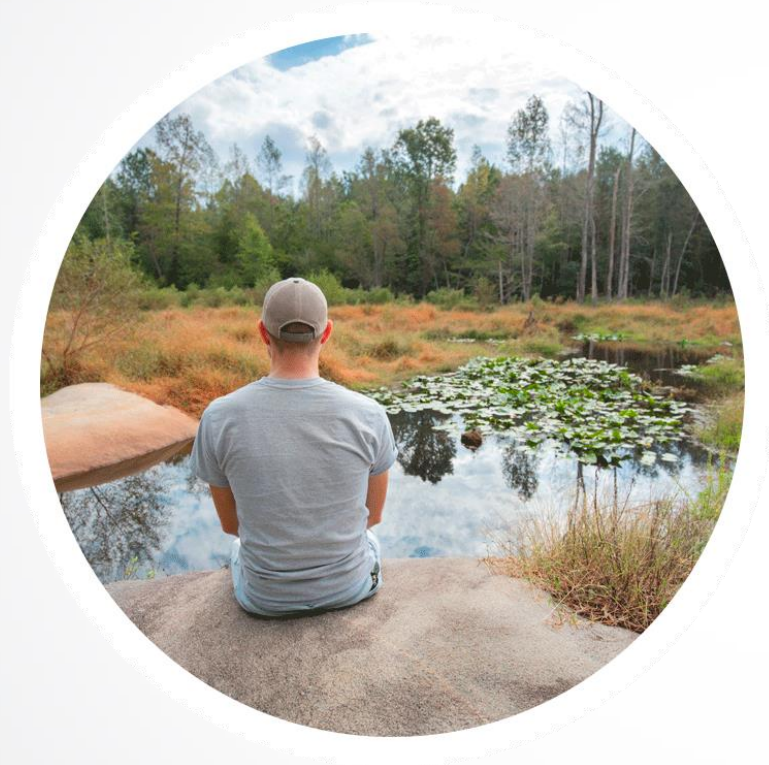# Facilities, technology and infrastructure: Project management

Recommendation

**Add 2 project managers
to oversee growing workload**

Estimate:

