

Wake County

Recommended Budget

July 1, 2020 – June 30, 2021

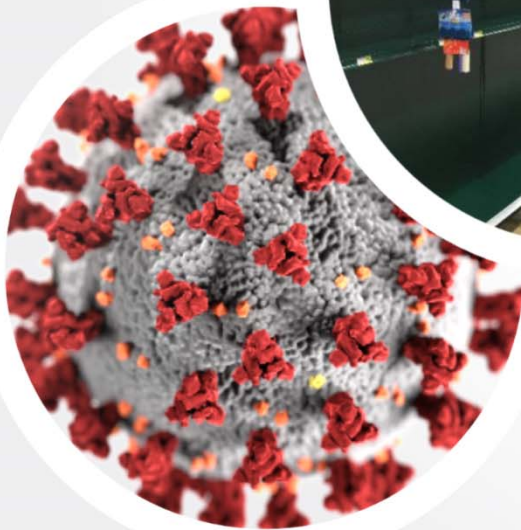
David Ellis

County Manager

fy21



COVID-19 pandemic challenging our community



Longest and largest Emergency Operations Center activation in county history

Counties responsible for response in public health emergencies



Federal Coronavirus Aid, Relief, and Economic Security Act offsets COVID-19 response costs

CARES Act

Federal assistance offsets costs of the COVID-19 outbreak containment and relief

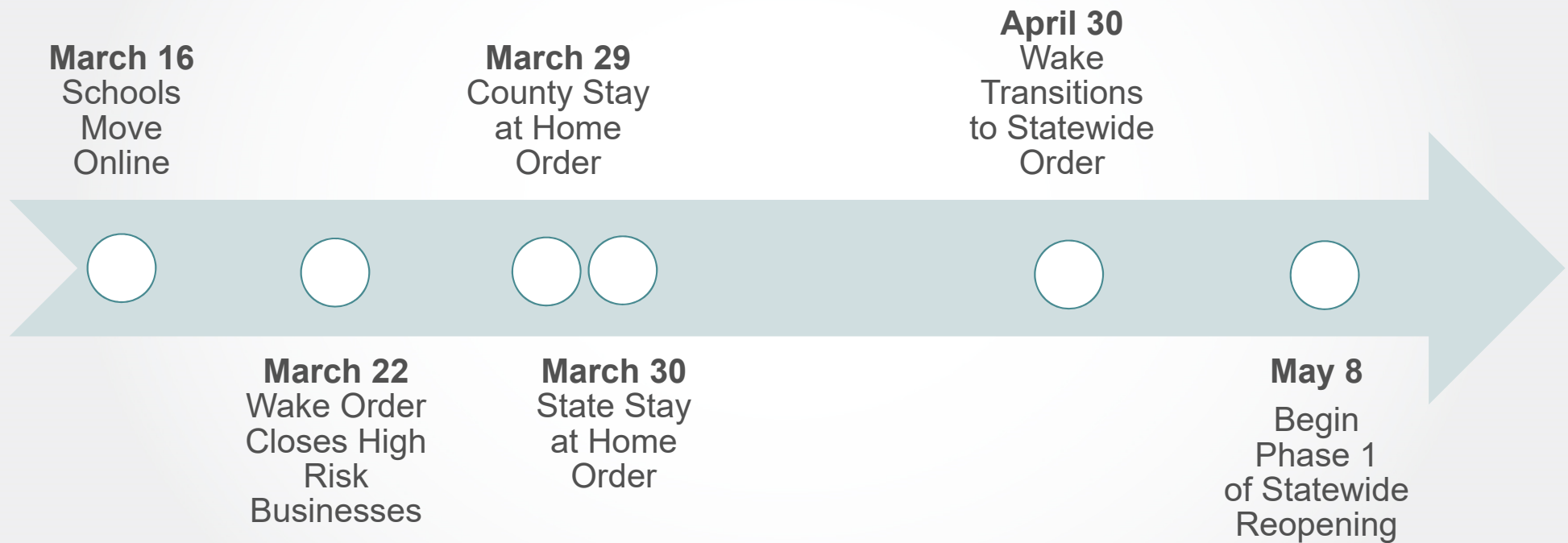
- Wake County received \$193 million
- Can be used to respond to COVID-19 emergency
- ***Cannot*** be used to replace lost revenues



Wake County maintaining services while transitioning to a more virtual world



Businesses dealing with restrictions to prevent spread of COVID-19 during phased reopening



COVID-19 will have significant short- and long-term impacts on economy, implications still evolving

> 1 million

**filed for unemployment in NC
since March 15**



**April's national
unemployment rate
highest since the
Great Depression**

36.5 million

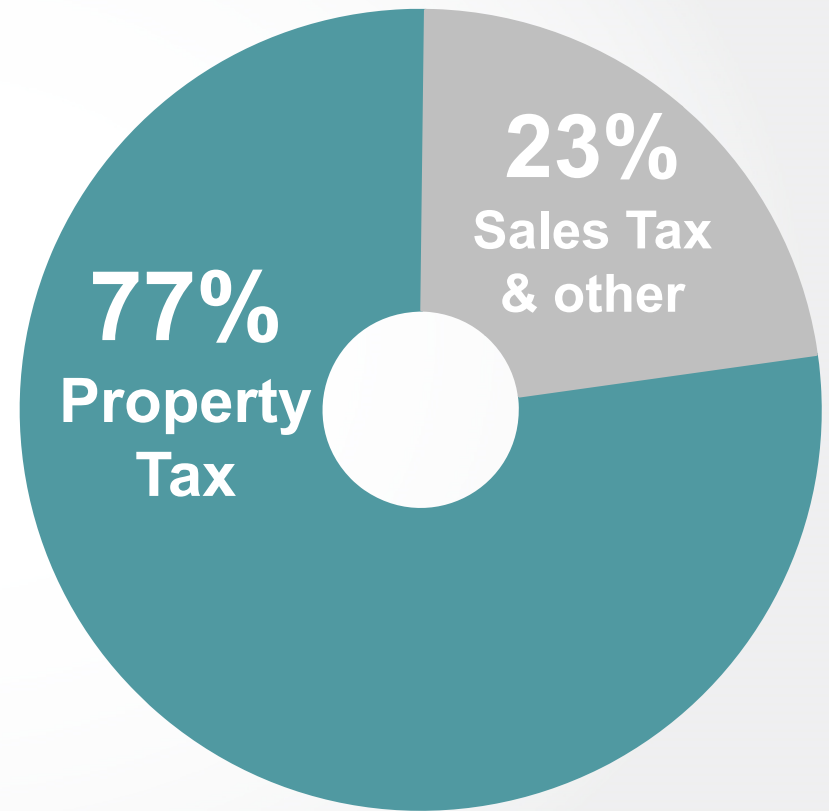
filed for unemployed nationally



Property tax is our main funding source

Property tax equals 77% of total revenue

- Lower growth than anticipated
- Only revenue source within county control



New home sales decline; development-related revenues projected to decline by \$4.5 million

