

RECOMMENDED BUDGET

July 1, 2022 – June 30, 2023



FY 2023

Introduction

Good evening, commissioners! After two years of presenting my recommended budget to you virtually, I have to say it's nice to be back in person. I'm pleased to join you in the board room tonight to share my Fiscal Year 2023 budget proposal with you.

It's financially sound, and it's a realistic response to the growth we continue to see, despite the pandemic, and the challenges we face as we provide more services to more people.

Growth

62 people per day – that's our current growth rate. And, if you do the math, that equals more than 20,000 new Wake County residents a year. It's not surprising when you consider we're the third fastest growing county in the nation, with more than 1 million people.

We're the 3rd fastest growing county in the U.S.



Much of that growth comes from our ability to attract new businesses to Wake County, particularly in the technology and biotechnology fields. We benefit from the economic boost these industries provide, but we also feel their impact on our services. Growth brings more voters to our polling sites, more families for our health and human services to support, more readers to our libraries, more 911 calls to EMS and so on.

That need for "more" is putting pressure on our services and the county employees who deliver them.

COVID-19 didn't slow our growth. The pandemic did magnify the places where – even when we stretched our resources as far as they could go – we still couldn't meet the needs of every resident who came to us for help.

And, as Commissioner West is good to remind us, COVID-19 shined a spotlight on the people who are being left behind in our community.

COVID-19 magnified where we couldn't meet the needs of every resident



We aim to help address those disparities and bridge those gaps in this budget.

In recent years, we've strived to keep the county's tax burden low. That remains our goal this year, too. The demand for our services is increasing every day, but our funding and staffing are not keeping pace.

We're also receiving requests for more financial support from the Wake County Public School System and Wake Tech. Just like us, they're struggling to meet the community's needs within the funding they currently have.

So, how do we find a better balance? Before we can answer that question, we have to talk about the economy.

The Economy Dichotomy

We're definitely in unusual financial times right now. Understanding how the economy affects us on both a macro and micro level is critical to understanding how we developed this recommended budget and where we propose investing our resources.

Retail sales have grown tremendously over the past two years. During the pandemic lockdown, consumers – motivated by rounds of stimulus and relief funds – created new spending habits.

Amazon boxes arrived on doorsteps daily, and folks waited in drive-through lanes for their weekly grocery pickup. When restrictions lifted, spending on services like haircuts and gym memberships rebounded. With COVID-19 now a part of – but not consuming – American life, residents are purchasing airline tickets, attending concerts and festivals, and resuming leisure activities.

However, inflation is at a 40-year high. In the South, it's at 9.1% compared to last year. Necessities like transportation, housing and food are more expensive than ever. As prices rise, some consumers may prioritize their spending on essential items and away from things they don't need to get by.

Although it's happening far from our shores, we can't forget about the war in Ukraine. It's causing higher gas prices at the pump. Many businesses are passing the added expense on to the consumer, making goods even more expensive.

After inflation, housing was the second economic factor we considered while developing this budget. Builders can't get materials fast enough. The supply of homes for sale in Wake County is low, and the demand is sky high. That, combined with low but rising interest rates and a growing population, is causing housing prices to rise dramatically.

The cost of housing is rapidly increasing

- ↓ Supply is **low**
- ↑ Demand is **high**

Median real estate sale price in March 2022 was
\$430,000



The cost to rent is also going way up. The median monthly rate for a two-bedroom apartment in Raleigh is \$1,558. That's an increase of about 22% from last year.

One contributing factor to our housing market is commercial investors. They bought up a lot of residential properties in our community, particularly in neighborhoods that were previously affordable. That's made it more expensive for regular folks to rent or buy a home in Wake County.

My recommended budget captures the explosive economic growth in our community, while being mindful that shifts can occur in an instant. Those shifts often require more of us, as a county, to serve those with the greatest needs and those without a safety net.

At the same time, we're in a very competitive labor market. Workers in many industries have proven they can work from anywhere, meaning they can hold out for the most desirable jobs and the best salaries.

As employers restore jobs post-pandemic and new companies come to the Triangle, there simply aren't enough people to fill them. Wake County Government is not immune to this challenge.

The Great Resignation

It's a side effect of The Great Resignation. People are leaving jobs or the job market altogether, because they're burned out.

An article I read recently said the job search platform Indeed found that 52% of people who responded to their survey reported feeling burned out, and 67% said these feelings got worse during the pandemic.

The impact of burn out isn't just mental and physical. It's also financial. Job-related stress contributes to 550 million workdays lost each year, costing the U.S. economy an estimated \$500 billion annually.

Burn out isn't just a buzz word. It's a real problem, and we're seeing it in our organization. Our turnover rate is at 16%, the highest it's been in decades. We've used federal funding to provide retention incentives for our employees, and dozens of them emailed me to say how much they appreciated the additional money.

