



Wake County

301 South McDowell Street
Raleigh, NC

Meeting Minutes Board of Commissioners

Monday, June 3, 2019

5:00 PM

Wake County Justice Center

Budget Adoption

Meeting Called to Order: Chair Jessica Holmes

Present: 7 - Chair Jessica Holmes, Commissioner Sig Hutchinson, Commissioner Matt Calabria, Vice-Chair Greg Ford, Commissioner James West, Commissioner Susan Evans, and Commissioner Vickie Adamson

Others Present: David Ellis, County Manager; Scott Warren, County Attorney; Johnna Rogers, Chief Operating Officer; Emily Lucas, Chief Financial Officer; Denise Hogan, Clerk to the Board; Yvonne Gilyard, Deputy Clerk to the Board; and Ben Canada, Assistant to the County Manager.

Pledge of Allegiance

Invocation: Commissioner Vickie Adamson

Chair Holmes also acknowledge the victims of the Virginia massacre. She asked for a moment of silence.

Items of Business

1. [Approval of Agenda](#)

Vice-Chair Ford moved, seconded by Commissioner Adamson, to approve the agenda. The motion passed unanimously.

2. [Approval of the Minutes of the Budget Work Session of May 13, 2019, the Regular Meeting of May 20, 2019 and the Budget Public Hearing of May 20, 2019](#)

Vice-Chair Ford moved, seconded by Commissioner Evans, to approve the Minutes of the Budget Work Session of May 13, 2019, the

Regular Meeting of May 20, 2019 and the Budget Public Hearing of May 20, 2019. The motion passed unanimously.

3. [Proclamation Recognizing June as LGBT Pride Month](#)

Attachments: [LGBT Pride Month Proclamation 5.20.19.docx](#)
[Proclamation recognizing LGBT Pride Month.docx Edits.docx](#)

Vice Chair Ford introduced Ms. Lindsay Lughes, Executive Director, LGBT Raleigh. Ms. Lughes introduced James Miller, the outgoing Executive Director, and two other staff present.

Vice Chair Ford said that citizens have come a long way with recognizing the LGBT community. He shared background on how LGBT started. He shared the basis for PRIDE, which was created by the LGBT community to demand their rights be recognized. He said that there is work to still be done, but society has come a long way. He said that House Bill 2 will expire next year if it is not repealed. He asked the board to update the non-discrimination policy to support the item. He discussed a ban on housing and employment opportunities based on gender and identity. He shared information on a ban on conversion therapy and the expansion of the hate crimes bill.

He read the proclamation aloud.

Vice-Chair Ford moved, seconded by Commissioner Hutchinson, that the Board of Commissioners approve a Proclamation recognizing June as LGBT Pride Month. The motion passed unanimously.

Consent Agenda

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, to approve the consent agenda. The motion passed unanimously.

4. [Memorandum of Understanding between Wake County and the Wake County Board of Education Regarding School Site Acquisition and Construction](#)

Attachments: [Agenda Item Summary - Core Team MOU.docx](#)
[Core Team MOU - 5-8-19 final draft.docx](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners approve the Memorandum of Understanding between the County and the Wake County Board of Education regarding school site acquisition and construction. The motion passed unanimously.

5. [Accept and Appropriate Additional Funds from The Town of Knightdale for the Knightdale](#)

[Station Park Splash Pad](#)

Attachments: [Item Summary](#)
 [Project Location Map](#)
 [Project Cost Summary](#)
 [Budget Memo](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners accept and appropriate \$40,000 in additional funding from the Town of Knightdale for construction of the Knightdale Station Park Splash Pad. The motion passed unanimously.

6. [Designation of Map and Plat Review Officers for the Town of Wendell](#)

Attachments: [Item Summary](#)
 [Resolutions from Town of Wendell](#)
 [Board of Commissioners Resolution](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners adopt a Resolution designating staff from the Town of Wendell as Map and Plat Review Officers. The motion passed unanimously

7. [Designation of Map and Plat Review Officers for the Town of Zebulon](#)

Attachments: [Item Summary](#)
 [Resolution from Town of Zebulon](#)
 [Board of Commissioners Resolution](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners adopt a Resolution designating staff from the Town of Zebulon as Map and Plat Review Officers. The motion passed unanimously

8. [Interlocal Agreement Between the Town of Morrisville and Wake County Regarding Administration of Morrisville's Erosion and Sedimentation Control Ordinance](#)

Attachments: [BOC Item Summary.ILA. Morrisville.05.16.19.docx](#)
 [Morrisville ILA 07.01.19.pdf](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners authorize the County Manager to execute an Interlocal Agreement between the Town of Morrisville and Wake County regarding the County's continued administration of Morrisville's Erosion and Sedimentation Control Ordinance. The motion passed unanimously.

9. [Interlocal Agreement Between the Town of Zebulon and Wake County Regarding Administration of Zebulon's Stormwater Ordinance and Erosion and Sedimentation Control Ordinance](#)

Attachments: [BOC Item Summary.ILA. Zebulon.05.16.19.docx](#)
 [Zebulon ILA 07.01.19.pdf](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners authorize the County Manager to execute an Interlocal Agreement between the Town of Zebulon and Wake County regarding the County's continued administration of Zebulon's Stormwater Ordinance and Erosion and Sedimentation Control Ordinance. The motion passed unanimously.