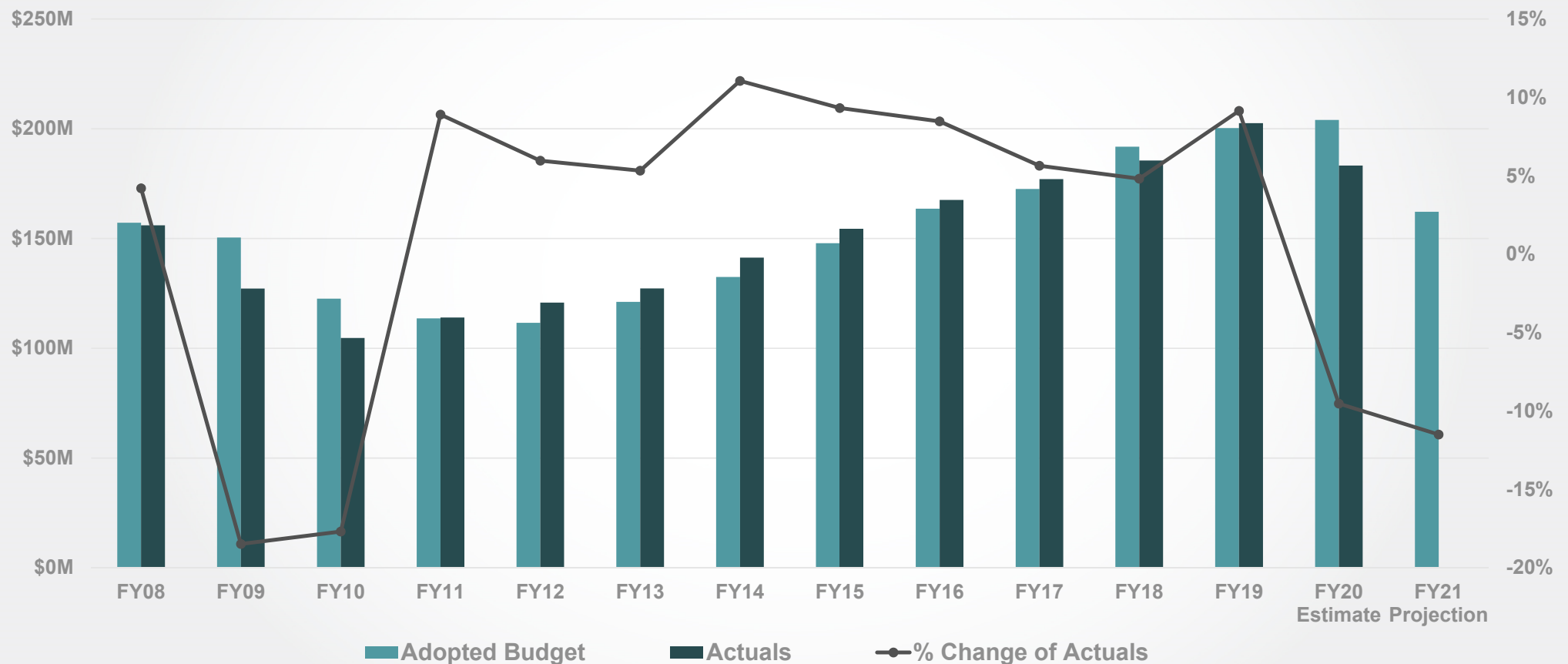
Slowing Home Sales

For Wake County, housing trends lower compared to April 2019

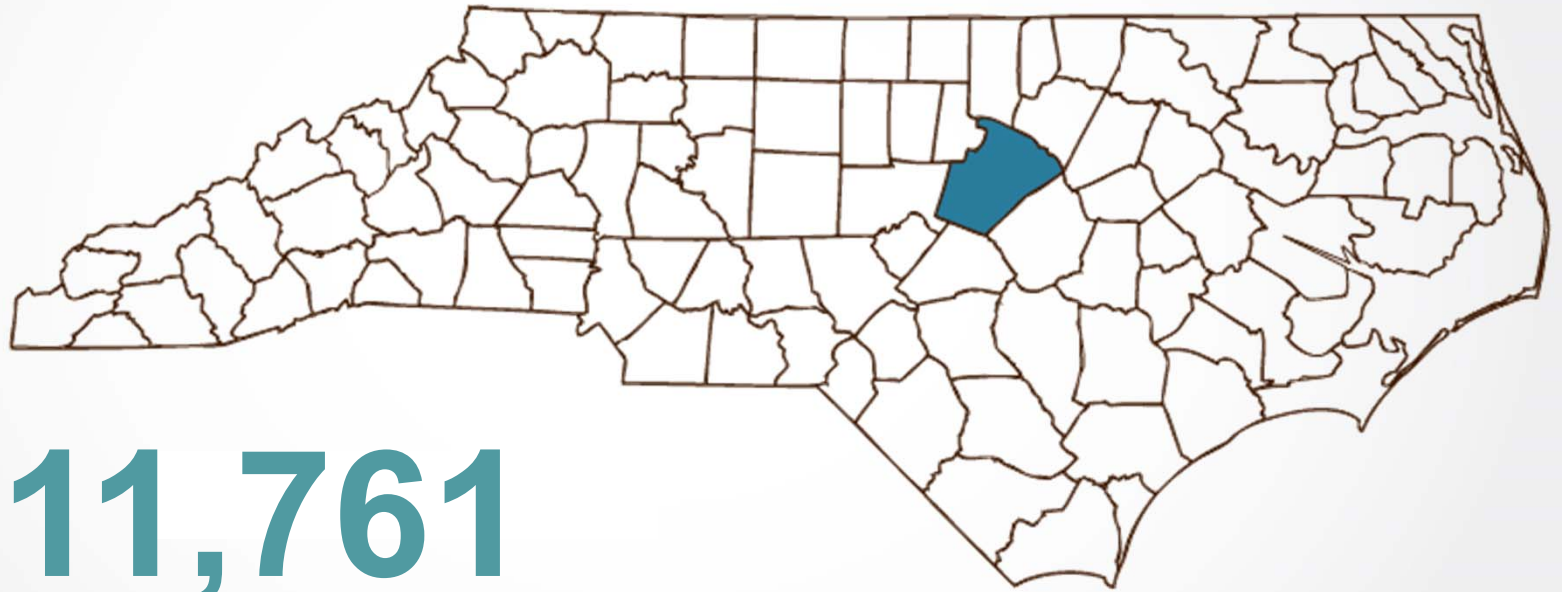
- ↓ Real estate transactions down 12%
- ↓ New permit applications down almost 14%

Economists predict housing market will bounce back faster than other industries

22% drop in retail driving \$41.8 million decline in county sales tax revenue loss



A decade of growth means Wake County is now the largest County in NC

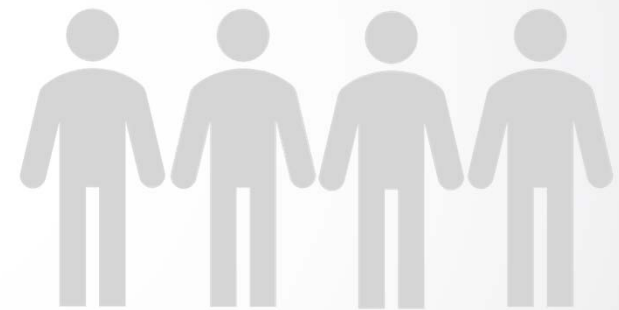


1,111,761

residents living in Wake County

**90,000 residents in Wake County live
at or below 100% of the federal poverty rate**

**Annual household
income less than
\$26,200**



Family of four

Declining revenue and increasing needs lead to budget shortfall for current year and FY21

**Initial FY21 shortfall
before reductions: **-\$28.8**
million**

Reasonable, measured approach to reductions, with the goal to minimize service impacts

County departments identified reductions for FY21



Not all identified reductions accepted



Residents depend on our services



Review included whether reductions impact state or federally mandated county services

FY21 budget recommended without tax increase

Balances service demands with a tight fiscal picture

- Cover commitments and key services
- Individual homeowners tax bill depends on property tax rate and the valuation

FY21 property tax rate:
60.00
cents

FY21 recommended budget revenue neutral tax rate calculated to provide the same level of revenue

FY20 Property Tax Rate:
72.07
cents

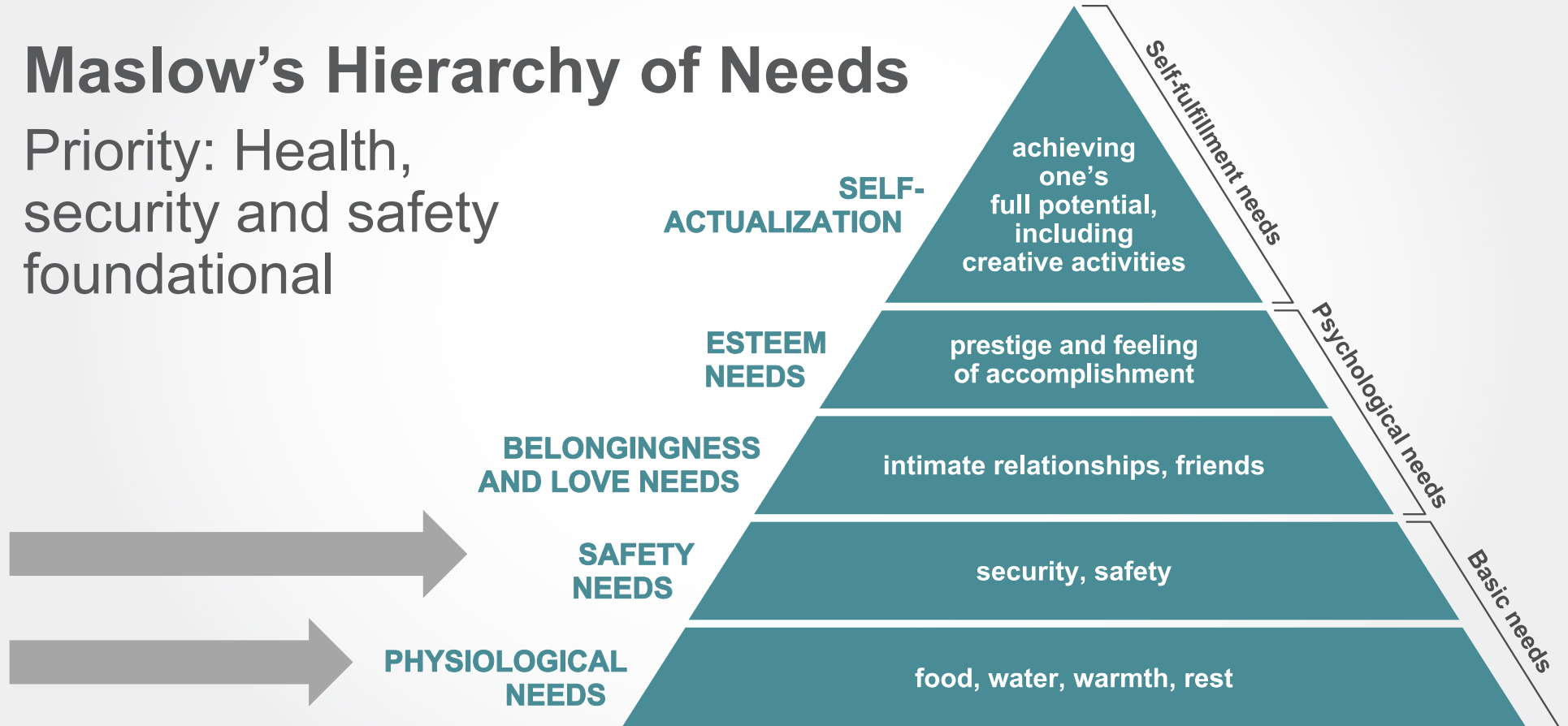
=

FY21 Revenue neutral rate:
60.00
cents

County services play a key role in helping residents meet basic needs

Maslow's Hierarchy of Needs

Priority: Health,
security and safety
foundational



FY21 Recommended Budget

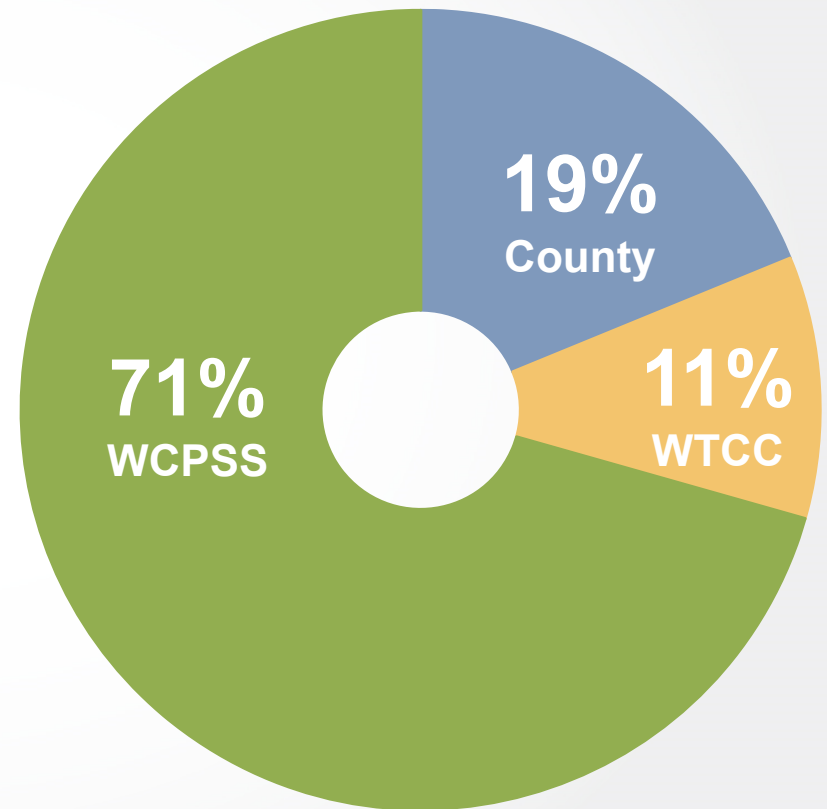
\$1,456,796,000

General Fund Operating Budget

Shift portion of property tax dedicated for future debt service and capital investments

