

**Wake County Board of Commissioners  
Board Retreat  
March 8th, 2019  
9:00 a.m. - 5:00 p.m.  
Thomas G. Crowder Woodland Center  
5611 Jaguar Park Drive, Raleigh**

**Commissioners Present:**

Jessica Holmes, Chair  
Greg Ford, Vice Chair  
Vickie Adamson  
Matt Calabria  
Susan Evans  
Sig Hutchinson  
James West

**Staff Present:**

David Ellis, County Manager; Johnna Rogers, Chief Operating Officer; Scott Warren, County Attorney; Denise Foreman, Assistant County Manager; Ben Canada, Assistant to the County Manager; Chris Dillon, Assistant County Manager; Denise Hogan, Clerk to the Board; Yvonne Gilyard, Deputy Clerk to the Board; Nicole Kreiser, Assistant County Manager; Dara Demi, Communications Director; Michelle Venditto, Budget Director; Heather Drennan, Assistant Director, Budget and Management Services; Bill Greeves, Chief Information and Innovation Officer; Emily Lucas, Chief Financial Officer; Todd Taylor, Debt Manager; Frank Cope, Community Services Director; Marcus Kinrade, Revenue Director; Kelli Braunbach; Deputy General Services Director; Michael James, Senior Budget Analyst; Paarth Mehta, Budget Analyst; Tammy DePhillip, Budget Analyst; Margaret Murphy, Budget Analyst; and Michael Gammon, Budget Analyst; Michelle Burgess, Budget Analyst; and Shelita Cole, ERP Systems Manager; and Aaron Brown, Budget Intern.

**Others Present:**

Dana Martinez, Vice-President, Government Affairs and Syreeta Hargrove, Government Affairs Manager

## **Welcome and Overview of the Retreat**

Chair Holmes thanked staff for the preparation in advance of the meeting. She said that priorities would need to be made about the budget and there are objectives to be covered. She said there is a full agenda and it is important that it stays on schedule.

Mr. David Ellis, County Manager, said the process is about the drivers and their impacts on the organization and community. He said that budget constraints will be discussed. He said that expansion requests are outlined in the material. He said that Wake County continues to grow. He said no decisions will be made today. He said there will be one-on-one meetings set up with board members for sharing of priorities. He said the budget will be presented to the board on May 6.

Mr. Ellis thanked the Wake County Budget staff and Ms. Emily Lucas, Chief Financial Officer, for their work toward today's agenda.

Ms. Lucas shared the objectives of the day.

### **Retreat Objectives**

- Board understands the FY 2020 budget outlook and multi-year operating forecast.
- Board understands County operating program needs and priorities
- Board gains additional understanding related to future capital and capital funding decisions.

Commissioner West asked about the expansion requests and how they are determined. Ms. Lucas said she will cover how the departments submit the expansion requests.

Ms. Michelle Venditto, Wake County Budget Director, shared the focus of the retreat.

## Today, we plan to focus in two areas.....

### Operating Budget

#### Staff to present:

- FY19 General Fund Review
- FY20 General Fund Preview
- County Operations
- Education Funding
- Multi-year Forecast

### Debt and Capital

#### Staff to present:

- Debt capacity
- Education CIP
- County CIP

Ms. Venditto shared the budget process.

## Budget Process



Ms. Venditto shared the FY 2020 Operation budget

She shared what will be reviewed in this section

- General Fund Base Budget
- County Department Expenditures Drivers and Operational Needs

- Education Funding Projections
- Multi-year Operating Forecast

She shared information about the purpose of the discussion.

- Share a recap of the multi-year forecast shared at last year's retreat and build the forecast based on updated assumptions for FY20
- Present revenue assumptions that support available funding estimates
- Consider County Operation and Education expenditure drivers

### The future is difficult to predict, but we try

Time	1 - 2 Years	3 - 5 Years	6 – 7 Years
Revenues & Expenditures	Realistic Predictable Data	Conservative	More Conservative & Cautious
Economic Uncertainty	Low	Moderate	High
Need for Margin of Error	Low	Moderate	High

WAKE COUNTY

8

She shared the revenue and expenditure assumptions.

## Revenue and expenditure assumptions shared at last year's retreat

	FY19	FY20	FY21	FY22	FY23
Revenue Projections					
Property Tax	2.30%	2.20%	2.00%		
Sales Tax*	6.5%	5.5%	5.5%	5.0%	5.0%
Other Revenue	Current Estimate	2.0%			
Expenditure Projections					
County Operations	Preliminary Recommendations	FY19 Per Capita			
Housing	Proposal Estimates			Plus \$1M	Plus \$1M
WCPSS	Inflation Formula Scenario				
Wake Tech	Request	FY19 Per Capita			
Debt & Capital Transfers	Debt Model				

\*FY19 Based on Current Year Projection

WAKE COUNTY

9

She shared the multi-year forecast to maintain per capita and per pupil spending levels. Ms. Venditto shared the multi-year forecast. She clarified that 1 cent brings in \$1 million in revenue.

## The 2018 multi-year forecast predicted a 1.41 cent property tax increase in FY 20 to maintain per capita and per pupil spending levels

	2019	Projections			
	2019	2020	2021	2022	2023
	Prelim Rec				
<b>Revenue Forecast</b>	<b>\$1,277</b>	<b>\$1,299</b>	<b>\$1,333</b>	<b>\$1,367</b>	<b>\$1,401</b>
Expenditure Forecast					
County Operating	\$489	\$499	\$510	\$520	\$530
Increase in Transfer to Housing	\$7	\$10	\$10	\$11	\$12
Wake Tech - Operating	\$26	\$26	\$27	\$27	\$28
WCPSS - Operating	\$460	\$481	\$502	\$523	\$551
Debt & Capital - County, WCPSS, Wake Tech	\$322	\$331	\$339	\$348	\$356
<b>Total Expenditure Forecast</b>	<b>\$1,304</b>	<b>\$1,347</b>	<b>\$1,388</b>	<b>\$1,429</b>	<b>\$1,477</b>
<b>Surplus (Gap)</b>	<b>-\$27</b>	<b>-\$48</b>	<b>-\$55</b>	<b>-\$63</b>	<b>-\$76</b>
Property Tax Revenue Per Penny	\$14.6	\$15.0	\$16.9	\$17.3	\$17.7
Cumulative Tax Rates to Close Gap (cents)	1.83	3.20	3.23	3.62	4.31
Tax Increase Over Prior Year	1.83	1.41	0.39	0.47	0.77

WAKE COUNTY

10

Ms. Venditto shared information on the property tax increase for Wake County Public Schools Operations and Housing.

## The FY 2019 budget resulted in a 3.94 cent property tax increase to support WCPSS operations and housing

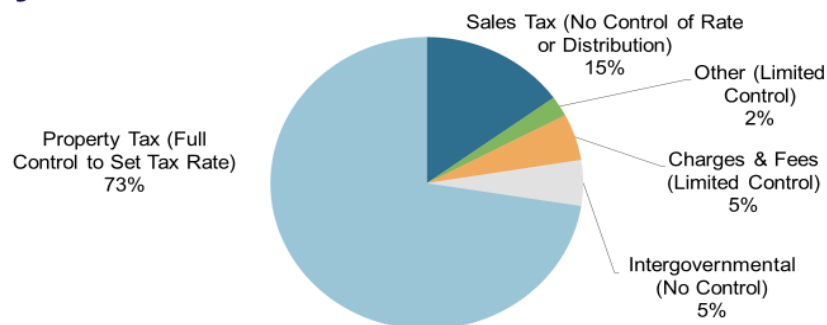
	2019 Prelim Rec	2019 Adopted Budget	Variance
<b>Revenue Forecast</b>	<b>\$1,277</b>	<b>\$1,331</b>	<b>\$54</b>
Expenditure Forecast			
County Operating	\$489	\$491	\$2
Housing	\$7	\$15	\$9
Wake Tech - Operating	\$26	\$25	\$0
WCPSS - Operating	\$460	\$476	\$16
Debt & Capital - County, WCPSS, Wake Tech	\$322	\$324	\$1
<b>Total Expenditure Forecast</b>	<b>\$1,304</b>	<b>\$1,331</b>	<b>\$27</b>
<b>Surplus (Gap)</b>	<b>-\$27</b>	<b>\$0</b>	<b>\$27</b>
Property Tax Revenue Per Penny	\$14.6	\$14.6	\$0.0
Increase in Tax Rate to Close Gap (cents)	1.83	3.94	2.11

WAKE COUNTY

11

Ms. Venditto shared information on the property tax revenue and drivers.

## Property tax represents 73% of General Fund; only revenue within full control of Board

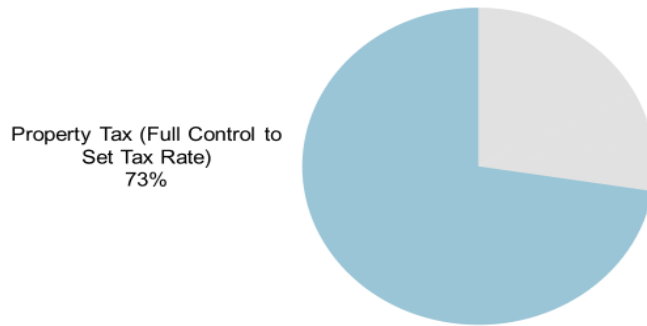


FY19 Adopted Budget : \$1,331,034,000

WAKE COUNTY

13

## First, we will focus on property tax drivers and projections...

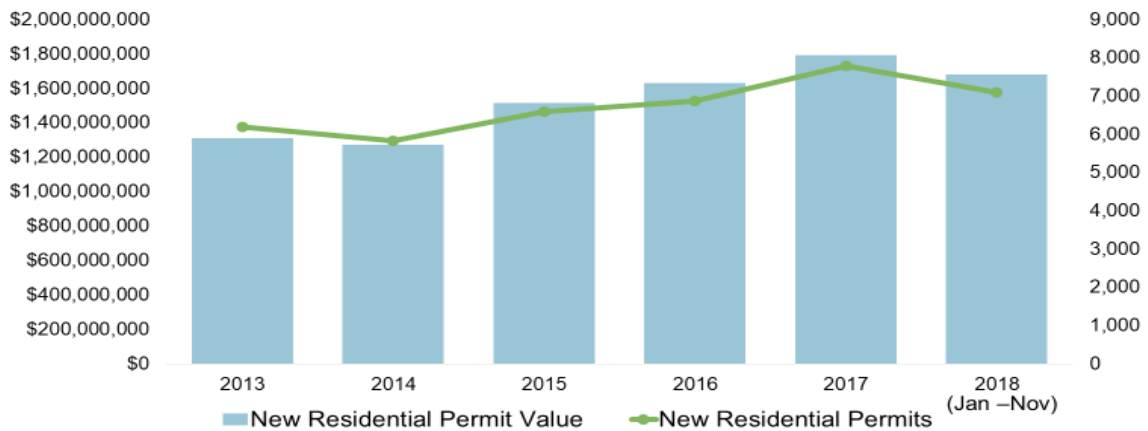


WAKE COUNTY

14

She shared the permit information that reflects county growth (2 slides).

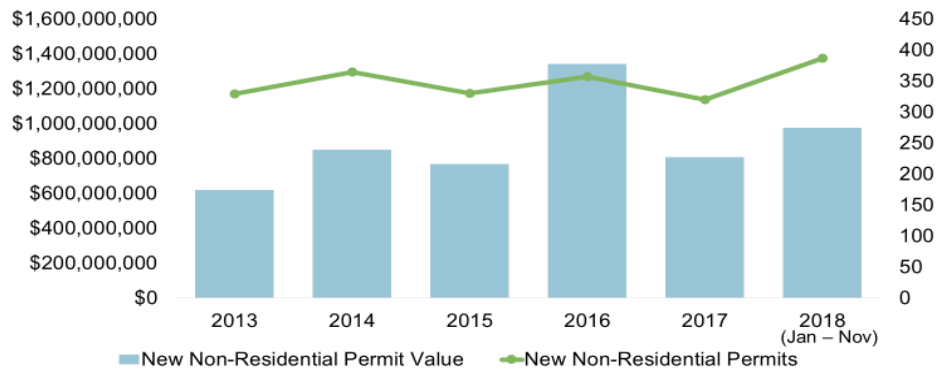
## New residential permits continue to reflect County growth



WAKE COUNTY

15

## New commercial permits reflect consistent growth in economic development

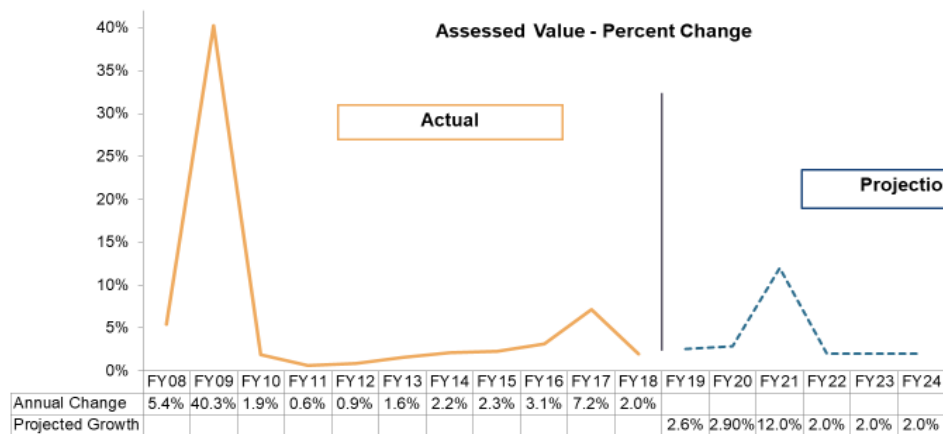


WAKE COUNTY

16

She said there is an assumption of 2 percent growth.

## Assessed value projection is consistent with recent experience



WAKE COUNTY

17

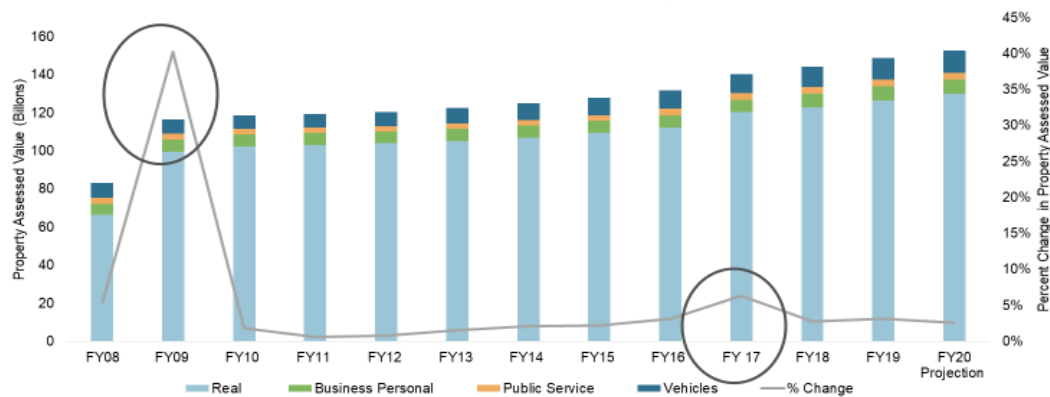
She shared information about the reappraisal as it relates to market value on real property.



## Reappraisal captures changes in market value on real property

Real property is 85% of assessed value

Next real property reappraisal in FY 2021

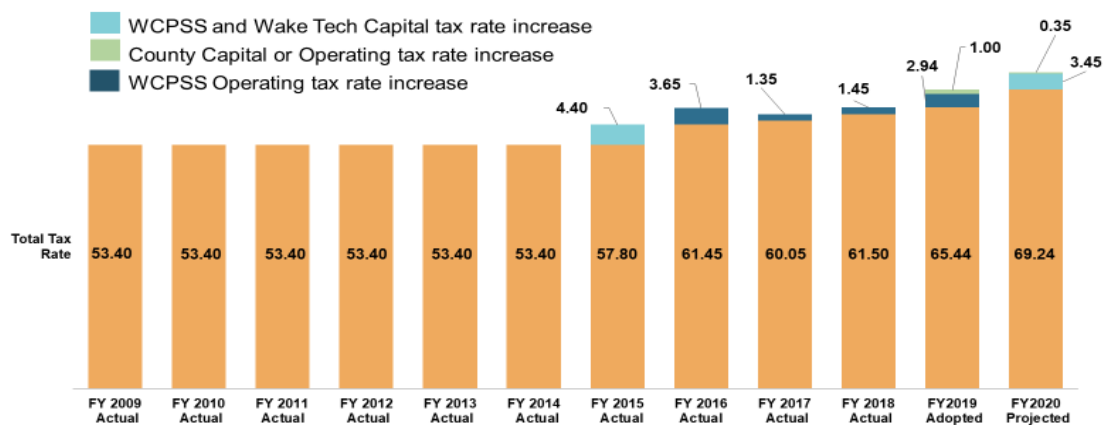


WAKE COUNTY

18

Ms. Venditto said that the reappraisal captures the growth and resets the revenue neutral calculation.

## With the approval of the 2018 bonds, FY 2020 starts with a 3.8 cent tax increase for Education and PGROS Capital

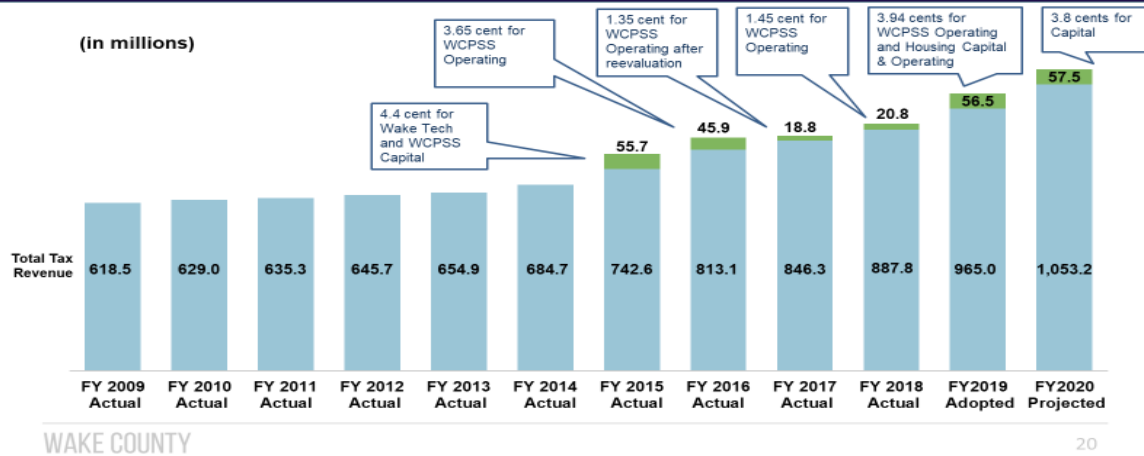


WAKE COUNTY

19

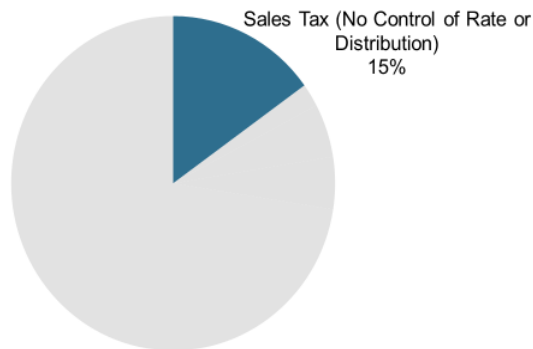
She shared the impacts on the property tax revenue.

**With the approval of the 2018 bonds, FY 2020 starts with a 3.8 cent tax increase which will generate \$57.5 million**



She shared components and drivers of the county revenue.

**Next, we will discuss the components and drivers of sales tax revenue...**

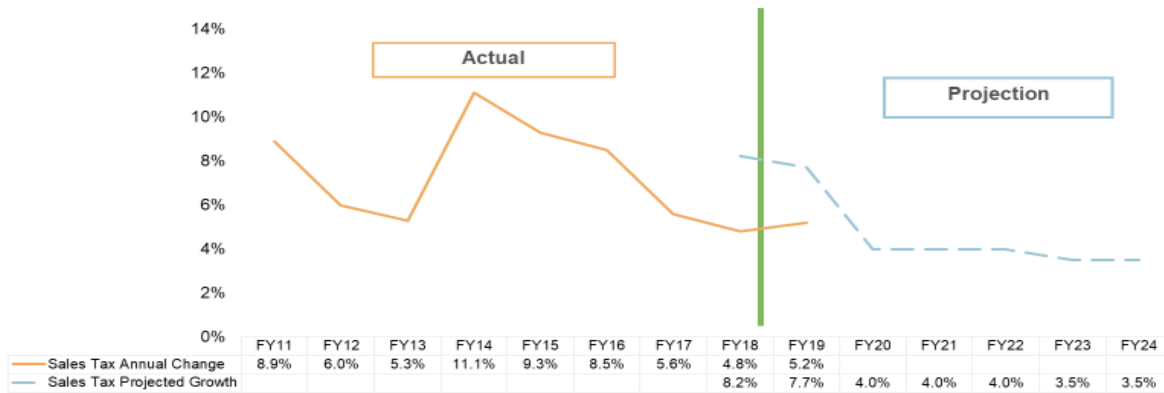


WAKE COUNTY

21

She shared information on the growth rate trends. She said the recession affected years 2012 and 2013.