One was a school nurse named Andrea who works multiple jobs and cares for her 87-year-old mother. In her email, she wrote, "It would be nice to have only one job, my job here at Wake County, but I do not think that is in the cards anytime soon. However, the email you sent gave me a glimmer of hope!"

Like many of our employees, Andrea loves her job, but it alone is not enough to pay the bills.

If we want to keep the best and brightest working for Wake County, we have to do more, and you'll see that reflected in this budget. If we don't, we'll lose top talent, do less good in our community and progress on your goals will slow down. That's not acceptable to me, and I don't think it is for you, either.

Putting on Our Own Oxygen Masks First

That's why you'll see a recurring theme in my budget this year. It's a phrase you've heard many times during board meetings and budget retreats from Vice Chair Thomas. "We have to put on our own oxygen mask first."

If you've ever flown on an airplane before, that phrase is probably familiar. During the safety briefing, the flight attendant says if the plane's cabin loses pressure, oxygen masks will drop down, and you should put on your mask before helping your neighbor. The point of that process is you're no help to anyone, if you can't breathe yourself.

Must stabilize our organizational needs to better address our community's needs



22

For us, that means we have to stabilize our organizational needs to better address the needs in our community. We can't provide essential services like EMS response, child welfare support, new well testing and building inspections if we don't have the people, tools and resources to do the work.

In this presentation, I'll walk you through the investments I recommend in these areas for the fiscal year ahead. You'll also see how I propose addressing the impacts of growth, inflation, an affordable housing shortage and a tight labor market, all while bringing the rising demand for our services into better balance with the staffing and funding needed to provide them.

Building the Budget: Wake EMS

I'd like to start by talking about our public safety departments – all of which are impacted by growth.

Wake EMS has seen a record-setting number of 911 calls, since the COVID lockdown lifted. In our "new normal," the call volume hovers around 10,000 per month. That's 1,000 more than in 2019.

Wake EMS saw record 911 calls after lockdown

The "new normal"

Respond to about
10,000 calls
per month

Increase of about
1,000 calls
per month from 2019



Public Safety > Wake EMS

25

In response to increased call volume, our EMS team launched the Nurse Navigation Program in March to help triage 911 calls. Callers with non-life-threatening issues are routed to a nurse navigator who can direct them to a primary care provider, urgent care or telemedicine visit.

In the first year of operation, projections show about 6,500 calls to 911 for medical care will go to the nurse navigator instead of Wake EMS. While that is helpful, it's not enough.

Our EMS team is still struggling to recruit and retain the employees needed to respond to this growing call volume. Not only are they in the midst of the Great Resignation, but the EMS industry is also experiencing a national staffing shortage. So, if you're interested in working for the leading EMS department in the nation, or any of our other departments, please go to our website and apply for a position today.

To help strengthen their talent pipeline, Wake EMS has asked for several new positions in the FY23 budget. They would get the department more involved in community college recruitment programs and develop new training course content, so employees can advance their skill sets.

I recommend adding those positions in the budget along with a mobile mechanic. This innovative position would go directly to ambulances and other EMS vehicles and perform on-site maintenance. The goal is to decrease the amount of time ambulances are out of service for maintenance and get them back on the road more quickly. Every minute counts, when you're responding to record call volumes.

We'll be ready with facilities to support operations – both now and in the future. Through the EMS Master Facilities Plan, we plan to invest \$61 million over the next seven years to upgrade and replace existing EMS stations and build new ones to ensure we can respond quickly to calls in every corner of Wake County.

Building the Budget: Wake County Sheriff's Office

Another area where we're having a hard time filling positions is in the Wake County Sheriff's Office. Nurses and officers who work in the detention center are particularly tough to recruit and retain, especially in today's labor market. We're seeing high turnover in both areas, and we know that pay, stress and increased workload are contributing factors.

I propose adding four nurses to the detention center team to watch over detainees who are on suicide watch in safety cells or under psychiatric observation in the new medical holding area. As Chair Hutchinson often reminds us, the jail has become one of the largest mental health care facilities in the county, and while these folks are in our care, it's our responsibility to treat their physical and mental health needs.

Sheriff Baker and I feel strongly that it's also our responsibility to protect our deputies and detention officers when they're in the field and provide them with the right tools to do their jobs effectively. This budget proposes replacing standard safety equipment like bulletproof vests, in-car cameras and radios to keep our deputies safe, as well as upgrading the 911 system to ensure there are no disruptions in the Wake County Communication Center's ability to respond to 911 calls.