- Manage 110 projects

- Conduct 300 real estate transactions

10%↑
increase
from FY18

Facilities, technology and infrastructure: Project management

$120 million
Parks, Recreation, Greenways and
Open Space Bond

$106 million
Human Services
Facilities Plan

80

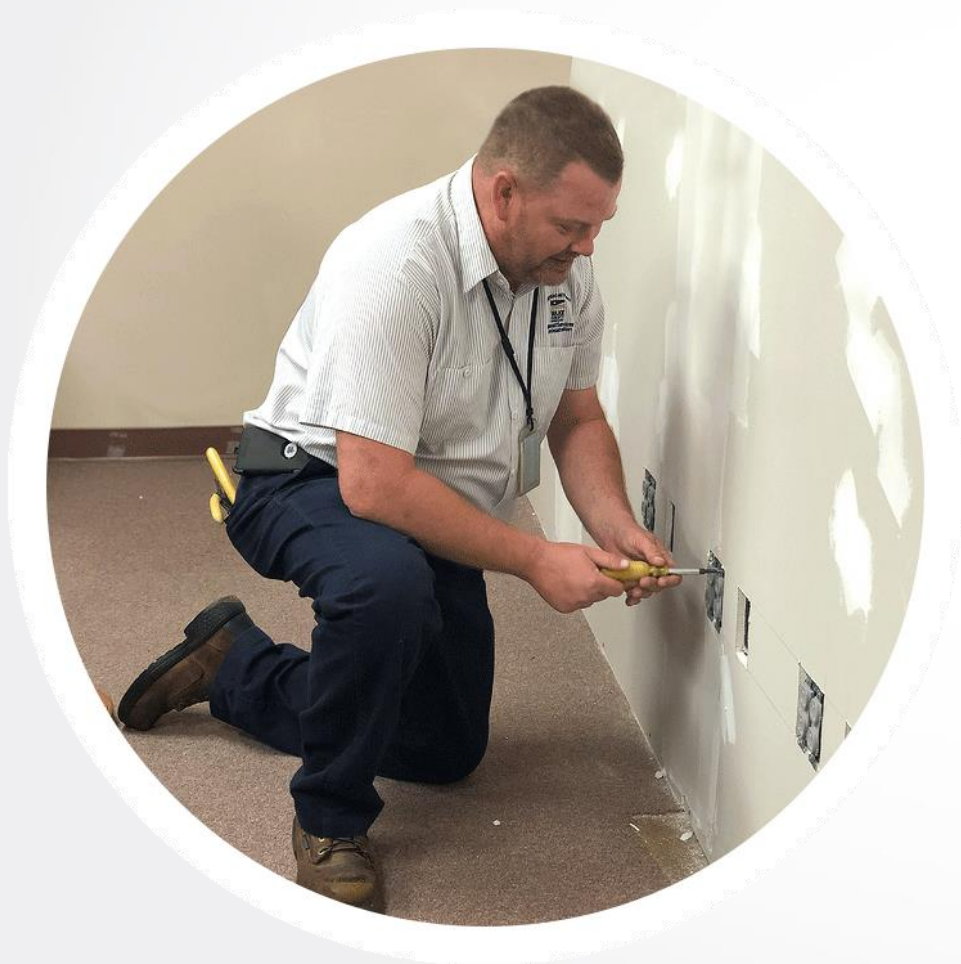# Facilities, technology and infrastructure: Maintenance

