

Wake County Board of Commissioners Retreat
February 7, 2020
8:00 a.m. – 5:00 p.m.
PNC Arena
1400 Edwards Mill Road
Raleigh, NC

Commissioners Present:

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

Staff Present:

David Ellis, County Manager; Johnna Rogers, Chief Operating Officer; Bill Greeves, Chief Information and Innovation Officer; Derwick Paige, Chief Community Development Officer, Emily Lucas, Chief Financial Officer; Scott Warren, County Attorney; Denise Foreman, Assistant County Manager; Chris Dillon, Assistant County Manager; Jason Horton, Strategic Performance Director; Denise Hogan, Clerk to the Board; Yvonne Gilyard, Deputy Clerk to the Board; and Nicole Kreiser, Assistant County Manager.

Other Staff Present:

Dara Demi, Communications Director; Kelly Stratton, Communications Manager; Joseph Threadcraft, Environmental Services Director; Michelle Venditto, Budget and Management Services Director; Heather Drennan, Assistant Budget and Management Services Director; Nick Campasano, Fire Services Director; Regina Petteway, Human Services Director; Lorena McDowell, Director of Housing; Jose Cabanas, Director, Emergency Medical Services; Frank Cope, Director, Community Services; Katherine Williams, Cooperative Extension Director; Shelita Cole, Budget Systems Manager; Michael James, Senior Budget and Management Analyst; Tammy DePhillip, Budget and Management Analyst; Paarth Mehta, Senior Budget and Management Analyst; Michael; Michelle Burgess, Budget and Management Analyst; Aaron Brown, Budget and Management Analyst; Sharon Peterson, Long Range Planning Administrator; Bill Shroyer, Senior Geographic Analyst; Kenisha Hinton; IT Project Partner, Innovations Team; Julie Miller, IT Project Partner; Innovations Team; and Todd Taylor, Wake County Debt Manager

Others Present:

Welcome and Overview of the Retreat

Chairman Ford thanked staff for being flexible to reschedule the event today. He said the board retreat agenda for goals and objectives has been set and board members will tie together the initiatives and objectives. He said that Mr. Jason Horton, Strategic Performance Director, will lead the group. He asked the board to be healthy and safe given the recent illness of staff.₁ He

thanked everyone for their commitment to the goals. He shared the agenda for the day.

Mr. David Ellis, County Manager, said progress and outcomes are the objectives for the day. He said over the years the focus has been narrowed. He said that next year there will be more progress shown. He said knowing what the board would like to achieve will assist with the outcomes.

Mr. Horton shared the retreat goals for today and shared a brief overview of the retreat agenda.

Retreat Goals for Today

- I. Update Commissioners on the status of 2019 Board initiatives.
- II. Reaffirm the Commissioner's goals and objectives.
- III. Receive information on future school financing debt options and discuss next steps.
- IV. Ask Commissioners to remove, revise, update, and clarify initiatives.
- V. Identify top priorities for 2020.

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Mr. Horton shared the process overview.

Process Overview



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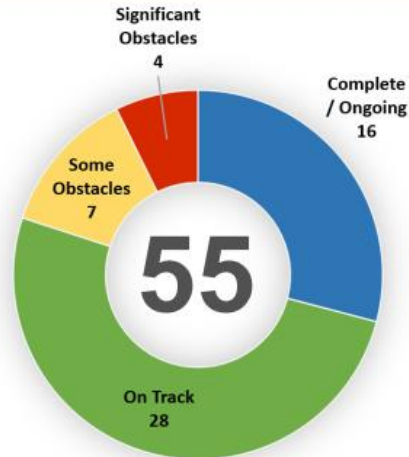
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He said the intent of the process is to identify top tiered initiatives across all goal areas. He said that each commissioner will be given an equal set of dots to mark their priorities and staff will move the initiatives into tiered groups based on the dots.

He shared the current status.

Current Status








Icon	Status Description
	Complete / Ongoing
	On Track
	Some Obstacles
	Significant Obstacles
	Planning
	Discontinued



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Mr. Horton shared the 2019 priorities.

2019 Priorities 	Status Indicator	2019 Status	Initiative
		Ongoing	E 3.1: Collaborate with WCPSS BOE to establish a mutually agreed-upon process for WCPSS local operating budget funding.
		Complete	CH 1.8: Prioritize Wake County Behavioral Health Plan work objectives and develop a two year work plan.
		On Track	CH 2.4: Assess existing programs and identify gaps in order to develop and implement a comprehensive plan to support healthy and thriving babies and moms.
		On Track	PS 6.1: Expand intervention opportunities for education and job-training for detainees and those reentering the community through partnerships.
		On Track	SEV 2.1: Support a higher quality of life for citizens in vulnerable communities through policy changes, partnerships, workforce development and the community college.
		Some Obstacles	E 1.1: Expand capacity and access to early childhood development and Pre-K programs.
		Ongoing	ES 2.1: Develop and implement strategies to support businesses owned by minorities, women, individuals with disabilities, and socially and economically challenged individuals.
		Ongoing	GS 4.2: Convene Wake County municipalities and stakeholders to discuss growth, housing, sustainability, and zoning issues throughout the County.
		Complete	ES 3.1: Explore a multi-criteria policy for economic development incentives to include work with vulnerable communities.
		On Track	SEV 1.1: Work collaboratively with all partners to preserve and increase the County's affordable housing inventory, reduce homelessness, and improve the wellbeing of our most vulnerable citizens.

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He shared a worksheet that summarized the existing 2019 initiatives. He said that the initiatives have a starting point for 2020 discussion. He shared the starting point for 2020 discussions.

Starting Point for 2020 Discussions

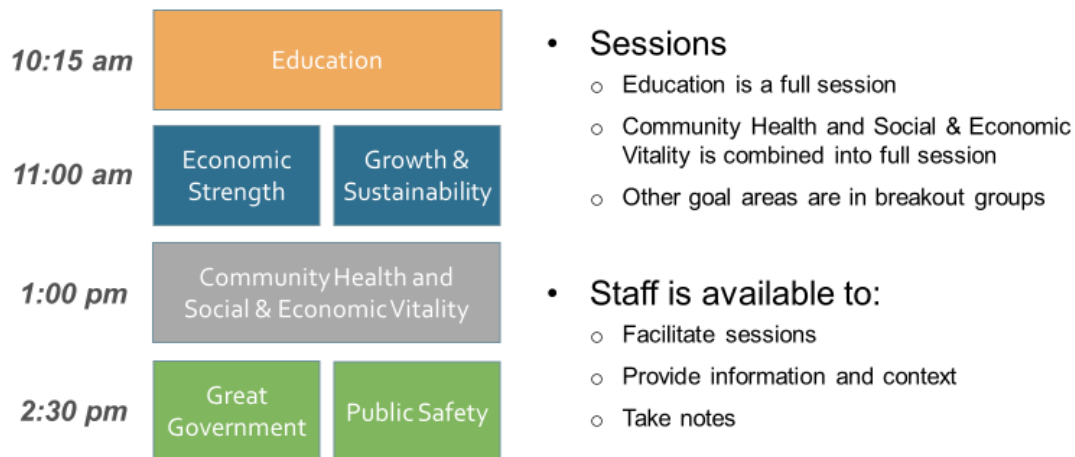
- **!** → BOC attention and discussion is needed
- Recommendations
 - Keep
 - Remove
 - Combine with similar initiative
 - BOC direction needed
- Staff Proposed Revisions
- New Initiative Proposals from Commissioners

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He shared information about the sessions.

Sessions



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He said that staff would work with board members using the foam boards and review initiatives, identify highest priorities, and report out.

Sessions

- Review Initiatives
 - BOC consensus on next step
 - Focus on revisions and refinement
 - New initiatives
- Identify the Highest Priorities
 - Consensus nominations
 - 5 minutes
- Report Out
 - 10 minutes

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Goal		
Objectives / Initiatives	Recomm'd / Revisions	Notes

He shared information about SMART goals and principles.

“Begin with the end in mind.”

—Stephen Covey

Results Focused *What vs How*



He said the specific and measurable goals are the focus. He shared information on clarifying questions.

Clarifying Questions

- What problem are we trying to solve?
- What role does the county have in this policy issue?
- What outcome do we want to achieve?
- Is the outcome specific and measurable?
- What are the county's highest priorities?

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He shared information on prioritization.

Prioritization

Sessions:

- Consensus scoring within each goal
- Recommend nominating one out of three – but we're flexible

Final Initiative Prioritization:

- Compile all of the nominated initiatives from each goal area
- "Sticky dot", individual voting

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Commissioner West asked about measurements and how feedback is obtained in the change in the people that are being served. Mr. Horton said he has been working to step up the process for the business planning process, which will increase communication and the impacts.

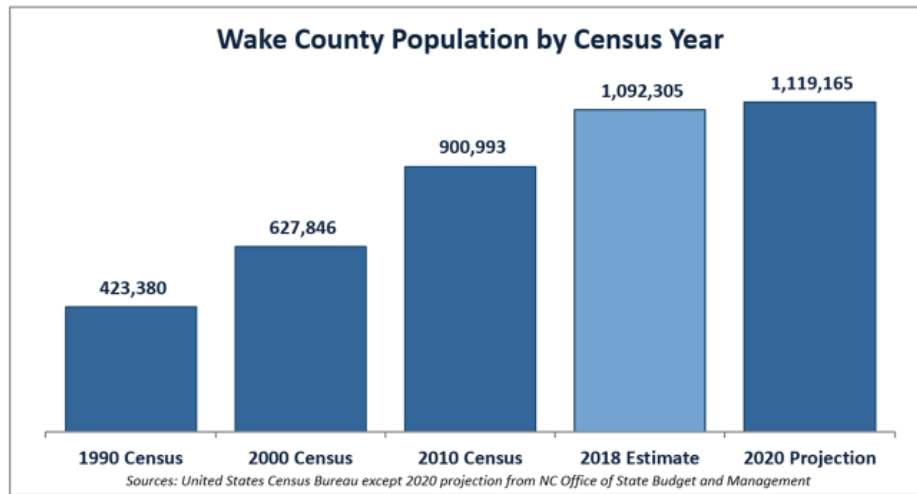
Ms. Johnna Rogers, Chief Operating Officer, said that staff is working to assist with the measurements.

Vice-Chair Adamson said the spreadsheet was a valuable piece to use throughout the year.

Wake County Demographics Information

Ms. Sharon Peterson, Wake County Long Range Planning Administrator, shared the population information.