## Sales tax projection lowered to account for changing economic conditions



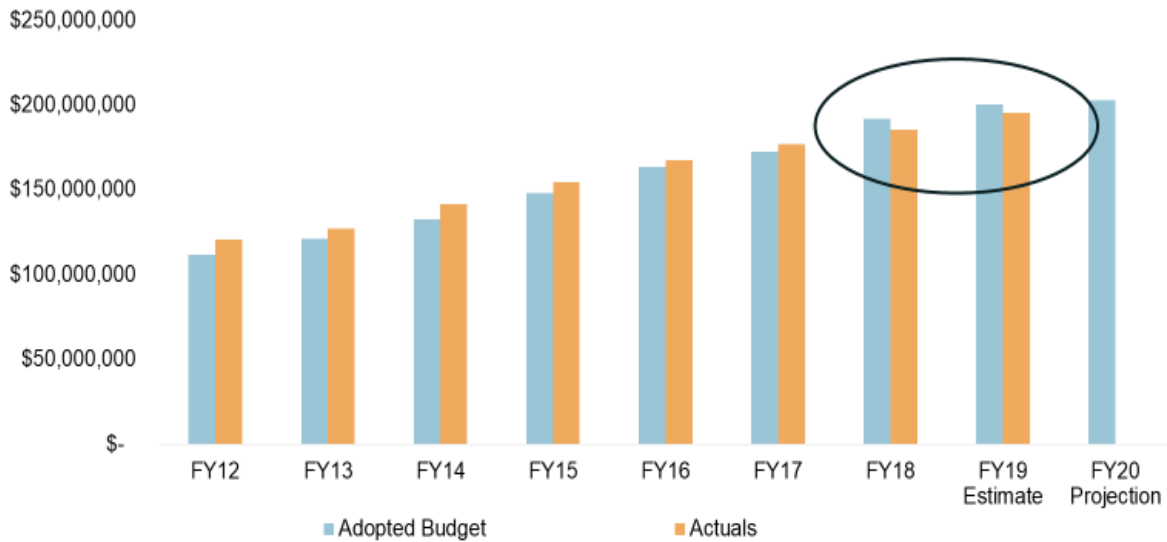
WAKE COUNTY

22

Chair Holmes asked if there are any concerns from the General Assembly that may affect sales tax. Mr. Chris Dillon, Assistant County Manager, said the legislation indicates there may be reduction redistribution of sales tax that may not have impacts until 2021.

She shared the sales tax revenue projections.

## Sales tax revenue projections reflect slower growth

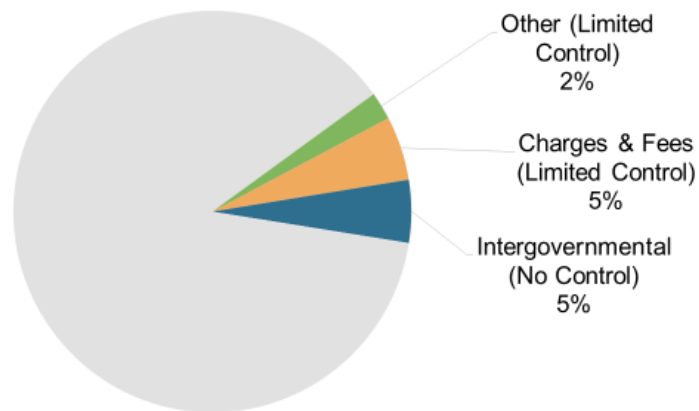


WAKE COUNTY

23

She shared the drivers and changes related to county revenues.

## Last, we will discuss drivers and changes related to other County revenues...



WAKE COUNTY

24

Ms. Venditto shared the intergovernmental revenues. Commissioner West asked for information on the Human Services services that are mandated verses the discretionary services. Ms. Venditto said that staff could provide this information to commissioners.

She shared the intergovernmental revenues that are driven by the state.

## Intergovernmental revenues driven by State reimbursements and mandated activities

*Human Services funding represents 88% of total intergovernmental*

Revenue Item (in millions)	FY19 Adopted	FY20 Base Projection	\$ Change	% Change
Federal	12.6	12.3	(0.3)	2.7%
State	50.5	52.8	2.3	(4.6%)
Local	4.1	4.1	0.0	(0.8%)
<b>Total</b>	<b>\$67.2</b>	<b>\$69.2</b>	<b>\$2.0</b>	<b>3.0%</b>

She shared information on the ability to increase charges and fees.

## Limited ability to increase charges and fees

*Departments conduct annual fee review for cost recovery*

Revenue Item (in millions)	FY19 Adopted	FY 20 Base Projection	\$ Change	% Change
EMS Billing	26.5	27.1	0.6	2.3%
Medicaid / Medicare / Client Fees	12.4	11.4	(1.0)	(7.4%)
Planning & Permitting	6.6	6.7	0.1	1.0%
Recording/ROD	5.3	5.3	0.0	1.2%
Sheriff Fees	4.1	4.6	0.5	11.8%
Public Safety Communications Reimbursements	1.7	1.8	0.1	1.2%
Other Fees and Charges	12.1	10.8	(1.3)	(11.2%)
<b>Total</b>	<b>\$68.7</b>	<b>\$67.7</b>	<b>(\$1.0)</b>	<b>(1.5%)</b>

Ms. Venditto shared the growth revenue information.

## Growth in other revenues is limited

### Real Property Transfer Taxes Increasing

Real property transfer taxes increasing 2.0%, driven by real estate market

### Appropriation of Fund Balance

Reduction in one-time use of fund balance for Housing and Behavioral Health

Revenue Item (in millions)	FY19 Adopted	FY20 Base Projection	\$ Change	% Change
Real Property Transfer Tax	13.0	13.3	0.3	2.0%
Misc. and Other Taxes	4.1	4.2	0.0	0.6%
Transfers	3.8	3.8	0.0	0.0%
Fund Balance	8.9	3.1	(5.8)	(65.2%)
<b>Total</b>	<b>\$29.8</b>	<b>\$24.3</b>	<b>(\$5.5)</b>	<b>(18.6%)</b>

WAKE COUNTY

27

## Normal revenue growth estimated at 2.2%

Revenue Item (in millions)	FY19 Adopted	FY20 Base Projection	\$ Change	% Change
Property Taxes	965.0	995.6	30.6	3.2%
Sales Taxes	200.3	203.0	2.7	1.4%
Intergovernmental	67.2	69.2	2.0	3.0%
Charges, Permits and Fees	68.7	67.7	(1.0)	(1.5%)
All Other Revenues	29.8	24.3	(5.5)	(18.6%)
<b>Total</b>	<b>\$1,331.0</b>	<b>\$1,359.8</b>	<b>\$28.8</b>	<b>2.2%</b>

WAKE COUNTY

28

Ms. Venditto shared the property tax rate information.

## Property tax rate for bonds generates additional \$57.5 million

Revenue Item (in millions)	FY19 Adopted	FY20 Base Projection	\$ Change	% Change
Property Taxes	965.0	995.6	30.6	3.2%
3.8 Cent Property Tax Increase	0.0	57.5	57.5	0.0%
Sales Taxes	200.3	203.0	2.7	1.4%
Intergovernmental	67.2	69.2	2.0	3.0%
Charges, Permits and Fees	68.7	67.7	(1.0)	(1.5%)
All Other Revenues	29.8	24.3	(5.5)	(18.6%)
<b>Total</b>	<b>\$1,331.0</b>	<b>\$1,417.4</b>	<b>\$86.3</b>	<b>6.5%</b>

WAKE COUNTY

29

## Revenues are the first building block of the multi-year forecast

(in millions)	Projections				
	2020	2021	2022	2023	2024
<b>Revenue Forecast</b>					
Property Tax	\$1,053	\$1,074	\$1,096	\$1,118	\$1,140
Sales Tax	\$203	\$211	\$220	\$227	\$235
Other Revenues	\$161	\$164	\$168	\$171	\$174
<b>Total Revenue</b>	<b>\$1,417</b>	<b>\$1,450</b>	<b>\$1,483</b>	<b>\$1,516</b>	<b>\$1,550</b>
<i>Increase over prior year</i>	\$86	\$32	\$33	\$33	\$34

### Revenue Forecast Assumptions

Property Tax	2.90%	*12.00%	2.00%	2.00%	2.00%
Sales Tax	5.20%	4.00%	4.00%	3.50%	3.50%
Other Revenue	Current Est.	2.00%	2.00%	2.00%	2.00%

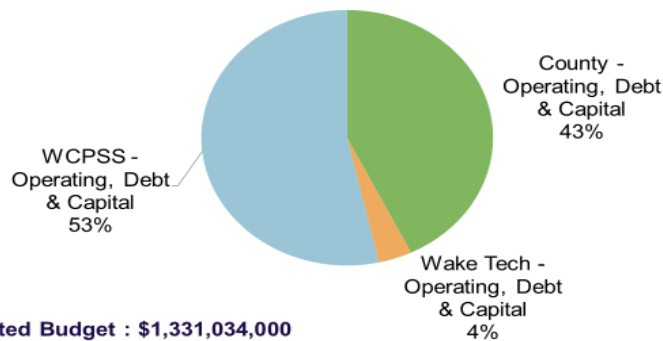
\*12% growth in tax base includes reappraisal estimate; 2% is the projected growth after setting of revenue neutral tax rate

WAKE COUNTY

30

Ms. Venditto shared the 2019 General Fund adopted budget.

## Education comprised 57% of the FY19 General Fund Adopted budget



FY19 Adopted Budget : \$1,331,034,000

WAKE COUNTY

32

## FY20 County base is down \$1 million from FY 19 Adopted

Spending Area	FY 2019 Adopted	FY20 Base Projection	Change from FY 19 Adopted
General Government	69.5	68.9	(0.6 )
Behavioral Health	30.6	27.7	(2.9 )
Community Services	37.9	39.5	1.7
Environmental Services	13.3	13.2	(0.0 )
General Services	29.7	30.2	0.5
Housing	22.9	20.8	(2.1 )
Human Services	151.6	153.1	1.5
Public Safety	150.6	151.2	0.6
<b>Total</b>	<b>\$506.0</b>	<b>\$504.6</b>	<b>(\$1.4 )</b>

WAKE COUNTY

33

Chair Holmes asked for a breakdown of what is required for the county as it relates to maintenance, operating, and capital as it relates to Wake County Public Schools. Ms. Venditto said staff could provide this to commissioners.



Ms. Venditto shared how the expansion requests are evaluated. Ms. Lucas said departments are asked about efficiency of services outside of board goals.

## How are operational needs requests evaluated?

Expansion requests are additional funding beyond the Target Base Budget to maintain, improve or expand services to advance service delivery goals

County Department requests are expected to align with Business Plans, demonstrate progress toward outcomes, and be based in data

Departments provide details on program structure, new positions, equipment, and objectives

Alignment with Board Goals is evaluated

WAKE COUNTY

35

She shared information about the department business case questions.

## Departments justify requests through answering business case questions

1. What **problem** does the department aim to **solve**?
2. How does this request relate to the department's business plan and **targeted outcomes**/metrics?
3. Who will this expansion serve and how will it **improve services**?
4. Which **Board Goals** does this expansion relate to and how will the proposal achieve the goal?
5. How does the County currently address this problem and/or provide this service?
6. What is the **solution proposed** and estimated in this expansion request?
7. How is this expansion related to the **projected demand for future services**?
8. How would the **outcomes** be measured?
9. What **alternatives** were considered?

WAKE COUNTY

36

Ms. Venditto shared the expansion requests.

## ALL County expansion requests total \$39.6M

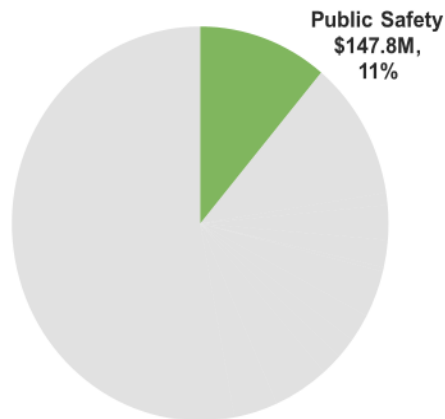
Function	FTE	One-time	Ongoing	Total
County Operations	165.25	8,987,000	17,891,000	26,878,000
Pay and Compensation	-	-	8,650,000	8,650,000
Behavioral Health	-	2,515,000	278,000	2,793,000
Public Agencies	-	-	1,320,000	1,320,000
<b>Total</b>	<b>165.25</b>	<b>\$11,502,000</b>	<b>\$28,139,000</b>	<b>\$39,641,000</b>
<b>Corresponding Revenues</b>				<b>\$5,148,000</b>

WAKE COUNTY

37

Ms. Venditto shared the Wake County Public Safety requests.

## Public Safety Expenditures



WAKE COUNTY

39

## Expansions Requested – Public Safety

Department	FTE	One-time	Ongoing	Total	% Change from FY2019 Adopted
EMS	24.00	1,592,000	2,358,000	3,950,000	8.72%
Sheriff	6.00	2,803,000	1,041,000	3,844,000	4.09%
CCBI	2.00	116,000	137,000	253,000	3.75%
<b>Total</b>	<b>32.00</b>	<b>\$4,511,000</b>	<b>\$3,536,000</b>	<b>\$8,047,000</b>	<b>5.51%</b>
<b>Corresponding Revenues</b>				-	

WAKE COUNTY

40

Ms. Venditto shared the City County Bureau of Investigation (CCBI) requests. Ms. Johnna Rogers, Chief Operations Officer, said that a law enforcement officer must be on the scene until CCBI arrives.

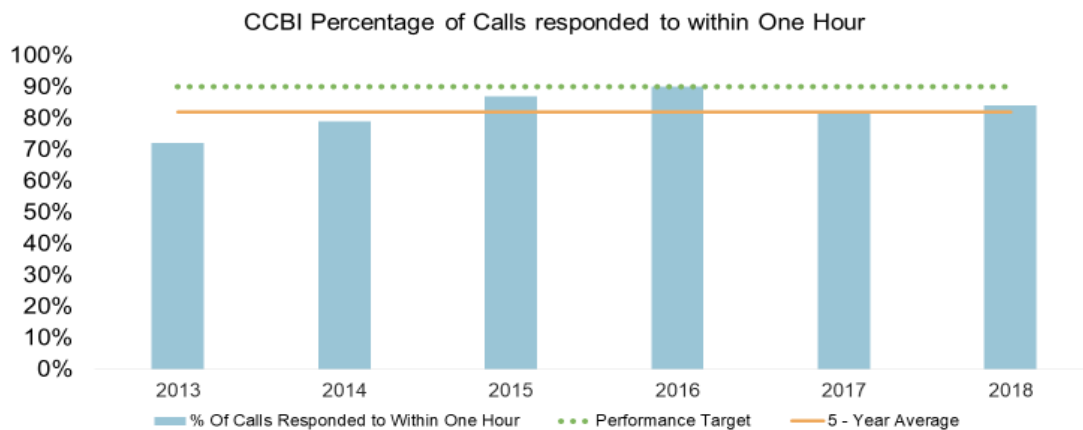
Commissioner West ask if programs over the years been discontinued and funding for those have been shifted for new programs.

Ms. Venditto said departments have the ability to realign their budgets.

Mr. Ellis said that sometimes costs remain the same in departments and the shifting of resources can occur. He shared an example of Wake County Human Services wanting to expand WIC in the West and the department transferred staff from within to accommodate the budget. Ms. Rogers said that as part of the budget review actual expenditures verses historical are being reviewed. She said that department managers are being asked to cover some of their requests in the base budget rather than staff including them in the expansion request.

Chair Holmes asked about the recession, budget impacts, and the rebound from it. Ms. Rogers said staff could provide the impact information to the board. Ms. Lucas said there were cuts in positions during the recession and was reflected in the unchanged tax rate when there was no change in the tax base from 2009-2014.

## CCBI expected to respond to 90% of calls within one hour, per service level agreements with law enforcement



WAKE COUNTY

41

She shared the CCBI requests for consideration.

## CCBI Requests Under Consideration

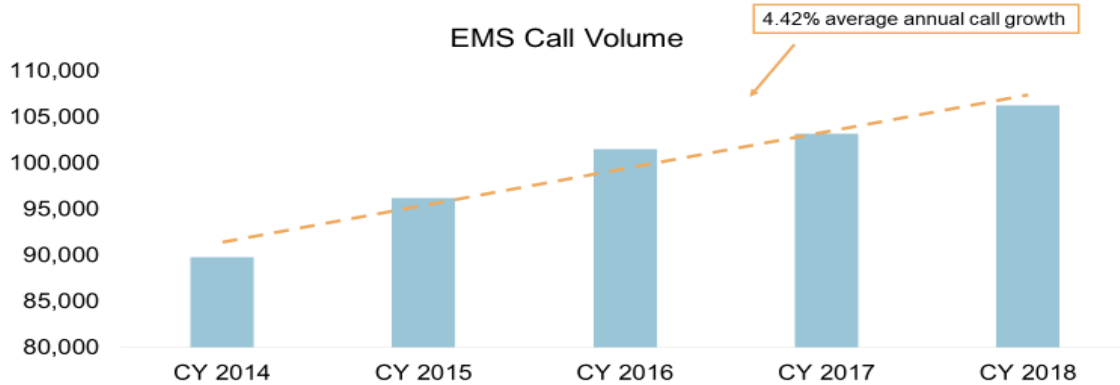
Requests	FTE	One-time	Ongoing	Total
Meet response time requirements per service level agreements with law enforcement	2.00	116,000	137,000	253,000
<b>Corresponding Revenues</b>				-

WAKE COUNTY

42

Ms. Venditto shared information about the EMS calls.

## EMS calls have increased by 18% since 2014

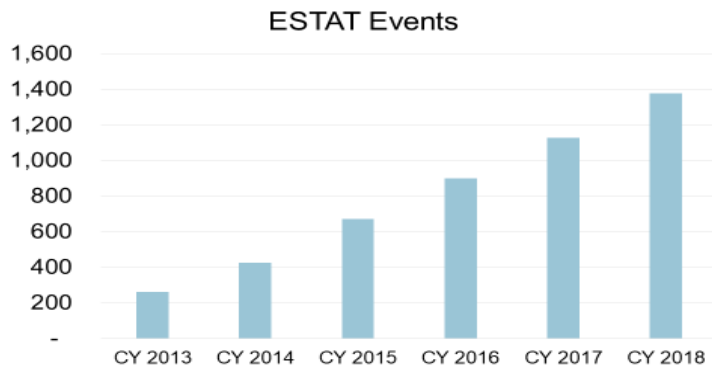


WAKE COUNTY

43

She shared information about the ESTAT growth.

## Call growth results in ESTAT growth



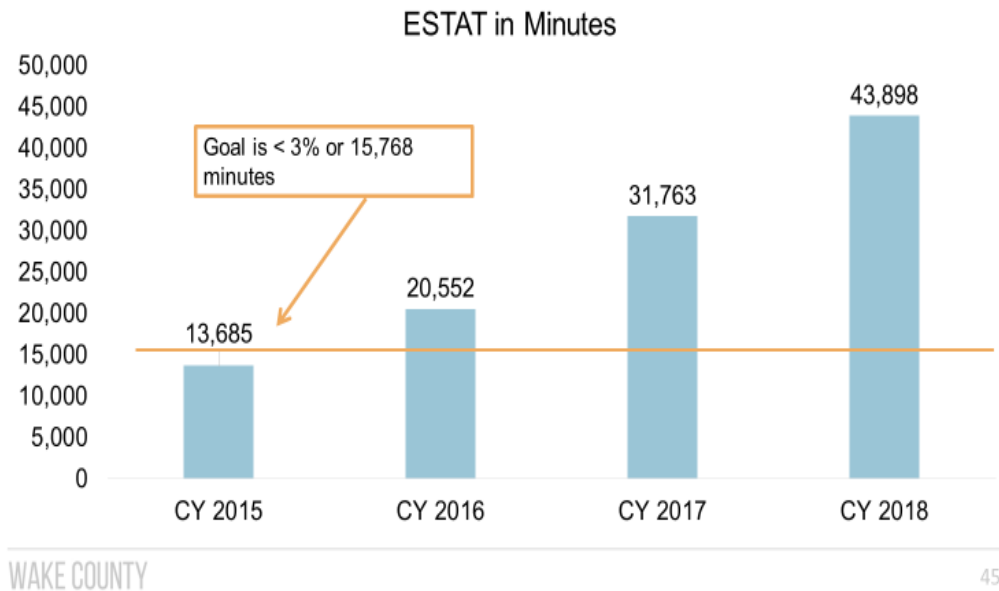
### What is ESTAT?