Facilities, technology and infrastructure: Maintenance

5,000,000+

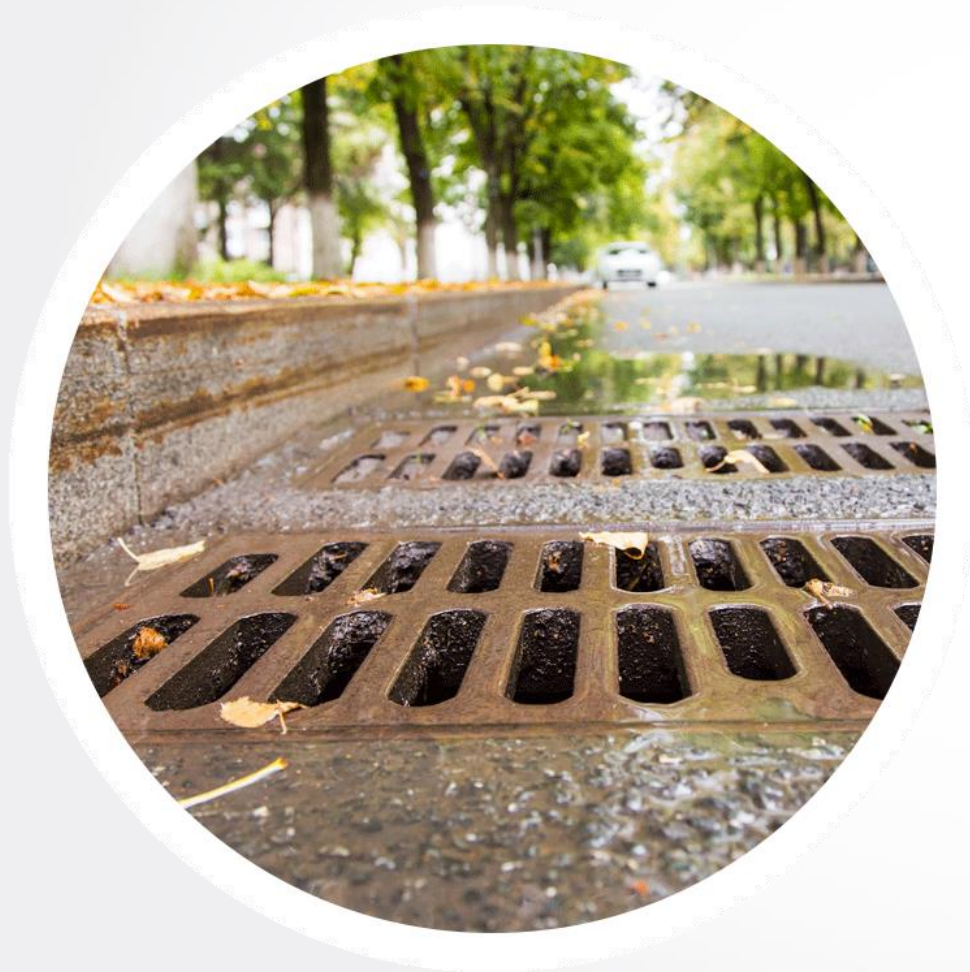**Square feet of county buildings**

Facilities, technology and infrastructure: Maintenance

Recommendation

Add 3 facility staff

- Maintain our buildings

- Respond to occupants' needs

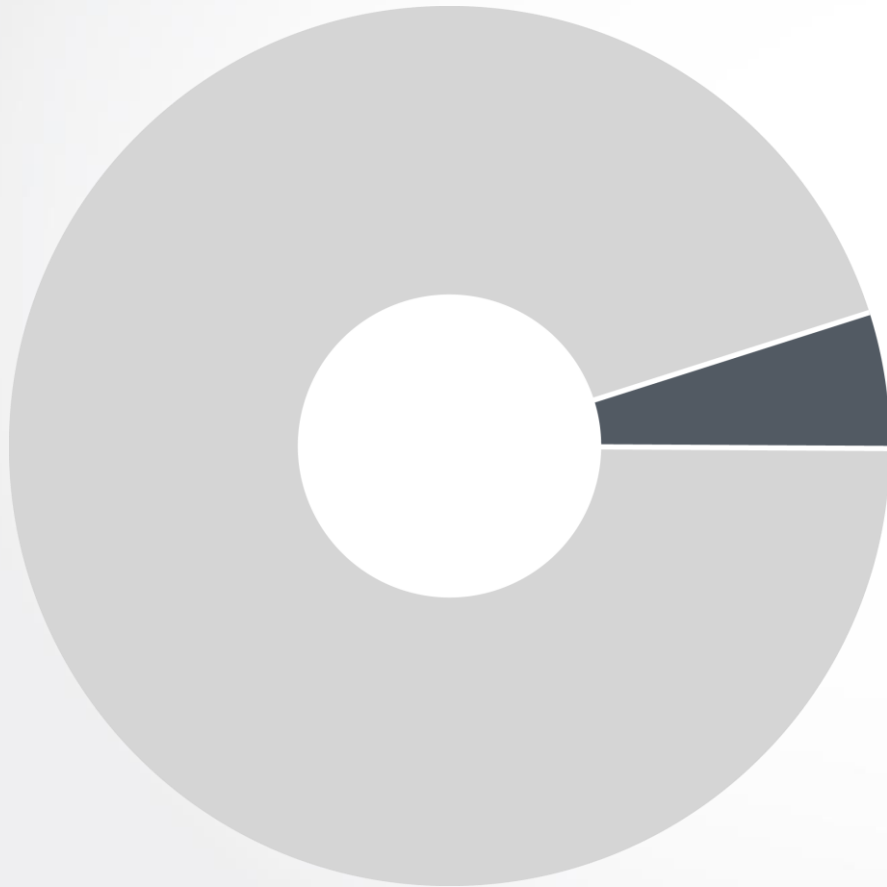# Facilities, technology and infrastructure: Unfunded state mandates