Delays new investments in all capital program

- Keeps .21 cents more of property tax rate in the General Fund
- Shifts \$3.8 million for current operating needs



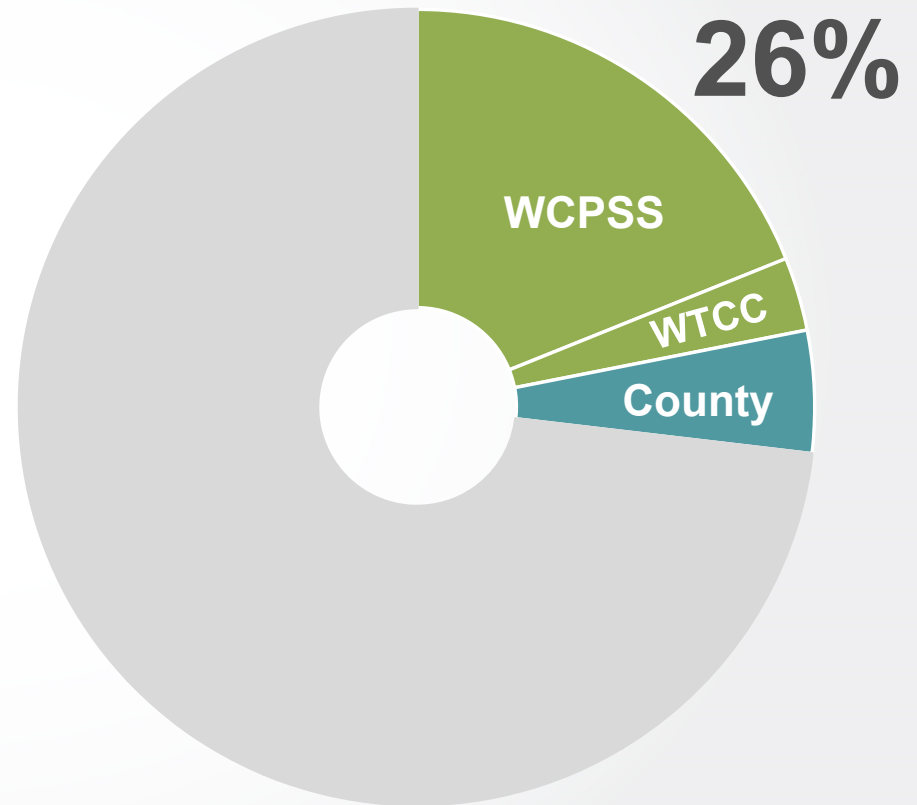
Delays new capital investments; meets debt policy metrics to maintain AAA financial rating



Prioritize existing debt commitments, while delaying some new capital investments

\$385.9
MILLION

1% ↓
decrease
from FY20
adopted budget



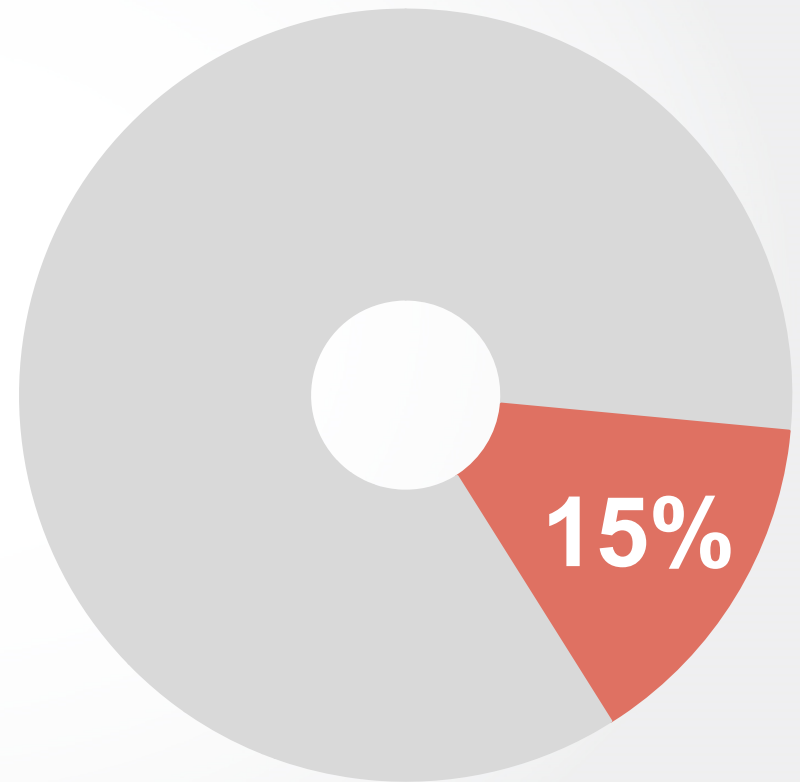


Behavioral Health, Human Services, Housing

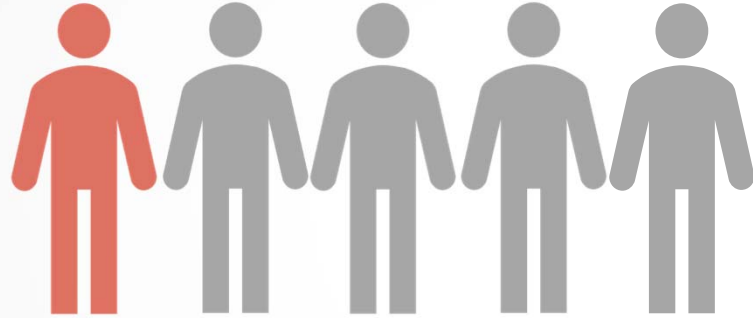
Behavioral Health, Human Services and Housing

\$212.2
MILLION

<1% ↓
decrease
from FY20
adopted budget



Thousands of people here in Wake County
strive for lives of recovery and stability



1 IN 5 ADULTS
in the U.S.

will experience
**A MENTAL
ILLNESS**

Preserve our ability to coordinate access to mental health and treatment

WakeBrook Crisis Stabilization



Substance Abuse Transitional Living



School-based Mental Health



Court System Care Coordination



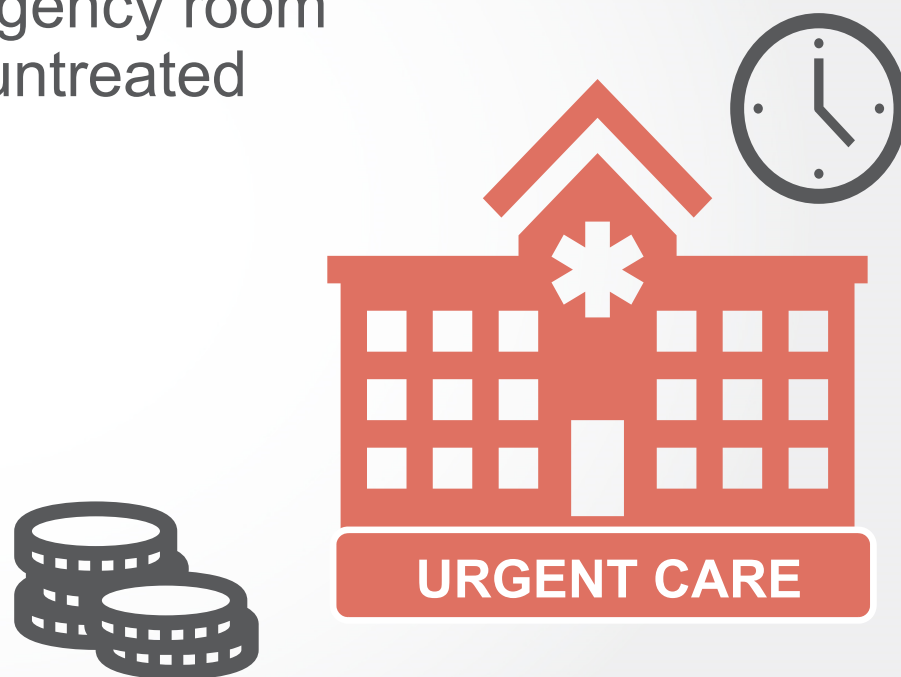
Pilot programs improve access to services

Behavioral Health Urgent Care

1,000 clients diverted from the emergency room or who otherwise would have gone untreated