- ESTAT is short for "Emergency status"
- ESTAT is when less than 10 ambulance units available
- 10 units needed for geographic coverage

WAKE COUNTY

44

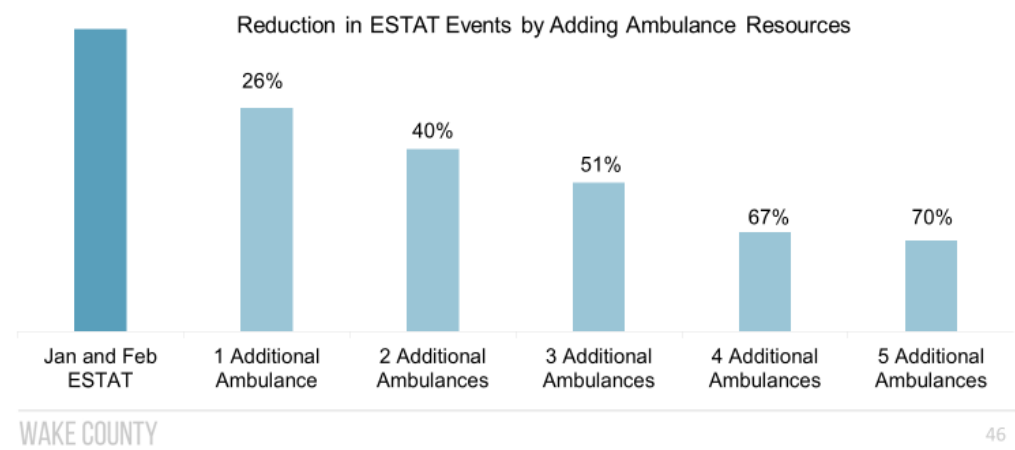
## Time in ESTAT has increased as call volume increases



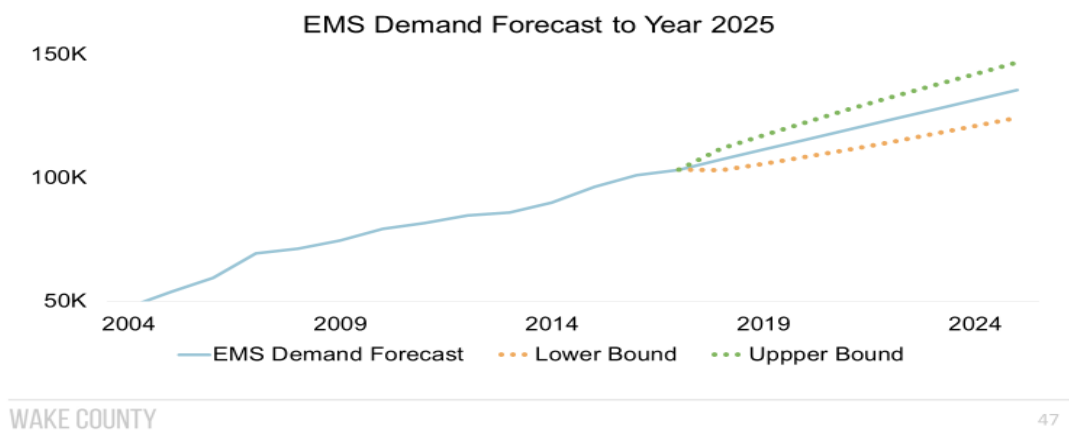
Ms. Lucas pointed out that EMS has indicated what shifts are needed during peak times. Ms. Rogers indicated that the EMS shifts are 24 hours. She said for every ambulance unit added, four positions are needed. She said that modeling software to consider traffic times and for determining station location was included in the Fiscal Year 2019 budget.

Commissioner Hutchinson asked if the CAD software was proving information about whether the calls that are received are emergency calls or non-emergency. Mr. Bill Greeves, Chief Information and Innovation Officer, said that the 911 Center is looking at the tracking of the non-emergency calls and 211 calling is a method that is used for that tracking.

**ESTAT events would have been reduced by 70% with 5 additional ambulance units**



**EMS projects demand for services will increase by 25% in next seven years**



Ms. Venditto shared the EMS requests under consideration.

## EMS Requests Under Consideration

Request	FTE	One-time	Ongoing	Total
Increase call and response capacity to reduce ESTAT throughout the system and address increasing call volumes by adding 3 units and corresponding staffing	20.00	1,378,000	1,351,000	2,729,000
Augment 911 dispatch services to enhance quality and timeliness specifically around EMS calls	-	-	517,000	517,000
Provide enhanced oversight of compliance in this highly regulated field for quality control purposes and ensure EMS providers are stocked with appropriate supply levels	3.00	95,000	206,000	301,000
Bring EMT to Paramedic training in-house to ensure ability to meet demand for certified personnel	-	99,000	146,000	245,000
Meet demand for maintaining increasing numbers of devices with greater complexities and capacity	1.00	20,000	138,000	158,000
<b>Total</b>	<b>24.00</b>	<b>\$1,592,000</b>	<b>\$2,358,000</b>	<b>\$3,950,000</b>
<b>Corresponding Revenues</b>				48 -

Commissioner Adamson asked how fire services fit into the expansion requests. Ms. Venditto said that fire services does not have a request. Ms. Rogers said the Fire Tax District is not funded out of the General Fund and it is worked through the Fire Commission and will be brought forward in the full budget.

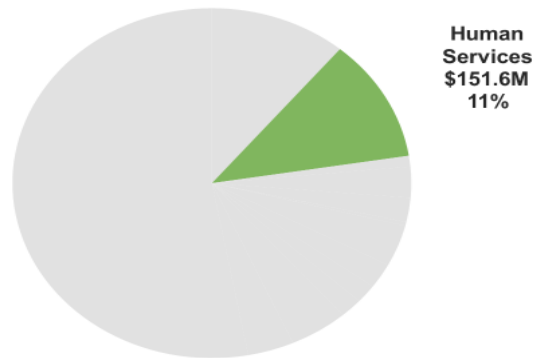
Commissioner Calabria asked about the Sheriff Department requests. Ms. Venditto said that there was a meeting with the Wake County Sheriff's about his department requests. Chair Holmes asked if this can come forward at a Work Session. Ms. Venditto said this could be presented to the board.

Commissioner West asked about the reallocation of the 287 G Program Funds and where the funds are being reallocated. Mr. Ellis said they have been reallocated in this year's budget since there is a shortage in the Wake County Detention Center. Ms. Rogers said the restructure of the department has shifted the funds.

She shared the Human Services expansion requests.



## Human Services Expenditures



WAKE COUNTY

50

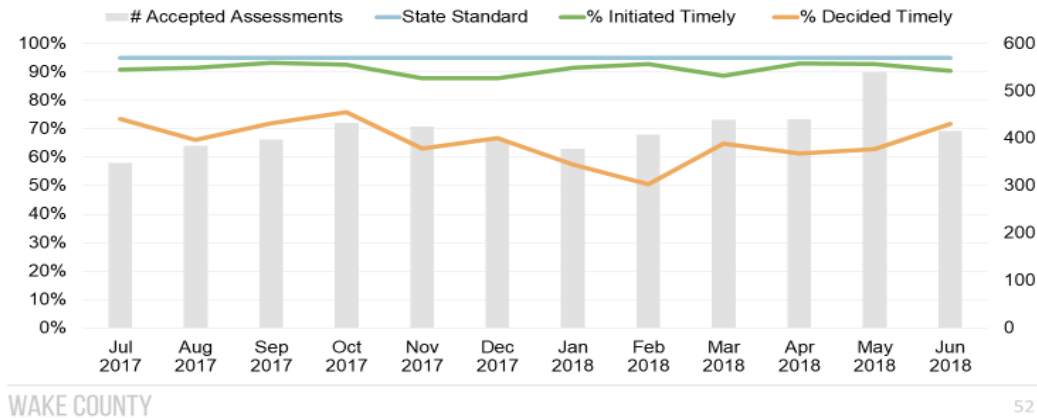
## Expansions Requested – Human Services

Division	FTE	One-time	Ongoing	Total	% Change from FY 2019 Adopted
Child Welfare	24.00	165,000	1,719,000	1,884,000	5.87%
Economic Self Sufficiency	16.50	101,000	970,000	1,071,000	2.13%
Public Health	8.25	20,000	641,000	661,000	2.21%
Administration & Operations	7.00	15,000	420,000	435,000	2.28%
<b>Total</b>	<b>55.75</b>	<b>\$301,000</b>	<b>\$3,750,000</b>	<b>\$4,051,000</b>	<b>2.67%</b>
<b>Corresponding Revenues</b>				<b>\$563,000</b>	

Commissioner Adamson asked when the Medicaid expansion occurs will there be sufficient staffing. Mr. Ellis said that Medicaid expansion was another fiscal year away. He said that staff is looking at improved processes and reduction of errors.

Mr. Derwick Paige, Chief Community Development Officer, said the Medicaid expansion would not occur until 2021. Ms. Lucas said there would be an online process to assist with the increased applications and to provide efficiency with the processes.

## Child Protective Services initiations and decisions should meet State's monthly 95% timeliness standard



Mr. Ellis said there is a Memorandum of the State and the state has outcomes around timeliness and child welfare. He said the county is not meeting the mark that the state has determined, and the county needs to ensure that assessments are completed on time and risk is reduced. He said the state is working with the county on the assessments.

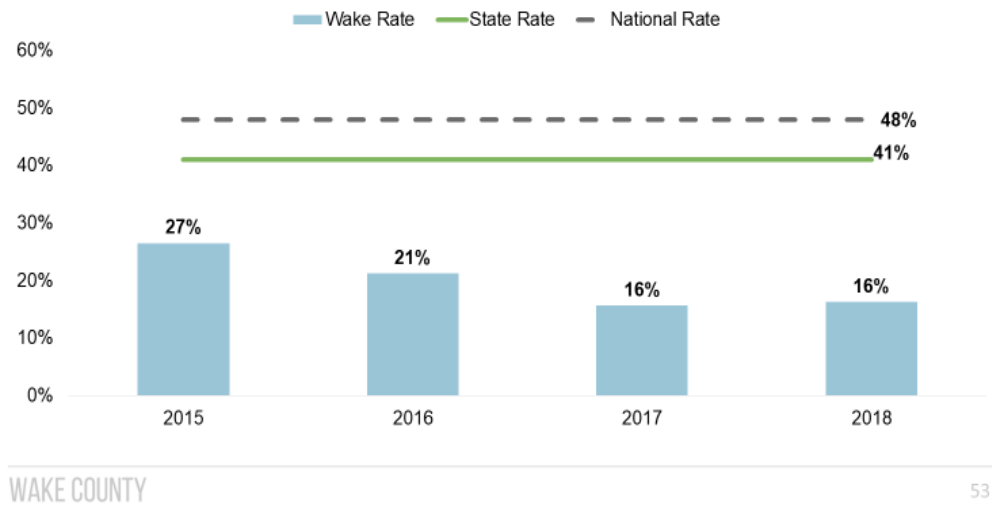
Chair Holmes asked if the outcome is related to Rylan's Law. Mr. Ellis said the outcome is related.

Vice-Chair Ford asked what happens if the requirements are not met. Mr. Ellis said that in an extreme case, the state could overtake the process.

Vice-Chair Ford asked about the standards and how many counties are not meeting the requirement. Mr. Ellis said that he could provide this information to the board.

Ms. Venditto shared the Foster Care reunification rates.

## Foster child reunification rates for Wake at 16% within 12 months

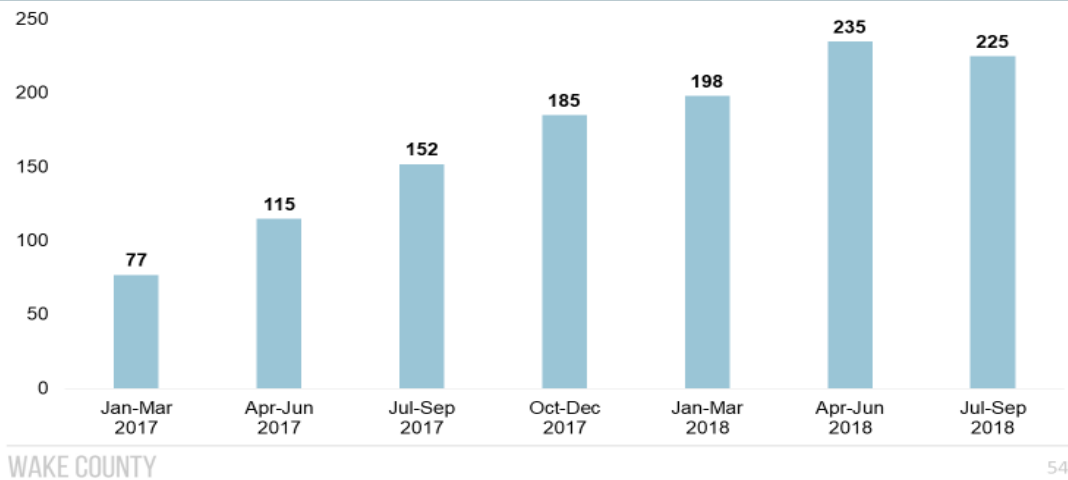


Mr. Ellis said the longer that children remain in foster care, the more impacts there are. He said Human Services, the courts, and non-profits work together for reunification, and higher numbers of what are needed. Chair Holmes said the safety and resources for the child are of most importance. Mr. Ellis noted that reunification indicates that the child was adopted or reunified with their parents and that a year process is limited time.

Mr. Paige said that once the child leaves the home, they lose the Medicaid coverage for assistance that is needed for substance abuse. He said that once the child returns to the home (45 days) the benefits will be reinstated.

Ms. Venditto shared the Foster Care eligible information.

## Foster eligible 18-21 year olds have nearly tripled in the past 18 months



Ms. Venditto shared the Human Services Child Welfare requests.

## HS Child Welfare Requests Under Consideration

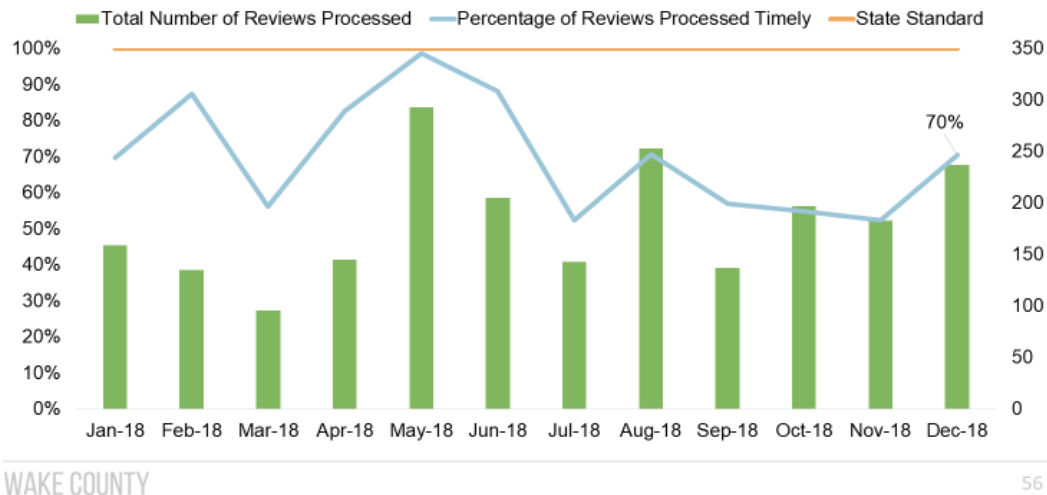
Requests	FTE	One-time	Ongoing	Total
Reduce caseloads to improve timeliness for a child's safety and achieve a permanent home for ages birth to 21	9.00	121,000	658,000	779,000
Monitor and improve customer service, efficiency and work satisfaction in the child welfare division	3.00	30,000	235,000	265,000
<b>Total</b>	<b>12.00</b>	<b>\$151,000</b>	<b>\$893,000</b>	<b>\$1,044,000</b>
<b>Corresponding Revenues</b>				<b>\$64,000</b>

WAKE COUNTY

55

Ms. Venditto shared the Medicaid supplemental security income review information.

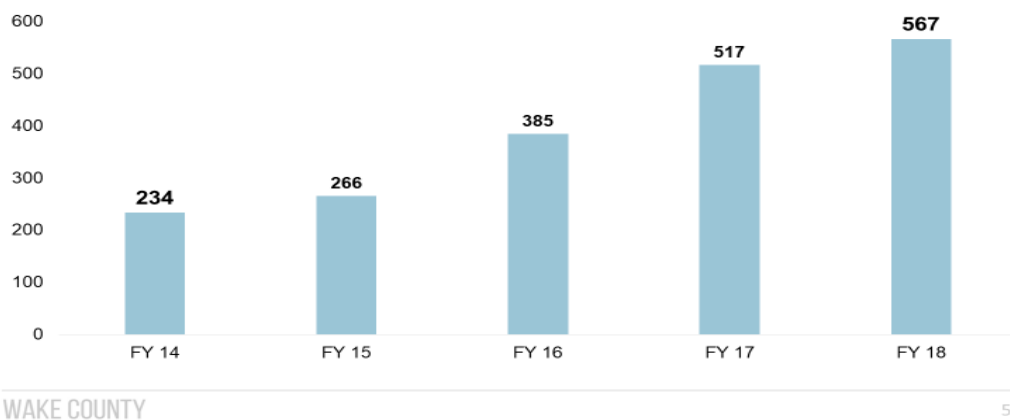
## Medicaid Supplemental Security Income reviews below monthly 100% timeliness standard



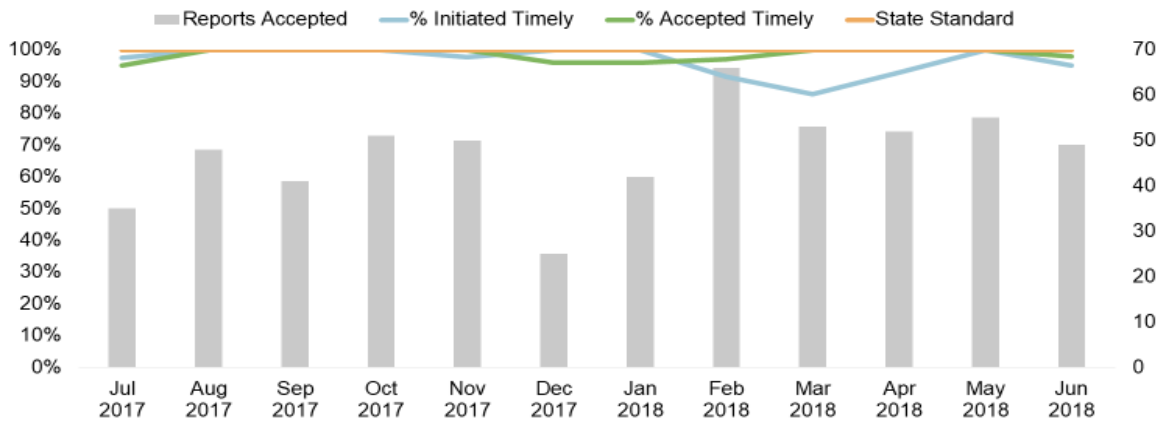
Ms. Venditto shared the Adult Protective Services report data. Chair Holmes asked why the reports have doubled. Ms. Rogers said that with the aging population and the change of standards numbers have increased.

Vice-Chair Ford asked if the applicant interviews were face-to-face or online. Mr. Paige said the first review is face-to-face and the remainder is over the phone or online. Ms. Lucas said that bank accounts are reviewed for eligibility.

## Adult Protective Services accepted reports have doubled from FY14 to FY18



## Adult Protective Services targeting State mandated 100% timeliness rate in accepting and evaluating reports



WAKE COUNTY

58

Ms. Venditto shared the Human Services Economic Self-Sufficiency requests.

## HS Economic Self Sufficiency Requests Under Consideration

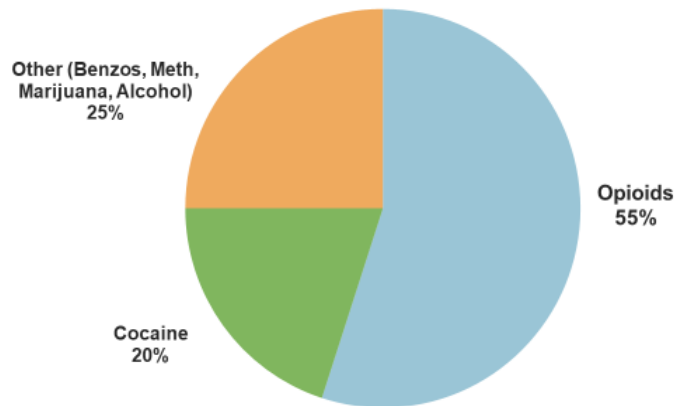
Requests	FTE	One-time	Ongoing	Total
Respond to increasing volume of Medicaid, Adult Protective Services and Food and Nutrition Services applications and reports to maintain timeliness	9.50	-	437,000	437,000
Increase the earning ability of Food and Nutrition clients and promote self-sufficiency through workforce development	1.00	5,000	22,000	27,000
<b>Total</b>	<b>10.50</b>	<b>5,000</b>	<b>\$459,000</b>	<b>\$464,000</b>
<b>Corresponding Revenues</b>				<b>\$233,000</b>

WAKE COUNTY

59

Ms. Venditto shared the recovery court participants.