Recommendation

Add 3 inspector positions

Comply with state-mandated inspections of stormwater management devices

Total investment in facilities, technology and infrastructure = $85.6 million

6% of total budget

$12.8 million increase over FY19

Organizational Support

Organizational support

Support a
4,200-person
workforce

Manage and maintain
1,000 vehicles

Processed
50,000
vendor payments

Organizational support: Our team

Board of Commissioners

Communications Office

County Manager's Office

County Attorney's Office

Budget and
Management Services

Finance Department

Human Resources
Department

Register of Deeds Office

Tax Administration Office

Quasi-Governmental

Non-departmental

Organizational support: Unfunded state mandate

DMV collects vehicle property taxes

DMV requires us to reimburse the state for fees

Fees are increasing in FY20

Recommendation

Include an additional **$450,000** to cover cost increase

Organizational support: LGERS

Local Government Employees Retirement System is raising our rate of contribution.

Recommendation

Include an additional $1.56 million to cover rate increase

Organizational support: Investing in our workforce

Organizational support: Investing in our workforce

We need skilled employees to deliver the services our residents expect.

Retaining top talent requires investment

Recommendation

$ 3% pay raise

Total investment in organizational support = $57.6 million

4% of total budget

$3.9 million increase over FY19

Quality of Life

Quality of life

Quality of life: Housing

Board adopted in the FY19 budget a historic **$15 million investment** in affordable housing

Quality of life: Housing

$15 million
for affordable housing
in FY19

FY19 successes:

- **$12.6 million** in gap funding could bring 920 affordable housing units to county

- Contributed **$2.4 million** to first full-service shelter for single, homeless women

- Created **veterans preference** in dorm at men's shelter

Quality of life: Housing

Use FY20 funding to:

- Increase supply of affordable housing units

- Help people find transitional and permanent supportive housing

- Prevent homelessness

$15 million for affordable housing in FY20

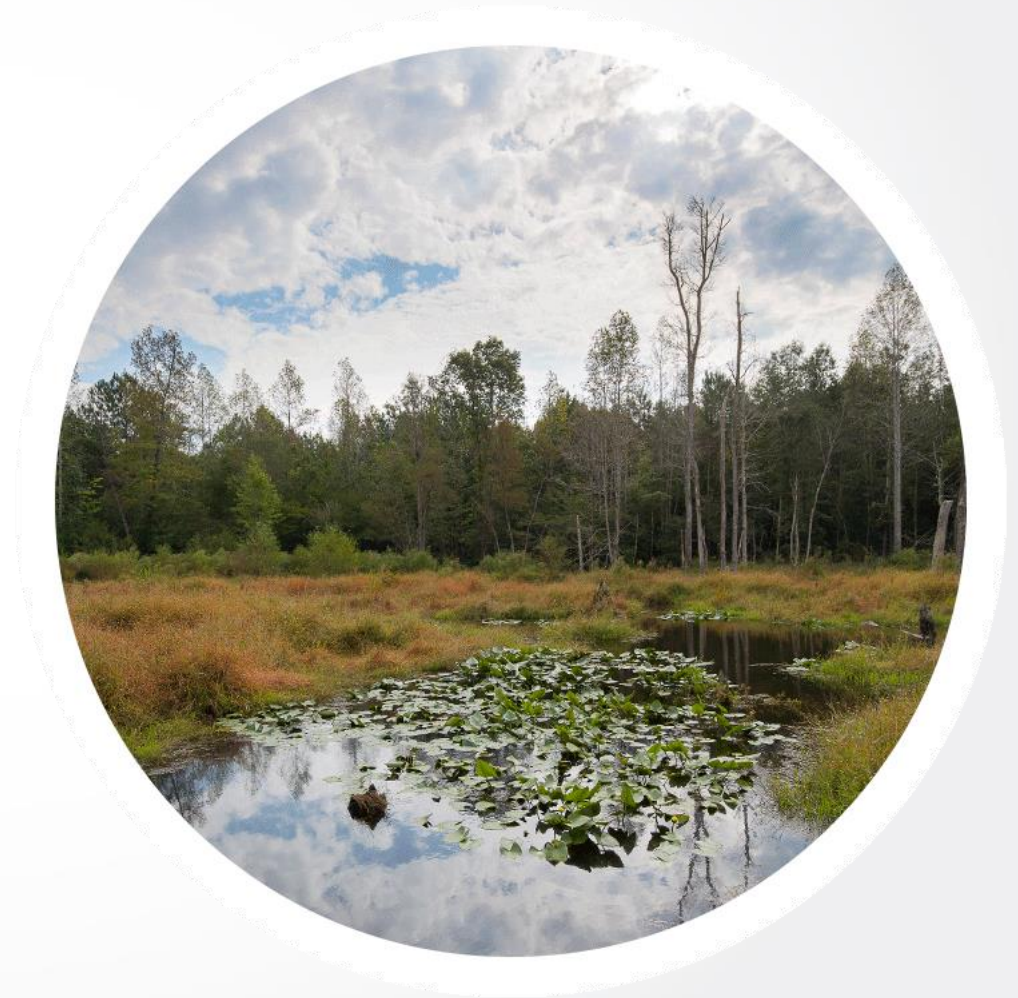# Quality of life: Parks, greenways and open space