Population



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Ms. Peterson shared the population growth information from the 2010 Census.

Population Growth 2010 Census to July 1 2018 National Perspective

3,142 counties in U.S.

45 with 2018 population >1M

4 with $\geq 20\%$ growth since 2010

1 in North Carolina

WAKE COUNTY

Data Source: U.S. Census Bureau Population Estimates, 2018

She shared the net average per day increase.

Net Average Per Day Increase

63
new residents
per day

(Between July 1, 2010 and July 1, 2018)

2017-2018
Net Average
Per Day
56

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Data Source: U.S. Census Bureau Population Estimates, 2018

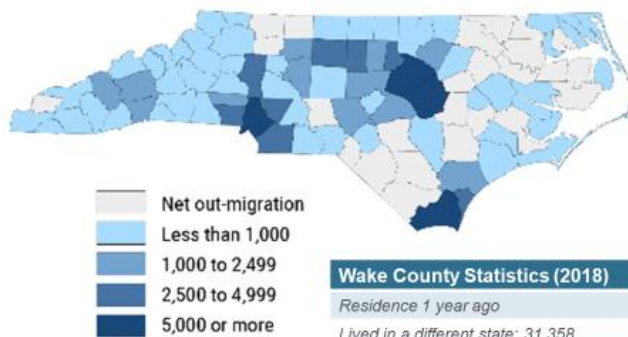
She shared the information about natural increase and net migration.



Commissioner West asked if additional information regarding net migration has been obtained. Ms. Peterson said there is a study from San Francisco that is being researched.

She shared the total net migration for North Carolina metro areas and retirement destinations and Wake County. (2 slides)

Population growth from **net migration** clustered in NC metro areas and retirement destinations



Wake County Statistics (2018)

Residence 1 year ago

Lived in a different state: 31,358

Lived in a different NC county: 45,504

Lived abroad: 8,169

Top 10 counties net migration 2017-2018

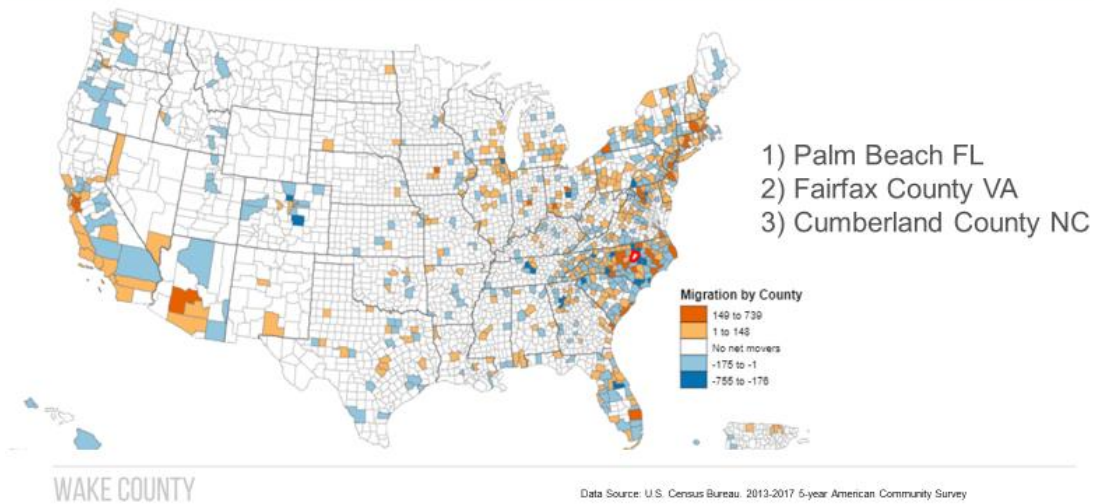
Rank	County	Number of people
1	Wake	13,674
2	Mecklenburg	8,604
3	Brunswick	6,675
4	Johnston	5,479
5	Cabarrus	3,717
6	Union	3,554
7	New Hanover	3,383
8	Gaston	2,861
9	Durham	2,846
10	Alamance	2,635

Source: 2018 Population Estimates, U.S. Census Bureau

CAROLINA
DEMOGRAPHY

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Total **Net Migration** Flows for Wake County

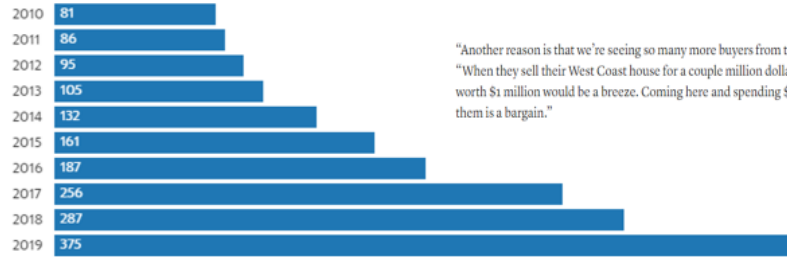


Mr. Bill Shroyer, Senior Wake County GIS Analyst, shared the total net migration and development density for 2019.

Total Net Migration Flows for Wake County

MILLION DOLLAR HOME SALES

Sales of homes \$1 million or more in Wake, Durham, Orange and Chatham counties have increased 363% from 2010 to 2019. In 2019, 207 sold in Raleigh, 44 in Cary, 43 in Durham, 44 in Orange and 15 in Chatham. Of the 207 in Raleigh, 120 were inside the beltline.



"Another reason is that we're seeing so many more buyers from the West Coast," Struble said. "When they sell their West Coast house for a couple million dollars, coming to Raleigh for a house worth \$1 million would be a breeze. Coming here and spending \$1.5 (million) or even \$2 million to them is a bargain."

Chart: David Raynor • Source: [Triangle Multiple Listing Services](#) • [Get the data](#)

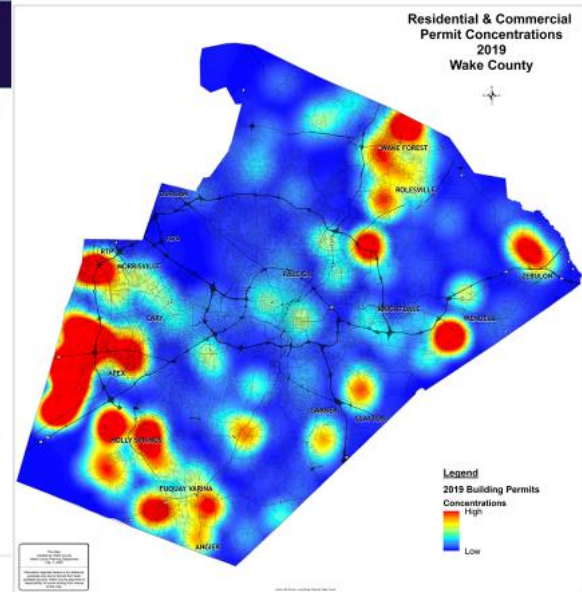
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Development Density 2019

Jurisdiction	Residential Permits 2019	Commercial Permits 2019
ANGIER	5	1
APEX	1700	21
CARY	667	16
CLAYTON	0	0
DURHAM	0	1
FUQUAY VARINA	651	7
GARNER	341	17
HOLLY SPRINGS	680	10
KNIGHTDALE	129	5
MORRISVILLE	93	11
RALEIGH	790	72
RDU	0	0
ROLESVILLE	139	2
RTP	0	0
WAKE FOREST	550	3
WENDELL	311	16
ZEBULON	236	6
WAKE COUNTY	825	17
TOTALS	7117	205

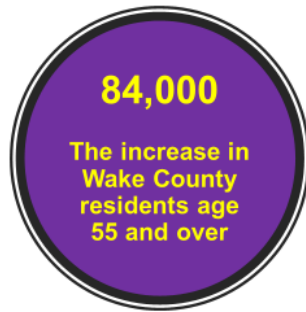
2019 Total New Residential and Commercial Building Permits: 7,322

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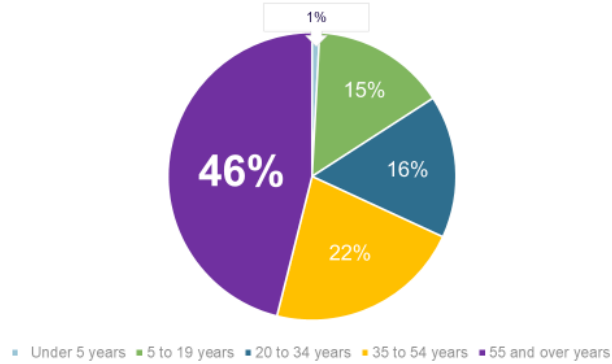


Ms. Peterson shared the population by age group (2 slides).

Population Growth by Age Group

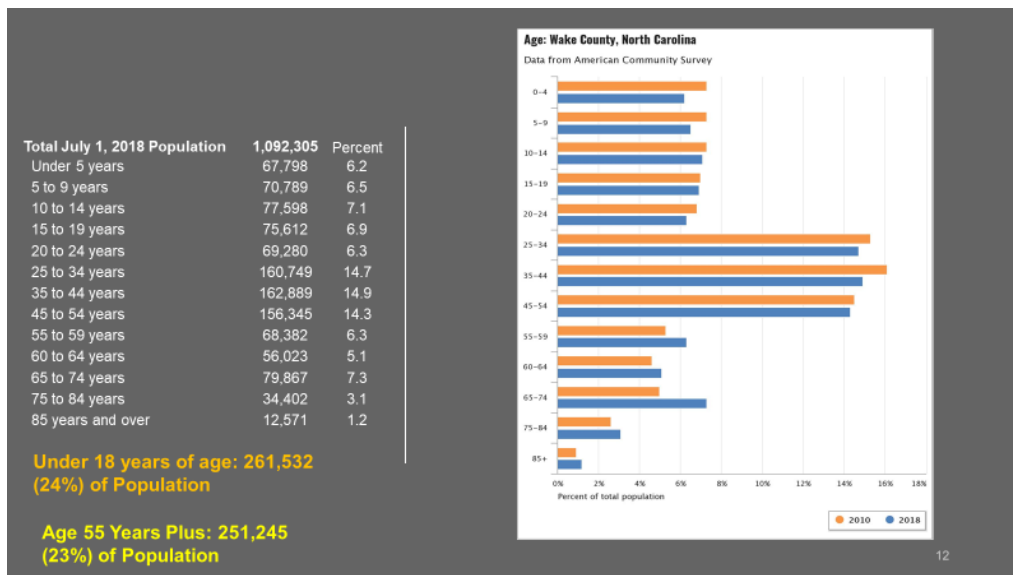


Share of Population Growth by Age Group
July 1, 2010 – July 1, 2018



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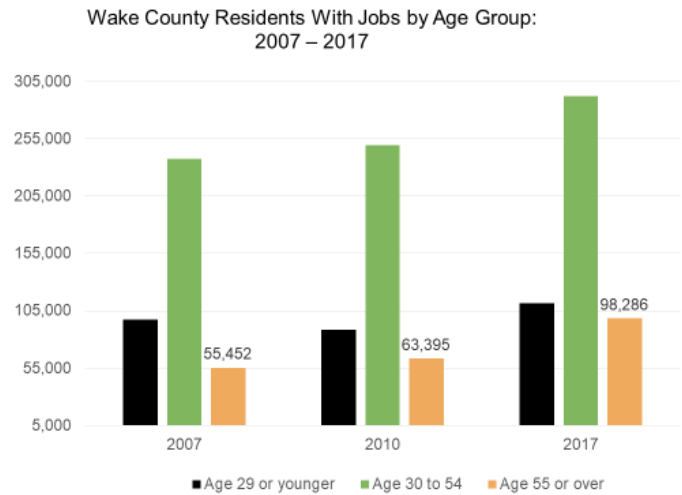


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She shared that there is a 77 percent increase in Wake County's older adults with jobs.