**55% of Recovery Court participants are opioid dependent, compared to 30% four years ago**

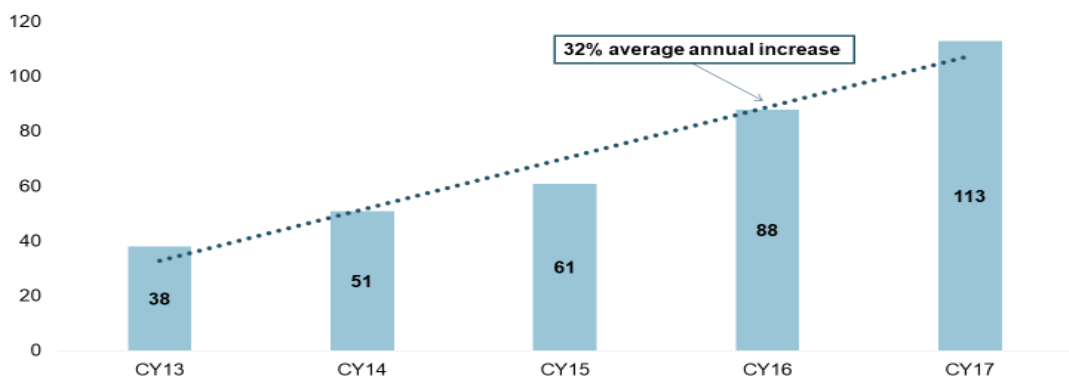


WAKE COUNTY

60

Chair Holmes noted that the General Assembly has not supported the drug treatment court initiative. Commissioner Calabria said the opioid issue may be an opportunity for the Public Safety Committee to discuss in order to bring forward suggestions to the full board.

**Unintentional opioid deaths in Wake County increased 197% since 2013**

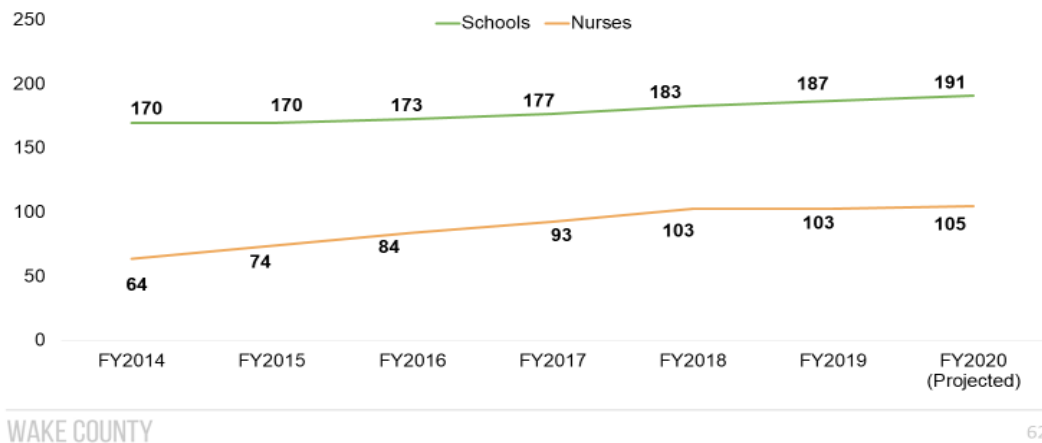


WAKE COUNTY

61

Ms. Venditto shared the school nurse ratio information.

### County strives to maintain two schools to one nurse ratio as new schools added



Commissioner West asked about data regarding mandated and discretionary services. Ms. Venditto said that she would provide this information to the board. Ms. Lucas said that some schools need more nursing staff than others.

Commissioner Evans said looking at the issue from the student prospective, the calculation should be based on how many nurses are needed based on student enrollment. Vice-Chair Ford said the nurse and social worker ratio should be evaluated.

Ms. Venditto shared the Human Services Public Health and Administration and Operations requests.



## HS Public Health Requests Under Consideration

Requests	FTE	One-time	Ongoing	Total
Increase the health of vulnerable populations in Recovery Court and STD prevention through additional contract funds	-	-	156,000	156,000
Improve the health outcomes of children through school-based nurses and Care Coordination	2.16	7,000	149,000	156,000
Implement action plans for multiple health initiatives	1.00	-	14,000	14,000
<b>Total</b>	<b>3.16</b>	<b>\$7,000</b>	<b>\$319,000</b>	<b>\$326,000</b>
<b>Corresponding Revenues</b>				<b>-</b>

WAKE COUNTY

63

## HS Administration & Operations Requests Under Consideration

Requests	FTE	One-time	Ongoing	Total
Increase access to services for vulnerable populations at Oak City Center through contracting with Catholic Charities	-	-	195,000	195,000
Improve customer service at the growing Western Wake center, as well as augment client assistance department-wide	4.00	4,000	95,000	99,000
<b>Total</b>	<b>4.00</b>	<b>\$4,000</b>	<b>\$290,000</b>	<b>\$294,000</b>
<b>Corresponding Revenues</b>				<b>\$26,000</b>

WAKE COUNTY

64

Ms. Venditto shared the Human Services requests.

## Human Services Requests Under Consideration

Division	FTE	One-time	Ongoing	Total
Child Welfare	12.00	151,000	893,000	1,044,000
Economic Self Sufficiency	10.50	5,000	464,000	469,000
Public Health	3.16	7,000	319,000	326,000
Administration & Operations	4.00	4,000	290,000	294,000
<b>Total</b>	<b>29.66</b>	<b>\$167,000</b>	<b>\$1,966,000</b>	<b>\$2,133,000</b>
<b>Corresponding Revenues</b>				<b>\$423,000</b>

WAKE COUNTY

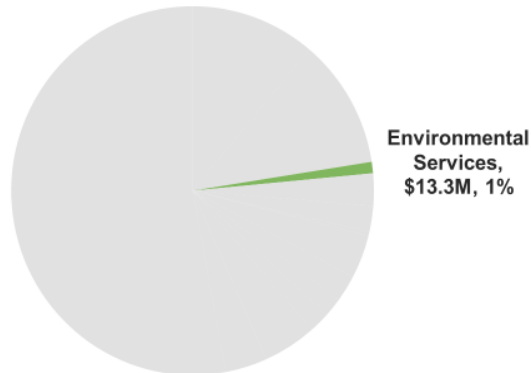
65

Commissioner West commended the Wake County Human Services Board and Ms. Regina Petteway, Human Services Director, for her leadership.

A ten-minute break was taken.

Ms. Venditto shared the Environmental Services expenditures. Chair Holmes asked about the cost of an ambulance. Ms. Venditto said the cost would be \$249,000, and the county may purchase five.

## Environmental Services Expenditures



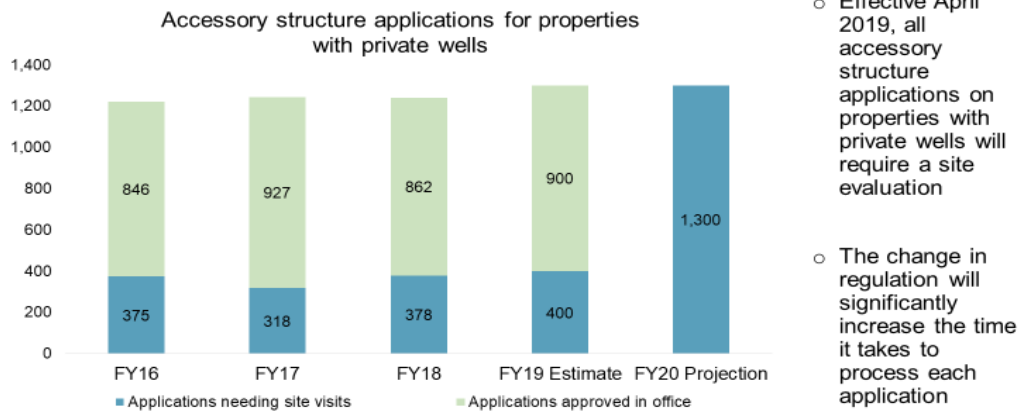
WAKE COUNTY

67

### Expansions Requested – Environmental Services

Division	FTE	One-time	Ongoing	Total	% Change from FY 2019 Adopted
Water Quality	5.00	172,000	587,000	759,000	15.57%
Environmental Health & Safety	2.00	27,000	225,000	252,000	6.99%
ES Administration	1.00	24,000	93,000	117,000	11.60%
Animal Services	2.00	-	99,000	99,000	2.63%
<b>Total</b>	<b>10.00</b>	<b>\$223,000</b>	<b>\$1,004,000</b>	<b>\$1,227,000</b>	<b>9.25%</b>
<b>Corresponding Revenues</b>				<b>\$74,000</b>	

## Change in State mandate will require 900 additional site inspections



WAKE COUNTY

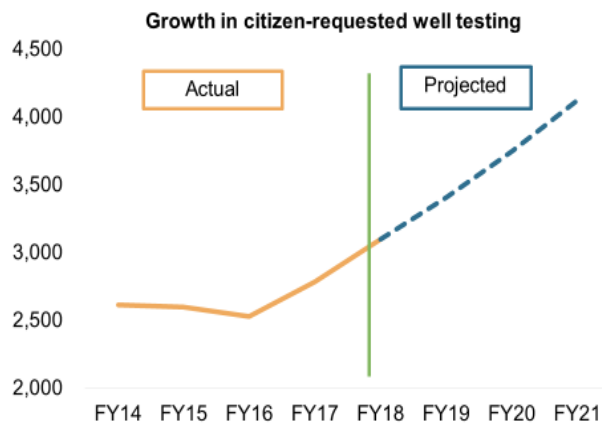
69

There was some discussion about the state mandate for wells. Ms. Rogers said the mandate is to ensure that citizens were in compliance with private wells standards. She said that private wells will require a site evaluation.

Ms. Venditto shared information about the request for the demands.

## Current and projected well testing requests will require additional resources to meet demand

- Additional chemist will maintain turnaround time of 5 days
- Samples currently only collected Monday-Thursday because of time limitations of processing bacteriological samples
- Additional chemist would allow samples to be accepted from public 5 days a week and processed 6 days a week



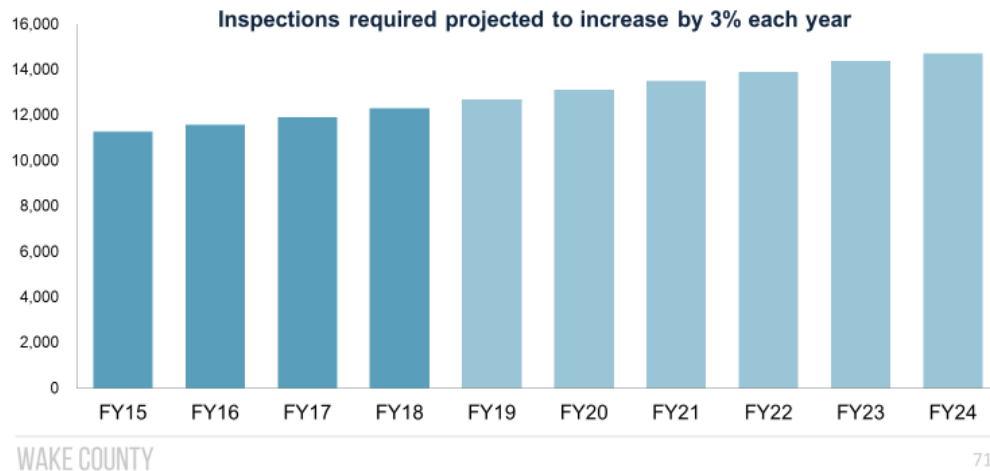
WAKE COUNTY

70

Mr. Ellis said that an additional chemist would assist with weekend testing for those samples that are collected on Fridays.

Ms. Venditto shared the state mandated food, lodging, and institution inspections information.

## State mandated food, lodging, and institution inspections projected to increase by 400 annually



She shared the Wake County Environmental Services requests under consideration.

## Environmental Services Requests Under Consideration

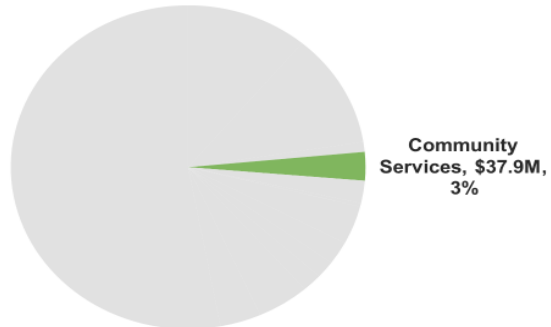
Requests	FTE	One-time	Ongoing	Total
Meet water quality inspection requirements under new State mandates	4.00	154,000	410,000	564,000
Increase capacity to conduct groundwater testing of household wells	1.00	18,000	178,000	196,000
Provide enhanced oversight and management of State mandated health inspection programs	1.00	14,000	132,000	146,000
Increase quality assurance of State mandated local health department services	1.00	24,000	93,000	117,000
Ensure Animal Services employee safety while improving animal healthcare and assessment screening times	1.00	-	50,000	50,000
<b>Total</b>	<b>8.00</b>	<b>\$210,000</b>	<b>\$863,000</b>	<b>\$1,073,000</b>
<b>Corresponding Revenues</b>				<b>\$74,000</b>

WAKE COUNTY

72

Ms. Venditto shared the Community Services expenditures.

## Community Services Expenditures



WAKE COUNTY

74

## Expansions Requested – Community Services

Division	FTE	One-time	Ongoing	Total	% Change from FY 2019 Adopted
Libraries	9.50	-	776,000	776,000	2.98%
Parks, Recreation, & Open Space	4.00	86,000	217,000	303,000	9.40%
Planning, Development, & Inspections	2.00	107,000	195,000	302,000	5.54%
GIS	-	-	30,000	30,000	1.44%
<b>Total</b>	<b>15.50</b>	<b>\$193,000</b>	<b>\$1,218,000</b>	<b>\$1,411,000</b>	<b>3.73%</b>
<b>Corresponding Revenues</b>				-	

WAKE COUNTY

75

Ms. Venditto shared the Wake County Library information.

## County opening three new libraries in FY20

- Fuquay Varina, Cary, and Morrisville libraries scheduled to open in FY20
- Funding for Cary and Morrisville libraries are included in the base budget, while funding for Fuquay Varina is included as an expansion



WAKE COUNTY

76

She shared the library hour requests. Chair Holmes asked how many libraries were impacted by the change of hours. Ms. Rogers said there are five libraries impacted.

## Expanding hours at libraries will provide uniform service level County-wide

Name	Library Type	Monday-Thursday	Friday-Saturday	Sunday	Proposed Weekly Hours	Current Weekly Hours	# New Weekly Hours	
Duraleigh*	Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	60	10	Red indicates library hour changes associated with the Library Sunday Hours Expansion
Athens Drive*	Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	60	10	
Fuquay-Varina*	Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	60	10	
Zebulon*	Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	60	10	
Wendell*	Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	60	10	
Southgate*	Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	60	10	
Cary	Large Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	Blue indicates library hour changes not associated with this expansion.
Green Road	Large Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Leesville	Large Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Richard B. Harrison	Large Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Holly Springs	Large Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Middle Creek	Large Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Wake Forest	Large Community	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Cameron Village	Regional	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Eva Perry	Regional	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
North	Regional	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Northeast	Regional	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
West	Regional	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
East	Regional	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Southeast	Regional	9:00-9:00	9:00 - 6:00	1:00-5:00	70	68	2	
Totals					1400	1312	88	

WAKE COUNTY

77

Ms. Venditto said that Community Services is requesting positions to investigate illegal dumping on open space properties.

Mr. Warren said that there was a non-compliant car junk yard that has been cleaned up, so the additional resources will assist with illegal use of open space.

### Limited PROS resources leading to illegal and unauthorized use of open space land

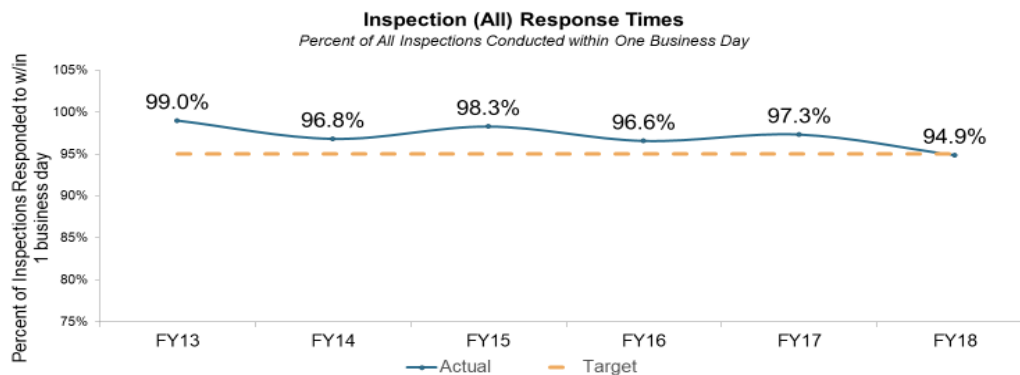
- County manages 7,843 acres across 120 open space properties
- Lack of oversight has led to 493 identified illegal/unauthorized uses on open space property



WAKE COUNTY

78

### Target response rate for inspections is 95% within one business day



WAKE COUNTY

79

Ms. Venditto shared the Community Services requests.



## Community Services Requests Under Consideration

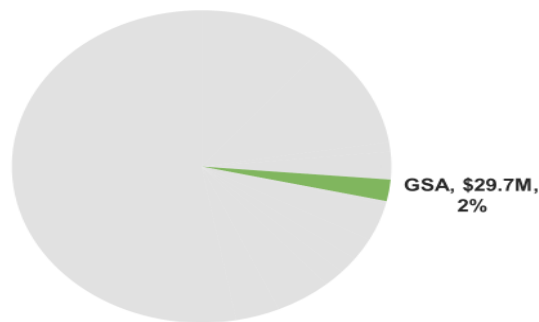
Requests	FTE	One-time	Ongoing	Total
Ensure new libraries opening in FY2020 have adequate staff for operations	4.50	-	466,000	776,000
Expand public access to libraries, including Sunday hours at all facilities	5.00		310,000	310,000
Maintain quality and preservation of 120+ County owned open space properties	4.00	50,000	217,000	267,000
Meet inspection response times and quality expectations for business community and municipal partners	2.00	52,000	195,000	247,000
Census, Next Generation Farming pilot year two, and GIS licenses	-	91,000	30,000	121,000
<b>Total</b>	<b>15.50</b>	<b>\$193,000</b>	<b>\$1,218,000</b>	<b>\$1,411,000</b>
<b>Corresponding Revenues</b>				<b>-</b>

WAKE COUNTY

80

Ms. Venditto shared the General Services information.

## General Services Expenditures



WAKE COUNTY

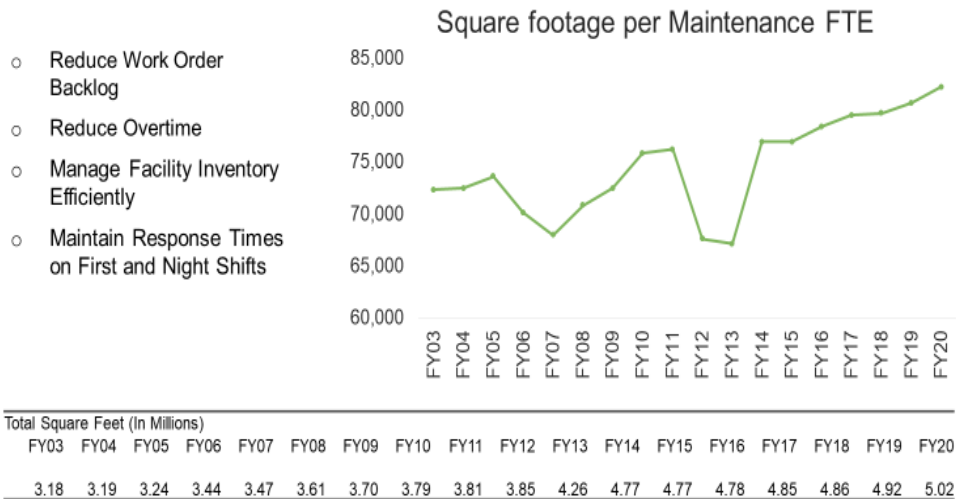
82

Ms. Venditto shared the GSA expansion request. Ms. Rogers said that the library security is contracted.

## Expansions Requested – GSA

Division	FTE	One-time	Ongoing	Total	% Change from FY 2019 Adopted
Physical Plant	5.00	176,000	419,000	595,000	6.83%
Facility and Field Services	3.00	149,000	379,000	528,000	6.86%
Utilities	-	-	387,000	387,000	6.61%
Safety and Security	-	-	118,000	118,000	3.31%
GSA Administration	-	-	9,000	9,000	0.31%
<b>Total</b>	<b>8.00</b>	<b>\$325,000</b>	<b>\$1,312,000</b>	<b>\$1,637,000</b>	<b>5.51%</b>
<b>Corresponding Revenues</b>				-	

## GSA staff needed to maintain increased, complex, and 24-hour facility inventory



WAKE COUNTY

84

Ms. Venditto shared the information about mandated inspections.