10. [Approval of a Multi-Year Agreement with Bellsouth Telecommunications, LLC for Telecommunication Services](#)

Attachments: [AT&T Multi-Year Agreement Item Summary 5.21.19.docx](#)
 [WKSO ATT NC18-2008-03 AA Option1.pdf](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners authorize the County Manager to execute a multi-year agreement with Bellsouth Telecommunications, LLC d/b/a AT&T North Carolina subject to terms and conditions acceptable to the County Attorney. The motion passed unanimously.

11. [FY19-20 Affordable Housing Action Plan for HUD Entitlement Grant Compliance](#)

Attachments: [Item Summary](#)
 [Final 2 FY19-20 Housing Action Plan.pdf](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners:

- 1. Approves the FY 2019-2020 Affordable Housing Action Plan subject to appropriation;**
- 2. Authorizes the Chair to sign documents necessary to submit the Action Plan to HUD and to carry out activities described in the plan.**

The motion passed unanimously.

12. [Approval of the Greater Raleigh Convention and Visitors Bureau's FY 2020 Operating Budget](#)

Attachments: [GRCVB Budget Item Summary 5.20.19.doc](#)
 [GRCVB Budget 2019-2020 for Wake County Commission and Raleigh City Council.pdf](#)
 [GRCVB Business Plan 2019-2020.pdf](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners approve the FY 2020 operating budget for the Greater Raleigh Convention and Visitors Bureau in the amount of \$8,653,000, subject to the adoption of the Wake County FY 2020 Budget. The motion passed unanimously.

13. [Appointment of Commissioner Sig Hutchinson as the 2019 NACo Annual Conference Voting Delegate for Wake County Board of Commissioners](#)

Attachments: [2019 NACo Voting Delegate.docx](#)
 [2019 NACo Voting Delegate Form.pdf](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners appoint Commissioner Sig Hutchinson as the Voting Delegate for the 2019 National Association of Counties Annual Conference July 12-15, 2019. The motion passed unanimously.

14. [Resolution Supporting the Current Alcoholic Beverage Control System for the Sale of Liquor](#)

Attachments: [Item Summary ABC Privatization 6.3.19.docx](#)
 [Resolution of Opposition to Privatization 2019.pdf](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners adopt a resolution supporting the current Alcoholic Beverage Control system for the sale of liquor. The motion passed unanimously.

15. [Tax Committee Recommendations for Value Adjustments, Penalty Waivers, Tax Relief Applications, Refund Requests and Various Reports](#)

Attachments: [Tax Collections Item Summary.docx](#)
 [Tax Committee Agenda Process.docx](#)
 [Executive Summary 1.doc](#)
 [Executive Summary 2.doc](#)
 [June 2019 Refunds Under 500.pdf](#)
 [June 2019 Refunds Over 500.pdf](#)
 [Daily Updates For Exemptions.pdf](#)
 [Daily Updates For Penalties.pdf](#)
 [Daily Updates For Special Situations.pdf](#)
 [Municipal Collection Report](#)
 [Wake County Collection Report](#)
 [Monthly In-Rem Foreclosure Report](#)
 [PFB Summary Report.pdf](#)
 [HER Summary Report.pdf](#)
 [Register of Deeds Excise Tax Report.pdf](#)

Commissioner Hutchinson moved, seconded by Vice-Chair Ford, that the Board of Commissioners approves the attached recommendations by the Tax Committee. The motion passed unanimously.

Regular Agenda

16. [Public Hearing on Proposed 2019 Limited Obligation Bonds not to exceed \\$240,000,000](#)

Attachments: [20190603 Agenda Item 2019 LOBs - Item Summary - Conduct Pub Hrg, Auth Res.docx](#)
 [LOB Presentation 6.3.19.pdf](#)
 [20190603 Agenda Item 2019 LOBs - Attachment 1 - Authorizing Resolution.doc](#)
 [20190603 Agenda Item 2019 LOBs - Attachment 2 - Project Schedule for 2017 and 2018 IFAs.pdf](#)

Mr. Todd Taylor, Debt Manager, shared the background of the 2019 Limited Obligation Bonds (LOB's).

NC G.S. 160A-20 requires Board approval of LOBs

- Prior April 15, 2019 Board action:
 - Authorized Findings Resolution
 - Scheduled today's public hearing
 - Directed staff to submit application to LGC for approval

- Today's request is last of two required Board actions
 - Conduct public hearing
 - Adopt authorizing resolution

He shared the purpose of 2019 LOB's.

- Converts portions of 2017 Wells Fargo and 2018 Bank of America draw programs to permanent bonds
- Transfers certain collateral currently supporting draw programs to support County LOBs

He shared the Willow Springs High School and Parkside Elementary openings for the Fall 2019.

He shared the funding needs summary.

He shared the financing structure.

- Local Government Commission to consider at June 4, 2019 meeting
- LOBs sold to investors on June 11-12, 2019
 - Wells Fargo as Senior Managing Bank
 - PNC Bank and Raymond James as Co-Managing Banks
- Semi-annual fixed interest rate; Level principal repayment
 - Interest payments March and September
 - Annual principal payments beginning September 1, 2020
- 19 year maturity as planned in Debt and Capital Model
- Financing to close June 27, 2019

He shared the timing and fiscal impact anticipated.

He shared the relevant board goal.

2019 Board of Commissioners *Initiative E2.1*

“Implement financing strategies to address needs identified in the Capital Improvement Plan.”

He shared the takeaways.