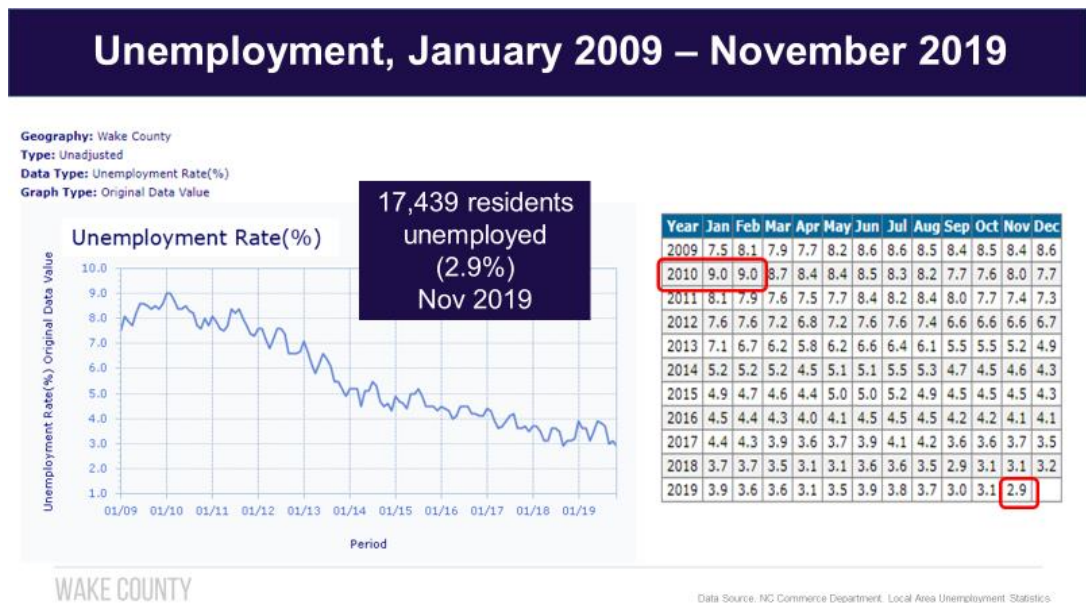
Commissioner West asked about the definition of older adults and why they work. Ms. Peterson said that there are various reasons why older adults work.

77% Increase in Wake's Older Adults With Jobs

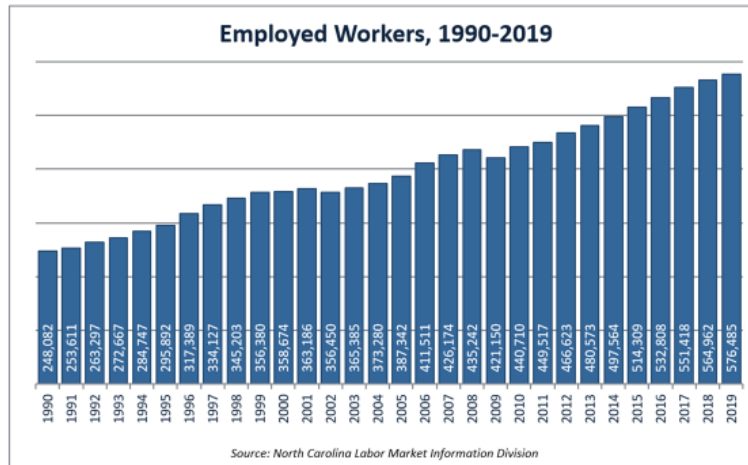


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Ms. Peterson shared the unemployment and employment information from January 2009- November 2019.



Employment

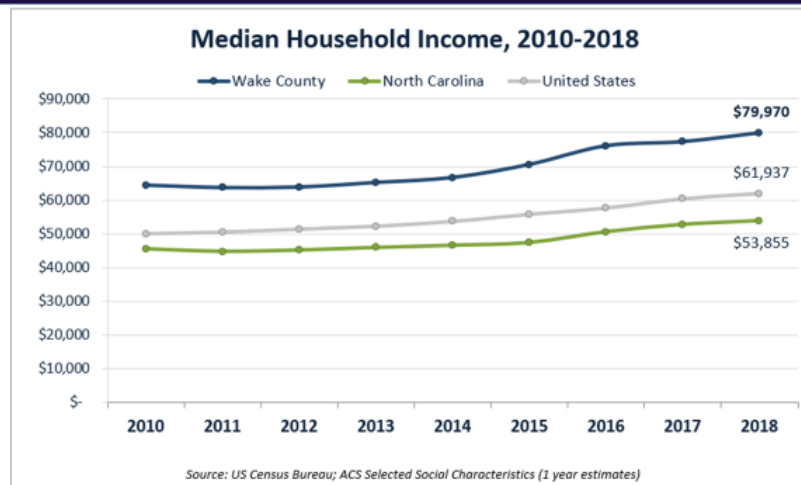


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Ms. Peterson shared the median household income information. Mr. Horton said the numbers are not inflation adjusted. Commissioner Calabria asked staff to provide inflation adjustment information.

Wake County Median Household Income



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Ms. Peterson shared the information about the number of residents that have a bachelor's degree.



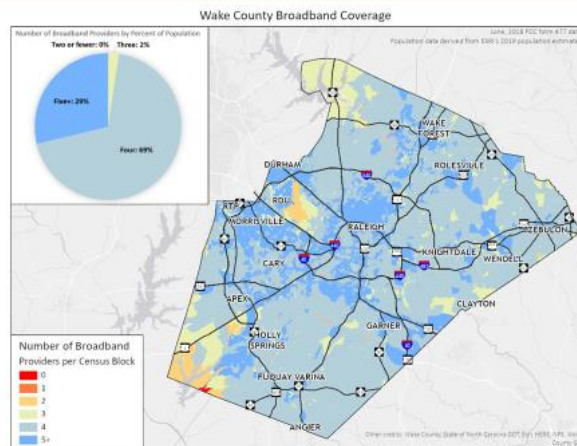
Mr. Shroyer shared the broadband information in Wake County for 2018. (2 slides)

Broadband in Wake, 2018

Computer and Internet Use:
2018: ACS 5-Year Estimates

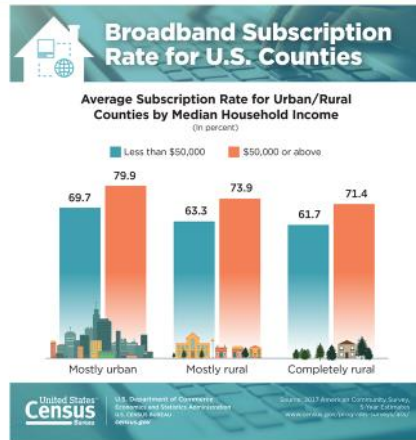
Total Households: 390,498

- 95.5% with a computer
- 89.7% have broadband internet service



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Broadband in Wake, 2018



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Wake Households:

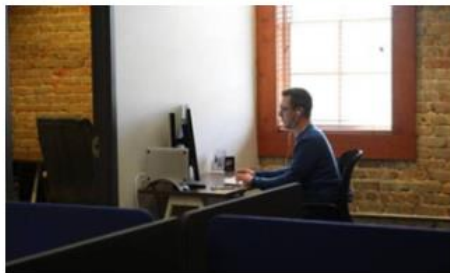
- Less than \$50,000 – **83% Have Broadband**
- \$50,000 or Above – **96% Have Broadband**

8% (31,000)
Have No Internet Service

Data Source: U.S. Census Bureau 2017 American Community Survey 5-Year Estimates.

Ms. Peterson shared the best places to work from home information.

Best Places to Work from Home



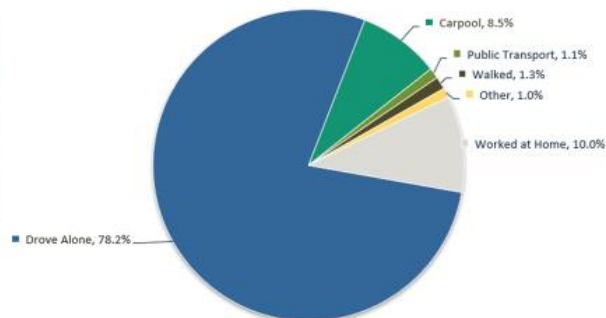
BUSINESS

Working from home in the Triangle? It's one of the top regions for it, study says

BY AARON SANCHEZ-GUERRA
<https://www.newsobserver.com/news/business/article239240933.html>

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Mode of Transportation, 2018



Source: US Census Bureau; ACS Selected Social Characteristics (1 year estimates)

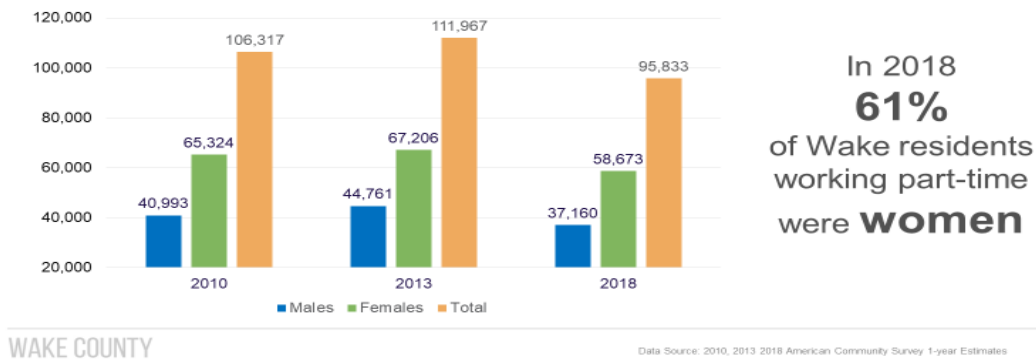
Commissioner Calabria asked if there was broadband data for high speed internet. Mr. Horton said there is information available and vulnerable communities' numbers are lower, but that may be due to affordability.