## GSA resources needed to complete new mandated environmental inspections

- o GSA is responsible for monitoring and inspecting stormwater control measure devices (SCM) and Underground Storage Tanks (UST) per State requirements
- o 50 SCM Devices, 9 UST Devices

Device	Inspection Type	Previous Requirement	New Requirement (2017)	New Inspections
SCM	Annual	X		
SCM	Monthly		X	600
SCM	Post-Event Rainfall exceeding 1"		X	200
UST	Annual	X		
UST	Monthly		X	108

Community Services Center SCM



WAKE COUNTY

85

Ms. Venditto shared the General Services Requests under consideration.

## General Services Requests Under Consideration

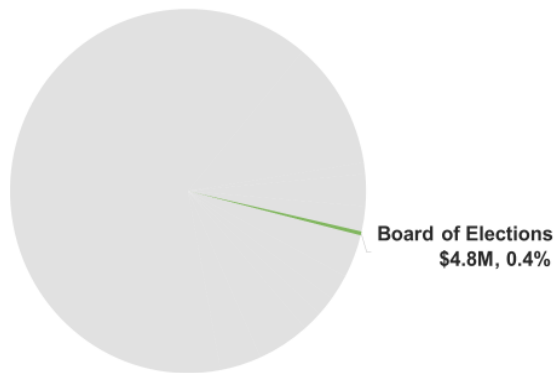
Requests	FTE	One-time	Ongoing	Total
Meet maintenance demands of additional and increasingly complex building inventory and State stormwater inspection requirements	8.00	325,000	578,000	903,000
Respond to increased cost of doing business - utility rate and labor market increases	-	-	342,000	342,000
Fund security, maintenance, and utility costs at new libraries and public safety facilities	-	-	262,000	262,000
Implement Board of Commissioners work session video streaming	-	-	15,000	15,000
<b>Total</b>	<b>8.00</b>	<b>\$325,000</b>	<b>\$1,196,000</b>	<b>\$1,522,000</b>
<b>Corresponding Revenues</b>				-

WAKE COUNTY

86

Ms. Venditto shared the Board of Elections expenditure and expansion request information.

## Board of Elections Expenditures



WAKE COUNTY

88

## Expansions Requested – Board of Elections

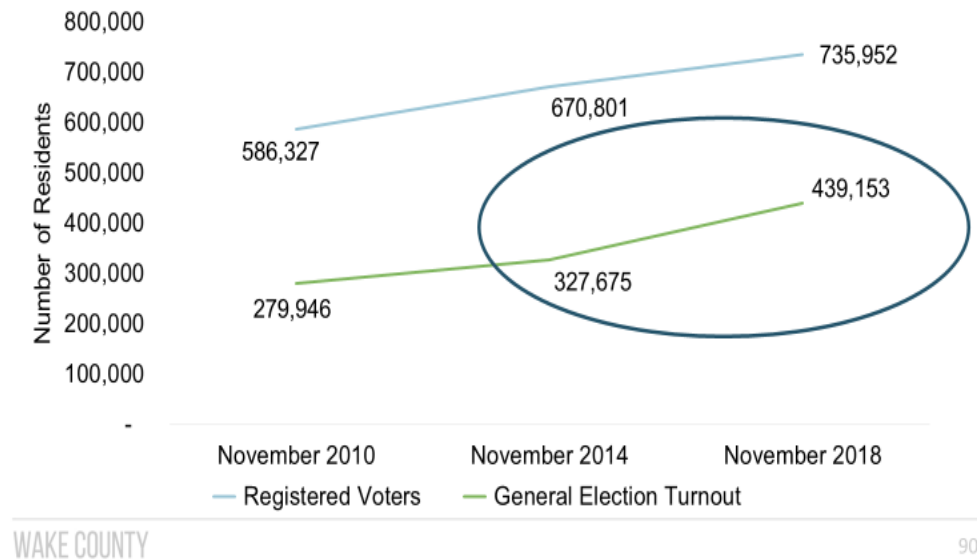
Division	FTE	One-time	Ongoing	Total	% Change from FY 2019 Adopted
Board of Elections	9.00	3,287,000	814,000	4,101,000	86.12%
Corresponding Revenues				\$1,787,000	

WAKE COUNTY

89

She shared the Board of Elections volume increase information.

## Board of Elections saw a 34% volume increase in election turnout over past 4 years



Ms. Venditto shared the state legislative changes for the Board of Elections workload.

## State legislative changes have increased Board of Elections workload

- Recent changes to N.C.G.S. 163A:
  - Mandate that County Board of Elections issue voter photo ID cards upon request to registered voters
  - Change absentee ballot process to include requirement for photocopy of ID
  - Introduce new early voting requirements
    - 7 am – 7 pm weekday early voting hours
    - Standardized early voting schedule across locations
- Reorganization of County Board of Elections added 4<sup>th</sup> board member in FY18 and 5<sup>th</sup> board member in FY19

WAKE COUNTY

91

Ms. Venditto shared the Board of Elections requests.

## Board of Elections Requests Under Consideration

Requests	FTE	One-time	Ongoing	Total
Ensure operating resources for the fall municipal and March presidential primary elections	-	3,233,000	-	3,233,000
Support new absentee ballot legislation, early voting hour changes, and polling equipment maintenance improvements	6.00	24,000	638,000	662,000
Implement new State mandate requiring BOEs to issue voter-requested photo IDs	3.00	30,000	176,000	206,000
<b>Total</b>	<b>9.00</b>	<b>\$3,287,000</b>	<b>\$814,000</b>	<b>\$4,101,000</b>
<b>Corresponding Revenues (municipal election reimbursements)</b>		<b>\$1,787,000</b>	<b>-</b>	<b>\$1,787,000</b>

WAKE COUNTY

92

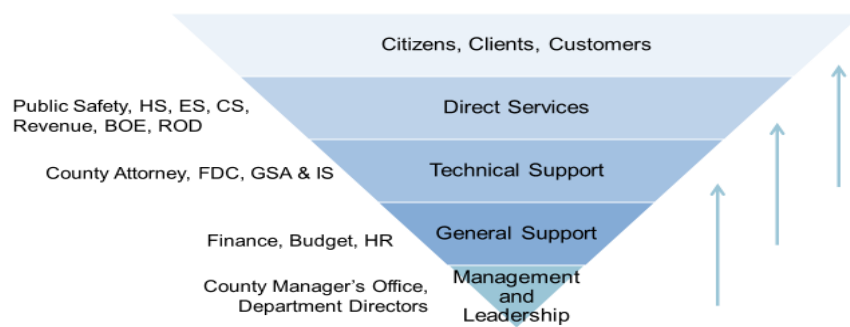
Ms. Rogers said the \$3,287,000 includes payments for elections officials, contractor costs for transport of voting machines, and additional staffing for one-stop voting sites. Commissioner West asked about the additional cost due to the changes to the voter ID law and the recent judicial ruling against the voter ID amendment.

Ms. Michelle Burgess, Budget and Management Analyst, said that the judge's decision overturned the voter ID amendment, but the following December legislation implementing the voter ID was still in place. She said the December legislation is what mandated that Wake County Board of Elections issue voter ID.

Ms. Lucas said that the current legislation language indicates that Wake County has to provide an identification for voters at no cost. Ms. Rogers said that the Communications Office is working with the Board of Elections for the marketing of the identification requirements. Mr. Ellis said that Wake County is prepared for the additional cost providing that it will be required. Ms. Rogers indicated that the Wake County Board of Elections works under the direction of the State Board of Elections. She indicated that the state provides the machines, and the county is responsible for providing the staffing for producing the identification.

Ms. Venditto shared the General Government Service Delivery Pyramid.

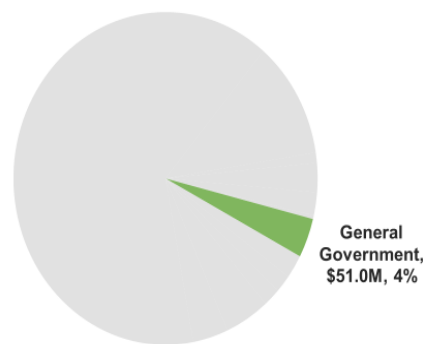
### General Government Service Delivery Pyramid



WAKE COUNTY

93

### General Government Expenditures



WAKE COUNTY

94

Ms. Venditto shared the expansions requested.

## Expansions Requested – General Government

Department	FTE	One-time	Ongoing	Total	% Change from FY 2019 Adopted
Information Services	7.00	103,000	2,440,000	2,543,000	14.26%
Human Resources	13.00	162,000	1,269,000	1,431,000	44.43%
Revenue	3.00	7,000	636,000	643,000	6.28%
Facilities, Design & Construction	3.00	25,000	398,000	423,000	25.39%
County Manager	1.00	2,000	109,000	111,000	5.62%
Budget & Management Services	1.00	5,000	105,000	110,000	10.62%
Board of Commissioners	-	-	50,000	50,000	8.06%
County Attorney	-	-	43,000	43,000	1.46%
Communications Office	-	-	11,000	11,000	1.03%
Quasi-Governmental	-	-	6,000	6,000	0.76%
<b>Total</b>	<b>28.00</b>	<b>\$304,000</b>	<b>\$5,067,000</b>	<b>\$5,371,000</b>	<b>12.98%</b>
<b>Corresponding Revenues</b>				-	

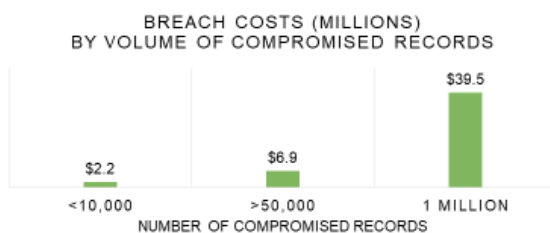
WAKE COUNTY

95

Commissioner West asked about the quasi-government ongoing cost listed in the chart. Ms. Venditto said that it Soil and Water and Cooperative Extension.

Ms. Venditto shared the Information Services security challenges.

## Information security challenges



### ROOT CAUSES OF DATA BREACHES



**31,465**

Average Number of Records  
Compromised per Data Breach (US)

Average Cost per Compromised Record	\$148
Incident Response Team	-\$14
Extensive use of Encryption	-\$13.1
Employee Training	-\$9.3
Artificial Intelligence Security Platform	-\$8.2
Use of Security Analytics	-\$6.9
CISO Appointed	-\$6.5
Data Classification Schema	-\$5.1
<b>Estimated cost based on security controls</b>	<b>\$84.9</b>

\*Based on 2018 Cost of a Data Breach Study by Ponemon Institute LLC

WAKE COUNTY

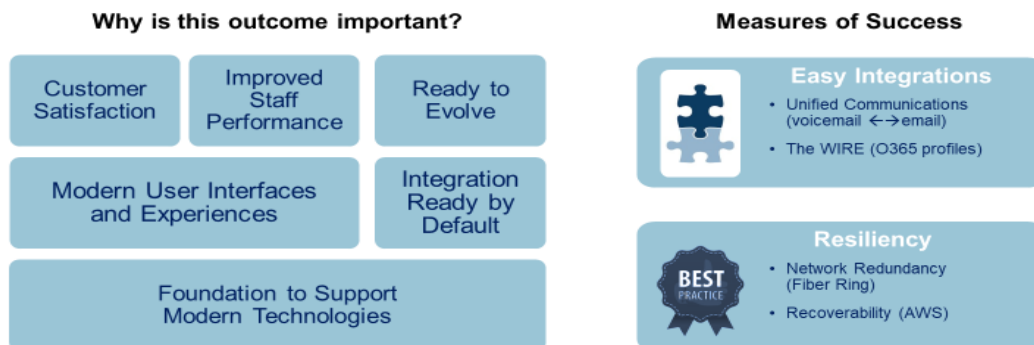
97



Mr. Greeves said that Atlanta has \$38 million in recovery costs.

She shared the Information Services request.

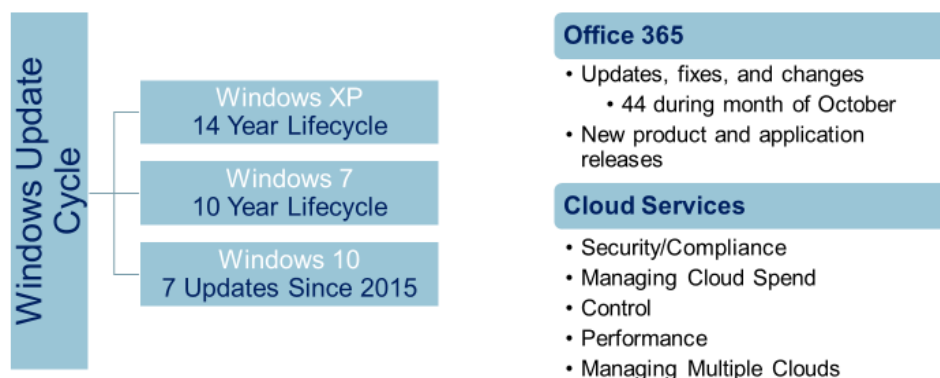
## Information Services seeks to implement methods to increase resiliency and modernize processes



WAKE COUNTY

98

## Largest challenge is the rate of change for enterprise systems



WAKE COUNTY

99

She shared the Information Services requests.

## Information Services Requests Under Consideration

Requests	FTE	One-time	Ongoing	Total
Improve IT infrastructure and security to protect County data assets	2.00	7,000	1,112,000	1,119,000
Technology/ Automation CIP commitments	-	36,000	827,000	863,000
Ensure expert support for critical new and expanded systems (i.e. permitting system, document management)	2.00	7,000	230,000	237,000
Keep pace with growth in internal service demands.	2.00	50,000	166,000	216,000
Technology/ Automation CIP staffing	1.00	3,000	105,000	108,000
<b>Total</b>	<b>7.00</b>	<b>\$103,000</b>	<b>\$2,440,000</b>	<b>\$2,543,000</b>
<b>Corresponding Revenues</b>				<b>-</b>

WAKE COUNTY

100

She shared the revenue requests that are under consideration.

## Revenue Requests Under Consideration

Requests	FTE	One-time	Ongoing	Total
Increased cost from NCDMV for notice and collection of property tax assessments for vehicles	-	-	450,000	450,000
Support 4-year reappraisal cycle	3.00	7,000	186,000	193,000
<b>Total</b>	<b>3.00</b>	<b>\$7,000</b>	<b>\$636,000</b>	<b>\$643,000</b>
<b>Corresponding Revenues</b>				<b>-</b>

- Revaluation planned for 2020, switching the county from an 8-year to a 4-year revaluation cycle
  - Revaluation plan calls for adding 2 real estate residential appraisers and 1 revenue agent in FY20 to help manage shorter revaluation cycle
- State has increased the Tax and Tag DMV fees passed on to local governments

WAKE COUNTY

101

She shared the Facilities, Design, and Construction requests that are under consideration.

## Facilities, Design, & Construction Requests Under Consideration

Request	FTE	One-time	Ongoing	Total
Meet increased workload and project complexity, driven by current and planned CIP projects	3.00	25,000	398,000	423,000
<b>Total</b>	<b>3.00</b>	<b>\$25,000</b>	<b>\$398,000</b>	<b>\$423,000</b>
<b>Corresponding Revenues</b>				<b>-</b>

- Current workload of real estate and project management staff exceeds industry standards
- FD&C staff lead large County capital projects including PGROS Bond, Human Services Master Plan, and monitoring of WCPSS capital plans

WAKE COUNTY

102

Ms. Venditto shared the remaining General Government requests.

## Remaining General Government Requests Under Consideration

Requests	FTE	One-time	Ongoing	Total
Human Resources – Continue to effectively and efficiently manage employee benefits, compensation, and critical HR systems	3.00	22,000	327,000	349,000
County Manager's Office - Communication Manager to help the Board of Commissioners with speechwriting and social media	1.00	2,000	109,000	111,000
Budget and Management Services - Respond to growth in size and complexity of Wake County budget and coordination and decision making activities	1.00	5,000	105,000	110,000
Board of Commissioners operations	-	-	50,000	50,000
County Attorney – Resources for increased public records requests, real estate and outside legal services	-	-	43,000	43,000
Communications – Implement technologies to enhance project and digital media asset management	-	-	11,000	11,000
Soil & Water Conservation District operations	-	-	6,000	6,000
<b>Total</b>	<b>5.00</b>	<b>\$29,000</b>	<b>\$651,000</b>	<b>\$680,000</b>
<b>Corresponding Revenues</b>				<b>-</b>

WAKE COUNTY

103

## General Government Requests Under Consideration

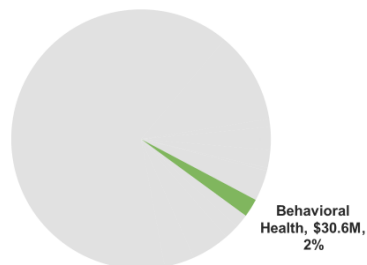
Department	FTE	One-time	Ongoing	Total
Information Services	7.00	104,000	2,440,000	2,544,000
Revenue	3.00	7,000	636,000	643,000
Facilities, Design, and Construction	3.00	25,000	398,000	423,000
Human Resources	3.00	22,000	327,000	349,000
County Manager	1.00	2,000	109,000	111,000
Budget & Management Services	1.00	5,000	105,000	110,000
Board of Commissioners	-	-	50,000	50,000
County Attorney	-	-	43,000	43,000
Communications Office	-	-	11,000	11,000
Quasi-Governmental	-	-	6,000	6,000
<b>Total</b>	<b>18.00</b>	<b>165,000</b>	<b>4,125,000</b>	<b>4,290,000</b>
<b>Corresponding Revenues</b>				

WAKE COUNTY

104

Ms. Venditto shared the Behavioral Health Expenditures.

### Behavioral Health Expenditures



WAKE COUNTY

105

## Behavioral Health Requests Under Consideration

	One-time	Ongoing	Total
Behavioral health pilot programs to expand access	2,125,000	-	2,125,000
Behavioral health treatment	140,000	250,000	390,000
Behavioral health administration with Alliance	250,000	28,000	278,000
<b>Total</b>	<b>\$2,515,000</b>	<b>\$278,000</b>	<b>\$2,793,000</b>
<b>Corresponding Revenues</b>			<b>\$2,793,000</b>

WAKE COUNTY

106

She shared the information about maintaining and starting new projects for Behavioral Health.

## Plan to use \$2.8 million of fund balance to maintain and start new projects for Behavioral Health

- Healing Transitions – 22% increase in unduplicated individuals with substance use disorders and homelessness
- Consultant Contracts - implementation of the Behavioral Health Plan
- Behavioral Health Urgent Care – enhancement of existing Open Access Program to provide triage, referral, and initial treatment to avoid crisis facilities
- Flex Funds - funding for services and individuals not covered under other programs
- Oak City Cares Behavioral Health - onsite professional and telemedicine services
- Mobile Crisis for First Responders – crisis management, de-escalation, and mental health first aid to reduce transport to facility
- Oak City Cares Behavioral Health - onsite professional and telemedicine services
- Independent Living – stabilization of Familiar Faces leaving institutions through 8 efficiency units and 3-5 month stays
- School-based Mental Health – enhancement of existing care coordinators to focus on pre-K, K, and intellectually/developmentally disabled children, family engagement
- Administrative Support - management and monitoring of the new County allocations

WAKE COUNTY

107

Commissioner West asked about the mobile crisis for first responders. Ms. Denise Foreman, Assistant County Manager, explained that the mobile crisis for first responders is a partnership between the behavioral health provider and Wake County EMS. She said that when Wake County EMS receives an emergency call that requires behavioral health assistance, then a behavioral health provider is contacted to assist. The behavioral health provider then follow-up within 30 days.

### Fund balance is the revenue source for Behavioral Health requests

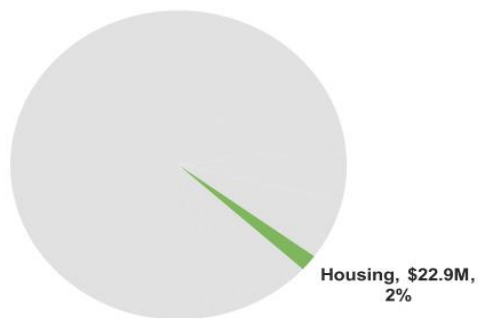
Requested Projects	Planned and Requested Use of Fund Balance	Remaining Fund Balance
<b>FY19 Beginning Fund Balance</b>		\$14,869,835
FY19 Adopted Budget Expansions	(\$3,517,140)	\$11,352,695
<b>Project Uses</b>		
Permanent Supportive Housing	(\$8,000,000)	\$3,352,695
<b>FY20 Budget Expansions</b>		
FY20 Budget Request	(\$2,792,600)	\$560,095

WAKE COUNTY

108

Ms. Venditto shared the housing expenditures information.