At your direction, we've spent a lot of time this year thinking about how we can enhance pretrial services. We've worked closely with stakeholders from the 10th Judicial District, led by the District Attorney, to brainstorm and vet ideas, and we've landed on a best-practice tool called the Public Safety Assessment.

Investing in pre-trial services

Public Safety Assessment

- Uses 9 evidence-based questions to gauge if the person will re-offend and return to court
- May reduce the number of people in jail, saving money and resources



Public Safety > Wake County Sheriff's Office

33

It uses nine evidence-based questions such as the person's age when they committed the offense, prior convictions and the pending charge at the time of arrest to gauge the likelihood that person will re-offend and return to court. Using this tool, we can prioritize supportive services to those who need additional assistance most, so they can be successful during their pretrial phase.

I've included this tool in my budget proposal, because it, along with other reform initiatives, may help reduce the number of people in jail who are awaiting trial and don't need to be detained until their court date. By allowing low-risk offenders to avoid unnecessary jail time, we can save the county money and resources, while continuing to keep the community safe.

Building the Budget: Wake County Fire Tax District

Just like EMS and the Sheriff's Office, our Fire Tax District is also experiencing staffing challenges.

For those who aren't aware, the Fire Tax District provides fire services to the unincorporated areas of the county and the Town of Wendell. The unincorporated areas are neighborhoods and communities that don't fall within a city or town's limits.

How the Fire Tax District works

It serves:

- Unincorporated areas of Wake County
- Town of Wendell

A tax is levied to pay for:

- Firefighters' salaries
- Safety gear and equipment
- Fire stations



**No Fire Tax increase in
Fiscal Year 2023**

Public Safety > Fire Tax District

35

The county levies a fire tax on those who live in the unincorporated areas and the Town of Wendell to pay for the firefighters' salaries, their safety gear and the equipment they need to do their jobs. We will not raise the fire tax in FY23. The revenue that we expect the current tax levy to generate will allow us to significantly increase staffing.

It couldn't come at a better time. Calls to 911 increased by 17% from 2020 to 2021 in the Fire Tax District. Firefighters are usually the first responders on the scene, so their workload is impacted dramatically by the rising call volume.

We're ready to invest in the Fire Tax District to help address call volume and The Great Resignation. In this budget, I propose adding new positions to meet the growing demand for service. Some of the new positions will support three new fire stations slated to open by our municipal partners in FY23 that serve areas outside of Apex, Garner and Fuquay-Varina.

I want to acknowledge the good work done by Commissioner Calabria, the Fire Commission and its subcommittees to help us reach this point. We're following the Fire Tax District's first Long Range Plan. It uses data to determine how quickly our firefighters arrive and how many folks we need on scene to effectively fight fires. We then use that analysis to show us where in the county we need more staff and new stations.

It's an excellent tool to guide these important decisions, especially when you consider that we haven't increased staffing significantly in the Fire Tax District in more than five years.

Adding new positions to EMS, the Sheriff's Office and the Fire Tax District is how we put on our oxygen masks to stabilize our organization. We're growing our public safety teams, so they can respond to the needs of our growing community.

Building the Budget:
Health and Human Services

As we think about social determinants of health, we know access to high quality healthcare is key to living a longer, better life.

We saw this in effect during the pandemic. Our mobile teams went door-to-door in our historically marginalized neighborhoods bringing vaccines to our most vulnerable residents to ensure access. We also partnered with faith-based organizations to hold vaccine clinics where members and neighbors could take their shot against the virus.

These community outreach efforts were tremendously successful, because the services we provided were equitable and accessible. We want to take the positive lessons learned from that experience and carry them forward.

That effort starts with our regional centers. Just as you have identified in your goals, we want to provide more comprehensive medical services at four of the locations around the county with clinical spaces, so we can better support the public's needs.

This budget recommends adding positions, so we can offer family planning, prenatal care, child health care, sexually transmitted infection services and immunizations in the regional centers across Wake County. These new positions include physicians, certified medical assistants, registered nurses and program managers.

Need to expand services at our regional centers

Propose adding new positions to expand:

- Family planning
- Pre-natal care
- Child health care
- Sexually transmitted infection services
- Immunizations

Benefits



Each clinical location will have a minimum of 6 care providers



Will increase efficiency and reduce transportation barriers

Health & Human Services

42

By adding them to our team, we can ensure each regional center has a minimum of six care providers. Expanding our staff will allow us to treat the 40,000 people who receive medical care from the county more quickly and reduce transportation barriers, so they can receive treatment closer to their homes.

Commissioner Cervania, you'll be glad to hear we've already hired a trilingual physician to help us minimize language barriers in our clinics and communicate better with patients whose first language is not English. In this budget, we're striving to continue creating new and improved gateways to care that are easily accessible to all our residents, especially our most vulnerable.