Mr. Bill Greeves, Chief Information Officer, said greater accessibility drives the numbers higher for broadband access.

Ms. Peterson shared the part-time worker information.

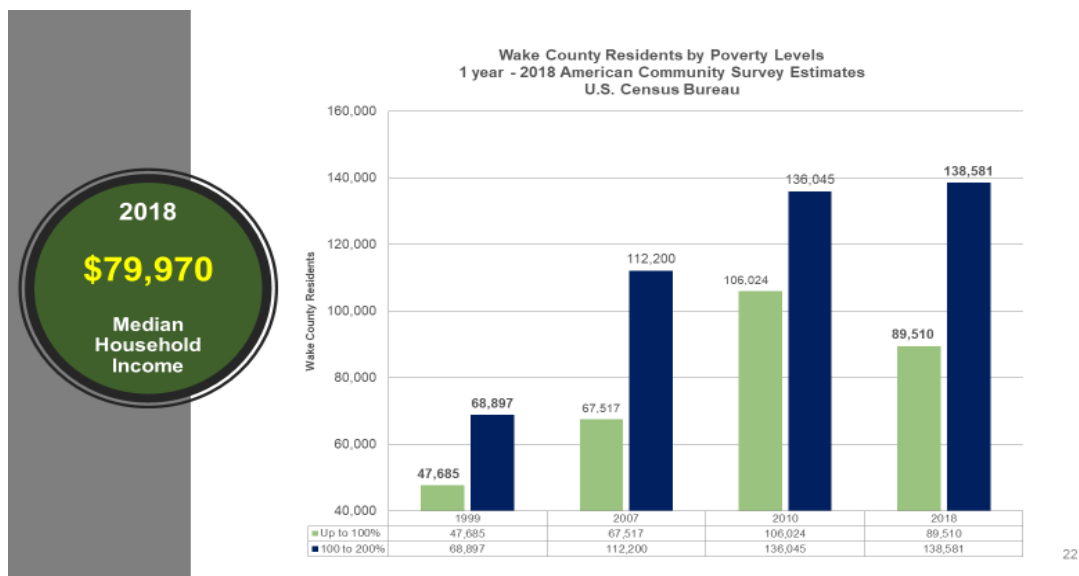
Part-time Workers, 2010 - 2018

Wake Residents Age 16-64 who worked less than 35 hours/per week



Commissioner Holmes asked if the numbers of women being primary care givers reflect the part-time numbers. Ms. Peterson said the women below poverty affect the results. Commissioner Holmes asked if there is concern about women and part-time benefits. Ms. Peterson said the issue is a national issue.

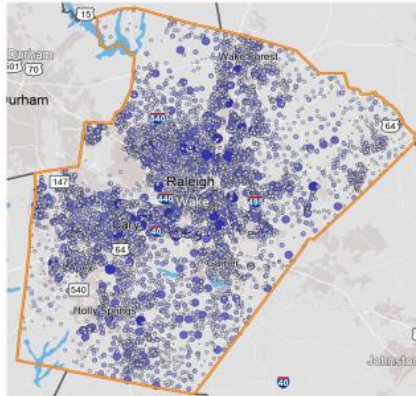
Commissioner Evans said the numbers in 2010 were larger for part-time work and more persons have found full-time employment.



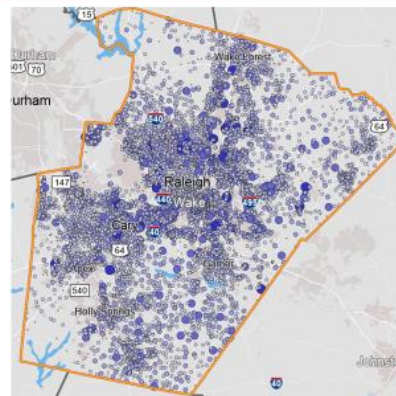
Ms. Peterson shared the primary job earnings information.

Primary Job Earnings (2017)

77,055: Residents whose highest paying job is up to \$15,000 per year

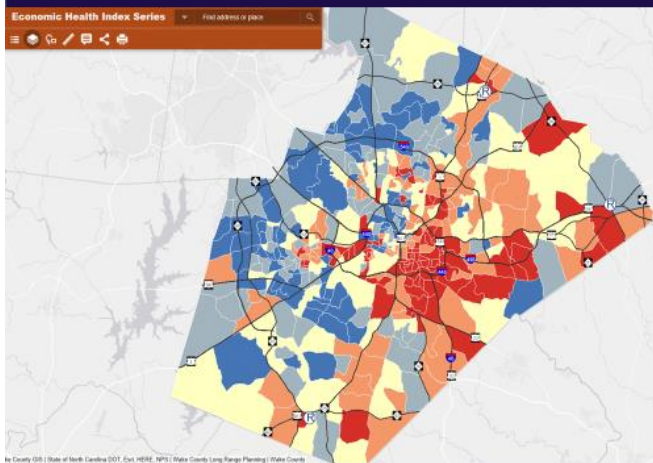


130,282: Residents whose highest paying job is between \$15k–\$40k yr



Mr. Shroyer shared the Wake County Economic Health Index information. He said the data is taken from the five-year American Community Survey (ACS).

Wake County Economic Health Index _ 2017



To better gauge the Economic Health of Wake County residents, the United States Census Bureau's American Community Survey (ACS 2013-2017 5 year average estimates) at the Block Group level geography was used:

1. Median Household (HH) Income
2. Food Stamps (Households receiving SNAP)
3. Rent as greater than 30% of HH Income
4. Mortgage as greater than 30% of HH Income
5. Persons living between 100%–200% of Federal Poverty Level.

School Financing and Debt Options

Mr. Todd Taylor, Wake County Debt Manager, shared an outline of the agenda.

Agenda

- ✓ Background
- ✓ Debt and Capital Model Update
- ✓ Funding Options for Schools FY22-FY23: Bond vs LOBs
- ✓ Considerations
- ✓ Review and Recommendation
- ✓ Next Steps

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He shared a background of the optimal funding strategy for the Capital Improvement Program needs for the county, Wake County Public School System, and Wake Technical Community College.

Background

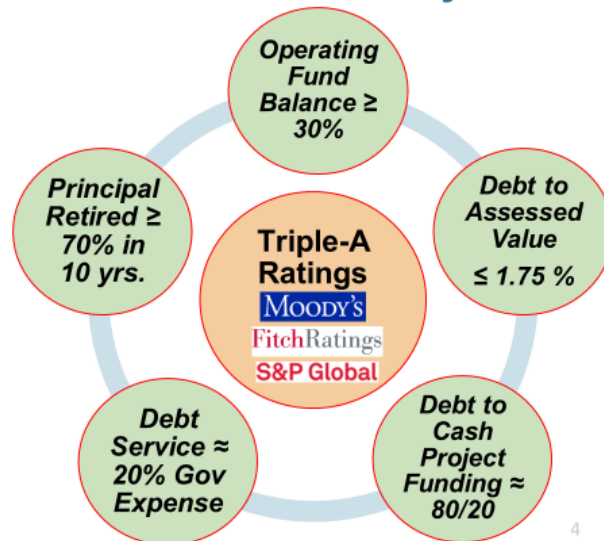
BOC selects optimal funding strategy for CIP program needs of County, WCPSS, and WTCC

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 2.30	G.O Debt Avail	Vote Nov	New Tax Rate Set June 1.00	G.O Debt Avail	Vote Nov	New Tax Rate Set June 1.30
Tax Increases								
Ballot Amounts			\$548 million		\$594 million		\$587 million	
WTCC GO Bonds; Vote Every 4 Years	Vote Nov	New Tax Rate Set June 1.15	G.O Debt Avail			Vote Nov	New Tax Rate Set June 0.30	G.O Debt Avail
Tax Increases								
Ballot Amounts			\$349 million				\$179 million +	
PGROS GO Bonds; Vote Every 6 Years	Vote Nov	New Tax Rate Set June 0.35	G.O Debt Avail					Vote Nov
Tax Increases								
Ballot Amounts			\$120 million					
Estimated Tax Increases (as of June 2019)		3.80 Adopted		1.00		1.60		3

Mr. Taylor shared the debt and capital policy information.

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



He shared the debt and capital model information.

Debt and Capital Model is Comprehensive Financial and Planning Tool

- ★ **Track policy metrics to protect triple-A ratings**
Ensures lowest debt financing rates; lowest cost to taxpayers
- ★ **Determine affordability and viability in Capital planning**
Impact to current resources / available capacity
Necessity, level, and timing of required future tax increases
Opportunity cost of certain capital funding scenarios

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Mr. Taylor shared the policy metrics at FY 20 Budget Adoption.

Policy Metrics at FY20 Budget Adoption

Policy or Guideline	Goal	2020	2021	2022	2023	2024	2025	2026
Fund Balance Ratio	≥ 30%	30.8%	32.0%	32.7%	32.1%	31.7%	30.6%	31.5%
% Debt Paid in 10 Years	≥ 70%	73.0%	71.4%	70.8%	70.2%	70.1%	70.6%	71.4%
Debt / Capital Ratio	Strive for 80 / 20	82%	76%	80%	81%	80%	75%	78%
Debt / Assessed Value Ratio	≤ 1.75%	1.59%	1.53%	1.58%	1.67%	1.73%	1.61%	1.65%
Debt Service as % Total Expenditures	Strive for ≤ 20%	18%	17%	19%	20%	21%	22%	20%
Future Recommended Tax Levy		3.80		1.00		1.60		-

- Anticipated 1¢ Tax Increase needed in FY22 to support FY22-FY23 WCPSS Capital Needs
- Anticipated 1.6¢ Increase needed in FY24 to support FY24-FY25 WCPSS and WTCC Capital Needs
- Policy metrics maintained at desired levels given base assumptions

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Mr. Taylor shared the financial information and assumptions updated in the model.