### Housing Expenditures

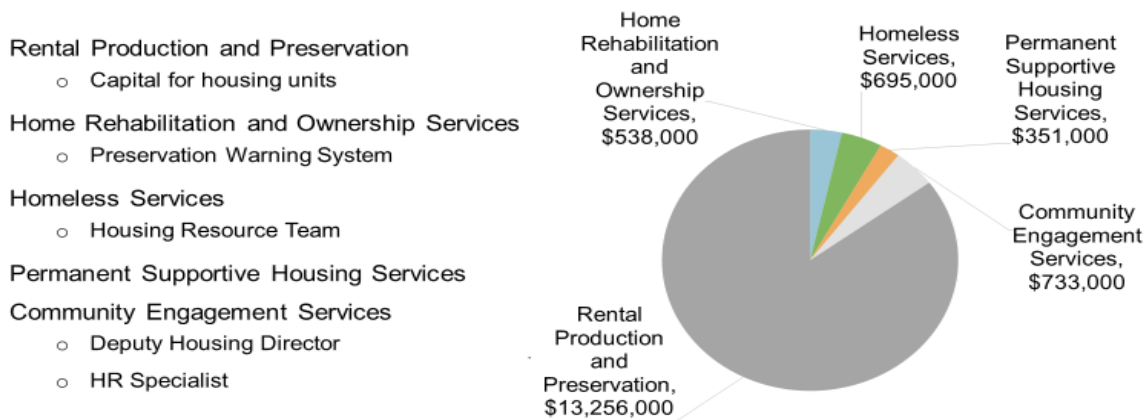


WAKE COUNTY

109

Ms. Venditto shared the information about \$15 million that housing will use to maintain and start new projects.

### Housing to use \$15 million to maintain and start new projects

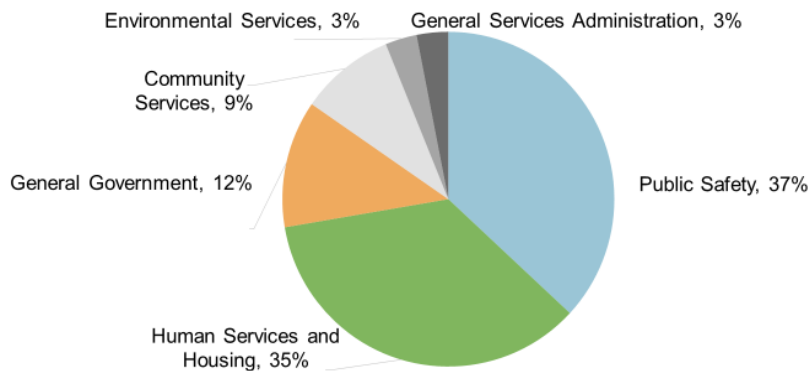


WAKE COUNTY

110

Ms. Venditto shared the pay and compensation information.

### Cost of 3% performance pay increase allocated by expenditure function totals \$6.65 million for ¾ year



WAKE COUNTY

112

Ms. Venditto shared the Pay and Class study process. Commissioner West asked if turnover is tracked. Ms. Rogers said the rate of turnover for Wake County is 10 percent. She said that the pay and class structure has not been updated since 2003 and there will be adjustments to the pay and class study when it is completed.

## Pay & Class Study In Process

### Goal: Create a Modern Classification and Compensation Structure

- Analyze and propose changes to job classifications
- Survey and benchmark peer organizations to determine competitiveness of county salaries
- Develop new pay ranges for new classification structure as well as
  - Address how employees progress through pay ranges
  - Develop strategy to address Living Wage increases within new classification schedules

**Impacts of study on pay not yet know – current placeholder of \$2 million for costs of implementing**

WAKE COUNTY

113

Ms. Venditto shared the county departments expansion requests for consideration.

## County Department Expansion Requests Under Consideration

FY20 Requests			FY20 Under Consideration	
Function	FTE	Cost	FTE	Cost
County Operations	165.25	26,878,000	132.00	23,020,000
Behavioral Health	-	2,793,000	-	2,793,000
Public Agencies	-	1,320,000	-	1,320,000
Pay and Compensation	-	8,650,000	-	8,650,000
<b>Total</b>	<b>165.25</b>	<b>\$39,641,000</b>	<b>132.00</b>	<b>\$35,783,000</b>
<b>Corresponding Revenues</b>		<b>\$5,148,000</b>		<b>\$4,976,000</b>

WAKE COUNTY

114

Commissioner Evans asked about the Behavioral Health requests from fund balance. Ms. Rogers said that if Alliance Behavioral Healthcare does not use all of the county's appropriation then the county retains it and the appropriation is used for future behavioral health initiatives.



Vice-Chair Ford asked about the Supportive Housing budget. Mr. Paige said that he is working with Ms. Lorena McDowell, Director of Housing, and there will be a request for proposal drafted and a request made before the Board of Commissioners in May 2019.

Ms., Rogers indicated that the figures presented today represent projections, and they would be allocated appropriately at a later date.

## Public Agencies request increases of \$1.3 million

Agency	FY19 Budget	FY20 Total Request	FY20 Change	% Change
Wake County SmartStart	1,189,000	2,405,000	1,216,000	50.6%
Marbles	650,000	650,000	-	
Wake County Arts Council	511,000	550,000	39,000	7.1%
Universal Breakfast	221,000	221,000	-	
Communities in Schools	100,000	155,000	55,000	35.5%
North Carolina Symphony	100,000	100,000	-	
InterAct	100,000	100,000	-	
East Wake Education Foundation	50,000	55,000	5,000	9.1%
Interfaith Food Shuttle	25,000	30,000	5,000	16.7%
Food Bank of Eastern & Central NC	12,000	12,000	-	
<b>Total</b>	<b>2,958,000</b>	<b>4,278,000</b>	<b>1,320,000</b>	<b>30.9%</b>

Organizations will present progress and requests at the Board Work Session on March 11

WAKE COUNTY

115

Commissioner Calabria said the Food Security Workgroup worked to change the Universal Breakfast funding to benefit the 25 most underprivileged schools with free and reduced priced lunch. He said there is discussion about expanding services to the high need schools that do not have Universal Breakfast.

Chair Holmes said that Wake County Smart Start is supportive in the expansion of Pre-K. She said that she will meet with Mr. Jim Hansen, Chair, Greater Raleigh Chamber of Commerce Board of Directors, to discuss a partnership with PNC Bank for the expansion of Pre-K services.

Commissioner Adamson asked for a list of non-profit and public agencies that receive Wake County funding. Mr. Ellis said the county has contracts with agencies and this information could be provided to the board.

Commissioner West said years ago, there were grants available to non-profits and during the recession that was eliminated.

Commissioner Hutchinson said that Wake Ignite held an event and there is a “Watch Wake County” initiative for Economic Development that will be extended through the municipalities.

Commissioner West said that he has had connections with “Launch Raleigh.” He said that it is important to connect with organizations that compliment Wake County’s initiatives.

Chair Holmes asked if there had been a funding request for the Boys and Girls Club. Ms. Venditto said last year’s request was for one-time funding. Chair Holmes asked staff if they have received a request for funding from Wake Smiles. Ms. Venditto said that she had not received a request, but staff would follow up with them.

Ms. Lucas said that a process should be developed to provide better communication about the public agency process.

Mr. Ellis said the previous program had a funding pool and further discussion is needed to clarify the process.

Vice-Chair Ford said evaluation of investment of county funds needs to be considered by the board. Ms. Rogers said this information would be provided to the board Monday at the Work Session.

Commissioner Evans said that all the requests are worthy of funding and agreed that metrics are needed in order to consider them for funding.

A break was taken for lunch.

Ms. Venditto shared the County Operations forecast.

## County Operations forecast increases approximately \$10 million per year

(in millions)	2020	Projections			
		2021	2022	2023	2024
<b>Revenue Forecast</b>	\$1,417	\$1,450	\$1,483	\$1,516	\$1,550
<b>Expenditure Forecast</b>					
County Operations	\$526	\$537	\$548	\$559	\$570

### Expenditure Forecast Assumptions

County Operations	Under Consideration	FY20 Per Capita - \$471
-------------------	---------------------	-------------------------

WAKE COUNTY

116

Ms. Venditto shared Wake Tech's operating requests.

## Wake Tech's recurring operating request includes required and discretionary items

Request	Costs
New Personnel requested to address growth in County funded programming and services	\$486,000
Campus-Wide Custodial, Building Maintenance, and Utility increases	\$409,000
Building Maintenance Service Level Increase	\$287,000
License increases for enterprise software (Office, Cisco VOIP)	\$277,000
Merit Increases for County Funded Personnel	\$180,000
Utility and Maintenance Costs associated with the new Ready Hall addition and Vernon Malone CCA	\$79,000
<b>Total</b>	<b>\$1,718,000</b>

WAKE COUNTY

118

Chair Holmes asked if the pay increases for the schools were in line with Wake County's increases. Mr. Michael Gammon, Senior Budget and Management Analyst, said Wake County Public Schools pay increases are in line with the state. Ms. Rogers indicated the state pay increase recommendation is 2 percent.

# Wake Tech Operating Request

## Facilities - \$775,000

College-wide increases in electric utilities

College-wide increases in custodial and building maintenance contracts

Service level increase for college-wide building maintenance contracts

Service and inspection contracts for Uninterrupted Power Supply (UPS) System

Vernon Malone College and Career Academy service contracts for maintenance of specialty career training machinery

Ready Hall utility, custodial, and maintenance costs associated with the building's new addition

## Information Technology Services - \$277,000

College-wide software licenses

WAKE COUNTY

119

Chair Holmes asked how Wake Tech's tuition and fee for service is factored into their budget. Ms. Venditto said their tuition and fees are in their academic program budget. She said Wake County is responsible for the facilities and infrastructure. She said that the state supports some of the technology funding, but she would check the statute for clarification.

Commissioner Hutchinson asked about the upgrades in Information Technology Infrastructure at Human Services. Mr. Greeves said that there are continual upgrades with the technology infrastructure in Human Services. Ms. Rogers said the funding is in the Capital Budget.

# Wake Tech Operating Request

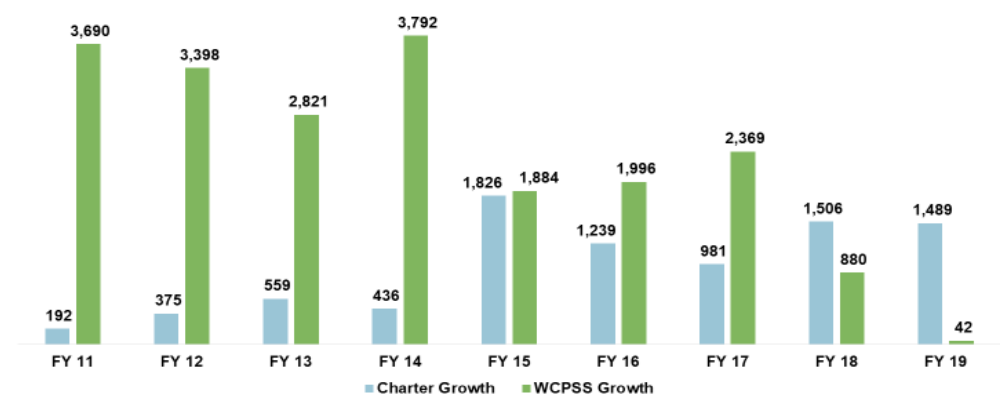
## Personnel- \$666,000

- **Five (5.0 FTE) positions requested to address College-wide growth in County funded programming and services - \$486,000**
  - Facilities – Construction Observer
  - ITS – Applications Analyst II
  - ITS – Helpdesk Analyst II
  - ITS – Engineer III
  - ITS – Project Manager
- **2% Compensation Increase for County funded personnel - \$180,000**

Ms. Venditto shared the enrollment growth patterns for Wake County Public Schools. She said that last year’s per pupil funding was the highest since the early 2000s.

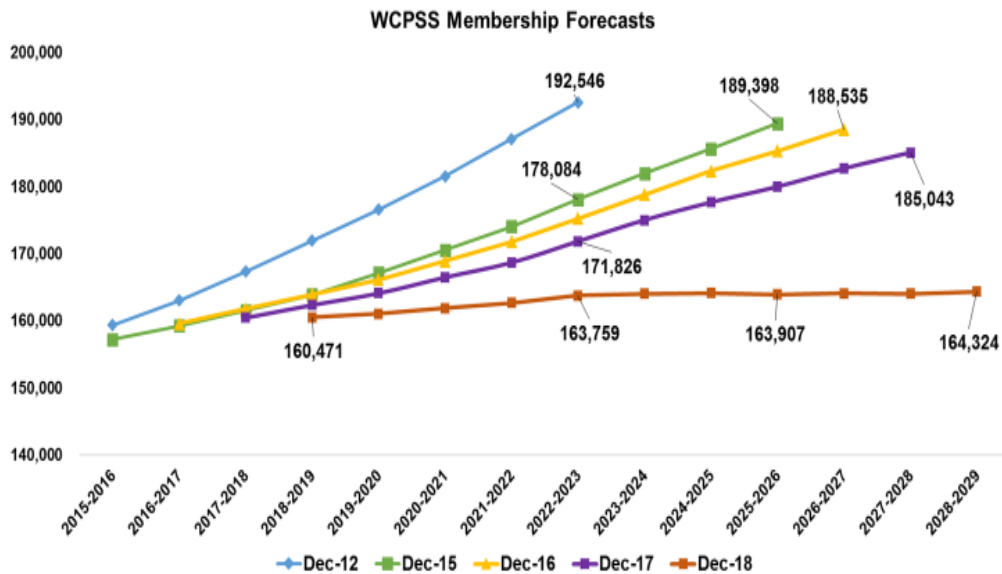
Commissioner Evans asked if enrollment numbers are adjusted based on inflation. Ms. Venditto said those numbers are adjusted.

## Enrollment growth patterns have changed over time as more charters enter the market



Ms. Venditto shared the enrollment growth forecast and per-pupil funding information.

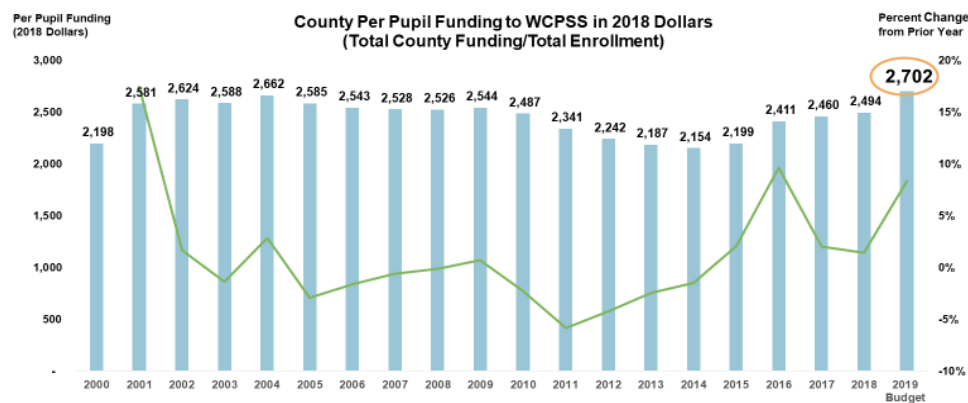
## Enrollment growth forecast reflects slower growth in school age population



WAKE COUNTY

123

## FY 2019 per pupil funding reflects highest level since early 2000's



WAKE COUNTY

124

Ms. Venditto shared the information about establishing a process for WCPSS local budget funding.

## In establishing a process for WCPSS local budget funding, we strive to ...

- Keep it simple
- Use variables that are easy to agree upon and are known at the time budgets are developed
- Components used to develop a preliminary base budget:
  1. Prior year actual per pupil amounts
  2. Enrollment projection, including an estimate for charters
  3. Inflation
  4. Facility costs for opening new schools

WAKE COUNTY

125

Ms. Venditto shared the per pupil data and appropriation.

## Start with FY 2019 actual per pupil data and appropriation

	FY 19 Budget	FY 19 Actual	Above/(Below) Budget
	July 2018	March 2019	
<b>A. Per Pupil Funding</b>	<b>\$2,702.29</b>	<b>\$2,702.29</b>	<b>-</b>
WCPSS Membership	162,327	160,471	(1,856)
Charter Membership	13,787	13,809	22
<b>B. Total Membership</b>	<b>176,114</b>	<b>174,280</b>	<b>(1,834)</b>
<b>C. Total Funding</b>	<b>\$475,911,000</b>	<b>\$470,955,101</b>	<b>\$(4,955,899)</b>
Enrollment Reserve	\$(5,404,578)	-	
<b>Total Appropriation to WCPSS</b>	<b>\$470,506,422</b>	<b>\$470,955,101</b>	<b>\$448,679</b>

WAKE COUNTY

126

Ms. Venditto shared the enrollment projection. Vice-Chair Ford asked if the enrollment projection was from the school system. Ms. Venditto confirmed that Wake County Public Schools provides the projection.

## Funding for enrollment projections increases estimated FY 2020 WCPSS funding by \$6.6 million

	FY 19 Actual	FY 20 Projection	Increase from FY 2019
<b>A. Per Pupil Funding</b>	<b>\$2,702.29</b>	<b>\$2,702.29</b>	<b>-</b>
WCPSS Membership	160,471	161,030	559
Charter Membership	13,809	15,701	1,892
<b>B. Total Membership*</b>	<b>174,280</b>	<b>176,731</b>	<b>2,451</b>
<b>C. Total Funding</b>	<b>\$470,955,101</b>	<b>\$477,578,414</b>	<b>\$6,623,313</b>

WAKE COUNTY

127

Ms. Venditto shared the accounting information based on inflation.

## Accounting for inflation increases estimated FY 2020 WCPSS funding by an additional \$10.6 million

### Data Source

U.S. Department of Labor, Annual  
Consumer Price Index (CPI) for All Urban  
Consumers

Area: South Urban

Year	2017	2018	Increase	% Change
CPI	237.456	242.737	5.281	2.22%

For FY 2020, 2018 would be the most  
recent known annual CPI

Inflation used would be **2.22%** for FY 2020

### Calculation for FY 2020

FY 2019 Per Pupil	\$2,702.29
Inflation (CPI)	2.22%
<b>Inflation Adjusted Rate</b>	<b>\$2,762.39</b>
FY 2020 Per Pupil	\$2,762.39
FY 2019 Per Pupil	\$2,702.29
<b>Increase in Per Pupil</b>	<b>\$60.10</b>

Total Projected Enrollment X	176,731
<b>Cost to Fund Inflation</b>	<b>\$10,621,301</b>

WAKE COUNTY

128



## Several factors are accounted for in the costs of opening new schools

1

### Custodial

Standard Square Footage = 121,000

Cost per square foot = \$1.33

**Total Custodial = \$160,930**

2

### Utilities

Standard Square Footage = 121,000

Cost per square foot = \$1.31

**Total Utilities = \$158,510**

3

### Building Maintenance

Standard Square Footage = 121,000

Cost per square foot = \$0.89

**Total Maintenance = \$107,690**

4

### Grounds Maintenance

Standard Acreage = 20 acres

Cost per acre = \$863

**Total Grounds = \$17,260**

Total **County** Cost for opening a standard elementary school = **\$444,390**

WAKE COUNTY

129

## Funding for new schools increases estimated FY 2020 WCPSS allocation by an additional \$2.5 million

1 Elementary School (Parkside)	\$444,390
1 Middle School (Alston Ridge)	\$781,310
1 High School (Green Level)	\$1,304,852
<b>Additional Funding for New School Facility Costs</b>	<b>\$2,530,552</b>

Cost assumptions provided by WCPSS in July 2018.

WAKE COUNTY

130

Commissioner Evans said that the funding is to maintain the current level of service, inflation, and required expenditures to support the three new schools. Ms. Venditto said this is correct. Mr. Ellis said that the schools will present their budget April 2, 2019.

**The base calculation results in an increase of \$74 per student**

**Fund Growth**

**\$6.6 million**

**Fund Inflation**

**\$10.6 million**

**Fund New Schools**

**\$2.5 million**

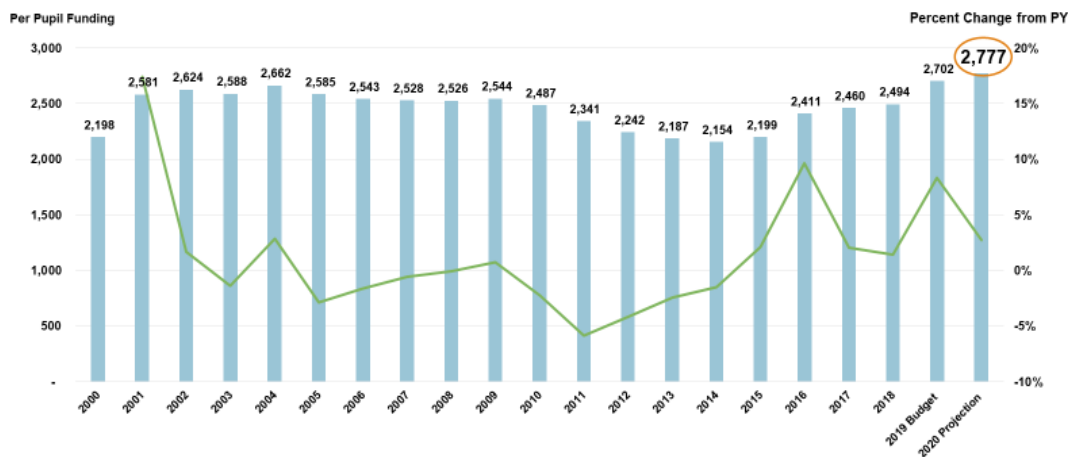
**Combined Total = \$19.7 million**

	FY 19 Actual	FY 20 (Growth + Inflation +New Schools)	Increase
<b>A. Per Pupil Funding</b>	<b>\$2,702.29</b>	<b>\$2,776.71</b>	<b>\$74</b>
WCPSS Membership	160,471	161,030	559
Charter Membership	13,809	15,701	1,892
<b>B. Total Membership*</b>	<b>174,280</b>	<b>176,731</b>	<b>2,451</b>
<b>C. Total Funding</b>	<b>\$470,955,101</b>	<b>\$490,730,735 \$</b>	<b>\$19,775,634</b>

WAKE COUNTY

131

**Projected FY 2020 per pupil funding is \$2,777**



WAKE COUNTY

132

Ms. Venditto shared the education forecast increases.