Unfortunately, some of our most vulnerable are children who are at a higher risk for abuse or neglect. To help protect our youngest residents facing these challenges, this budget recommends implementing and expanding services to continue our compliance with the Family First Prevention Services Act.

This law, passed in 2018, is the most sweeping federal legislation to impact child welfare programs in decades. As a result of this legislation, the window to provide services has doubled from six months to 12 months. Our investment will allow us to meet the mandate while improving resilience in families. These evidence-based practices in mental health and child safety are proven to develop better family outcomes and result in fewer children entering the Child Welfare system.

In addition to protecting children at home, we also want to care for them while they're at school. Our nurses are critical to helping students address ongoing health issues and unexpected medical needs.

Investing in Public Health

Need to provide increased medical care

Propose adding:

- 2 school nurses** to serve the 4 new schools opening this fall
- 1 nurse supervisor** to create our own training programs for our nursing staff



Health & Human Services

44

The Wake County Public School System is planning to open four new schools this fall. So, I propose adding two school nurses to our team, so we can keep pace with our plan to have one nurse for every two public schools in Wake County.

This budget also funds a nurse supervisor position, so we can create and provide our own training for our nursing staff in the schools and clinics instead of relying on outside training programs. This will reduce any potential barriers for our busy nurses, and we can ensure we have the most skilled staff taking care of our children.

It sounds like putting on our own oxygen mask, so we can better care for others, doesn't it?

A study I read recently from the CDC said emergency department visits for suspected suicide attempts among adolescents jumped 31% in 2020, compared with 2019. In February and March of this year, ER

visits for suspected suicide attempts were 51% higher among girls ages 12–17 than during the same period in 2019.

Our children are struggling, and they need our help.

We see it in the rising number of referrals from the school system for behavioral health. Our behavioral health support team needs more resources to coordinate with school nurses and connect students facing mental health issues with the right resources and care.

I recommend partnering with Alliance Health to add two members to the existing school-based mental health teams to support students and their families, as they seek diagnosis and treatment. One of those positions will specifically focus on youth suicide prevention.

Investing in Behavioral Health

Must respond to rising referrals from WCPSS for student mental health care

Propose:

- Partnering with Alliance Health to add 2 members to the school-based mental health teams
- Will support students and their families



Health & Human Services

46

Mental health concerns are on the rise for adults, as well, reaching what some experts are calling a “crisis” that will linger for years after the pandemic is over. That’s why it’s important that we continue funding and expanding our behavioral health programs like the Enhanced Mobile Crisis Response Team to reach people faster when they’re experiencing a mental health crisis.

Another group that needs our care and support is adults at risk of abuse and neglect. Over the past five years, we’ve seen a 46% increase in adult protective services cases – many of which involve seniors.

The state has educated hospitals and healthcare providers about reporting abuse, ensuring more vulnerable adults who may be at risk are identified. Other contributing factors for this increase include the lack of housing, increased mental health needs and an aging population. In this budget, we’re adding more staff to manage this growing caseload, so we can help keep these residents healthy and safe.

Building the Budget: Housing Affordability

In these economic times, some folks in our community are thriving, while others face serious financial challenges and rising housing costs. To address this, I recommend increasing our commitment to housing affordability in the FY23 budget.

I propose adding more than \$4 million in each fiscal year of our capital plan to preserve and add more housing units. These new dollars will help our Housing Department partner more closely with private, commercial and non-profit developers in our community. Together, we can maximize our funding to preserve, rehabilitate and create more affordable housing units in Wake County.

In FY23, I recommend continuing to invest in the Familiar Faces pilot program, which provides short-term housing support, coupled with intensive case management, for those identified as frequent users of our services. Offering consistent access to critical care results in better long-term health outcomes for them and our community.

We’re also continuing our partnerships with Alliance Health, Resources for Human Development and the Robert Wood Johnson Clinical Scholars. Through this collaboration between Housing and Behavioral Health programming, we’re addressing the needs of people in our community who frequently require health, mental health, homelessness, law enforcement and emergency medical services. In Wake County, we truly believe that “housing is health.”



Wake County is also home to the largest number of military veterans in North Carolina. In 2020, more than 54,000 veterans lived in Wake County. We’re committed to optimizing our resources for the Veterans Services division. As a result, in the FY23 budget, I propose realigning this service under our Housing Department.

In the fiscal year ahead, we’ll review the results of the board-initiated Veterans Services Task Force and determine how to provide even better service to those who have served all of us. In addition to expanding housing support, the Veterans Services team will continue to seek local, state and federal assistance for military members and their families. These efforts fall right in line with what Commissioner Adamson and the Veterans Services Task Force want to accomplish.