- Replaces short-term financing with long-term financing
- Associated projects already authorized (no new projects)
- Two School properties (i.e., collateral) to be transferred from Deed of Trust on draw programs to Master Deed of Trust supporting County's LOBs

- Timing & associated fiscal impact were anticipated in County Model; incorporated in County's FY2019 and FY2020 Budgets

Commissioner Hutchinson said that this is a great story to be told. He said that this program was established years ago and shared how the bonds were spent. He shared how the current process works and said it has saved the county millions of dollars. He thanked staff for their innovative approach and their support.

Chair Holmes asked Mr. Taylor to describe how the Limited Obligation Bonds and General Obligation Bonds work. He said that the citizens voted to approve the Limited Obligation Bonds in November. He said if issued as General Obligation bonds, it would cost the county an additional \$2.7 million for every \$100 million spent.

Chair Holmes opened the public hearing.

No one came forward.

Chair Holmes closed the public hearing.

Commissioner Hutchinson moved, seconded by Commissioner Ford, That the Board of Commissioners:

- 1. Conduct a public hearing on the proposed issuance of Limited Obligation Bonds ("2019 LOBs"); and, upon close of the public hearing,**
- 2. Adopt a resolution authorizing the execution and delivery of limited obligation bonds of the County in an amount not to exceed \$240,000,000 and related documents in connection with the financing and refinancing of certain public school and community college improvements for the County of Wake, North Carolina. The motion passed unanimously.**

Public Comments

Mr. Curtis Leary, 1253 Gatehouse Dr, Cary, said that the board has a huge responsibility handling the budget. He is a retired veteran and said he was told that North Carolina is a friend to the military, but he feels that is not true. He shared his thoughts on a Supreme Court case. He said that it took 12 years to fight this case. He shared information from the Supreme Court. He said that he is against paying increased taxes. He said that he would appreciate lower taxes. He asked that a POW/MIA flag be flown in addition to the American flag.

Ms. Andrea George, 6309 E. Lake Anne Drive, Raleigh, thanked the board for their work as well as the teachers. She said that she does not understand the need for increased taxes. She said the county should be

able to manage with the bond money and the increase in taxes due to new homes being built. She said that it is hard on the senior citizens. She said that costs on all the goods and services will be increased.

Ms. Kristen Beller, 3301 Leesville Town Court, Raleigh, supports the school district budget. She said that all schools need additional staff. She said that the school has a good budget, but more is needed. She said that this budget will allow for an increase in salaries, transportation services, open and collaborative approach for students and employees. She said that there is no extra money in the school budget. She said that more emergency vehicles are needed as well as libraries. She asked the Board to invest in students and citizens and fund the school budget.

Ms. Rachel Zeitler, 2420 N. Raleigh Blvd, Raleigh, spoke on behalf of Habitat for Humanity and expressed her support for the housing funds in the budget. She highlighted the needs in the community. She said that 83 habitat homes are expected to be built this year. She said that they receive 200 applications a year. She said that Habitat could not do the work without the support of the board of commissioners. She said that every dollar received from the county was leveraged into \$13 from the private sector. She said that they need housing for everyone. She said that habitat recipients often work multiple jobs and spend 200 hours a year building their homes.

Ms. Nancy Petty, 402 Kinsey Street, Raleigh, said that WCPSS is asking for additional funding, but she is asking for an additional \$5 million to provide mental health services to Middle and High School students. She said that this is unprecedented times. She asked that \$500,000 be allocated for an audit of the WCPSS mental health services, and \$4.5 million for additional Mental Health Services. She shared information and statistics on mental health and how it affects students learning. She said one in five youth experience mental health issues, but less than one half of them receive services.

Mr. Bryan Lee, Minister to Youth, Pullen Memorial Baptist Church, said that he and his colleagues stand on the front lines along side of teachers and school counselors. He said the number of youth experiencing crisis is continuing to grow. He shared research information from Keyser on Adverse Childhood Experiences (ACES). He said that the average student spends more time at school than they do anywhere else. He said that school support provides vital services. He spoke on behalf of school counselors. He ask that the schools receive additional resources. He asked that the Board of Commissioners to work with WCPSS on drastic and unprecedented changes. He thanked the board for all that they do.

Mr. Stephanie Lormand, 2704 Ramsey Road, Raleigh, said that concerns

over making ends meet is a reality for too many people. She said the Board compares 2008 to 2019. She said public education cannot succeed without housing. She said race and ethnicity is not equally distributed across income levels. She shared thoughts on the budget. She said that WCPSS should receive all the funding necessary to provide a quality education.

Mr. Gene Ortiz, 12422 Honeychurch Street, Raleigh, said that he is a senior citizen on a fixed income. He asked why Charter and Private schools have a waiting list. He said WCPSS asks for more money every year. He said that a 10 percent increase is ridiculous. He said that he has special needs grandkids. He said that citizens should go after school administration. He suggested taking money from the library budget to provide additional mental health services. He said that it is unfair for government to keep dipping into citizens pockets. He said that he does not have an extra 10 percent, but is willing to pay his share.

Ms. Christi Verecky, 207 Maple Creek Court, Apex, thanked the board for their service. She said she is a 4th grade teacher and wanted to remind the Board that she is a tax payer and is in favor of funding the schools. She said that she is in favor of paying the tax increase. She said that schools need more nurses because teachers are being made to do nurse functions. She said that there needs to be a living wage for certified staff. She said that funding is needed for mental health and schools that are falling apart. She expressed the needs her students have for counseling services.