Financial Info and Assumptions Updated in Model

Financial updates

- FY19 actuals
- FY20 and FY21 draw program terms better than projected
- 2019C PGROS GO bond sale results better than projected

Base Model assumptions reviewed and adjusted as necessary

- FY20 and FY21 valuation growth – fine tuning with more certainty
- Investment Rate – revised down
- Short Term Debt Rate – revised down
- Long Term Debt Rate – revised down

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Mr. Taylor shared the revised assumptions.

Revised Assumptions

Established Methodology – adjust rate assumptions if actual rates were outside of a projected window

Ultimate Goal – conservative modeling accounts for the unknown while maximizing available resources

		2020	2021*	2022	2023	2024	2025*	2026	2027
Revenues	Property Tax Valuation Growth	3.25%	24.00%	2.00%	2.00%	2.00%	12.00%	2.00%	2.00%
	Sales tax annual growth rate	4.00%	4.00%	4.00%	3.50%	3.50%	3.50%	3.00%	3.00%
	Investment rate	1.75%	1.75%	1.50%	1.25%	1.00%	1.00%	1.00%	1.00%
Expenses	GO Draw Programs - Variable Rate	1.89%	1.70%	1.50%	1.30%	1.30%	1.30%	1.30%	1.30%
	GO Bonds - Fixed Rate	3.25%	3.50%	3.75%	4.00%	4.00%	4.00%	4.00%	4.00%
	LOBs - Fixed Rate	3.50%	3.75%	4.00%	4.25%	4.25%	4.25%	4.25%	4.25%

*revaluation year

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Mr. Taylor indicated that the red numbers are the changed percentages since June 2019.

Mr. Taylor shared the Capital Funding update in process.

Capital Funding – Update In Process

Capital Program:	2021	2022	2023	2024	2025	2026	2027
Debt							
WCPSS	281,862,773	299,638,328	294,731,297	324,810,882	261,927,348	327,623,663	344,824,000
WTCC	90,510,000	76,873,000	95,111,000	99,697,000	78,902,000	79,148,000	83,304,000
PROS	22,540,000	19,200,000	20,920,000	15,610,000			
HUMAN SERVICES (LOBs)		20,000,000	60,500,000			10,000,000	
OTHER COUNTY CIP (LOBs)				11,000,000			
TOTAL DEBT	\$ 372,372,773	\$ 419,051,328	\$ 469,542,297	\$ 456,427,882	\$ 356,439,348	\$ 416,771,663	\$ 428,128,000
PAYGO							
WCPSS	65,855,281	62,230,939	65,127,867	66,357,303	68,090,522	70,133,238	73,816,000
WTCC	10,033,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,894,000
HUMAN SERVICES	5,100,000	500,000		500,000	1,100,000	1,500,000	
OTHER COUNTY CIP	35,133,000	35,721,000	36,437,000	38,986,000	39,739,000	40,471,000	41,281,000
TOTAL CASH	\$ 116,121,281	\$ 105,951,939	\$ 109,064,867	\$ 113,343,303	\$ 116,429,522	\$ 119,604,238	\$ 122,991,000
TOTAL CAPACITY	\$ 488,494,054	\$ 525,003,268	\$ 578,607,164	\$ 569,771,185	\$ 472,868,871	\$ 536,375,901	\$ 551,119,000

- Existing FY21-26 per adopted FY20-26 CIP; FY27 at assumed level
- Capital Funding levels will be updated in Feb / Mar 2020

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Mr. Taylor shared the definitions of General Obligation Bonds (GO) and Limited Obligation Bonds (LOBs).

Schools Funding Options for FY22-FY23

General Obligation Bonds (GO Bonds)

- *Long term debt backed by the full credit and taxing authority of issuer*
- *Authorized by voters via referenda*

Limited Obligation Bonds (LOBs)

- *Long term debt backed by collateral assets of issuer*
- *Authorized by local government*

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Mr. Taylor shared the comparison of options between the GO Bond and the LOB approach.

Comparison of Options

GO Bond Approach

- Fall 2020 Schools Bond Referenda
- General Obligation Bonds – cheapest cost to taxpayers
- May 2020 first of several required BOC actions for Bond on Nov 2020 Ballot
- Planned GO BAN draw program in FY22-FY23; future GO Bond take outs
- Projected future tax impacts
 - FY22: no tax increase needed
 - FY24: tax increase 2.45¢

LOBs Approach

- No referenda necessary
- Limited Obligation Bonds – cost to taxpayers slightly above GO Bonds
- No action required in 2020
- Planned BAN draw program in FY22-FY23; future LOBs take outs
- Projected future tax impacts
 - FY22: no tax increase needed
 - FY24: tax increase 2.95¢

11

Commissioner Holmes noted the draw down approach has saved the county money. Mr. Taylor shared an example of cash flow savings and how funds are drawn down as needed, which saves the county money.

Ms. Emily Lucas, Chief Financial Officer, explained as the budget continues to increase, the assumptions are affected.

There was discussion about the revenue neutral rate and potential tax increases for citizens.

Mr. Taylor shared the policy metrics.

22

Policy Metrics Similar With Either Approach

GO Bonds								
Policy or Guideline	Goal	2021	2022	2023	2024	2025	2026	2027
Fund Balance Ratio	≥ 30%	32.8%	33.1%	31.8%	31.2%	30.5%	31.4%	34.1%
% Debt Paid in 10 Years	≥ 70%	71.7%	71.1%	70.3%	70.2%	70.6%	71.2%	72.0%
Debt / Capital Ratio	Strive for 80 / 20	76%	80%	81%	80%	76%	79%	79%
Debt / Assessed Value Ratio	≤ 1.75%	1.36%	1.42%	1.50%	1.55%	1.46%	1.51%	1.54%
Debt Service as % Total Expenditures	Strive for ≤ 20%	17%	18%	19%	20%	21%	20%	19%
Estimated Tax Levy		-			2.45		-	

LOBs								
Policy or Guideline	Goal	2021	2022	2023	2024	2025	2026	2027
Fund Balance Ratio	≥ 30%	32.8%	33.1%	31.8%	31.2%	30.5%	31.7%	34.9%
% Debt Paid in 10 Years	≥ 70%	71.7%	71.3%	70.1%	70.0%	70.7%	71.5%	72.4%
Debt / Capital Ratio	Strive for 80 / 20	76%	80%	81%	80%	76%	79%	78%
Debt / Assessed Value Ratio	≤ 1.75%	1.36%	1.42%	1.50%	1.55%	1.45%	1.51%	1.54%
Debt Service as % Total Expenditures	Strive for ≤ 20%	17%	18%	19%	20%	21%	20%	19%
Estimated Tax Levy		-			2.95		-	

12

He shared the considerations for the future tax impact and the November ballot information.

Commissioner Holmes asked if there has been an update on an affordable housing bond. Mr. Taylor said there are still discussions toward a bond. Chairman Ford said the Mayor of the City of Raleigh is in support of a bond.

Considerations

★ Future Tax Impact

- FY22 projected tax increase no longer needed to support estimated WCPSS Capital request for FY22-FY23; funded by existing capacity
- Trade off – a tax increase not only benefits associated Capital Programs for specific intended years, but also assists in funding future Capital Programs by “pre-building” capacity

	FY2022	FY2023	FY2024	FY2025
Prior Estimate	1.0 c		1.6 c	
Option 1				
GO Bond Approach	-		2.45 c	
Option 2				
LOBs Approach	-		2.95c	

Resulting effect is increase in projected FY24 tax increase for both County funding options

WAKE COUNTY

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Considerations

★ **Policy metrics and tax impacts are subject to change as further data inputs are updated (ie, Capital Programs)**

★ **November 2020 Ballot**

Presidential election

Statewide and local elections

Anticipated City of Raleigh referenda (Affordable Housing; Parks)

WAKE COUNTY

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Commissioner Hutchinson said he supports staff's recommendation with the LOB approach. Commissioner West said he needed more information about an Affordable Housing Bond.

Chairman Ford said the focus is on the school system capital needs and the board should be mindful of municipal partners. He said the decision should be about what is the best way to pay for the needs.

Commissioner Evans said that she prefers feedback from the Board of Education before moving forward.

Ms. Lucas said that at the March retreat there should be a four-year approach given and the board would need information around that time. Ms. Rogers said the information presented today is for commissioners that will be running for election in the fall.

Mr. Taylor shared the review and recommendation information.

Review and Recommendation



Model updated for FY19 actuals
Assumptions revised
Update of Capital Funding in process



No tax increase needed in FY22
Existing capacity can support WCPSS FY22-
FY23 assumed capital needs



Schools funding options: GO Bond vs LOBs



Staff recommends LOBs funding approach
Minimal cost differential between two options
Avoid ballot crowding

15

Mr. Taylor shared the GO Bond referendum steps.

Next Steps

- **Today**
 - Staff answers Board questions
 - Board chooses funding approach for Schools FY22-FY23
 - or
 - Board requests staff provide further information in March

WAKE COUNTY

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GO Bond Referendum steps

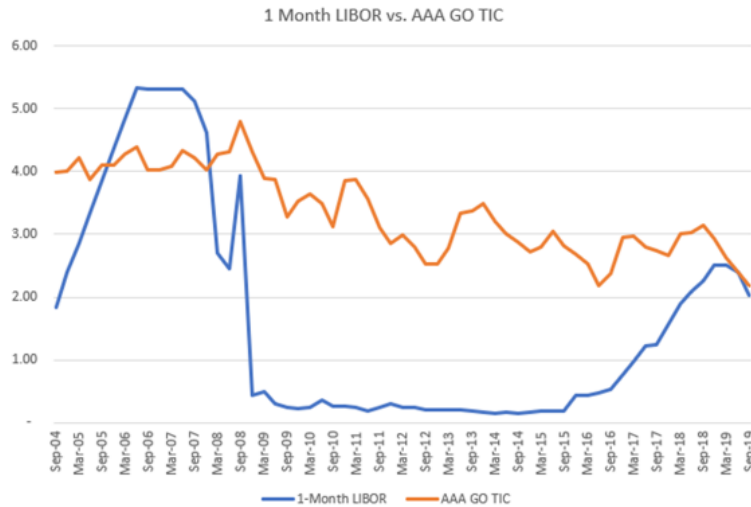
- April – BOE resolution requesting BOC pursue Fall Bond
- May – **BOC** adopts prelim findings resolution
- June – County staff files application with LGC
- June – **BOC** introduces Bond order
- July – **BOC** public hearing; adopts Bond order; calls for referendum
- Sep/Oct – LGC approves future issuance of GO Bonds
- Nov – Referendum question appears on ballot
- Dec – **BOC** declaration of results of referendum

**other administrative steps along the way*

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He shared the historical short and long-term rates.