Building the Budget: Environmental Services & Development Needs

As Wake County continues to grow, so does the number of construction projects. Tall cranes dot the skyline across downtown Raleigh, and in the towns, heavy equipment is moving dirt to build the next shopping center, apartment complex or subdivision.

All that development is creating higher demand for our services, which include conducting inspections in Knightdale, Rolesville, Wendell and Zebulon, as well as the unincorporated areas of Wake County. Over the past year, we’ve seen a 15% increase in building plan reviews for construction projects.

In this budget, I propose adding more inspectors to ensure we can review the plans efficiently, so we don’t cause delays for the builders. I’m also adding staff and software in the budget to improve access to spatial data in the county and more quickly map properties, which will support the fast pace of development across our area.

Investing in development needs

Propose adding:

- **More inspectors** to ensure efficient plan review for builders
- **Staff and software** to improve access to spatial data and more quickly map properties



Environmental Services & Developmental Needs

57

The county also is responsible for septic system inspections and on-site wastewater permitting. This budget adds new positions in both areas, so we can meet the growing demand for these services and provide the timely response that our customers expect.

Once new development projects are complete, the owners are responsible for controlling what happens when it rains and water collects on or runs off their property. It's called stormwater, and if it's not managed correctly, it can cause flooding and pollute our drinking water sources.

Obviously, we don't want that to happen. Neither does the state, which is why they've established new oversight requirements. In response, I propose funding a new post-construction stormwater team for the county. It will help ensure property owners and HOAs maintain their control measures properly, which is good for our environment and public health.

I also propose an increase in the tip fees that municipalities and private haulers pay to use our South Wake Landfill and East Wake Transfer Station. The tip fee for the landfill will increase \$5 to \$37 per ton – the first increase in 14 years. The tip fee for the transfer station will increase \$8 to \$49 per ton – the first increase in nine years.

Increasing tip fees to fund solid waste operations

South Wake Landfill

- Increase \$5 to \$37/ton
- First increase in 14 years

East Wake Transfer Station

- Increase \$8 to \$49/ton
- First increase in 9 years



Environmental Services & Developmental Needs

59

Raising the tip fees allows us to continue providing high-quality operations that protect the public's health and safety, while delivering efficient and environmentally responsible services.

I've talked a lot about growth and development in the more urban areas of the county. Now, I want to discuss the rural parts of the county.

There isn't as much farmland in Wake County as there used to be, and I recognize the need to preserve these undeveloped parcels to protect open spaces and honor our community's history. In this

budget, I want to act on your vision to create a farmland preservation program and add a coordinator to lead it.

This effort will complement the work of our Parks, Recreation and Open Space team, Cooperative Extension, and Soil and Water Conservation staff, and it will support our efforts to protect watersheds along local rivers.

Building the Budget: Accessible and Secure Elections

Voting is one of the most effective ways to make your voice heard and help steer the direction of government at all levels. In Wake County, we're committed to ensuring every election is accessible and secure.

Nearly 800,000 people are registered to vote in Wake County

↑ 24%
increase over the
past 6 years



Elections

63

There are currently almost 800,000 registered voters in Wake County. That's an increase of about 24% over the past six years. To accommodate our growing voter population, we're investing in the three ways folks can cast a ballot.

We're funding absentee voting by mail in this budget. In the 2020 General Election, requests for mail-in ballots increased 500% compared to the 2016 General Election. We don't know to what extent that pandemic surge will continue in our "new normal," and we want to be prepared with those ballots when they're requested.

In this budget, we're also funding early voting for the November election, so those who want the convenience can cast their votes in advance. Traditionally, turnout for early voting in Wake County is strong.

This budget also recommends adding two new precincts in Wake County, which falls in line with historical precedent. The new polling sites will help decrease lines and wait times on Election Day, so folks who want to vote in person can do so easily and efficiently.

It takes about 2,400 workers and about 540 voting machines to hold an election. We're committed to making sure training and equipment management happens behind the scenes to protect the integrity of our electoral process. To help, we're adding new positions to the Board of Elections team to oversee these efforts.

We're also increasing pay for our temporary election workers from \$15/hour to \$18/hour. In this labor market, pay is critical to attracting skilled staff. This wage increase will help us remain competitive, so we can recruit the temporary agency administrative staff we need to hold secure elections.

Building the Budget: Parks and Libraries

Just as interest in our elections is increasing, so is interest in our parks, preserves and greenways, as well as our libraries. People love hiking, playing disc golf, paddling or riding horses in our outdoor spaces. They contribute significantly to our high quality of life and are frequently cited as a factor in people's decisions to move to Wake County.

My recommended budget continues funding to staff and maintain our 11 parks and nature preserves, as well as many miles of greenways. We are also planning for the future by moving forward with construction for Beech Bluff County Park and developing plans for three more nature preserves that will protect about 7,500 acres. I'm excited to say there are more coming in the future, as a result of the parks, greenways, recreation and open space bond that passed in 2018.