Ms Aubry Diorio, 111 Arrow Head Way, Cary, said she is a school teacher and supports WCPSS receiving more funding. She spoke of increased state mandates that require additional funding. She said that the decision today effects real people and real children. She said that she taught a multi track class in an effort to meet track class mandates. She shared what research says. She said that funding is needed for pre-K students. She talked about all of the maintenance issues that are in some schools. She said that she is willing to pay extra to get what she needs for the students.

Ms. Kim Mackey, 1937 Ashview Drive, Fuquay-Varina, said that she has shared her thoughts previously. She said that no one wants to pay higher taxes. She said that the blame is on the General Assembly and their priorities. She said that there has not been a statewide construction bond in the last 25 years. She said that other counties use property taxes to fund their schools. She quoted Benjamin Franklin and Thomas Jefferson.

Ms. Susan Book, 219 Tecumseh Court, Cary, said she is a parent of a WCPSS student. She spoke of a conversation she had with her son. She said that she is putting her trust in the commissioners and that she is

standing up for her 9 year old son. She talked about the Individual Education Plan (IEP) for her son and said many parents fight for resources for their children. She asked the board to fund the schools budget.

Ms. Patti Taylor, 2731 Hidden Waters Circle, Raleigh, said that her children graduated from Wake County schools. She shared the stats for Wake County Schools. She said that schools need more psychologist, nurses, and school repairs. She said that Wake County maintenance staff does not support the school repairs. She asked that the board fully fund the school system

Mr. Dick Hilliard, 7912 Harps Mill Road, Raleigh, said the tax rate will likely increase again next year due to the property revaluation. He said that when calculating these numbers, Wake County has seen a 24 percent increase in property taxes since 2014. He said that this budget increase is larger than other counties. He said that property taxes are increasing faster than property values. He asked the board to reconsider the numbers.

Ms. Margaret Powell, 1128 Brisbane Woods Way, Cary, IT Data Manager for WCPSS, said that she was attracted to Wake County schools based on the support public officials provide to public education. She asked the board to support the schools budget. She asked for adequate access to transportation.

Ms. Emanuela Prister, 105 Heart Pine Drive, Cary, said that the Board of Commissioners is the problem and that they are not fixing the problem . She asked about the \$50,000,000 that was budgeted for students that was not allocated. She asked about the accountability for the money spent for the Crooked Creek Golf Course. She shared thoughts on housing and said increased taxes will force people out of Wake County.

Ms. Angie Skioli, 5712 Harrington Grove Drive, Raleigh, said that her taxes are one quarter of what her mother's are in New Jersey. She said that she wants quality public schools. She said that because of the people that are moving into Wake County, taxes must be raised. She said that the board does a good job with transparency. She spoke on K-3 class sizes. She said that she appreciates the commission and is willing to pay more taxes so children have quality education.

Ms. Angela Humphries, 6233 Winter Spring Drive, Wake Forest, said "Red for Ed" needs to stop. She said the goal of "Purple for Parents" is to prevent strikes. She shared a list of items that she is concerned about. She is not in favor of additional funds for schools. She encouraged teachers to cut ties with the NCAE and give themselves a \$500 raise next year.

Ms. Alana Cavario said that unions have protected people for many years.

She said this board has done a great and said the State is the problem. She said that the mental health issues in this country is an issue for adults as well as children. She said if citizens cant afford to live in Wake County, they should move to Johnston County. She said that a living wage should be implemented.

Chair Holmes recognized Commissioner West to make comments.

Commissioner West said that it has been said that a citizen is a public problem solver and politics is everyday activity of the citizen. He said view points are varied, but the key is bringing them together for democracy and synergy for the good for all citizens. He recounted a quote from Frederick Douglas "Where there is no struggle, there is no progress." He said that a BFI (blind flash of insight) on the budget that came to him which led to his prepared comments. He said that process allows for collaboration event though there will be differences. He said that complex problems require divergent solutions. He said that they have a good budget process as it relates to things and perhaps not people.

He said that he has heard from the citizens and understands that there are concerns about accountability as it relates to the budget. He said that growth, competing needs and financial pressures lead to conflict. He said that good accountability, sharing of information, and reviewing results at all levels needs to be evaluated by the board. He said his thoughts are around finding a new and improved way to create a desired future in looking at empowered actions and engaging citizens to develop trust with citizens. He said that there is the opportunity for the board to work together with state and federal government officials. He said that his BFI is a model for planned change. He said that he has served as a past PTA president, so he is familiar with the needs of the schools. He suggested a multi-level advisory group to evaluate short, mid-term, and long-term goals. He said that involvement, ownership, and understanding (IOU) can assist with creating a better way.

17. [Adopt Fiscal Year 2020 Operating Budgets, Capital Improvement Projects, Special Revenue Projects, and Personnel Authorization Ordinances](#)

Attachments: [Budget Adoption Item Summary.docx](#)
[FY20 Adoption PPT.pptx](#)
[01 General Fund Operating Ordinance.docx](#)
[02 Debt Service Fund Ordinance.docx](#)
[03 Fire Tax District Fund Ordinance.docx](#)
[04 Major Facilities Fund Ordinance.docx](#)
[05 Solid Waste Operating Fund Ordinance.docx](#)
[06 South Wake Landfill Partnership Fund Ordinance.docx](#)
[07 Corporate Fleet Fund Ordinance.docx](#)
[08 Human Services Transportation Fund Ordinance.docx](#)
[09 Capital Improvement Projects Funds Ordinance.docx](#)
[10 Housing and Community Revitalization Fund Project Ordinance.docx](#)
[11 Capital Area Workforce Development Fund Project Ordinance.docx](#)
[12 Grants and Donations Fund Project Ordinance.docx](#)
[13 Personnel Authorization Ordinance.docx](#)

Ms. Michelle Venditto shared an overview of the budget. Ms. Venditto said the General Fund budget for Fiscal Year 2020 is \$1,465,980,000 and includes a 6.36-cent property tax increase. She provided a breakdown of the allocation of property tax increase as of May 29. She also shared adjustments from the recommended budget and the Fiscal Year 2020 adopted budget funds.