Historical Short and Long Term Rates



A break was taken at 10:12 a.m.

Session 1: Education Goals

Mr. Horton shared with board members information about the Education Goals portion of the retreat.

10:15am Session

Arena
Club
Room

Education

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

David Ellis
Emily Lucas
Michelle Venditto
Todd Taylor

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Up Next: Breakout Session (GS & ES)

Mr. Horton shared that the report out section of the retreat would include information about initiatives that were removed, new initiatives, and initiatives nominated for final prioritization.

Commissioners discussed the education goals and the following initiatives and priorities.

Goal	Objective	Priority	Initiative
Education: Through collaboration with education stakeholders, achieve a well-educated, skilled citizenry prepared for success.	E1: Collaborate with our continuum of education providers to enable integration of County strategic plans and programs.	★	E 1.1: Expand Implement strategies that support capacity and access to early childhood development and Pre-K programs for 100% of eligible and interested four year old's. <i>[STAFF DIRECTED TO WORDSMITH]</i>
			NEW: Collaborate with municipalities, WCPSS, and private/nonprofit stakeholders to explore and possibly develop more robust summer and track-out programs for children whose families don't otherwise have access to existing programs due to financial and other barriers. <i>[STAFF DIRECTED TO WORDSMITH]</i>
		★	NEW: Barriers due to homelessness in students. <i>[STAFF DIRECTED TO WORDSMITH]</i>
			E 1.2: Partner with WCPSS and community agencies to address childhood hunger.
			E 1.3: Identify workforce housing opportunities near public schools.
			E 1.4: Support WCPSS and Wake Tech as they expand early college and career/technical education (CTE) program opportunities.
			E 1.5: Explore options to make community college more affordable to new Wake County graduates.
			NEW: Implement and measure the effectiveness of the WakeWorks apprenticeship program in partnership with Wake Technical Community College. <i>[STAFF DIRECTED TO WORDSMITH]</i>
	E2: Maintain a long-term capital plan for WCPSS and Wake Tech needs that are bound by strong financial policies designed to maintain the county's AAA bond rating.		E 2.1: Implement financing strategies to address needs identified in the Capital Improvement Plan.
	E3: Work with WCPSS to develop a mutually acceptable process for operating budget funding.		E 3.1: Collaborate with WCPSS BOE to establish a mutually agreed-upon process for WCPSS local operating budget funding.

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Blue Text – additions made at the BOC retreat

Breakout Session One: Economic Strength and Growth and Sustainability

Mr. Horton shared the information about the breakout session for Economic Strength and Growth and Sustainability.

11:00am Breakout Session

Centennial Authority Conference Room	Economic Strength	Greg Ford Vickie Adamson Jessica Holmes James West	David Ellis Bill Greeves* Chris Dillon
Arena Club Room	Growth & Sustainability	Sig Hutchinson Matt Calabria Susan Evans	Johnna Rogers* Derwick Paige Frank Cope Joseph Threadcraft Nicole Kreiser
WAKE COUNTY		Up Next: Lunch	

Commissioners discussed the Economic Strength and Growth and Sustainability goals and the following initiatives and priorities:

Goal	Objective	Priority	Initiative
Economic Strength: Create job opportunities for all, enhance our business-friendly environment to attract, retain and support business development and diversify the economic base.	ES1: Support Wake County Economic Development's efforts to bring targeted jobs and business to Wake County.		
	ES2: Leverage and collaborate with partners to increase opportunities and support for entrepreneurial ventures and existing businesses.		ES 2.1: Develop and implement Evaluate and measure the effectiveness of strategies to that support businesses owned by minorities, women, individuals with disabilities, and socially and economically challenged individuals people .
			ES 2.2: Develop and implement Evaluate and measure the effectiveness of strategies to that support small-business creation and successful entrepreneurship.
	ES3: Develop economic development strategies and tools that encourage socially responsible business practices, environmental stewardship, affordable housing, high quality of life and return on investments that produce societal benefits. <i>[STAFF DIRECTED TO WORDSMITH AND ADD "CREATION OF HEALTHY WORKPLACES"]</i>		ES 3.1: Explore a multi-criteria policy for economic development incentives to include work with vulnerable communities.
			ES 3.2: Create a program/mechanism platform to encourage and facilitate recognize businesses with socially responsible employment practices.
		★	NEW: Explore what Wake County can enforce in it's contracts. <i>[STAFF DIRECTED TO WORDSMITH]</i>
	ES4: Support initiatives to reduce barriers, leverage resources and facilitate buildout of high-speed internet connectivity that enables coverage, speed and affordability for all citizens.		ES 4.1: Seek legislation to expand digital infrastructure/broadband capability to the unserved and under-served areas and residents of the County.
			ES 4.2: Identify and work with partners to enhance high-speed internet connectivity options for all residents.
	ES5: Work with community partners to provide robust workforce development and talent training.		

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Blue Text – additions made at the BOC retreat

Goal	Objective	Priori	Initiative
Growth and Sustainability: Establish a deliberate and realistic approach to address growth and mobility while preserving our environment and enhancing our quality of life.	GS1: Implement a comprehensive approach for preserving open space and developing parks and greenways to address gaps, leverage opportunities and resources, and enhance collaboration with municipal partners.		GS 1.1: Set priorities and implement strategies for the use of new bond funds for parks, open space and greenways.
	GS2: Promote sustainability efforts throughout the county. <i>[STAFF DIRECTED TO WORDSMITH TO INCLUDE CLIMATE CHANGE, NATIVE PLANTS, AND LOCAL FOODS]</i>		GS 2.1: Update and implement the comprehensive solid waste plan to address waste management through 2040 to extend the life of the landfill through recycling and technology, 2) minimize recycling, 2) reduce litter, and 4) engage the community through outreach and education.
	GS3: Address quality and quantity issues associated with water resources.	★	GS 3.1: Collaborate with the Water Partnership on One Water initiatives to identify a multiyear sustainable water supply , including 1) revise water resource policies to reflect current scientific data and understanding, 2) protect watershed and stream buffers, 3) participate actively in protection of Falls and Jordan Lakes, and 4) promote conservation measures on lands in current and potential
			GS 3.2: Encourage farmland preservation; revisit goals of Wake County Agricultural Economic Development Plan (WCAEDP).
	GS4: Develop and implement the long range transportation and land use plans. <i>[STAFF DIRECTED TO WORDSMITH TO INCLUDE "IMPROVE HEALTH AND WELLBEING OF COMMUNITIES"]</i>		GS 4.1: Through completion of PLANWake, update and integrate Wake County's growth plans as it relates to land use and transportation systems plans. Update the county's comprehensive land use and transportation plans (PLANWake) to integrate Wake County's growth plans.
			NEW: Identify and consider amendments to the Wake County Unified Development Ordinance to integrate with the PLANWake (the updated comprehensive land use plan).
			GS 4.2: Convene Wake County municipalities and stakeholders to discuss growth, housing, sustainability, and zoning issues throughout the County.
	GS5: Guide the implementation of the Wake County Transit Plan. <i>[STAFF DIRECTED TO WORDSMITH TO INCLUDE "REDUCING CONGESTION"]</i>	★	GS 5.1: Monitor and oversee the deliverables and processes established by the transit governance interlocal agreement.
		★	GS 5.2: Encourage best development practices and create affordable housing opportunities in areas identified for transit improvement. <i>[STAFF DIRECTED TO WORDSMITH TO INCLUDE "LEVERAGING OPPORTUNITIES TO CREATE AFFORDABLE HOUSING AND COUNTY OWNED LAND"]</i>
			GS 5.3: Expand opportunities and Implement strategies to address transit affordability of transit services and equitable mobility the needs in vulnerable communities and rural areas.
			GS 5.4: Identify and recommend multi-modal transportation opportunities supporting the Wake County Transit Plan.

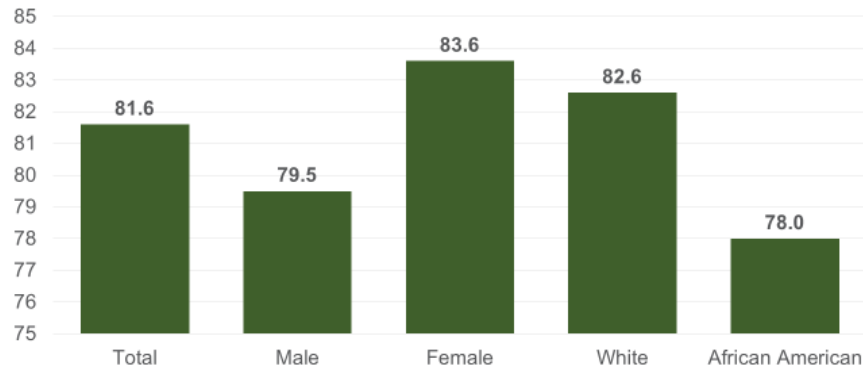
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A lunch break was taken at 1:10 p.m.

Ms. Peterson shared information about life expectancy.

Wake County Life Expectancy (In Years) 2016-2018

Life expectancy is the average number of additional years that someone at a given age would be expected to live if current mortality conditions remained constant throughout their lifetime



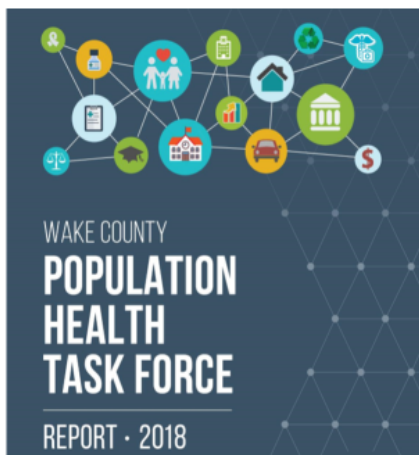
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<https://schs.dph.ncdhhs.gov/data/lifeexpectancy/2015-2017/2017%20State%20and%202015-2017%20County%20Life%20Expectancies%20at%20birth.html>

27

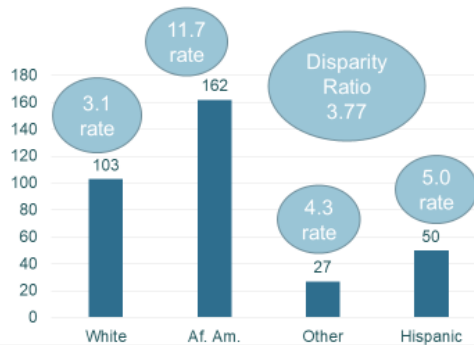
She shared the population health information.