Mobile Crisis Response

63% of treated patients stay in the community

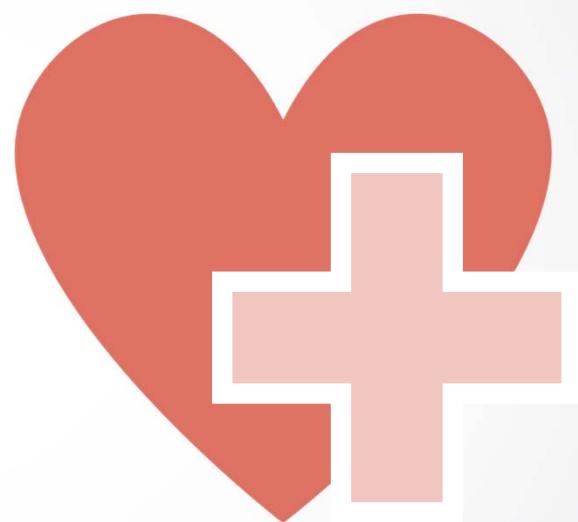


Scale back forensic post-release team and trimmed contract to match historic spending

Behavioral Health reductions aim to minimize impact

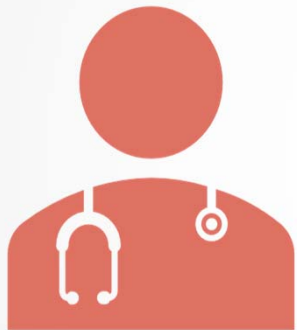
From four to two case managers on forensic post-release team

- Connects clients released from jail with intensive case management



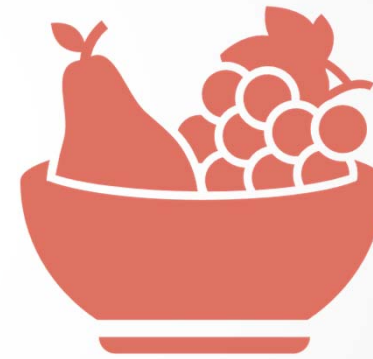
Food and Nutrition applications have increased 48 percent between March and April

Economic Self-Sufficiency services include:



160,000

Medicaid recipients



73,000

Food and Nutrition recipients

Child Welfare staff worked hard to make a difference for children and their families

Child Welfare services include:



8,000

**reports of suspected
child abuse or neglect**



450+

children in alternative care

COVID-19 highlights the importance of health clinics and public health work

Our teams make Wake County a safer and healthier place to live:

- Investigating disease outbreaks
- Supporting our emergency response
- Providing health education and preventive health services



Drug Overdose Prevention Program is helping reduce emergency department visits

Expands treatment and recovery for opioid users

19%
decrease

In overdose emergency department visits from 2018 to 2019, outpacing other NC counties

Raise the Age increases the County juvenile detention cost

RAISE
THE
AGE 

16- and 17-year-olds accused of crimes will no longer automatically be charged in the adult criminal justice system

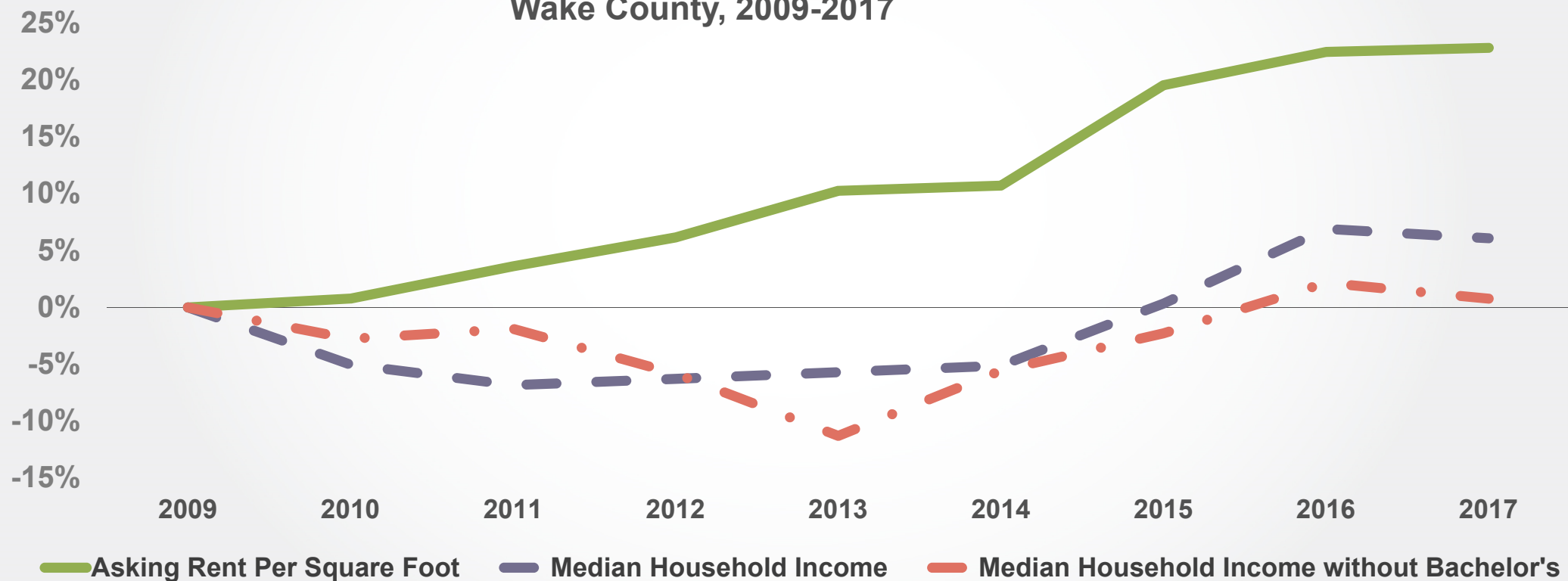
Anticipate the number of youth and average number of days spent in juvenile detention will increase

Tightens funding in Human Services, reduces flexibility in responding to new needs

- 1 Operating items trimmed to reflect historical spending
- 2 Temporary staffing pulled back
- 3 5 positions reduced in areas of lower demand
- 4 Contracts with some outside agencies removed

Housing affordability challenges Wake; supply has not kept pace with growth

Real Growth In Multifamily Rent and Income
Wake County, 2009-2017



Streamline and expand access to help residents stay in safe housing conditions

Housing Resource Team

Add social workers and expand Wake Prevent! for additional emergency assistance for those at risk of homelessness



Coordinated Intake Process

Single phone number for residents to access housing services

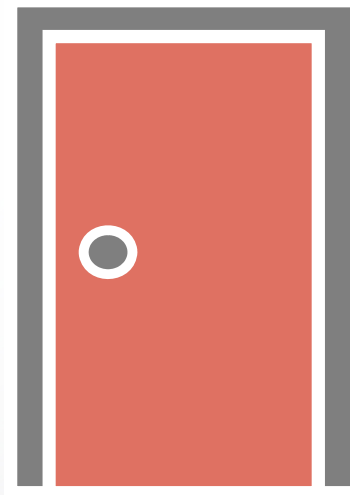


Streamline and expand access to help residents stay in safe housing conditions

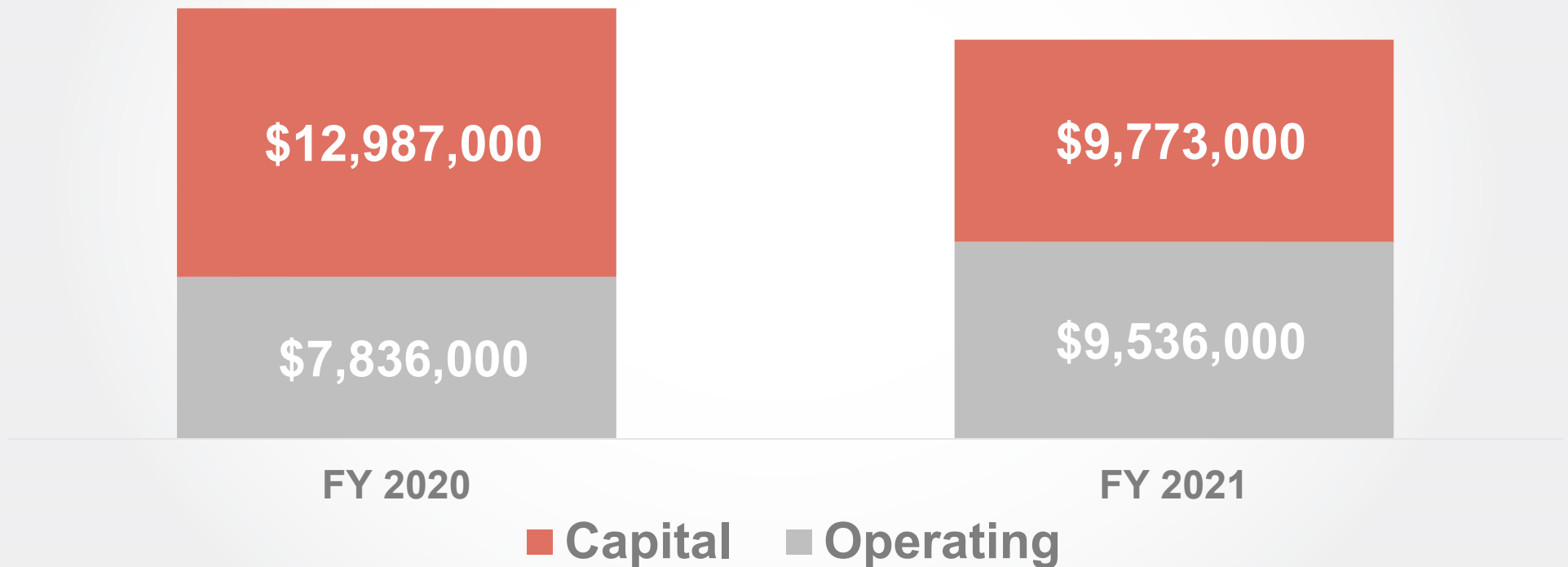
South Wilmington Street Shelter
Improve and standardize
emergency sheltering