Vice-Chair Ford moved, seconded by Commissioner Evans, that the Board of Commissioners adopts the following FY 2020 budget-related ordinances:

Operating Budgets Funds Ordinances

- **General Fund Annual Operating Budget**
- **Debt Service Fund Annual Operating Budget**
- **Fire Tax District Fund Annual Operating Budget**
- **Major Facilities Fund Annual Operating Budget**
- **Solid Waste Operating Fund Annual Operating Budget**
- **South Wake Landfill Partnership Fund Annual Operating Budget**
- **Corporate Fleet Fund Annual Operating Budget**
- **Human Services Transportation Fund Annual Operating Budget**

Capital Improvement Projects Funds Ordinance, inclusive of:

- **County Capital Projects Fund**

- **Fire Tax District Capital Projects Fund**
- **Major Facilities Capital Projects Fund**
- **Solid Waste Capital Projects Fund**
- **Housing Capital Projects Fund**
- **Wake Technical Community College Capital Projects Fund**
- **Wake County Public School System Capital Projects Fund**

Special Revenue Project Ordinances

- **Housing and Community Revitalization Fund Project Ordinance**
- **Capital Area Workforce Development Fund Project Ordinance**
- **Grants and Donations Fund Project Ordinance**

Personnel Authorization Ordinance

Vice-Chair Ford moved, seconded by Commissioner Evans, that the Board of Commissioners amends the County Manager's recommended fiscal year 2020 budget, as revised at the May 29 work session and reflected in the presented ordinances, to result in a total increase in the Wake County Public School System appropriation of \$45,000,000 million to \$515,955,101 for a total General Fund appropriation of \$1,473,980,000.

To be funded through:

A one-time appropriation of \$3,000,000 of fund balance, which will be used for one-time fiscal year 2020 county expenditures only;

An additional appropriation of \$1,000,000 of fund balance;

An increase in the appropriation of Human Services state revenues by \$1,000,000;

A \$500,000 decrease in expenditures through the delay of county operation expansions; and

An increase of \$3,000,000 in property tax revenue, which requires an increase of 0.21 cents to the County Manager's recommended property tax rate, for a total rate of 72.01 cents per \$100 of property tax valuation.

Chair Holmes suggested that a roll call vote be recorded for transparency purposes.

Commissioner Calabria said that he is in favor of the internal budget proposals from the County Manager. He said that his amendment to the budget relates to \$1 million in fund balance portion of the motion. He said that staff provides commissioners with information before the budget is considered by the board. The board considers the benefits without a tax increase. He said that staff provided a scenario to the board for use of no more than \$3 million of the fund balance in order to maintain the county's AAA bond rating. He said the use of the additional \$1 million places a deficit moving forward into next year's budget. He said that he is not in favor of placing the AAA bond rating at risk and artificially deflating the tax rate diminishing the resources in protecting the county's fund balance. He said the impact on the tax rate would be 9 ten thousandths of the tax rate. He said that he supports the additional \$3 million and realignment of the budget to absorb the remainder of the additional \$1 million of fund balance in the proposed motion.

Commissioner Calabria moved, seconded by Commissioner Hutchinson, that the Board of Commissioners amends the County Manager's recommended fiscal year 2020 budget, as revised at the May 29 work session and reflected in the presented ordinances, to result in a total increase in the Wake County Public School System appropriation of \$45,000,000 million to \$515,955,101 for a total General Fund appropriation of \$1,473,980,000.

To be funded through:

A one-time appropriation of \$3,000,000 of fund balance, which will be used for one-time fiscal year 2020 county expenditures only;

An increase in the appropriation of Human Services state revenues by \$1,000,000;

A \$500,000 decrease in expenditures through the delay of county operation expansions; and

An increase of \$4,000,000 in property tax revenue, which requires an increase of 0.27 cents to the County Manager's recommended property tax rate, for a total rate of 72.07 cents per \$100 of property tax valuation.

Commissioner West said that understood staff's recommendations, and was not supportive of surprises.

Commissioner Hutchinson echoed the comments of Commissioner Calabria and agreed with the process he outlined. He said that current and former commissioners have supported the AAA bond rating and that he supports Commissioner Calabria's amendment.

Vice Chair Ford asked staff to make comment on the AAA rating.

Ms. Johnna Rogers, Chief Operating Officer, said the additional \$1 million of fund balance would not place the county in jeopardy but was not good practice to use one time expenditures for recurring needs. She said that staff wants to avoid raising red flags that would jeopardize the county AAA bond rating.

Ms. Emily Lucas, Chief Financial Officer, said that conversations have been made with the rating agency and it is important to understand that if fund balance is used it would be for non-recurring needs. She said that the rating agency report has been released and their concern is that Wake County continue to have adequate reserves on hand and to keep fund balance available to meet ongoing operating needs.