In this budget, I also recommend extending the hours at another great county resource – our public libraries. By adding 10 hours a week to the schedule, we can restore the cuts made in FY21 due to the pandemic. While virtual story time and book clubs proved to be successful during COVID-19, our libraries have reopened for in-person visits, and our residents are ready to attend in-person library programming.

Expanding access to our libraries

Propose:

- Adding **10 hours/week** to the schedule
- Will restore the hours cut in FY 2021 due to the pandemic



Parks & Libraries

71

When you come to check out a book or attend a program, we want to make sure the library is comfortable and well maintained. To continue meeting that standard, we're investing \$20.5 million over the next seven years in our capital plan for library renovations. The plan includes updating the Library Administration Building and Book Distribution Center, West Regional Library, Holly Springs Community Library and Oberlin Regional Library.

Building the Budget: Facilities, Fleet and Digital Infrastructure

Our infrastructure conversation is much bigger than just the library and EMS systems. We have more than 5 million square feet of buildings in our portfolio county-wide, and it's our responsibility to keep them all safe, secure and well maintained.

But, the cost is growing more expensive. We're seeing inflation, supply chain issues and increasing commodity costs due to the post-pandemic economy, which are made worse by the war in Ukraine. They're causing price hikes for construction and maintenance materials and service contracts.

Gas prices have jumped from pandemic days when you could fill up your tank for around \$30. Our vehicles have to fuel up frequently, so

our law enforcement can investigate crimes and our inspectors can review new development tracts. To account for escalating fuel costs, I recommend adding \$1.6 million in the budget.

I also propose restoring the funding cuts we made in FY21 to equipment and facility maintenance. This should help us save money by proactively keeping our everyday infrastructure in good shape, so we don't wait until things break and require expensive repairs.

Infrastructure can also be something we pay for once like the purchase of a groundwater database or an energy efficiency upgrade to one of our older buildings. In these cases, we can use one-time funding sources like the American Rescue Plan Act or savings from prior years.

Using alternative funding sources to pay for eligible infrastructure projects



Facilities, Fleet & Digital Infrastructure

76

The proposed budget assumes that we'll use alternate funding sources for several eligible infrastructure projects like public safety radio towers and a child welfare case management system. This strategy will help relieve pressure on our capital plan.

However, to fully wrap our arms around the scale of our maintenance and repair needs, we also needed to look at how much we're investing in debt and capital. As part of budget reductions made in FY21, we shifted 0.21 cents of the property tax to the operating budget as a short-term strategy to meet operating needs.

But, now, our capital projects are feeling pressures from inflation. Construction materials cost more, which we have to account for in our plans for the new Public Health building and other routine facility replacements. Our largest facilities like the Justice Center and the Public Safety Center are aging and require costly life-cycle repairs to keep them well maintained. That's why I recommend shifting that 0.21 cents back to our debt and capital budget.

Our digital infrastructure is important, too. As we continue to grow as an organization, our digital infrastructure needs to grow with us.

The proposed budget includes continuing funding to modernize our workspaces and allow employees the flexibility of hybrid and remote workstyles. We're also updating and adding systems to get rid of paper, create electronic document management and respond to state reporting requirements – all to work more efficiently across our organization.

In this budget, we're also investing in tools to expand and improve the ways we use data. By making raw data easier to find, trust and export, it becomes easier to make data-driven decisions across the organization. We also want to keep all that data, our 90,000 user accounts and our 20,000 connected devices safe from cyber

criminals. So, in this budget, we're putting additional funding toward cyber security to protect the county and our information.

Building the Budget: Creating a Diverse, Equitable and Inclusive Workforce

A goal that you and I share is moving diversity, equity and inclusion from a statement we say out loud to a strategy we implement. But, we can't transition from the "saying" to the "doing" without building internal capacity. More simply put, we need folks to help us do the work – to take the plan that our DEI director is developing and embed it in our organization.

Need to build internal capacity to implement our Diversity, Equity & Inclusion plan



This is about creating **big changes** over time by taking **small steps** every day

Diversity, Equity & Inclusion

81

This is about creating big changes over time by taking small steps every day. At the most granular level, we want to generate better one-on-one relationships, because they're the building blocks to creating an inclusive community in which everyone feels respected and valued.

We also want to establish the right programs, policies and practices county-wide to guide our employees as they strive to create a more diverse and equitable organization. In this budget proposal, I recommend adding new positions to support our DEI office and its efforts.

They'll collaborate with the Chamber to implement the Blueprint for Dismantling Systemic Racism report and support our Government Alliance on Race and Equity employee survey – all priorities.