Quality of life: Parks, greenways and open space

Recommendation

Add 2 open space staff

Protect our **7,600+ acres** of open space

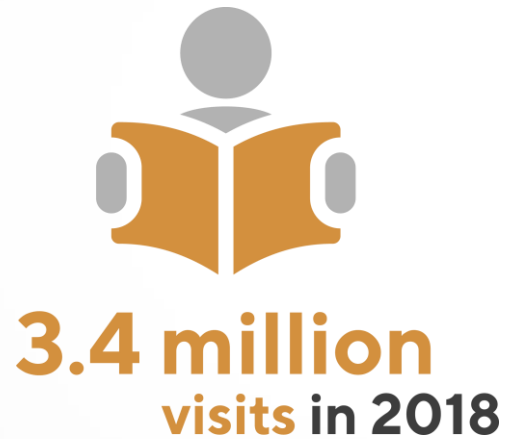# Quality of life: Parks, greenways and open space

$120 million

over 6 years

Parks, Greenways, Recreation and Open Space Bond

- New parks
- New amenities at existing parks
- More greenway connections
- More open space preservation

Quality of life: Libraries

22 libraries

3.4 million visits in 2018

1.5 million books and online materials available

10,000 programs offered in 2018

3 opening libraries

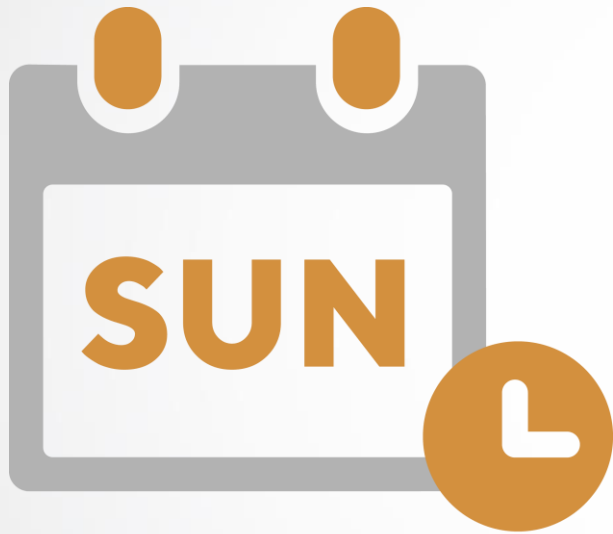# Quality of life: Libraries

Cary

Fuquay-Varina

Morrisville

Quality of life: Libraries

SUN
Sunday hours

- Expand Sunday hours to all 22 libraries in the system
- All will operate on the same schedule
- Increase access for residents

Quality of life: Libraries

Late fees

What it means:

- No more late fees

- Remove barriers to library usage

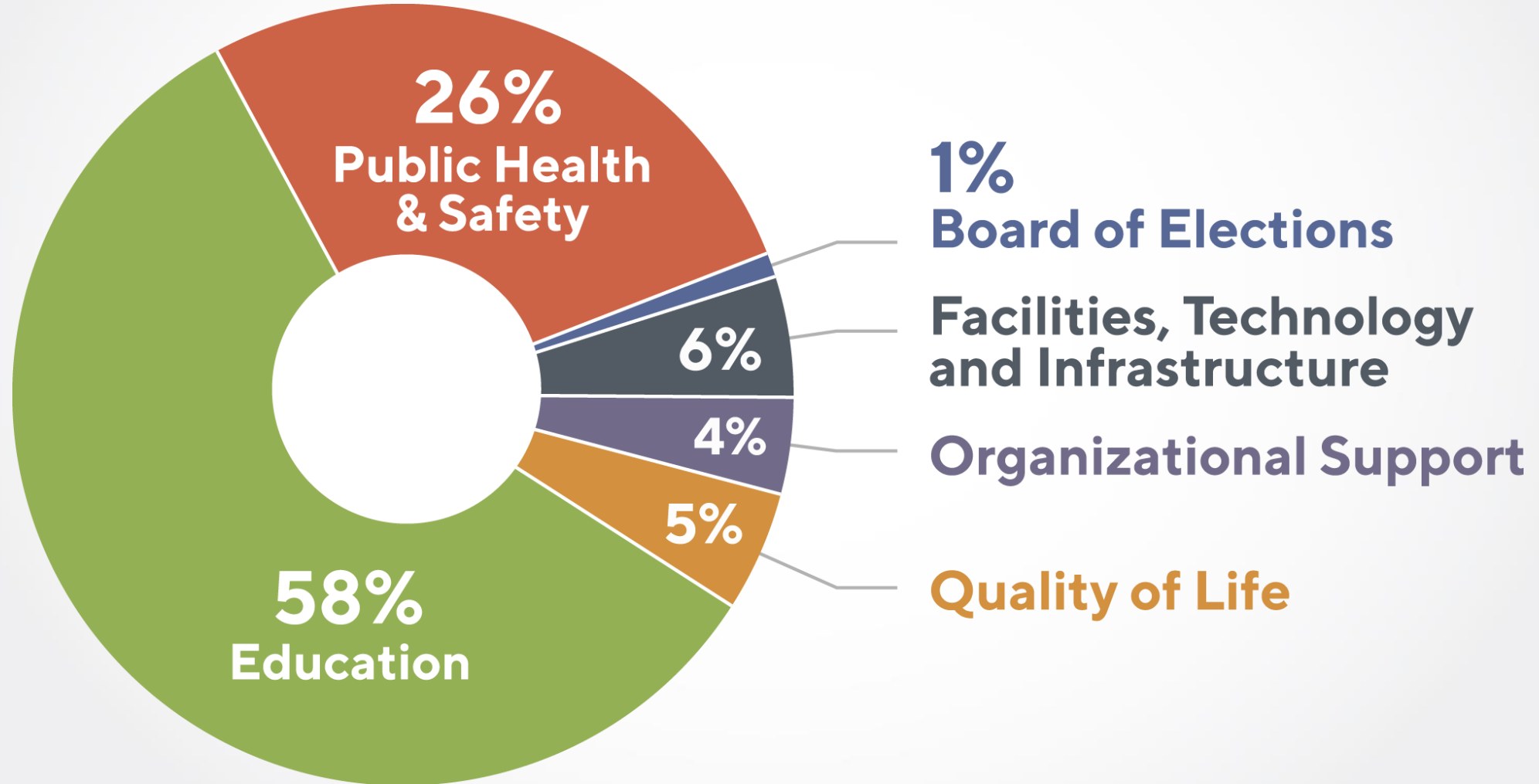- Increase library popularity and visitation