Cornerstone Team + Building
Create a front door for
permanent supportive
housing



Delaying capital investment to focus on immediate housing needs



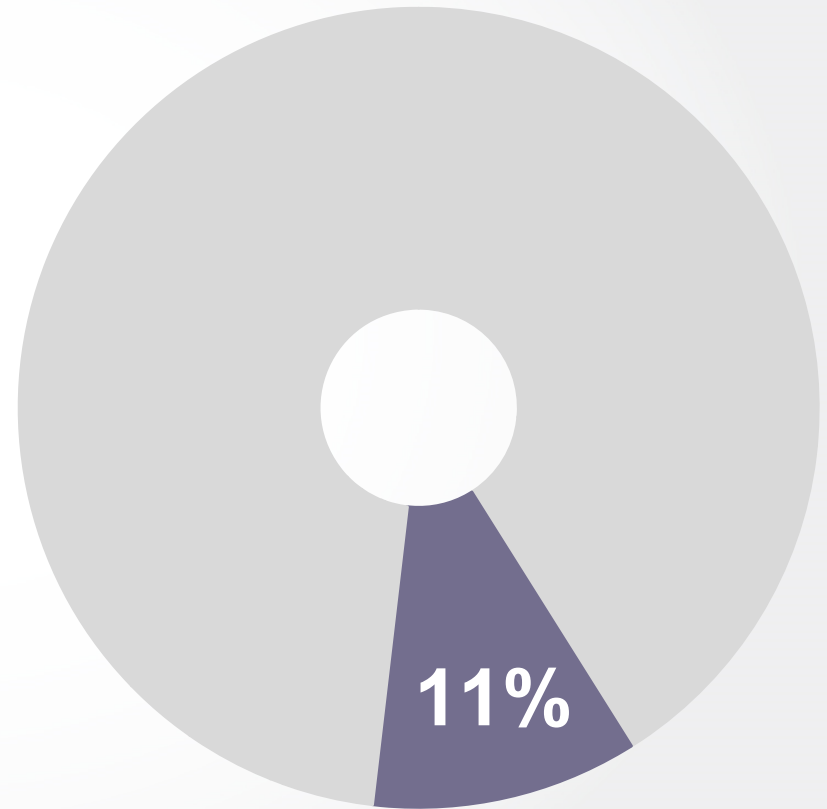
A photograph of a white Wake County EMS ambulance, unit number 36, at an emergency scene. The ambulance has "PARAMEDIC", "WAKE COUNTY", and "EMS" written on its side, along with a Star of Life. A paramedic is visible near the rear of the vehicle, attending to a patient on a gurney. Other vehicles and trees are in the background. The entire image is overlaid with a semi-transparent dark blue filter.

Public Safety

Public Safety

\$157.0
million

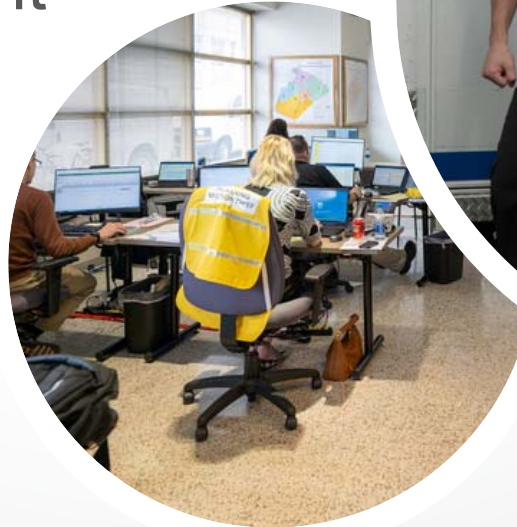
3% ↓
decrease
from FY20
adopted budget



Committed to providing resources for emergency response

Preserve County emergency response capabilities

Reducing supplies and professional development throughout public safety departments

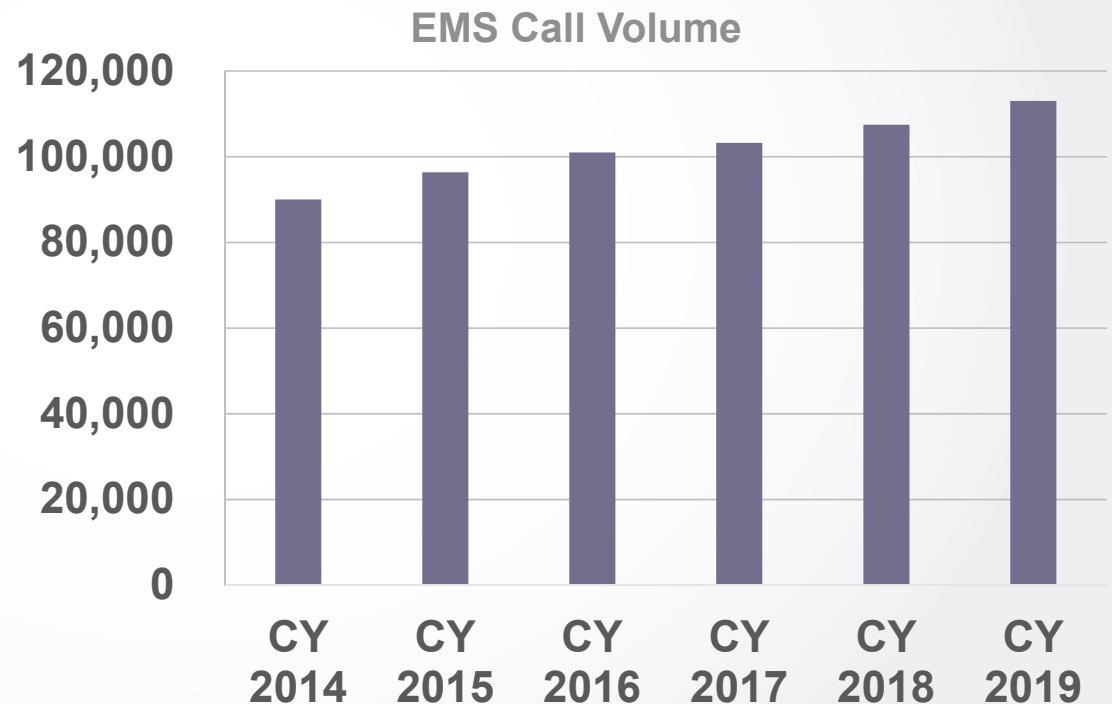


State tasks counties with emergency medical response

EMS responded to more than **113,000** calls in 2019

Calls up **26%**
since 2014

Projecting **~20%**
increase by 2025



Maintaining EMS services to the greatest extent possible

Removes two 12-hour ambulances,
with 8 positions

Scales back EMT-to-paramedic
training program by 4 positions

- Trains current EMT employees to fill highly skilled and difficult to recruit paramedic positions
- Continue this successful work, but at a slower pace



Aligns all EMTs and paramedics under County management

Evaluating contracts and management models to reduce costs

- Contract cost savings of \$700,000
- County Manager's Office will meet with non-profit contracts and their field EMTs and paramedics
- **Priority:** maintain call response and medical dispatching



Wake County Sheriff's Office



Commitment for ongoing operating costs of new Electronic Health Records system

Improving the organization and coordination of medical care for those in the County's detention facilities



Transition to Next Generation 911 for Wake County Sheriff's 911 communication and dispatch center

Ensures public can access vital 911 services regardless of location or communication technology used



Eliminates 46 positions in Sheriff's Office

Administration

Law Enforcement

Judicial Services

Detention

Detention Medical

- Maintains all filled sworn deputies, detention officers and detention medical staff



Budget maintains core forensic responsibilities of City County Bureau of Identification

Eliminating two CCBI positions

May increase wait times,
minimal impact on core
mission

- Civil ID Specialist
- Latent Print Examiner



Increase fingerprinting fees from \$15 to \$30 to capture higher percentage of costs

Civil Fingerprint Fees not increased in more than 20 years

Recovers additional \$325,000 of program costs

Civil fingerprinting is a non-mandated service provided by the County

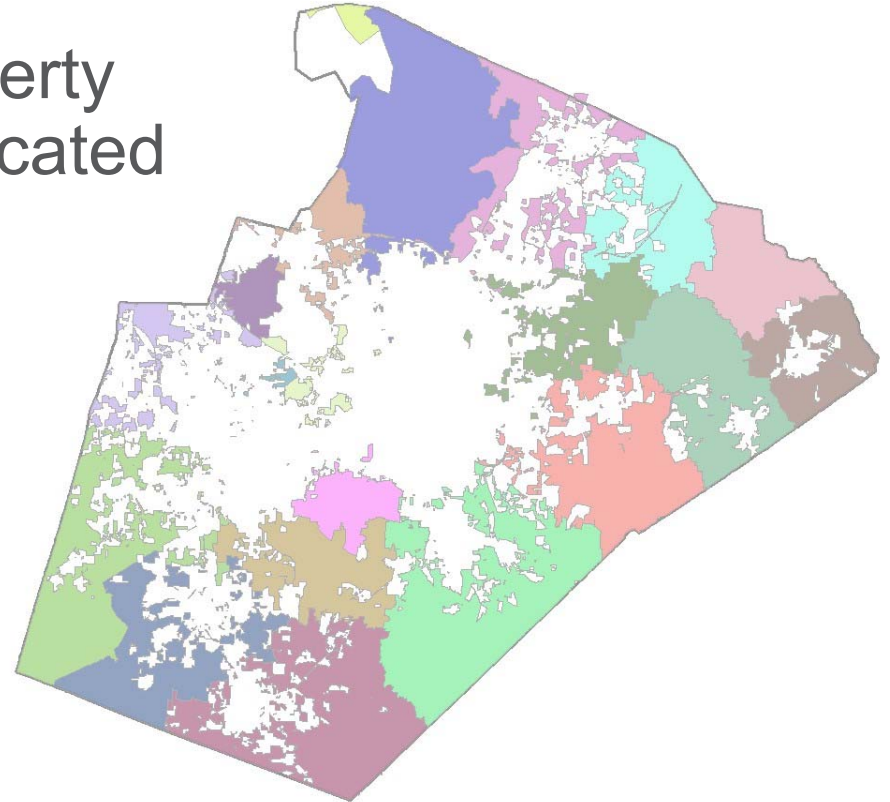


County provides firefighting and emergency services through a Fire Tax District

Funded through a special property tax levied only on properties located in the district