Vice Chair Ford thanked Ms. Lucas and said that the board did not want to violate the policy to place the county's AAA rating in jeopardy. He said that they have not received statements that would preclude the board from voting on the motion as presented.

Ms. Lucas said that the county would not be in violation of the policy, but the rating agency was not aware of the consideration of the county's use of \$4 million from fund balance.

Commissioner West said that he is not in support of using the additional \$1 million of fund balance because it would place the county's AAA rating in jeopardy.

Mr. David Ellis, County Manager, clarified that the staff provides a recommendation and the board makes the final decision.

Commissioner Hutchinson clarified that he was not in support of using funds that could potentially impact the county's AAA bond rating. He said that he does not consider using the additional funds as being fiscally responsible and does not support the motion.

Commissioner Evans asked if the amendment would include initial request of \$45,000,000 for the Wake County Public Schools with the only change of excluding the additional \$1 million from fund balance.

Chair Holmes said that both motions include the \$45,000,000 increase for

the school system. She said that the amendment would require a majority vote.

A roll call vote was taken on the following motion:

Commissioner Calabria moved, seconded by Commissioner Hutchinson, that the Board of Commissioners amends the County Manager's recommended fiscal year 2020 budget, as revised at the May 29 work session and reflected in the presented ordinances, to result in a total increase in the Wake County Public School System appropriation of \$45,000,000 million to \$515,955,101 for a total General Fund appropriation of \$1,473,980,000.

To be funded through:

A one-time appropriation of \$3,000,000 of fund balance, which will be used for one-time fiscal year 2020 county expenditures only;

An increase in the appropriation of Human Services state revenues by \$1,000,000;

A \$500,000 decrease in expenditures through the delay of county operation expansions; and

An increase of \$4,000,000 in property tax revenue, which requires an increase of 0.27 cents to the County Manager's recommended property tax rate, for a total rate of 72.07 cents per \$100 of property tax valuation.

Commissioner Hutchinson - Aye

Commissioner Evans - Aye

Vice-Chair Ford - Nay

Chair Holmes - Nay

Commissioner West - Aye

Commissioner Adamson - Nay

Commissioner Calabria - Aye

The amendment passed by a 4-3 vote.

Commissioner Hutchinson made an amendment to the amendment. He said that there was constant communication about how to assist the Wake County Public Schools without raising taxes. He said there was a weekend request to staff to identify funding without raising taxes. He said staff was asked to identify options and, \$1 million from the Human Services state

revenues was identified as a potential option for funding. He says that he does not agree to take the money from the Human Services budget. He requested that the \$1 million from the Human Services budget be removed as an amendment.

Commissioner West asked for clarification on the Human Services funding source.

County Manager Ellis said that the money from Human Services is excess revenue above and beyond their budget.

Chair Holmes asked for clarification that no services would be impacted in using the funding. County Manager Ellis confirmed that no services would be impacted.

Commissioner Hutchinson said that the funding could be used for the most vulnerable citizens in Wake County.

Ms. Lucas said that staff has indicated there would be \$1 million in Human Services Revenue and a portion of the tax rate would go toward Wake County Schools out of an existing funding stream.

Ms. Rogers said that there would be a shift in the tax rate increase from the county to the school system. She said the \$1 million of Human Services state revenues were previously funding county operations. She said taxes were previously funding those dollars, but currently state and federal revenues are funding the dollars so tax dollars are available to fund the school system.

Commissioner West asked if Human Services could benefit from the funding.

Ms. Rogers said that Human Services would receive the benefit of the money because state and federal dollars can be leveraged instead of county tax dollars. She said that there is no impact on Human Services expenditures.

Commissioner West asked if Ms. Regina Petteway, Human Services Director, has been consulted on the funding. Ms. Lucas said county staff was able to identify \$1 million of revenues that is reimbursement that supports Human Services programs. She said that staff would be shifting the property tax rate that supports programs and the education budget.

Ms. Rogers said that staff has been in contact with the financial staff of Human Services. She said the board would receive the wrap up ordinance for expenditure needs. She said that staff was able to identify additional

recurring Human Services revenues in the Fiscal Year 2019 budget beyond what was budgeted.

Commissioner Evans asked to call the question.

Commissioner Hutchinson moved, seconded by Commissioner West, that the Board of Commissioners amends the County Manager's recommended fiscal year 2020 budget, as revised at the May 29 work session and reflected in the presented ordinances, to result in a total increase in the Wake County Public School System appropriation of \$45,000,000 million to \$515,955,101 for a total General Fund appropriation of \$1,473,980,000.

To be funded through:

A one-time appropriation of \$3,000,000 of fund balance, which will be used for one-time fiscal year 2020 county expenditures only;

A \$500,000 decrease in expenditures through the delay of county operation expansions; and

An increase of \$5,000,000 in property tax revenue, which requires an increase of 0.34 cents to the County Manager's recommended property tax rate, for a total rate of 72.14 cents per \$100 of property tax valuation.

**Commissioner Calabira - Nay
Commissioner Adamson - Nay
Commissioner West -Nay
Chair Holmes - Nay
Vice-Chair Ford - Nay
Commissioner Evans - Nay
Commissioner Calabria - Aye**

The amendment failed 6-1.

Commissioner Calabria clarified to the public that the board had recently received the options from staff and that was the reason for such deliberations.

Chair Holmes said that she is not in favor of holding funding from citizens that need it the most, but staff has clarified to her satisfaction that the \$1 million of Human Services state revenues would not impact services.