Total investment in quality of life = $70.9 million

5% of total budget

$6.3 million increase over FY19

FY20 Recommended General Fund Budget

- 26% Public Health & Safety
- 58% Education
- 1% Board of Elections
- 6% Facilities, Technology and Infrastructure
- 4% Organizational Support
- 5% Quality of Life

FY20 Recommended General Fund Budget
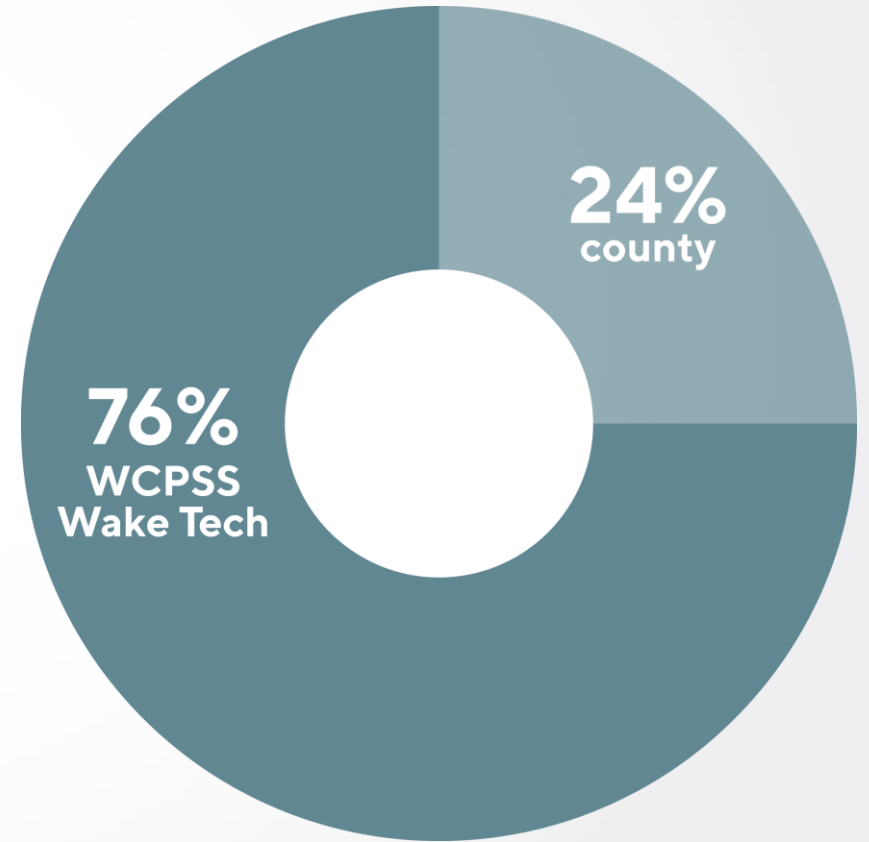
$1,466,200,000

Includes a 6.36-cent property tax increase

10% increase ⬆
from FY19 adopted budget

76% of tax increase will fund education

3.80 ¢   bond tax increase

+ 2.56 ¢   county tax increase

_____

6.36 ¢   **total tax increase**

24%
county

76%
WCPSS
Wake Tech

Effect on the average homeowner

The breakdown:

For every **$100,000** of assessed value, the property owner will pay an additional **$64** a year.

$300,000
home

→

additional
$16/month
in property tax

Next steps

FY20 Recommended Budget Schedule

MAY 13
9 a.m.
Work session
Room 2800

MAY 20
2 p.m.
1st budget public hearing
Board Room

7 p.m.
2nd budget public hearing
Wake County Commons

MAY 29
2 p.m.
Work session
Room 2800

JUNE 3
5 p.m.
Vote on proposed budget
Board Room

Need more information?

All FY20 Recommended Budget materials are available at

wakegov.com