Population Health, 2014-2018



WAKE COUNTY

Wake County Infant Deaths – 342
5.4 per 1,000 Live Births



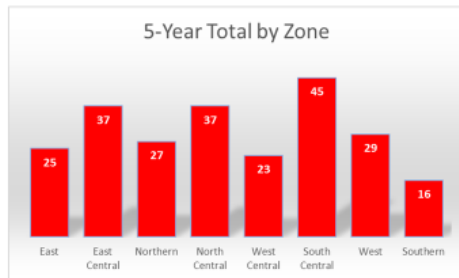
Data Source: NC Health Statistics 2013-2017

Mr. Shroyer shared information about infant mortality under the age of one.

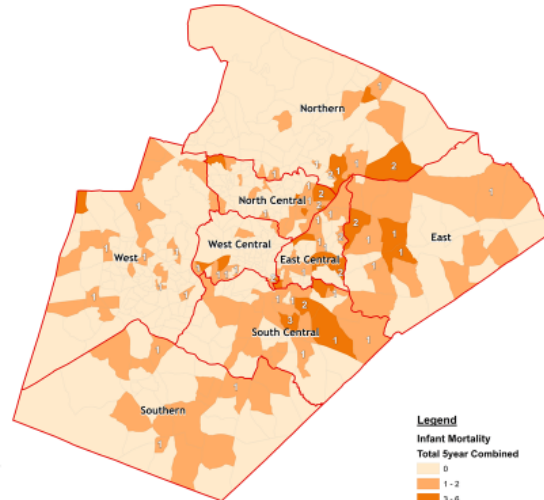
Infant Mortality Under the Age of 1

Wake County Vital Records

• 2019: 72



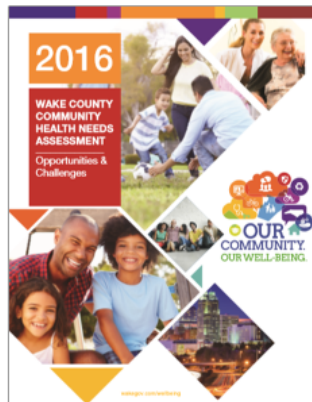
WAKE COUNTY



Ms. Peterson shared information about health insurance coverage in 2018.

Health Insurance Coverage, 2018

#1 Priority: Health Insurance Coverage



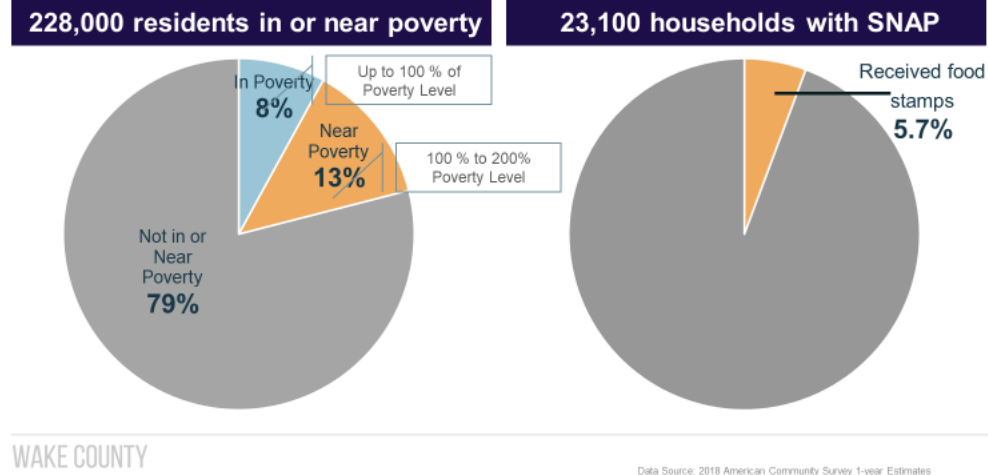
WAKE COUNTY

92,000+
UNINSURED
Residents
Under 65 Years of Age

Data Source: Census Bureau American Community Survey, 2018 1-Year Estimates.

Ms. Peterson shared the poverty and Supplemental Nutrition Assistance Program (SNAP). Commissioner Hutchinson asked about the statistics for the county as it relates to those that apply for SNAP verses those that qualify. Ms. Peterson said she would provide this information to the board.

Wake Poverty and SNAP receipt, 2018



Mr. Shroyer shared information about feeding America meal gap reporting.

Feeding America Meal Gap Reporting



Commissioner Calabria said that nationwide the Feeding America Meal Gap has decreased over the years and the Board of Commissioners have made it priority.

Mr. Shroyer said there is a survey of the food pantries in Wake County (two slides). He said this does not include school-based pantries.

Food Pantry Survey Dashboard

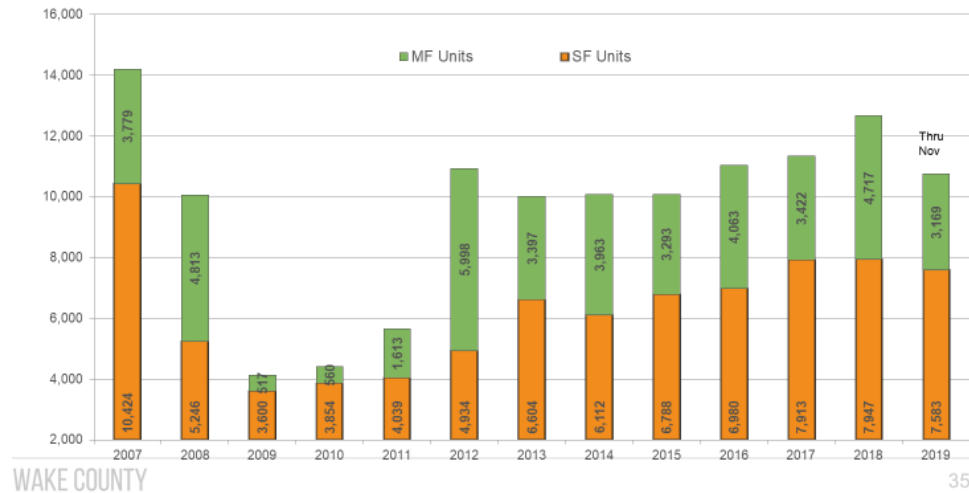


Food Pantry Survey Dashboard



Ms. Peterson shared the permitted housing units in Wake County.

Permitted Housing Units In Wake, 2007-2019



35

Commissioner West asked if there was data related to African American minorities and home ownership. Ms. Peterson said that the Census Bureau does report homeownership data estimates by race and Hispanic Origin.

Ms. Peterson shared that 37 percent of apartments are renting.

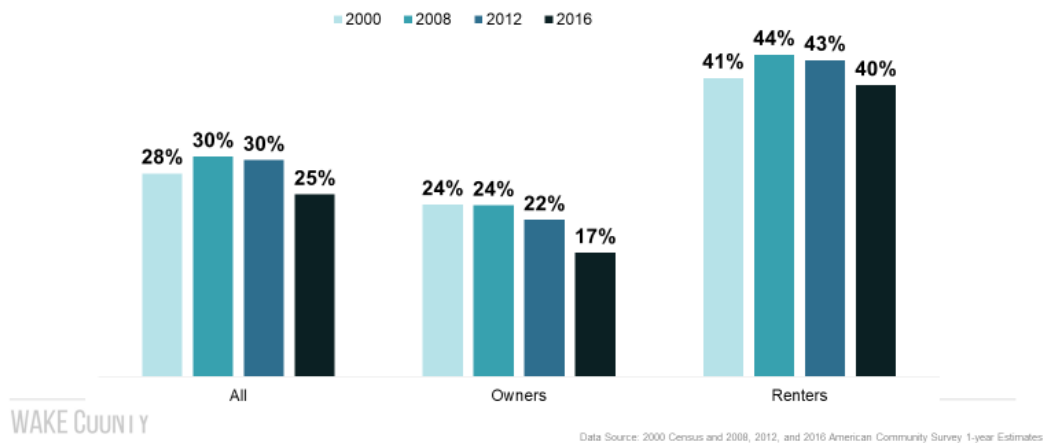


Mr. Shroyer shared the cost burden of households.

Share of cost-burdened households has declined

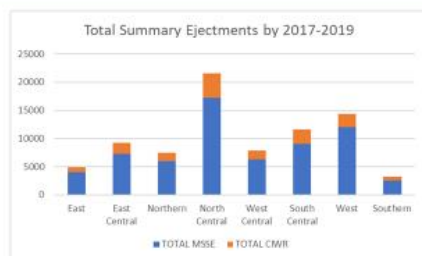
Wake County trends in cost-burdened households by ownership status, 2000-2016

Paying >30% of income for housing

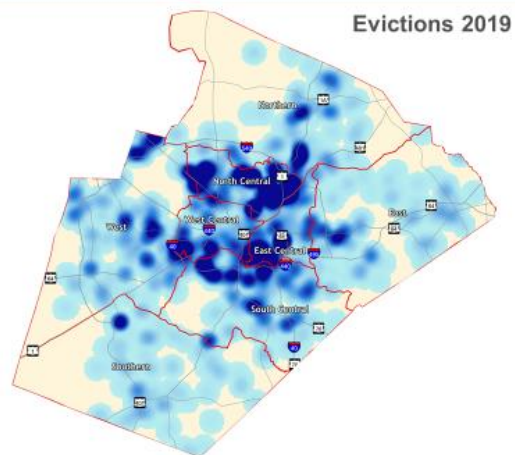


Mr. Shroyer shared the summary of ejectments in 2019.