A 5 minute recess was taken, then the meeting resumed.

Chair Holmes ask Commissioner Calabria to restate the main motion.

Commissioner Calabria moved, seconded by Commissioner Hutchinson, that the Board of Commissioners amends the County Manager's recommended fiscal year 2020 budget, as revised at the May 29 work session and reflected in the presented ordinances, to result in a total increase in the Wake County Public School System appropriation of \$45,000,000 million to \$515,955,101 for a total General Fund appropriation of \$1,473,980,000.

To be funded through:

A one-time appropriation of \$3,000,000 of fund balance, which will be used for one-time fiscal year 2020 county expenditures only;

An increase in the appropriation of Human Services state revenues by \$1,000,000;

A \$500,000 decrease in expenditures through the delay of county operation expansions; and

An increase of \$4,000,000 in property tax revenue, which requires an increase of 0.27 cents to the County Manager's recommended property tax rate, for a total rate of 72.07 cents per \$100 of property tax valuation.

Commissioner Hutchinson - Nay

Commissioner Evans - Aye

Vice-Chair Ford - Aye

Chair Holmes - Aye

Commissioner West - Aye

Commissioner Adamson - Aye

Commissioner Calabria - Aye

The motion passed by a 6-1 vote.

Commissioner West thanked the board for the support of the budget and said it was his hope that the action today would not be removing funding from the vulnerable communities. Chair Holmes echoed those comments.

Commissioner Hutchinson said that the decisions made would increase the property tax values of homes in the Southeast Raleigh area. He said

this year would be 10.2 percent increase, over two years 16.5 percent, and over six years a 24.8 percent property tax increase. He said the motion does not represent responsible government and it too much too fast and will negatively impact senior citizens and vulnerable citizens.

Commissioner Evans shared how she decided on the amendment. She said that the County Manager and staff brought forth a good budget and she is very supportive of the efforts. She said that the school board brought forth a good budget, and that she would of liked to give the school system full funding. She said that consideration should be given to property tax increases. She said that increased taxes will impact her family. She said the recession and decisions made by former commissioners kept the tax rate artificially low. She said that the tax rate is fair and comparable to other counties. She said that the majority of the stresses of the school system rest on the shoulders of the General Assembly and this is why the schools are under funded. She said that commissioners had respectful dialogue with the Board of Education ahead of the funding decisions that have been made.

Commissioner West said that there needs to be hard conversations between the board and a better way for predictability to respond to all needs with limited resources.

Vice Chair Ford thanked Manager Ellis and staff for the work on the budget. He said that the budget speaks for itself and reflects the boards goals, missions, values, and communities priorities. He said that the budget respects the Wake County Schools' request, desire for collaboration, and the multi-year phases as a greater measured approach for budget planning. He said the budget reflects the board's committment for Public Safety, Affordable Housing, Health and Human Services, Mental Health, Parks, and Library services. He said these services are investments for the citizens and improve the quality of life. He said that he respects Commissioner Hutchinson's comments on vulnerable communities and is reflective in the deliberations that have to be made. He said a good budget process is supposed to be a struggle and compromise taking into account the values held. He said that he is very proud of the budget and it reflects the values of the board, citizens, and the children that will be the future of Wake County.

Chair Holmes shared about the progress that has been made since serving on the board and said she was proud about the creation of the Affordable Housing Steering Committee, feeding children, and working on the multi-services center. She said much debate has taken place over fund balance and debt service to purchase a park. She said that she has the same struggles as many citizens and takes care in the decision about the tax rate. She said that the funding for the schools is an acknowledgement

that the the voices are heard, respected and understood. She said the General Assembly is making decisions about the rainy day fund while the county is working toward raising salaries of essential personnel to \$15. She said she is proud of the budget that has been proposed.

Commissioner Adamson said that this is her first budget. She said that goal is to get the best services for the best amount of funding. She said that she appreciates the school's budget. She shared a story of her classroom experience of an abused student. She said that she is not thrilled with the tax increase, but it fulfills the needs for public education, the citizens and others.

Commissioner Calabria thanked staff on their work on the budget. He also thanked the school system staff, teachers, and Mr. David Neter, Chief Operating Officer, Wake County Public Schools. He said that he is pleased with the content of the budget and the priorities and the funding of the needs for affordable housing, EMS, libraries, food security and the expansion of the Universal Food Security program. He said Wake County is growing and in order to keep up with growth the quality of life must be maintained. He said the state legislature is continuously asking the counties to do more with less including unfunded mandates. He said that the three bonds were on the ballot because of the state's restraints of the years that bonds could be placed on the ballot. He said the state is responsible for the salaries of the non-certified staff and implementation of the living wage. He said that the number one thing that the Greater Raleigh Chamber indicates that citizens are looking for to bring citizens to Wake County is access to talent. He said that the board sees tremendous progress in the public education system and in other programs. The work is cause for hope and pride for the community.

Commissioner West made comments based on a conversation he had with staff from the school board about the resegregation and diversity of the schools system. He said there have been mapping of where the problem areas are. He suggested there be creative approaches in assisting the students that are low performing.

Appointments

18. [Appoint Co-Chairs of the 2020 Census Complete Count Committee](#)

Attachments: [Census 2020 Item Summary 6.3.19.docx](#)

Commissioner Adamson moved, seconded by Vice-Chair Ford, that the Board of Commissioners appoint Moises Serrano, Mary Jose Espinoza, Terry Mahaffey, Danya Perry, Chavi Khanna Koneru, and

Mayor TJ Cawley as the Co-Chairs of the 2020 Census Complete Count Committee. The motion passed unanimously.