Service area shrinking;
costs are not

Costs increasing faster than
the natural growth in tax base



Additional funding required to address sustainability without decreasing service

8.34 ¢ Revenue neutral rate
+ 0.76 ¢ Tax increase

9.10¢ Fire District
Tax Rate

Create a reserve for fire station construction
Continue to replace capital equipment public
and firefighters depend on for safety



Fire Tax District budget includes tax increase of .76 cents more than revenue neutral

The breakdown:

For every **\$100,000** of assessed value, the property owner will pay **\$7.60** more a year



\$300,000



\$22.80/year
in property taxes

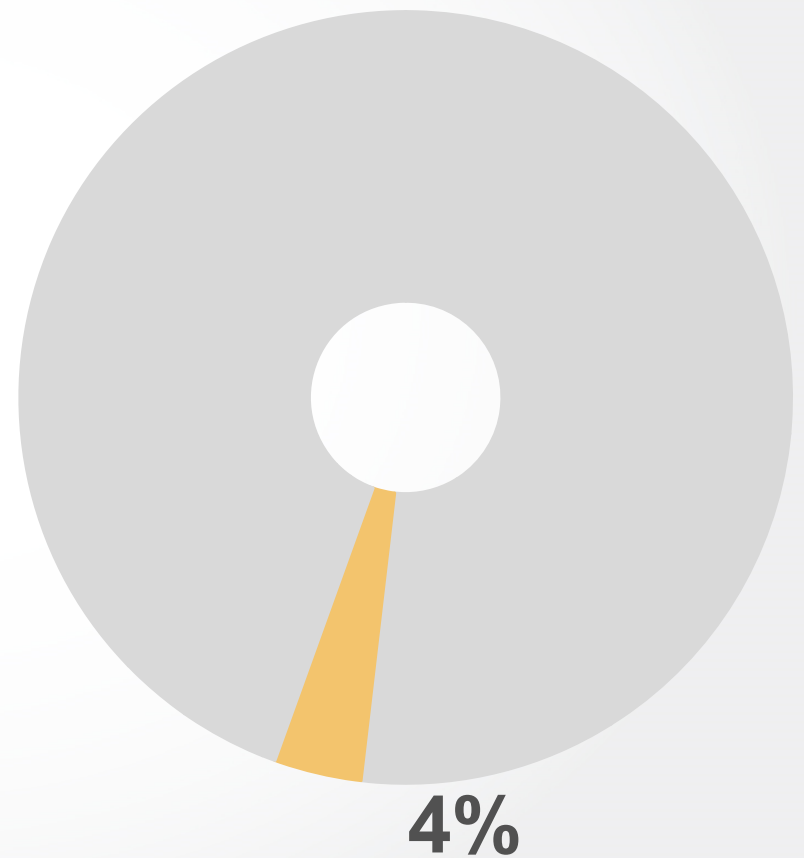
A man and a woman are in an office setting. The man, on the left, is wearing a light-colored button-down shirt and is pointing at a laptop screen. The woman, on the right, is wearing a light-colored V-neck t-shirt and is looking at the screen. The background shows office shelves and a window. The entire image has a light green tint.

Environmental Services and Community Services

Environmental and Community Services

\$53.3
million

5% ↓
decrease
from FY20
adopted budget



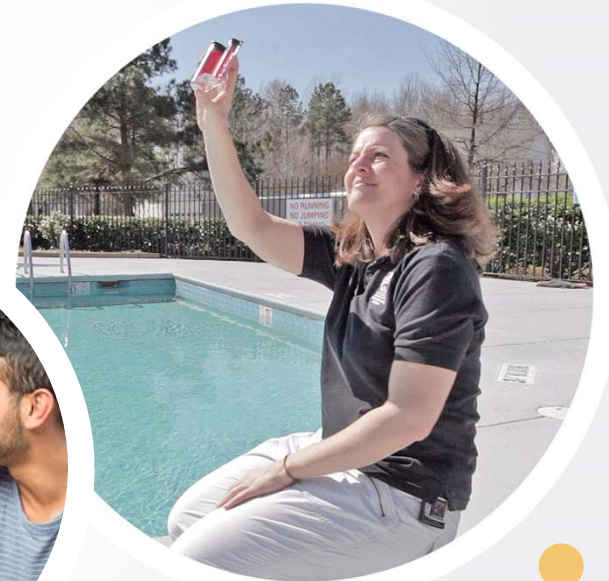
Maintains staff to complete food and lodging inspections to protect community health

Most Environment Service activities are state mandated

13,000 food and lodging inspections

5,000 pool inspections

- Reduces supplies, professional development and software



Pool permit fees increase by \$25 to ensure adequate resources to protect against public health risks

Fee has not been adjusted in the past 17 years

Annual Pool Permit Fee supports:

- Initial permitting of pools
- Enforces Wake pool ordinance through routine pool inspections, complaint response and outbreak mitigation

County	Pool Permit Fee
Mecklenburg	\$130-\$370^
Johnston	\$150-\$250*
Cumberland	\$200-\$225^
Guilford	\$200-\$250^
Wake Recommended	\$300
Orange	\$310-\$350^
Durham	\$350

*Distinguishes between public swimming pool, wading pool and public spa

^Distinguishes between seasonal and year round pools

Note: Mecklenburg charges more for past deadline permits

With new construction decreasing, eliminating one position in Water Quality

Water quality staff review plans and issue permits for erosion control and stormwater management

- Eliminating one position
- Reduce field supplies



Prioritize health of more than 10,000 abandoned, stray or surrendered animals

Maintain Core Animal Services

Animal Care

Pet Adoption

Animal Control Response

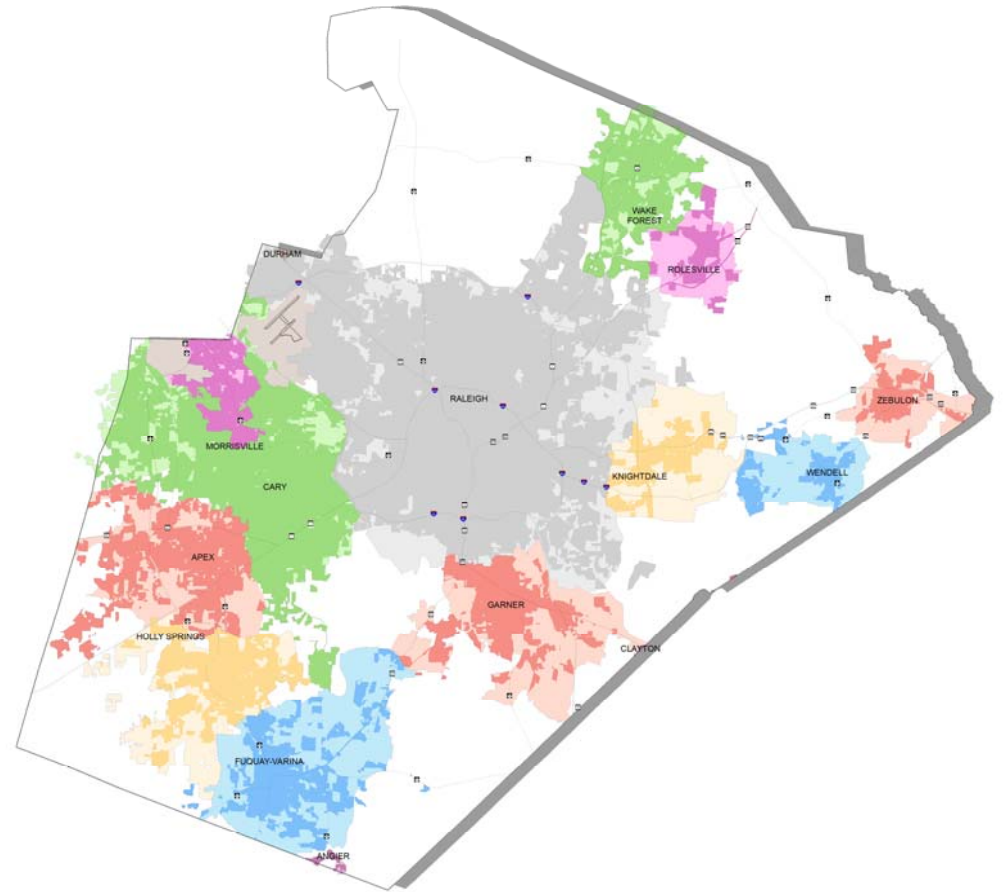
- Reduce part-time and temporary staffing at the Animal Center
- Eliminate one Animal Control Officer



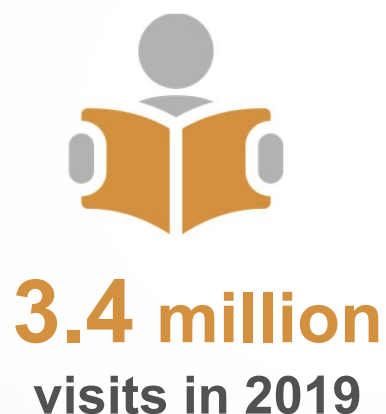
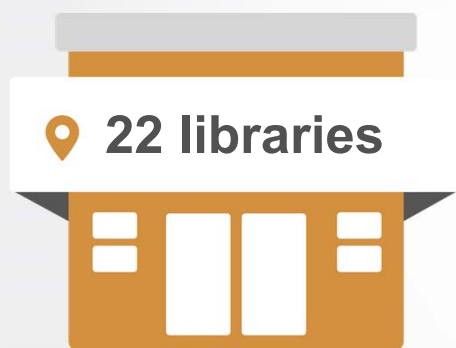
GIS: Provides up-to-date geospatial data

Eliminating two GIS positions

- Delays mapping new properties



Libraries play an important role in individuals' lives



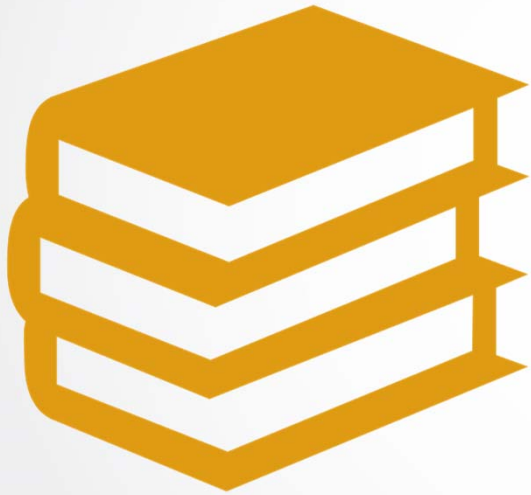
Modify library schedule: opening libraries one hour later and closing one hour earlier

New schedule would have libraries open:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
10 a.m. to 8 p.m.	10 a.m. to 8 p.m.	10 a.m. to 8 p.m.	10 a.m. to 8 p.m.	10 a.m. to 6 p.m.	10 a.m. to 6 p.m.	1 p.m. to 5 p.m.