## Education forecast increases approximately \$20 million per year

(in millions)	2020	Projections			
		2021	2022	2023	2024
<b>Revenue Forecast</b>	\$1,417	\$1,450	\$1,483	\$1,516	\$1,550
<b>Expenditure Forecast</b>					
County Operations	\$526	\$537	\$548	\$559	\$570
Wake Tech - Operating	\$25	\$25	\$26	\$26	\$27
WCPSS - Operating	\$491	\$508	\$525	\$545	\$565

### Expenditure Forecast Assumptions

County Operations	Under Consideration	FY20 Per Capita - \$471
Wake Tech - Operating	Request	FY20 Per Capita - \$22
WCPSS - Operating	Per Pupil with Inflation and New Schools	

WAKE COUNTY

133

Commissioner Calabria asked for clarification that the base for the school's request was typically based on the previous year's budget.

Commissioner Evans noted that the Board of Commissioners would consider the expansion requests after the upcoming budget hearings.

Commissioner West said that the Facilities Committee works together and asked if there are constant variables and criteria with the school's budget presentation. He said that relationship and trust is part of the process.

Commissioner Evans said there are predictable projections of the school's budget. She said the drivers could be state funding for positions, retirement contributions, benefits, or decisions by the legislature. She said there is a business case for each area and vary from year to year.

Mr. Ellis said he and Ms. Cathy Moore, School Board Superintendent, are working together and there will be a transparent budget to come forward from the Board of Education.

Ms. Venditto shared the debt and capital transfer information.

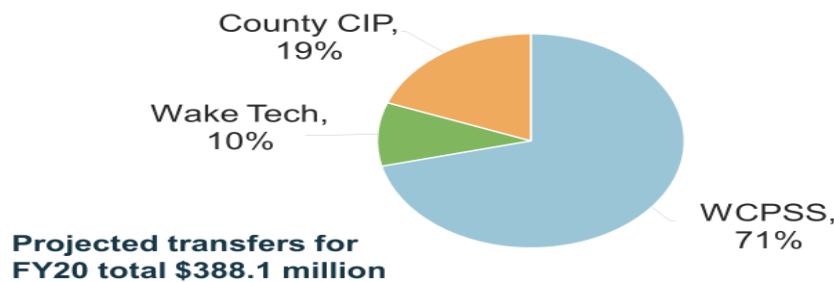
## Debt and Capital Transfers

The County transfers a portion of property and sales tax, on an annual basis, to support debt service payments and PAYGO funding for WCPSS, Wake Tech and County Capital Improvement Programs.

WAKE COUNTY

134

### Debt and Capital Transfers allocated to WCPSS, Wake Tech and County CIP



WAKE COUNTY

135

Ms. Venditto shared the multi-year forecast regarding future debt and capital transfers based on the debt model.

### Multi-year forecast reflects future debt and capital transfers based on debt model

(in millions)	Projections				
	2020	2021	2022	2023	2024
<b>Revenue Forecast</b>	<b>\$1,417</b>	<b>\$1,450</b>	<b>\$1,483</b>	<b>\$1,516</b>	<b>\$1,550</b>
<b>Expenditure Forecast</b>					
County Operations	\$526	\$537	\$548	\$559	\$570
Wake Tech - Operating	\$25	\$25	\$26	\$26	\$27
WCPSS - Operating	\$491	\$508	\$525	\$545	\$565
Debt & Capital - County, WCPSS, Wake Tech	\$388	\$398	\$406	\$415	\$424

#### Expenditure Forecast Assumptions

County Operations	Under Consideration	FY20 Per Capita - \$471
Wake Tech - Operating	Request	FY20 Per Capita - \$22
WCPSS - Operating	Per Pupil with Inflation and New Schools	
Debt & Capital	Debt Model	

WAKE COUNTY

136

Ms. Venditto shared the revenue and expenditure assumptions.

## Revenue and expenditure assumptions drive the five-year projection

	FY20	FY21	FY22	FY23	FY24
Revenue Forecast Assumptions					
Property Tax	2.90%	12.00%*		2.00%	
Sales Tax		4.0%			3.5%
Other Revenue	Current Estimate			2.0%	
Expenditure Forecast Assumptions					
County Operations	Under Consideration	FY20 Per Capita - \$471			
WCPSS	Per Pupil with Inflation and New Schools				
Wake Tech	Request	FY20 Per Capita - \$22			
Debt & Capital Transfers	Debt Model				

\*12% growth in tax base includes reappraisal estimate; 2% is the projected growth after setting of revenue neutral tax rate

WAKE COUNTY

138

## Normal revenue growth is unable to accommodate forecasted scenario

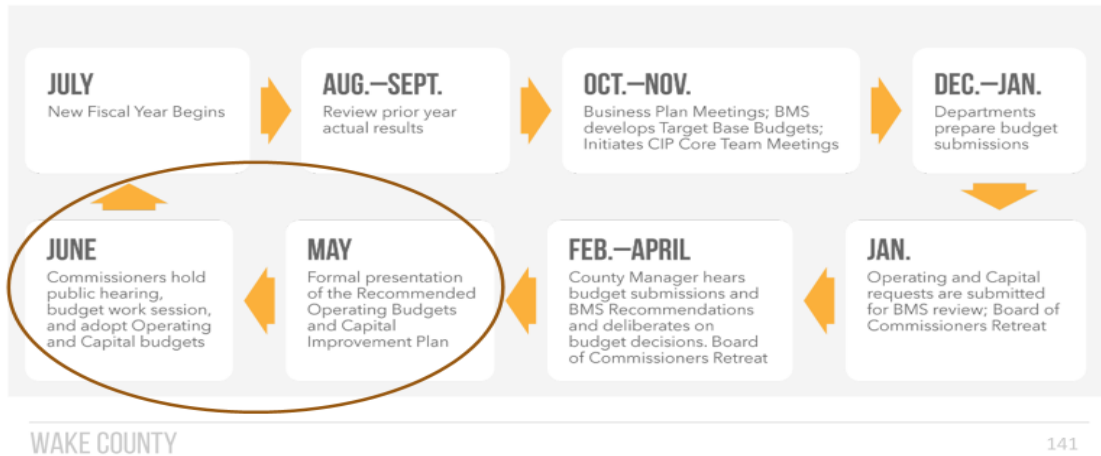
(in millions)	Projections				
	2020	2021	2022	2023	2024
<b>Revenue Forecast</b>	<b>\$1,417</b>	<b>\$1,450</b>	<b>\$1,483</b>	<b>\$1,516</b>	<b>\$1,550</b>
<b>Expenditure Forecast</b>					
County Operations	\$526	\$537	\$548	\$559	\$570
Wake Tech - Operating	\$25	\$25	\$26	\$26	\$27
WCPSS - Operating	\$491	\$508	\$525	\$545	\$565
Debt & Capital - County, WCPSS, Wake Tech	\$388	\$398	\$406	\$415	\$424
<b>Total Expenditure Forecast</b>	<b>\$1,430</b>	<b>\$1,468</b>	<b>\$1,505</b>	<b>\$1,545</b>	<b>\$1,585</b>
<b>Surplus (Gap)</b>	<b>-\$12</b>	<b>-\$18</b>	<b>-\$22</b>	<b>-\$29</b>	<b>-\$36</b>
Property Tax Revenue Per Penny	\$15.0	\$17.0	\$17.3	\$17.7	\$18.0
<b>Cumulative Increase in Tax Rate to Close Gap (cents)</b>	<b>0.83</b>	<b>1.07</b>	<b>1.27</b>	<b>1.65</b>	<b>1.99</b>
<b>Tax Increase Over Prior Year</b>	<b>0.83</b>	<b>0.34</b>	<b>0.22</b>	<b>0.41</b>	<b>0.36</b>

WAKE COUNTY

139

Ms. Venditto shared the next steps.

## Next Steps



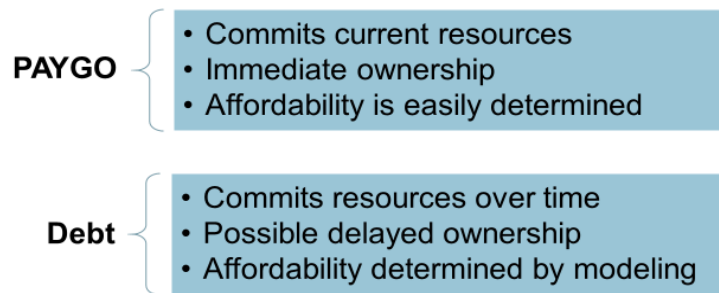
Mr. Todd Taylor, Debt Manager, shared the updates since 2018 board retreat.

## Updates since 2018 Board retreat

- **Successful 2018 bond referenda**
- **3.8¢ tax increase still supports these bonds**
- **No significant Model changes**
- **Continue to review future plans for County and Schools CIP and their impacts to Model**

He shared the differences between PAYGO and Debt.



## County meets its capital needs with PAYGO and Debt



WAKE COUNTY

163

## PAYGO or Debt? It depends on size, cost, and useful life...

PAYGO	Debt
<ul style="list-style-type: none"><li>✓ Smaller size and cost</li><li>✓ Short useful life and benefit</li><li>✓ Examples include technology, minor renovations, and FF&amp;E</li></ul>	<ul style="list-style-type: none"><li>✓ Significant size and cost</li><li>✓ Long useful life and benefit</li><li>✓ Part of multi-year program</li><li>✓ Examples include schools, parks, and major facilities</li></ul>
	

WAKE COUNTY

164

## Debt offers advantages for major assets

### Affordability

- Greater tax burden required to fund all major assets with cash
- AAA bond ratings ensure lowest cost of financing

### Flexibility

- Current resources (property tax and sales tax transfers) can address more priorities by spreading payments over time

### Intergenerational Equity

- Multiple generations that benefit from an asset should each pay a share over time

WAKE COUNTY

165

Mr. Taylor said because of Wake County's AAA rating, there is a guarantee for the best rate possible. He said on larger projects, there is a more singular source of funds. Expenses are occurred they are reimbursed through debt funds.

Ms. Lucas said that all of the school funds are not debt funded for all their capital programs. She said that some funds are cash funded such as technology because of its useful life.

Mr. Taylor shared the different types of debt that is issued by Wake County.

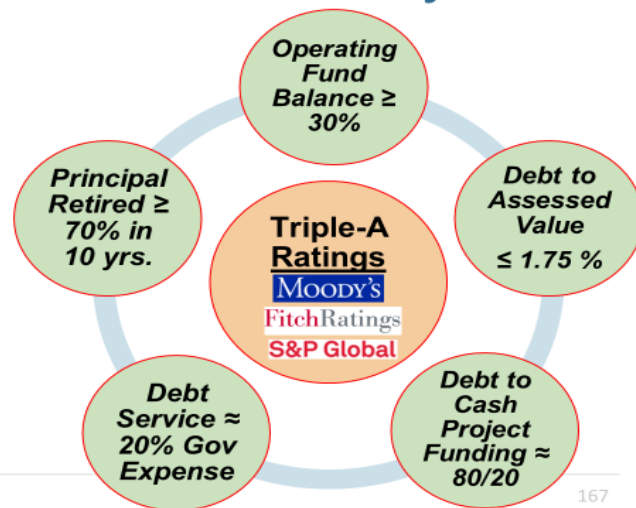
## Types of debt issued by County

General Obligation Bond	Draw Programs	Limited Obligation Bond
<ul style="list-style-type: none"><li><input type="checkbox"/> Voter authorized</li><li><input type="checkbox"/> Lowest cost</li><li><input type="checkbox"/> Permanent and long-term (i.e., 20 years)</li><li><input type="checkbox"/> Backed by full faith and credit of County</li><li><input type="checkbox"/> Example – Parks and Recreation GO</li></ul>	<ul style="list-style-type: none"><li><input type="checkbox"/> Board authorized</li><li><input type="checkbox"/> Cost depends on structure and term</li><li><input type="checkbox"/> Temporary and short-term (i.e., 2-4 years)</li><li><input type="checkbox"/> Example – Draw Program for Schools</li></ul>	<ul style="list-style-type: none"><li><input type="checkbox"/> Board authorized</li><li><input type="checkbox"/> Slightly higher cost</li><li><input type="checkbox"/> Permanent and long-term (i.e., 20 years)</li><li><input type="checkbox"/> Backed by Assets pledged as collateral</li><li><input type="checkbox"/> Example – Justice Center</li></ul>



## Debt and capital policies established in early 2000's

- Established due to County's growing capital needs
- Established and revised using triple-A ratings guidelines
- Frequently benchmarked to peer triple-A rated governments
- County's 7-yr Capital Plan is developed around these policies and guidelines



WAKE COUNTY

167

He shared the policies and guidelines.

## Policies and Guidelines

- ☐ **Fund Balance  $\geq 30\%$**  (General Fund + Debt Service Fund Revenues)
- ☐ **Debt to assessed value  $\leq 1.75\%$**
- ☐ **Debt repayment of  $\geq 70\%$**  total principal within 10 years
- ☐ **Variable rate debt  $< 25\%$**  of overall debt outstanding
- ☐ Strive for annual **debt service expenditures to be  $\leq 20\%$**  of total governmental expenditures
- ☐ Strive to maintain an **80 Debt / 20 Cash** funding ratio
- ☐ **Funding secured prior to appropriation** or contract commitment

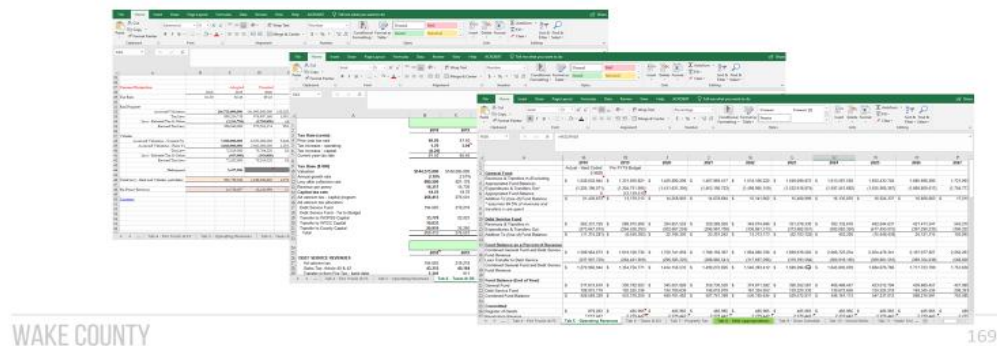
WAKE COUNTY

168

Mr. Taylor said the model is a financial tool to look at affordability for Capital Expenditures.

## How do we monitor policies and ensure we maintain ratios at desired levels?

*...through use of a Debt and Capital Financial Model*



There was discussion about the four-year growth for property values. Ms. Rogers said that once the reappraisal is completed, more discussion can be made about a shorter revaluation process.

## Debt and Capital Model background

- Financial tool integral for analyzing
  - Affordability of capital planning given current resources
  - Level and timing of property tax impact
  - Opportunity cost of certain capital funding decisions
  - Key metrics to ensure triple-A ratings are protected
- Includes base assumptions; monitored and adjusted as necessary
- Ongoing updates throughout year (i.e., annual budget process; closing of debt transactions; completion of CAFR)

## No major changes in Model's key base assumptions

	FY2019	FY2020	FY2021*	FY2022	FY2023	FY2024	FY2025*	FY2026
<b>Tax Revenues</b>								
Property Tax Rate - Total	65.44¢	69.24¢	63.06¢	63.91¢	63.91¢	65.66¢	59.79¢	59.79¢
Property Tax Rate - Dedicated for Capital	18.76¢	22.56¢	20.55¢	21.40¢	21.40¢	23.15¢	21.08¢	21.08¢
Property Tax Valuation Growth	2.57%	2.90%	12.00%	2.00%	2.00%	2.00%	12.00%	2.00%
Sales Tax Growth	6.66%	4.00%	4.00%	4.00%	3.50%	3.50%	3.50%	3.00%

<b>Interest Rates</b>								
Investment Rate	1.63%	2.38%	2.88%	3.00%	3.00%	3.00%	3.00%	3.00%
GO BANs - Variable Rate (Short term)	2.64%	2.78%	2.88%	2.88%	2.88%	2.88%	2.88%	2.88%
GO Bonds - Fixed Rate (Long term)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
LOB BANs - Variable Rate (Short term)	2.35%	2.74%	2.84%	2.84%				
LOB Bonds - Fixed Rate (Long term)	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%

\*Reappraisal Year - assumes property tax rate adjusted for revenue neutrality

WAKE COUNTY

171

Mr. Taylor shared the Debt and Capital Model inputs for Fiscal Year 2020-2026.

## Debt and Capital Model inputs for FY2020-26

- Capital Request for FY20-26 Confirmed
  - Wake Tech (\$664.35 million)
  - PGROS (\$120 million)
- Capital Request for FY20-26 Assumed
  - Schools assumed at FY19 County adopted CIP funding level
    - Current \$2.45 billion for FY20-26 / subject to change
    - Work in progress: Schools Joint Core Team
  - County capital assumed with only PAYGO funding
  - Human Services assumed at 2018 Retreat level
    - Current \$86.9 million for FY20-25

WAKE COUNTY

172

## Current and projected bond programs and tax impacts

CALENDAR YEARS		2019		2020	2021		2022	2023		2024	2025
FISCAL YEARS		FY 19		FY 20	FY 21		FY 22	FY 23		FY 24	FY 25
BALLOT QUESTIONS											
WCPSS GO Bonds; Vote Every 2 Years	Vote Nov	New Tax Rate Set June	G.O Debt Avail		Vote Nov	New Tax Rate Set June	G.O Debt Avail		Vote Nov	New Tax Rate Set June	G.O Debt Avail
Tax Increases		2.30				0.85			1.40		
Ballot Amounts		\$548 million					\$562 million			\$652 million	
WTCC GO Bonds; Vote Every 4 Years	Vote Nov	New Tax Rate Set June	G.O Debt Avail						Vote Nov	New Tax Rate Set June	G.O Debt Avail
Tax Increases		1.15							0.35		
Ballot Amounts		\$349 million								\$179 million +	
PROS GO Bonds; Vote Every 6 Years	Vote Nov	New Tax Rate Set June	G.O Debt Avail								Vote Nov
Tax Increases		0.35									
Ballot Amounts		\$120 million									
Total Estimated Tax Increases		3.80			0.85			1.75			

WAKE COUNTY

173

## 2018 projected property tax increases continue to support previously identified and assumed needs

(in thousands)

Capital Program:	2020	2021	2022	2023	2024	2025	2026
<b>Debt</b>							
WCPSS	\$ 265,865	\$ 282,032	\$ 287,067	\$ 274,646	\$ 348,238	\$ 303,877	\$ 303,877
WTCC	86,543	90,510	76,873	95,111	99,697	78,902	79,148
PROS	20,000	20,000	20,000	20,000	20,000	20,000	
HUMAN SERVICES (LOBs)		15,000		55,000			
OTHER COUNTY CIP (LOBs)							
TOTAL DEBT	\$ 372,408	\$ 407,542	\$ 383,940	\$ 444,757	\$ 467,935	\$ 402,779	\$ 383,025
<b>PAYGO</b>							
WCPSS	\$ 38,381	\$ 65,856	\$ 62,231	\$ 64,648	\$ 66,108	\$ 68,091	\$ 68,091
WTCC	10,033	10,033	7,500	7,500	7,500	7,500	7,500
HUMAN SERVICES	5,800	500	1,500	5,000	1,500	2,600	
OTHER COUNTY CIP	34,076	34,870	35,971	36,702	38,444	39,309	40,020
TOTAL CASH	\$ 88,290	\$ 111,259	\$ 107,202	\$ 113,850	\$ 113,552	\$ 117,500	\$ 115,611
TOTAL CAPACITY	\$ 460,698	\$ 518,801	\$ 491,142	\$ 558,607	\$ 581,487	\$ 520,279	\$ 498,636
Future Recommended Levy	3.80		0.85		1.75	-	-

WAKE COUNTY

2018 Referenda

174

Mr. Taylor shared the debt policies and guidelines.