Investing in our Employees

Investing in our employees is a priority for me in this budget. We have an incredible team at Wake County, and I'm so proud of the work they do every day to support our community. We could not deliver all the programs and services you've heard me mention today without them.

Keeping top talent in this tight labor market isn't easy. Neither is recruiting new team members. But, I'm committed to taking steps to make Wake County the employer of choice – a place where people who strive to make a difference in the lives of others want to work.

It starts with compensation. It's important to account for the rising cost of living in Wake County, which our employees experience every day when they buy groceries, pay rent or gas up their cars. To help offset inflation, I recommend adding a 3.1% pay increase in the budget for our 4,500 regular employees.

I also propose investing in performance pay to reward our employees who work hard to advance your goals. Our successful contributors will

receive at least an additional 2% pay increase, and our outstanding contributors – our highest performers – can receive up to a 4-to-6% pay increase.

Our hope is that these pay increases will help us recruit and retain top talent. We have every reason to believe this strategy will work, because we've already seen it generate successful outcomes in positions where we've changed the pay structure to be competitive.

EMS is a great example. In March, we shifted the pay ranges for EMTs and paramedics and significantly boosted the salaries for most EMS employees. This move made Wake County a leader in pay for EMS personnel in North Carolina.

Wake EMS: A pay increase success story

In March 2022

- Shifted pay ranges for EMTs and paramedics
- Boosted salaries for most EMS employees

Results

- Wake County is now a **leader in pay** for EMS personnel in NC
- Applications are coming in at a **pace we haven't seen in years**

Investing in Employees

87

Word is getting around, and it's having exactly the effect we envisioned. Applications for EMS positions that have remained vacant for a while are coming in at a pace we haven't seen in years. This is what happens when we put on our own oxygen masks. It lets us breathe again, so we can go out into the community and do good work.

In addition to increasing pay, I'm also adding 213.4 new positions across the organization, which I've shared with you throughout the presentation. With more hands to help, we can reduce employee workloads and relieve some of the pressure and stress that have been building, as employees struggle to meet increased demands for service. These steps should stabilize our organization after a tough two years, so we can better serve our community.

In this budget, I also propose investing in programs that help the county grow its own talent.

Professional development programs and identifying career paths allow us to build on skills that employees already have and help them better serve our community. Gaining knowledge and confidence on the job, while feeling like the organization is invested in your professional development, will help retain these employees.

With these strategies, higher pay and a more balanced workload, Team Wake is poised to perform at an even higher level in FY23.

Building the Budget: Early Childhood Education

The final area I want to talk about today is education. As Commissioner Evans often reminds us, robust education is a key pathway to success in life. And, it starts when children are young.

Kids who go to a high-quality preschool and learn about colors and letters, as well as how to thrive in a classroom setting, are well prepared for kindergarten. Preschool gives them an academic advantage, so they're ready on Day 1 to learn and less likely to need specialized education.

The reality is not all families in Wake County can afford preschool. And, we don't want children to fall behind before they even get started in school simply because their parents are focused on funding the basics like paying rent and putting food on the table.

The proposed budget invests nearly \$4.6 million in Wake County Smart Start to put our youngest students on the path to success. Of that, nearly \$2.6 million will support Pre-K for income-eligible 4-year-olds.

That's an \$840,000 increase in funding for the program from last year's budget. Smart Start will use the additional funds to pay their Pre-K teachers more, so they can attract and retain the best and most experienced teachers in Wake County in this tough labor market.

Our support for early childhood education doesn't stop with 4-year-olds. In this budget, we're also funding the next phase of a new Pre-K program geared towards income-eligible 3-year-olds. It's called "Wake ThreeSchool."

You'll remember that last year we partnered with Smart Start to launch the project, with a focus on internal program development, staff recruitment and community engagement. We gave Smart Start the funds to develop the framework, and now, they're ready to put it into action.

My proposed budget includes \$2 million to support Wake ThreeSchool, so Smart Start can serve 100 income-eligible 3-year-olds at multiple pilot sites in FY23. With up to two years of Pre-K under their belts, these children will be far better prepared for kindergarten. They'll be both emotionally and academically ready for school and better able to meet educational milestones.

Building the Budget: WCPSS

Students will experience many of those milestones in the Wake County Public School System. It's the 15th largest school district in the country, with about 160,000 K-12 students and another 18,000 students in charter schools.

Investing in WCPSS

Propose:

- Providing **\$582.5 million** to the school district
- **\$38 million increase** from FY 2022

— This amount is well above what Wake County is statutorily required to fund



Education

95

My FY23 budget recommends investing \$582.5 million in the school system. This would increase our annual support for the schools' operating expenses by \$38 million. This investment can fund the

priorities in Superintendent Moore's proposed budget, including facility maintenance, employee compensation and benefits, opening new schools and special education.