- Eliminates 13 librarian and 19 library assistant positions
- Budget reductions and COVID-19 will change library programming for children and adults
- Will work to minimize impact, as much as possible

Libraries will supplement book budget funding with capital savings from the 2008 library bond



Short-term, reduce library book budget by 15%

- Supplement book purchases with capital savings from 2008 library bond

Eliminate public Wake County Public Library Book Sale

- Instead selling surplus books through private reseller

A photograph of a voting station. Several people are standing at blue ballot boxes arranged in a row against a brick wall. The ballot boxes have privacy screens. Two of the boxes have a "NOTICE" sign on the back. The scene is dimly lit, and the overall tone is blue. The text "Board of Elections" is overlaid in the center.

Board of Elections

About two-thirds of Wake County residents are registered to vote



758,612

Registered Voters
and growing every day

75% turnout in last
Presidential election

Election uncertainty around COVID-19

Preparing for record turnout
for 2020 General Election

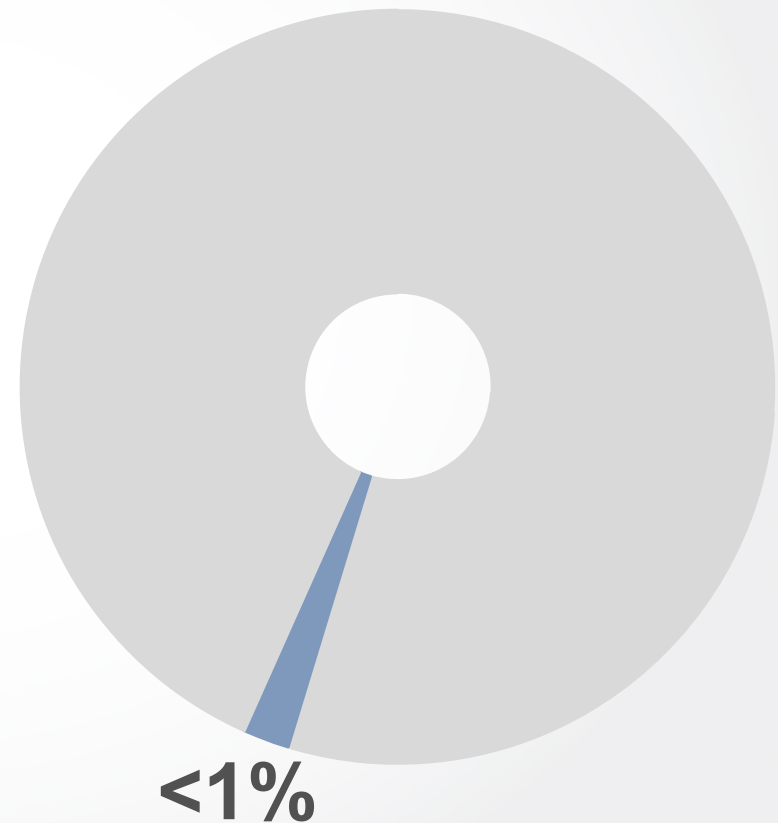
Board of Elections still working to
understand COVID-19's impact on
upcoming November Presidential
early and election day voting



Board of Elections budget includes \$2.9 million for 20 early voting locations

\$7.9
million

Funds election operations,
early voting, and November
election day



A photograph of a server room with rows of server racks. The racks are filled with server units, many of which have green indicator lights. A person is visible in the foreground, slightly out of focus, walking through the aisle. The floor is made of large square tiles, and the ceiling has a grid pattern with recessed lighting. The overall lighting is dim, with the primary light source being the green LEDs from the servers.

Facilities, Technology and Infrastructure

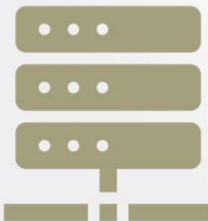
Facilities, Technology and Infrastructure



Over 5 million square feet
of county buildings



10,000+ connected devices

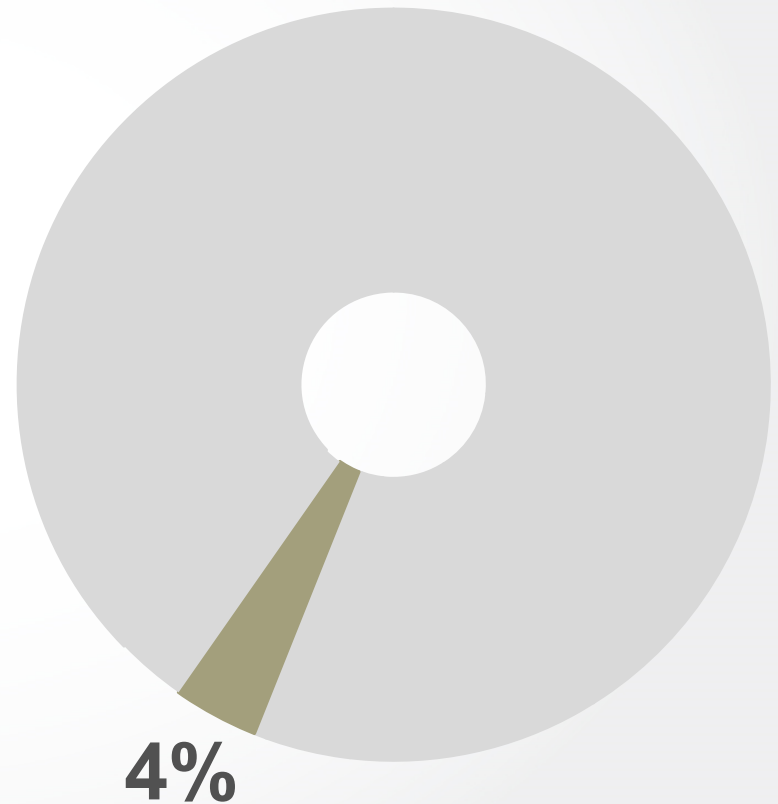


17,000+ user accounts &
430 Terabytes of online data

Facilities, Technology and Infrastructure

\$53.4
million

2% ↓
decrease
from FY20
adopted budget



Information Services shifting resources to strengthen data-driven decision making



Enterprise Data Management and Analytics Program

- Enhance the open data portal underlying our public transparency platform
- Increase organization-wide training on data tools

IS shifting resources and timelines and increasing workloads

Reduces professional development and contracts

Eliminates four information technology position

- Two business analysts
- One engineer
- One Help Desk technician



FD&C designs for future county capital needs, GSA protects and maintains existing buildings

Together, these departments maintain physical infrastructure

- Preserves funding for utilities, housekeeping, and maintenance staff

Reductions

- Frequency of landscaping and contracted maintenance
- Purchases of supplies and repair materials
- Project manager position supporting the now delayed parks, greenways and open space projects





Organizational Support

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

Register of Deeds Office

Tax Administration Office

Quasi-Governmental

Non-Departmental, including
Community Organization
Partners

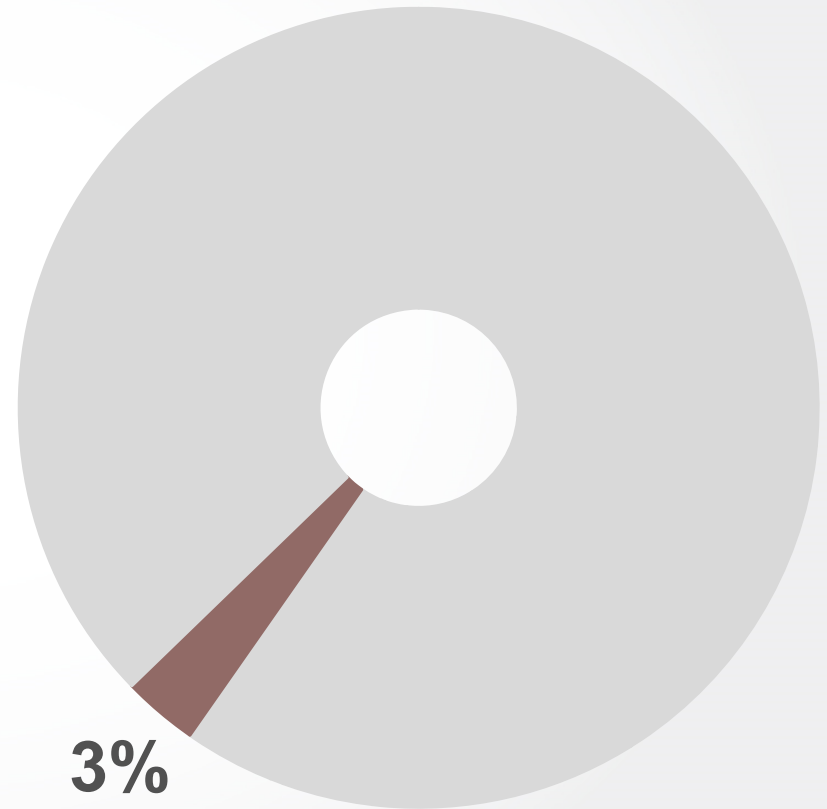
Organizational support

\$44.8

million

7% ↓
decrease

from FY20
adopted budget



Organizational support reductions include professional development, software, staff

General government departments support front-line staff providing direct service

Eliminates positions, including

- Human Resources Business Manager
- Human Resources Benefits Technician
- Register of Deeds Technician
- Internal Auditor



No pay increases for county employees

Short Term Strategy

Negatively impacts ability to recruit and retain top talent

No increases for

- Performance Pay
- Living Wage
- Pay Range Adjustments



A sepia-toned photograph of two young children, a boy and a girl, standing in a classroom. They are both smiling and holding white trays with food and a cup. The boy is on the left, and the girl is on the right. In the background, other children are visible, slightly out of focus. The text "Investing in Our Partners" is overlaid in the center in a white, sans-serif font.