## Debt policies and guidelines remain at desired levels with these Debt and Capital Model inputs

Policy or Guideline	Goal	2020	2021	2022	2023	2024	2025	2026
Fund Balance Ratio	≥ 30%	31.2%	32.7%	33.3%	32.5%	32.1%	31.3%	32.7%
% Debt Paid in 10 Years	≥ 70%	73%	71%	71%	70%	70%	70%	71%
Debt / Capital Ratio	Strive for 80 / 20	81%	79%	78%	80%	80%	77%	77%
Debt/Assessed Value Ratio	≤ 1.75%	1.59%	1.54%	1.58%	1.66%	1.70%	1.60%	1.65%
Debt Service % of Total Expenditures	Strive for ≤ 20%	19%	18%	19%	20%	21%	22%	21%

WAKE COUNTY

175

Mr. Taylor shared the future considerations.

## Future considerations

- ✓ Schools capital funding level for FY22-26
  - FY20-21 set by bond
  - FY22-26 currently modeled at \$1.85 billion
  - Impact of proposed State Funding for Education
    - H.B. 241 - Education Bond Act of 2019 (i.e., "School construction bond")
    - S.B. 5 - Education Funding by Annual Appropriation (i.e., "Paygo")
- ✓ Other County capital projects
  - Updates to Human Services master plan
  - Other capital needs still under development
- ✓ Affordability of new projects or changes to existing plans
  - Do policy metrics remain at desired levels?
  - Are projected future tax levies still sufficient?

WAKE COUNTY

176

Mr. Taylor shared the next steps.

## Next Steps

- Finalize capital plans and needed funding
  - Assess and report on impacts to Debt and Capital Model
- Adopt the additional 3.8¢ property tax increase with FY 2020 budget to support the 2018 bond referenda
  - Begin draw programs for Schools and Wake Tech in August
  - Sell initial PGROS bonds in October

WAKE COUNTY

177

A 10-minute break was taken.

Ms. Venditto shared information about the 7-year Capital Improvement Program.

### Capital programs are projected on a rolling 7-year plan\*

FY20 Funded Projects	FY21 to FY26 Planned	Horizon
<b>Projects will be Appropriated as part of the Budget:</b> Typically adopted by BOC in Capital Projects Ordinance.	<b>Projects are Planned and Included in CIP:</b> Revenues are assigned to projects. Updated annually – scope and costs may change, or ultimately may not be funded.	<b>Projects are Not Included in CIP:</b> Project timing, priority, business case, or funding are still being determined.

*\*Projects shown in the plan are funded based on current revenue forecasts.*

WAKE COUNTY

181

## Education

First, we will look at our largest capital programs:

- Wake Tech
- WCPSS

WAKE COUNTY

182

Ms. Venditto shared information about the county capital responsibilities for Wake Tech.

## County capital responsibilities for Wake Tech

### NCGS 115D-32

- The tax-levying authority of each institution shall be responsible for providing, in accordance with the provisions of G.S. 115D-33 or 115D-34, as appropriate, adequate funds to meet the financial needs of the institutions for the following budget items:
- (1) Plant Fund: Acquisition of land; erection of all buildings; alterations and additions to buildings; purchase of automobiles, buses, trucks, and other motor vehicles; purchase or rental of all equipment necessary for the maintenance of buildings and grounds and operation of plants; and purchase of all furniture and equipment not provided for administrative and instructional purposes.

WAKE COUNTY

183

She shared information about the capital program.

## Wake Tech's 7-year Capital Program is \$664.4 million

(in millions)	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Total
RTP Classroom Building 3 & Parking Deck	-	-	5.5	50.3	50.0	11.9	-	117.7
RTP Classroom Building 4 & Energy Plant	-	-	-	0.7	45.3	55.7	12.5	114.2
RTP Classroom Building 5 & Parking Deck	-	-	-	-	-	7.0	63.6	70.6
<b>RTP Campus Total</b>	<b>-</b>	<b>-</b>	<b>5.5</b>	<b>51.0</b>	<b>95.3</b>	<b>74.6</b>	<b>76.1</b>	<b>302.5</b>
North Wake Automotive & Collision Repair	25.5	10.0	-	-	-	-	-	35.5
North Wake Health Sciences & Parking Deck	3.9	30.8	47.6	-	-	-	-	82.3
<b>North Wake Campus Total</b>	<b>29.4</b>	<b>40.8</b>	<b>47.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117.8</b>
SWC Advanced Industries Building & Parking Deck	39.9	39.7	10.0	-	-	-	-	89.6
<b>Southern Wake Campus Total</b>	<b>39.9</b>	<b>39.7</b>	<b>10.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>89.6</b>
Public Safety Simulation Building	-	-	4.6	41.1	-	-	-	45.7
<b>Public Safety Education Campus Total</b>	<b>-</b>	<b>-</b>	<b>4.6</b>	<b>41.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45.7</b>
Campus-Wide Repairs, Alterations & Infrastructure Upgrades	17.1	10.1	9.2	3.0	4.4	4.4	3.1	51.3
Technology Acquisition and Infrastructure	10.0	10.0	7.5	7.5	7.5	7.5	7.5	57.5
<b>Total Program</b>	<b>\$96.4</b>	<b>\$100.6</b>	<b>\$84.4</b>	<b>\$102.6</b>	<b>\$107.2</b>	<b>\$86.5</b>	<b>\$86.7</b>	<b>\$664.4</b>

WAKE COUNTY

184

She shared information about the school responsibilities.



## County capital responsibilities for WCPSS

NCGS 115C-408

- (b) To insure a quality education for every child in North Carolina, and to assure that the necessary resources are provided, it is the policy of the State of North Carolina to provide from State revenue sources the instructional expenses for current operations of the public school system as defined in the standard course of study.
- It is the policy of the State of North Carolina that the facilities requirements for a public education system will be met by county governments.
- It is the intent of the 1983 General Assembly to further clarify and delineate the specific financial responsibilities for the public schools to be borne by State and local governments.

WAKE COUNTY

185

She shared information about the Capital Plan amounts for Fiscal Years 2020 and 2021.

## WCPSS Capital Plan amounts are set for FY20 and FY 21 based on the bond referendum

Program Area	FY 20	FY21	Total
New Schools	17.7	104.0	121.7
Renovations	174.2	126.1	300.3
Other Program Components	112.6	117.6	230.2
<b>Total</b>	<b>\$304.5</b>	<b>\$347.7</b>	<b>\$652.2</b>

(in millions)

Funded through a combination of General Obligation bonds (\$548M) and Cash (\$104.2M).

WAKE COUNTY

186



## FY 22 – 26 will be revised through the annual update process

(in millions)

Program Area	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
New Schools	17.7	104.0	Pending Annual Update				
Renovations	174.2	126.1					
Other Program Components	112.6	117.6					
<b>Total</b>	<b>\$304.5</b>	<b>\$347.7</b>	<b>\$349.7</b>	<b>\$339.3</b>	<b>\$414.3</b>	<b>\$371.9</b>	<b>TBD</b>

FY 22-26 reflects totals included in the County's current financial model

WAKE COUNTY

187

Ms. Venditto shared the timeline for the WCPSS-CIP.

## WCPSS CIP updated through collaborative efforts

- **March 13:** WCPSS staff presents recommended updated CIP to WCPSS Facilities Committee
- **March 20:** Joint BOC/BOE Meeting
- **March 21:** Joint Facilities Core Team meeting
- **April:** Continued Core Team meetings leading to Board of Education approval of updated CIP and corresponding resolution requesting funding from BOC
- **May 6:** County Manager Presents Recommended Budget to BOC

WAKE COUNTY

188

Ms. Venditto shared an overview about the County Capital Program.

# County Capital Program Overview

Organized by Elements, which group similar projects:

- Automation
- Criminal Justice
- Parks, Greenways, & Open Space
- Community Capital
- Economic Development
- Public Safety
- County Buildings
- Libraries

Several funding sources support the County CIP:

- General Fund Transfer
- Municipal Reimbursements
- General Obligation Bonds (GO)
- Reserve for Future Projects
- Limited Obligation Bonds (LOBS)

She shared the six priorities that drive development of the County Capital Program.

## Six priorities drive development of the County Capital Program

1

### Health & Safety

Ensure life, safety, and basic environmental concerns

2

### Maintenance

Provide operating expense savings and / or maintain the integrity of current capital assets

3

### Improve

Improve existing facilities, technology systems and infrastructure to meet emerging needs and higher service levels

4

### Master Plans

Within County's existing role, add new facilities and systems based on approved plans

5

### Enhanced Service

Expand service delivery with new facilities, infrastructure, and technology

6

### Partnerships

Match contributions by partners to support community and systems infrastructure

Commissioner West asked about some examples of partnerships. Ms. Rogers indicated that the Cary Library, Oak City Multi-Services Center, and the Greenways, were examples.

Ms. Venditto shared the framework that considers multiple factors.

## Capital planning framework considers multiple factors

### Cost and Timing

Projects are typically > than \$100,000 and require more than 1 year to complete

### Master Plans

Projects often a result of master planning processes and facilities condition assessments

### Components

Land, new construction, renovations, equipment, lifecycle replacements, infrastructure, technology equipment and infrastructure

### Funding

The CIP is a funded plan; in order for a project to be in the CIP, there is a revenue source(s)

WAKE COUNTY

191

## County Capital Program supported by multiple sources identified in Debt and Capital Model

Sources	FY20	FY21	FY 22	FY 23	FY 24	FY 25	FY 26	Total
Transfer from General Fund	39.9	35.4	37.5	41.7	39.9	41.9	40.0	276.3
Parks & Recreation GO Bond	20.0	20.0	20.0	20.0	20.0	20.0	-	120.0
Human Services LOBs	-	15.0	-	55.0	-	-	-	70.0
Reimbursements	0.6	0.9	1.1	0.7	0.6	0.6	0.6	5.1
Reserve for Future Projects	2.6	-	-	-	-	-	-	2.6
<b>Total Sources</b>	<b>\$63.1</b>	<b>\$71.3</b>	<b>\$58.6</b>	<b>\$117.4</b>	<b>\$60.5</b>	<b>\$62.5</b>	<b>\$40.6</b>	<b>\$474.0</b>

(in millions)

WAKE COUNTY

192

**Projects already in the plan are evaluated and revised annually for updates in cost estimates and shifts in project schedules**

**County Capital Plan – Adjusted Base**

Element	FY20	FY21	FY 22	FY 23	FY 24	FY 25	FY 26	Total
Automation	9.8	7.8	7.3	8.9	7.4	7.2	7.4	55.8
Community Capital	0.5	0.5	0.5	0.5	0.5	0.5	0.5	3.5
County Buildings	11.8	12.6	13.3	12.1	12.8	13.4	12.8	88.8
Criminal Justice	0.9	0.9	1.1	2.9	11.6	1.0	0.4	18.8
Economic Development	4.9	2.5	2.5	2.5	2.6	2.5	1.5	19.0
Libraries	-	-	-	-	-	-	-	0.0
Open Space	0.5	0.5	0.5	0.5	0.5	0.5	0.5	3.5
Parks & Recreation	0.8	0.8	0.8	0.8	0.8	0.8	0.8	5.6
Public Safety	3.5	3.4	8.1	6.8	2.5	2.3	4.6	31.2
<b>Total Uses</b>	<b>\$32.7</b>	<b>\$29.0</b>	<b>\$34.1</b>	<b>\$35.0</b>	<b>\$38.7</b>	<b>\$28.2</b>	<b>\$28.5</b>	<b>\$226.2</b>

(in millions)

WAKE COUNTY

193

Commissioner Adamson asked for detailed information on the County Capital Plan.

Ms. Venditto shared the new projects for Fiscal Year 2020-2026.

**Human Services Facilities Plan supports service delivery vision**

- Support quality customer service with appropriate facility design
- Treat the whole client by grouping services together
- Improve accessibility to promote client self sufficiency
- Ensure site locations are near population being served
- Build in flexibility of facilities to accommodate future changes
- Provide safe and secure employee work environment
- Utilize partnerships to strengthen service offerings

WAKE COUNTY

196

She shared the Human Services Facilities Plan Projects.

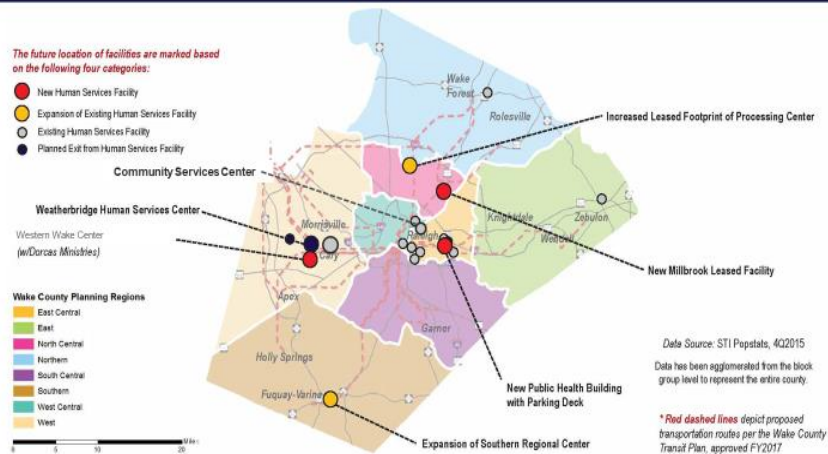
## Human Services Facilities Plan Projects

- 1 Small renovation at Crosby Garfield building
- 2 Moderate renovations at Community Services Center and Southern Regional
- 3 Major renovation to Swinburne
- 4 Demolition of Falstaff buildings and construction of new Public Health Center - Future sale of current Sunnybrook Public Health building
- 5 Leverage existing leased property for administration
- 6 Additional Regional Centers in the future beyond 7 year period

WAKE COUNTY

197

## Future Human Services facilities distribution



WAKE COUNTY

198

She shared the updated Fiscal Year 2020-2026 Human Services Facilities Plan.

## Updated FY20-26 Human Services Facilities Plan totals \$119.3 million

(in millions)

Facility	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Total
Community Services Center	5.0	0.2	-	-	-	-	-	5.2
Swinburne Renovation	0.9	15.0	-	-	-	0.1	1.5	17.5
New Public Health Center	0.5	3.0	26.0	45.0	4.0	-	-	78.5
Southern Regional Expansion	-	0.1	0.5	5.0	-	-	-	5.6
Crosby Garfield Improvements	-	-	-	-	0.5	0.5	-	1.0
Western Wake Dorcas Campus	1.0	-	-	-	0.5	10.0	-	11.5
<b>Total</b>	<b>\$7.4</b>	<b>\$18.3</b>	<b>\$26.5</b>	<b>\$50.0</b>	<b>\$5.0</b>	<b>\$10.6</b>	<b>\$1.5</b>	<b>\$119.3</b>

- Public Health building construction proposed to advance in the plan to begin construction in FY22 from FY23; *previously planned for FY23 construction.*
- Western Wake proposed for County-owned building with acquisition from Dorcas and construction in FY25.

WAKE COUNTY

199

Ms. Venditto shared the Human Services Fiscal Year 2020-2026 County Capital Program.

## Including Human Services, FY 2020-26 County Capital Program new project requests total \$275.9 million

(in millions)

Element	FY20	FY21	FY 22	FY 23	FY 24	FY 25	FY 26	Total
Automation	2.4	0.7	0.2	1.3	0.3	0.7	0.3	5.9
Community Capital	-	-	-	-	-	-	-	-
County Buildings	8.2	22.4	26.7	50.1	5.0	10.6	1.5	124.5
Criminal Justice	1.5	1.5	2.0	1.0	-	-	-	6.0
Economic Development	0.1	0.2	0.2	0.2	0.2	0.1	0.1	1.1
Libraries	-	-	-	-	-	-	-	-
Parks, Greenways, Open Space	20.0	20.0	20.0	20.0	20.0	20.0	-	120.0
Public Safety	2.4	2.8	4.7	1.7	4.3	2.5	-	18.4
<b>Total Requested*</b>	<b>\$34.6</b>	<b>\$47.6</b>	<b>\$53.8</b>	<b>\$74.3</b>	<b>\$29.8</b>	<b>\$33.9</b>	<b>\$1.9</b>	<b>\$275.9</b>

\* Total Requested includes all new County Capital project requests; the updated Human Services Master Plan costs are included in County Buildings (\$119.3 million).

WAKE COUNTY

200

Commissioner Adamson asked about the automation cost and the software provided for the useful life of the machines. Ms. Venditto said the automation has been appropriated in prior years. Ms. Rogers said that Board of Elections staff has an item on the March

18, 2018 Regular Agenda of the Board of Commissioners for consideration of the new voting machines.

Mr. Ellis said that Mr. Gary Sims, Board of Elections Director, has indicated the DS 200 machine is the latest model approved by the state to purchase and the software should be compatible.

Chair Holmes suggested that staff follow up with Commissioner Adamson on her questions prior to the presentation of the item. Mr. Ellis said that staff could follow up.

### New project requests exceed available funding

(in millions)

	FY20	FY21	FY 22	FY 23	FY 24	FY 25	FY 26	Total
<b>Sources</b>								
Parks & Recreation GO Bond	20.0	20.0	20.0	20.0	20.0	20.0	-	120.0
Human Services LOBs	-	15.0	-	55.0	-	-	-	70.0
Available After Base	10.4	7.6	4.6	7.7	1.8	14.5	12.3	58.9
<b>Available for New Projects</b>	<b>\$30.4</b>	<b>\$42.6</b>	<b>\$24.6</b>	<b>\$82.7</b>	<b>\$21.8</b>	<b>\$34.5</b>	<b>\$12.3</b>	<b>\$248.9</b>
<b>Total New Project Requests</b>	<b>\$34.6</b>	<b>\$47.6</b>	<b>\$53.8</b>	<b>\$74.3</b>	<b>\$29.8</b>	<b>\$33.9</b>	<b>\$1.9</b>	<b>\$275.9</b>
<b>Sources - Uses</b>	<b>(\$4.2)</b>	<b>(\$5.0)</b>	<b>(\$29.2)</b>	<b>\$8.4</b>	<b>(\$8.0)</b>	<b>\$0.6</b>	<b>\$10.4</b>	<b>(\$27.0)</b>

Chair Holmes asked about the library in the Town of Rolesville. Mr. Frank Cope, Community Services Director, said there will be a Master Plan for a library in the town. He said that the land has not been identified for it.

## Projects on the Horizon

### Public Libraries

Staff is updating a library master plan to identify future projects after the completion of the existing bond projects. Current estimates range from \$10 - \$15 million per year.

### Animal Control Center

Evaluation of facility location, design and program is underway and under review.

WAKE COUNTY

202

Ms. Lucas said sales and property tax information will be obtained next month. The school board request for funding will come forward in the next month. She said the questions asked today will be provided to the board for consideration of the recommended budget that Mr. Ellis will present.

Commissioner Calabria asked for a multi-year operating budget and priorities for the schools. Mr. Ellis said that the superintendent's budget will include multi-year requests and clarity of goals over a period of time.

Commissioner Evans asked if there are comparisons for property tax revenues per household compared to other regions.

Ms. Lucas said that other regions look at high growth counties and this data can be challenging.

Commissioner Calabria suggested a memo from Mr. Marcus Kinrade, Wake County Revenue Director, about the property tax rate. Ms. Rogers said the North Carolina Association of County Commissioners (NCACC) has data that may be helpful. Ms. Rogers said that information can be provided to the board.

Commissioner West said there is a perception and a need for communicating accountability. He said segmenting the population or relationship marking may make a difference with understanding the needs for revenues.

### Next Steps



## **Next Steps**

## **Reflections on Today's Retreat**

## **Closing and Adjournment**

Chair Holmes thanked the budget team: Ms. Venditto, Ms. Lucas, and Mr. Taylor's for their presentations.

### **Other Business**

Chair Holmes said there have been recent news articles published about a commitment from Wake County for a bike park on the 286 trail near Umstead Park. She indicated that the full board had not received information or approved.

Mr. Ellis said staff has not been involved in any conversations since the fall when the proposal was presented to the board at a Work Session.

Mr. Frank Cope, Wake County Community Services Director, said that staff has not been involved in the process.

Commissioner Hutchinson said that the board has no authority over the use of the land. He said there have been negotiations by Wake Stone providing \$3.8 million to cover cost of a lease for up to 15 years. He said that the board has the authority to offset the cost of the lease and for infrastructure updates. He said that he has spoken with some private partners to provide resources for 10-15 years for a trail facility for running and hiking. He said that the plan is in the process of being developed, so staff has not received information about it.

Commissioner West said that change is inevitable for processes and there is protocol for processes. He said he was not aware of the discussions that have been made toward the trail.

Commissioner Hutchinson said that when he has more information, he will provide it to staff. He said that this would be a great opportunity for expanding partnerships.

Chair Holmes said in light of recent news articles, she wanted to clarify that staff has received no direction to engage in negotiations.

Mr. Ellis thanked staff for their presentations and said that there are many needs to be addressed with limited resources. He said that overall safety of the community and services that provide guardianship are of importance to maintain and provide the quality of life of citizens.

### **Adjourn**

The meeting was adjourned at 3:00 P.M.

Respectfully submitted,

Denise Hogan,  
Clerk to the Board, NCMCC