19. [Centennial Authority](#)

Attachments: [Centennial Authority Item Summary.doc](#)
 [Centennial Authority Member List.doc](#)
 [Centennial Authority Applicant Roster Revised .xlsx](#)
 [Centennial Authority Revised Applications.pdf](#)
 [Centennial Board Choices Revised .xlsx](#)
 [Centennial Authority Attendance 2019.xlsx](#)

The board deferred the appointment of Mr. Steve Stroud to a future meeting.

Vice-Chair Ford moved, seconded by Commissioner Evans, to reappoint Dr. Yevonne Brannon for another term on the Centennial Authority. The motion carried as follows:

Aye: 6 - Chair Holmes, Commissioner Calabria, Vice-Chair Ford, Commissioner West, Commissioner Evans, and Commissioner Adamson

Nay: 1 - Commissioner Hutchinson

20. [Citizens Energy Advisory Commission](#)

Attachments: [Citizens Energy Item Summary.docx](#)
 [Citizens Energy Member List.doc](#)
 [Citizens Applicant Roster 2.xlsx](#)
 [Citizens Energy Applicants 2.pdf](#)
 [Citizens Energy Board Choices 2.xlsx](#)
 [Copy of CY2018-2019 Rolling 12 months Energy Commission Attendance Clerk Template April 2018 - March 2019.xlsx](#)

Vice-Chair Ford nominated Mr. Evan Jones and Ms. Laura Langham for appointment.

21. [Library Commission](#)

Attachments: [Library Commission Item Summary 2019.pdf](#)
 [Library Commission Member List.doc](#)
 [Library Commission Applicants.pdf](#)
 [Library Commission Applicant Roster.xlsx](#)
 [Library Commission Board Choices .xlsx](#)

Vice-Chair Ford nominated Mr. William Little (At-Large), Ms. Judith Rysdon

(District 3), Ms. Caitylyn Swift (District 4), Ms. Christa Washington (At-Large), Ms. Nancy Medlin (At-Large), Ms. Debra Kreth Ball Johnson (At-Large), and Ms. Lisa Behrens (At-Large) for reappointment.

22. [Open Space and Parks Advisory Committee](#)

Attachments: [Open Space Item Summary.docx](#)
 [OSAPAC Member List.doc](#)
 [OSAPAC Applicant Roster.xlsx](#)
 [OSAPAC Applicants.pdf](#)
 [OSAPAC Board Choices .xlsm](#)
 [OSAPAC Attendance.xlsx](#)

Vice-Chair Ford nominated Mr. George Matthis (At-Large), Mr. George Hess (District 1), Mr. George Hoit (At-Large), Mr. Rogert Finch (District 5), Mr. Robert Hinson (At-Large), and Mr. Charles Roe (District 7) for reappointment.

23. [Wake County Board of Adjustment](#)

Attachments: [Board of Adjustment Item Summary 2.doc](#)
 [Board of Adjustment Member List.doc](#)
 [Board of Adjustment Applicant Roster .xlsx](#)
 [Board of Adjustment Applicants.pdf](#)
 [BOA Bd Choices .xlsx](#)
 [Copy of BOA 2018 attendance template.xlsx](#)

Appointments were deferred to a future meeting.

24. [Wake Tech Community College Board of Trustees](#)

Attachments: [Wake Tech Item Summary.docx](#)
 [Wake Tech Member List.doc](#)
 [Wake Tech App Roster Revised .xlsx](#)
 [Wake Tech Applicants Revised.pdf](#)
 [Wake Tech Board Choices Revised.xlsx](#)
 [WT BOT -Wake County Commissioners May 2018 - May 2019.xlsx](#)

Vice-Chair Ford nominated Ms. Esther H. Delaney for appointment.

Vice-Chair Ford moved, seconded by Commissioner Adamson to approve the appointments. The motion passed unanimously.

25. [Upcoming Appointments for July](#)

Attachments: [July Vacancy List.docx](#)

Ms. Yvonne Gilyard, Deputy Clerk, shared the upcoming vacancies for July 2019.

Other Business

Commissioner Hutchinson gave an update on the Growth and Sustainability Committee. He said the committee received updates on the Comprehensive plan, the I-540 Southeast Extension, and the Greenway/Open Space RFP process.

He announced that the Annual NACo conference is in July. He said Wake County won six achievement awards which include two for Human Services, two for Community Services, one for the Revenue Department, and one for the County Manager's office.

Vice Chair Ford shared that Commissioner Hutchinson has been selected as the delegate for NACo.

Manager Ellis thanked Ms. Emily Lucas, Ms. Johnna Rogers, Mr. Bill Greeves, Mr. Derwick Paige, Mr. Chris Dillon, Ms. Denise Foreman and department heads. He also thanked the Budget staff for all their hard work on the budget.

Chair Holmes thanked citizens for their support and thoughts on the budget. She thanked her colleagues for their support and their work.

Closed Session

Mr. Warren said there is no need for a closed session.

Adjourn

Vice-Chair Ford moved, seconded by Commissioner Evans, to adjourn the meeting. The motion passed unanimously.

Respectfully submitted,

Yvonne Gilyard, NCCC
Deputy Clerk to the Board
Wake County Board of Commissioners