Investing in Our Partners

Community Organization funding of \$500,000

Allows the Board to directly support organizations who provide housing, food security, and other critical needs



A photograph of a male teacher with glasses and a beard, smiling as he interacts with two young students. The students, a girl with curly hair and a boy with long hair, are looking at a book or paper. The entire image is overlaid with a semi-transparent green filter.

Education

Maintain investment in Wake County Smart Start and NC Pre-K

- Maintain contribution of **\$1,688,028**
- Along with other funds, helps **1,650 children** attend Pre-K and prepare for Kindergarten



Wake County Public Schools

192

schools for FY21

161,940 students
projected for FY21



Maintain our current operating funding for Wake County Public Schools



\$515.96 million

WCPSS Operating funding

Wake Technical College budget maintains \$25 million in operating support

- Largest in the state, **20th largest** in the nation
- **74,000 students** annually



\$168,000
for staffing to launch
new WakeWorks

- ✓ Pathways to higher education
- ✓ Practical experience for students
- ✓ Pipeline of skilled workforce for industry

County also funds facility construction and renovation for WCPSS and WTCC



Debt service and capital funding

FY21 total:

\$302 million

WCPSS:

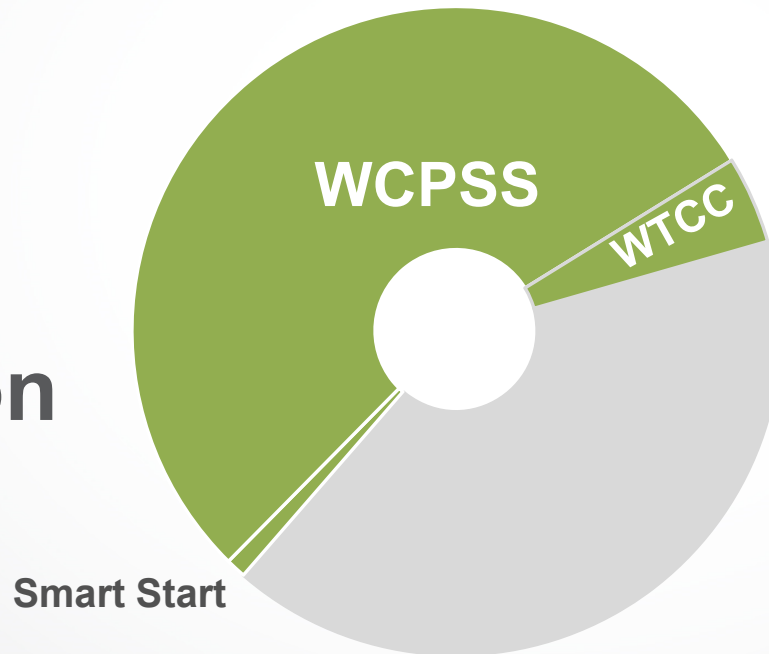
\$263 million

Wake Tech:

\$39 million

Total operating and capital investment in education is 59% of total FY21 budget

FY21 General
Fund Budget
\$1.46 billion



\$856 million
59% of total
budget

\$3.8 million
increase over FY20



**Behavioral Health,
Human Services,
Housing**



Public Safety



**Environmental
Services,
Community
Services**



County Operations



Education

FY21 budget \$17 million less than prior year

- 1 107.5 positions eliminated
- 2 Capital investments delayed
- 3 Contracts and supplies cut
- 4 Professional development and other supplies reduced

How it all fits together

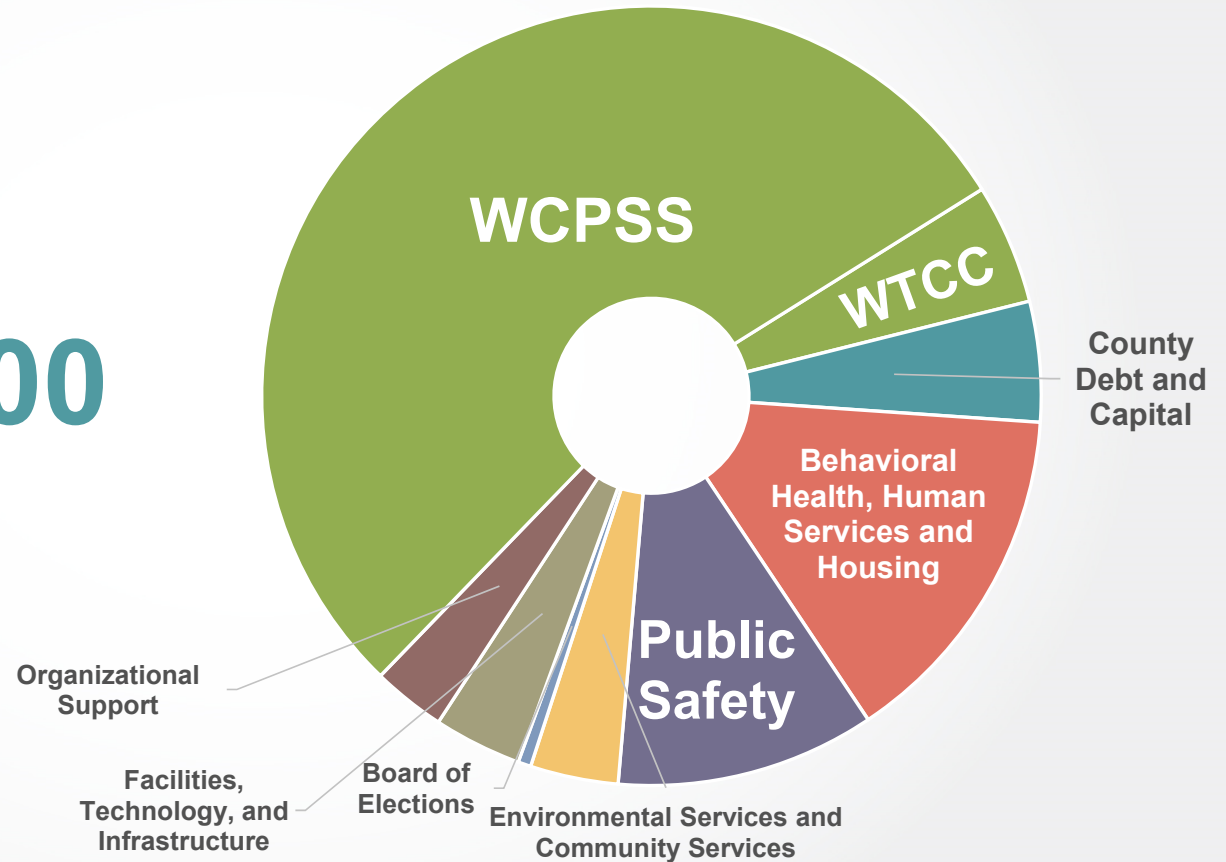
FY21 Recommended
General Fund Budget:

\$1,456,796,000

1% ↓

decrease

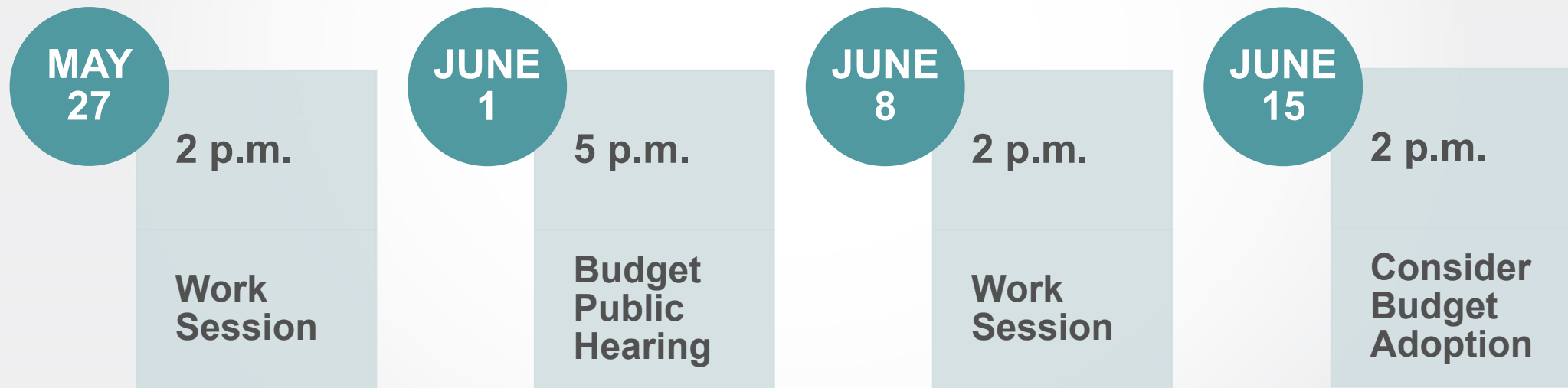
from FY20
adopted budget



Next steps: budget process online

FY21 Recommended Budget Schedule

Public hearing comments can be submitted at wakegov.com/budget between May 21 and June 2 at 5 p.m.



Need more information?

**All FY21 Recommended Budget materials,
including portal to submit public hearing
comments, are available at**

wakegov.com