Summary Ejectments



Total Magistrate Summons:	Total Court Issued Writ:
2019: 23,859	2019: 5,678 24%
2018: 21,441	2018: 5,514 26%
2017: 19,118	2017: 4,671 24%



WAKE COUNTY

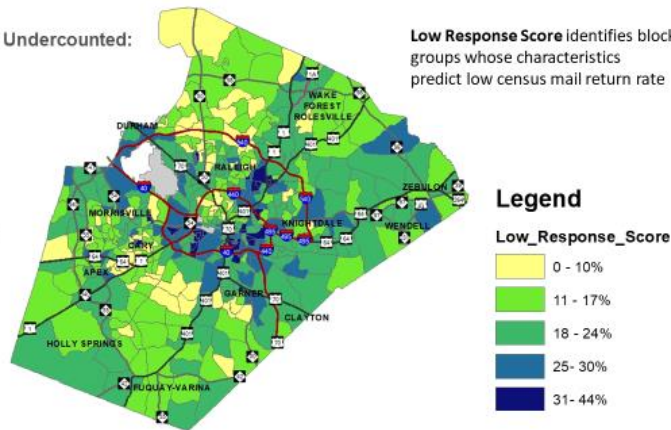
Ms. Peterson shared the information about the uncounted population in the Census.

Historically Undercounted in Census

Included Among Populations Historically Undercounted:

- Children Under Age 5 – 65,687
- Young Adults Age 18 to 24 – 94,002
- Seniors Age 65 and over – 107,751
- Persons with Disabilities – 85,684
- Below Poverty -101,256
- Rental Dwellings – 137,179
- Limited English Households - 10,981
- Households With No Computer – 20,523

Low Response Score identifies block groups whose characteristics predict low census mail return rate



WAKE COUNTY

Planning Database with 2010 Census and 2013 – 2017 American Community Survey Data 39

Commissioner West asked for information on how persons are counted. Ms. Peterson said that in a few weeks the Census Bureau will send out information about reporting this information online. She said a series of letters or a questionnaire will be circulated. She said that there are 59 different languages that can be translated.

Vice-Chair Adamson said there are 100 persons on the Complete Count Committee to address undercounting.

Session Two: Community Health and Social and Social Economic Vitality

Commissioners discussed the Community Health and Social Economic Vitality goals and the following initiatives and priorities:

Goal	Objective	Priorit	Initiative
Community Health: Promote a behavioral and physical health system that benefits all residents.	CH1: Support and build capacity for the treatment and management of residents who experience behavioral health challenges.		CH 1.1: Work with the Sheriff's Office and community partners to D develop sustainable strategies for assisting detained and/or incarcerated individuals that suffer from mental illness.
			CH 1.2: Evaluate and D develop a sustainability sustainable financial plan for to support future WakeBrook operations.
			CH 1.3: Leverage Wake County Human Services and our partners partnerships to enhance data sharing related to behavioral health services.
			CH 1.4: Identify and work with partners to expand stable permanent supportive housing opportunities and services for frequent users of community health services.
			CH 1.5: Explore opportunities to continue Medicaid eligibility for individuals incarcerated in County jails.
		★	CH 1.6: Enhance substance abuse treatment options.
			CH 1.7: Enhance Evaluate and measure the effectiveness of crisis services available to Wake County residents. <i>[STAFF DIRECTED TO WORDSMITH]</i>
			CH 1.8: Prioritize Wake County Behavioral Health Plan work objectives and develop a two year work plan.
	CH2: Improve health outcomes of Wake County residents through a comprehensive approach to population health. <i>[STAFF DIRECTED TO WORDSMITH]</i>		CH 2.1: Continue focus on active lifestyles and improved access to health services and healthy foods in school-aged populations.
			CH 2.1: Support efforts to share medical records between safety net providers through a common platform.
		★	CH 2.3: Prioritize the Population Health Task Force Report work objectives and Develop a three year work plan for Live Well Wake. <i>[STAFF DIRECTED TO WORDSMITH]</i>
		★	CH 2.4: Assess existing programs and identify gaps in order to Develop and implement a comprehensive plan to support healthy babies and moms through reducing infant deaths and related disparities support healthy and thriving babies and moms. <i>[STAFF DIRECTED TO WORDSMITH]</i>
			NEW: Work with DHHS and partners to successfully implement the programs and services associated with Medicaid Transformation. <i>[STAFF DIRECTED TO WORDSMITH]</i>
			NEW: Continue developing and supporting programs to reduce tobacco and vaping use or stopping users from starting in schools and within the general population. <i>[STAFF DIRECTED TO WORDSMITH]</i>

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Goal	Objective	Priority	Initiative
Social and Economic Vitality: Improve economic workforce development and social opportunities in vulnerable communities through strategic partnerships.	SEV1: Create more affordable housing opportunities and support efforts to reduce or end homelessness.	★	SEV 1.1: Work collaboratively with all partners to preserve and Implement the Wake County Affordable Housing Plan to increase and preserve the County's affordable housing inventory by 2,500 units over 5 years, reduce homelessness, and improve the wellbeing of our most vulnerable citizens.
			SEV 1.2-CH 1.4: Identify and work with partners to Expand stable permanent supportive housing opportunities and services for frequent users of community health services.
		★	NEW: Convene municipalities to develop a formal, branded joint plan to tackle affordable housing challenges. Local government entities might then adopt the "Wake Housing Compact" by adopting the same set of initiatives/goals. [STAFF DIRECTED TO WORDSMITH]
	SEV2: Develop a comprehensive approach to addressing the needs of Wake County's most vulnerable regions and communities to improve the overall wellbeing of their residents.		SEV 2.1: Support a higher quality of life for citizens in vulnerable communities through policy changes, partnerships, workforce development and the community college.
			SEV 2.2: Develop and implement strategy to reduce disparities in infant death among vulnerable populations.
			SEV 2.3: Increase mobility equity by ensuring residents have access to affordable transportation options.
			SEV 2.4: Develop and support programs and partnerships that reduce adverse childhood experiences and increase resiliency in families and communities.
	SEV3: Support collaboration among agencies, nonprofits, governments and the community to deliver more evidence-based services to our citizens.	★	SEV 3.1: Implement a the comprehensive Wake County Food Security Plan and measure the effectiveness of programs to identify and address issues related to hunger, food insecurity and food deserts.
			SEV 3.2: Assist foster children in transitioning to successful independent living after leaving the foster care program.
	NEW OBJECTIVE: Seniors age at home program. [STAFF DIRECTED TO WORDSMITH]		
	NEW: Support inclusive cultural and artistic programs that broaden perspectives and enrich everyday experiences. [STAFF DIRECTED TO WORDSMITH]		

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A five-minute break was taken at 3:30 p.m.

Breakout Session Two: Public Safety and Great Government

Commissioners discussed the Public Safety and Great Government goals and the following initiatives and priorities:

Goal	Objective	Priorit	Initiative
Public Safety: Provide a safe, secure and healthy community through coordinated, efficient and effective public safety services.	PS1: Develop strategies to build trust, cooperation and accountability among agencies, programs and initiatives that incorporate public safety agencies and resources throughout the county.		PS 1.1: Establish a County-wide standard for fire service in the unincorporated areas and develop a plan to achieve and sustain agreed upon service levels.
	PS2: Identify and reduce hazards posed to existing and future buildings (both public and private) and develop adequate planning and communication infrastructure to prevent, mitigate and respond to emergencies related to hazardous materials.		PS 2.1: Complete hazardous materials community risk planning dissemination and training. <i>[STAFF DIRECTED TO WORDSMITH]</i>
	PS3: Reduce the effects of substance use and abuse on the community and the impacts on public safety departments. [STAFF DIRECTED TO COMBINE PS3 AND PS6; INCLUDE REDUCING RECIDIVISM AND REDUCE BARRIERS TO SUCCESS; STAFF DIRECTED TO	★	PS 3.1: Identify Implement strategies to reduce drug related recidivism.
			PS 3.2: Increase the number of patients who are provided access and/or referral to substance use treatment programs.
			MOVED FROM PS6: Evaluate and measure the effectiveness of Expand intervention opportunities for education and job-training for detainees and those reentering the community through partnerships.
	PS4: Implement strategies to improve personnel retention and workforce wellbeing in public safety departments.		PS 4.1: Implement best practices for volunteer recruiting, retention, and utilization in emergency services.
		★	NEW: Develop and enact a plan to systematically address behavioral health challenges (PTSD) in first responders, especially with on-the-job stressors. [STAFF DIRECTED TO WORDSMITH]
	PS5: Implement programs to assist public safety personnel when working with the community, particularly those with mental illness.		PS 5.1: Increase the capacity and availability for CIT (Crisis Intervention Team) for all public safety personnel.
	PS6: Create diversion and reentry opportunities to improve health and wellbeing of those who are incarcerated or at risk of incarceration and to address recidivism.		PS 6.1: Expand intervention opportunities for education and job-training for detainees and those reentering the community through partnerships.

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Goal	Objective	Priorit	Initiative
Great Government: Be a fiscally-responsible county government that empowers, protects and serves its citizens through a culture of respect, collaboration and innovation.	GG1: Improve the customer's experience and treat every citizen with dignity, respect and appreciation.		GG 1.1: Establish guidelines for departments to use in measuring customer satisfaction and soliciting customer feedback.
	GG2: Improve effectiveness, efficiency, transparency, and responsiveness through innovation and technology.		GG 2.1: Live stream, record, archive and post Board of Commissioner work sessions.
			GG 2.2: Enhance and promote innovation programs to include a focus on cost efficiencies.
			GG 2.3: Review and update board policies and procedures to align with best practices for boards of commissioners.
	GG3: Maintain Create a culture within the county government that supports enhancing the health and wellbeing of employees and their families.		
	GG4: Utilize data-driven decision-making processes and methods wherever possible.		GG 4.1: Build the resources to assist departments with obtaining and maximizing utilizing effective data analytics to solve business objectives and reach departmental goals.
			GG 4.2: Establish a countywide performance management program including guidance for departments to use for development of qualitative and useful performance metrics.
	GG5: Develop strategies to Engage community members in envisioning the County's future.	★	NEW: Explore and develop strategies to engage community members in envisioning the County's future such as Civic Saturdays and town halls. <i>[STAFF DIRECTED TO WORDSMITH]</i>
			NEW: More engagement of the public during the budget process. <i>[STAFF DIRECTED TO WORDSMITH]</i>
			NEW: Explore and potentially implement tax check-off opportunities that taxpayers can sign up for [on] their tax bills (E.g. "Check this box to add \$20 to your bill that will go to fund additional Pre-K opportunities for children). <i>[STAFF DIRECTED TO WORDSMITH]</i>

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Next Steps

Mr. Horton reported staff will refine the objectives discussed today and fine tune the language and present the information to the board at the March 9, 2020 Work Session.

Vice-Chair Adamson thanked staff for their work.

Adjourn

The meeting was adjourned at 4:40 p.m.

Respectfully submitted,

Denise Hogan, NCMCC
Clerk to the Board