Overall, compensation for school employees, textbooks and programs like literacy coaching and child nutrition are supposed to be funded by the state. In the future, we'll continue to look to the state to increase their funding contributions and fulfill their constitutional obligation to the school system, its staff and its students.

The increase I'm recommending is well above what Wake County is statutorily required to fund.

Together, the investments I propose for FY23 in the school system's operating and capital needs would total \$885 million or 52% of our county budget.

Building the Budget: Wake Tech

Workforce development is so important, and we want to make it possible for anyone in our community to continue in their education journey at Wake Tech. With more than 70,000 students at nine locations across the county, Wake Tech offers something for recent high school graduates, as well as those looking to expand their career options.

To help our community college continue to thrive, I recommend investing more than \$29 million in Wake Tech in the FY23 budget. That's an increase of \$1.4 million from last year. The additional funds will cover our statutory requirement to maintain Wake Tech's campuses and support important programs like Wake Invests in Women, WakeWorks and Launch Wake County.

Wake Invests in Women is a program you helped launch that aims to close the gaps in gender wage and representation for women in STEM occupations.

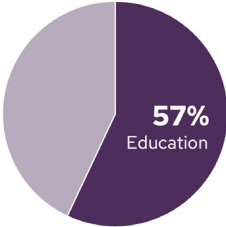
WakeWorks is another program you helped develop with Wake Tech that supports apprenticeships in skilled trades like carpentry or HVAC repair. Apprentices receive a paycheck, plus on-the-job training with a local employer, all while pursuing a degree or professional credential through Wake Tech.

Launch Wake County is an entrepreneurship initiative focused on helping small business owners, particularly minorities and women, build and grow their businesses.

These are excellent programs that are worth investing in, because they make economic development more accessible for everyone, while supporting a well-trained and inclusive workforce.

Investing in education

\$968.1 million
for operating and debt and capital



Education

100

In all, our proposed investments in education total more than \$968 million and make up 57% of our recommended FY23 budget.

Conclusion

Today, I bring before you a financially sound plan for the upcoming fiscal year. It not only invests funding in the services we’re required by the state and federal governments to provide, but it also supports the areas within our organization where we want – and need – to grow.

My recommended budget for FY23 totals \$1,705,950,000. It includes a 1.5-cent property tax increase in the General Fund, which would bring the property tax rate to 61.5 cents. This is the first time I’ve proposed a tax increase in three years.

Fiscal Year 2023 Recommended Budget

\$1,705,950,000

- Includes a **1.5-cent** property tax increase in the General Fund, bringing the property tax rate to **61.5 cents**
- First proposed property tax increase in 3 years

If you approve, this tax increase will generate an additional \$29.2 million for the General Fund. It amounts to about \$50 more per year for an average assessed home value of \$337,000.

This additional revenue will fund increased investments to support our public schools, expand mental health services, help house our vulnerable residents, sustain our long-term capital plans, and recruit and retain the employees necessary to respond to the growing demand for our services.

By putting on our own oxygen mask, we can stabilize our organization, which will allow us to do even more good in our community.

If you’re interested in joining our team, please scan the QR code to apply today! We have many positions open for energetic people who are passionate about public service.

Want to work for Wake?

Come join our team!

Scan the QR code to easily access the many positions we have available on our website.

wakegov.com/jobs



I want to thank the folks from every department who worked on this budget proposal. I want to give a special shout out to the Budget and

Management Services team for their leadership and dedication to this process. You’ve done great work, and you should be very proud.

Next Steps

Let’s talk about the next steps in the budget process. Starting tonight, residents can submit their comments on the proposed budget on our website: wakegov.com/budget.

On May 9, we’ll hold the first board work session dedicated to the budget. On May 11, 16 and 18, we’ll hold our budget public hearings. In addition to public hearings traditionally held here in the Justice Center, we’re adding opportunities for public feedback about the budget in the northern and southern parts of the county.

Fiscal Year 2023 Recommended Budget Schedule

MAY 9 First board work session on budget	MAY 11 Wake Tech Southern Campus	MAY 16 Wake County Justice Center	MAY 18 Wake Forest Town Hall	MAY 23 Second board work session on budget	JUNE 6 Board votes on proposed budget
Hold public hearings on budget					

The public can continue submitting comments until May 18. As soon as the meeting starts, all feedback will become publicly available for viewing on the county website.

On May 23, we’ll hold a second work session at 2 p.m. to discuss the public hearing comments and identify any changes to the recommended budget for consideration on June 6. On that day, we’ll bring the proposed budget to the board for a vote during the 5 p.m. board meeting.

As always, you can find the materials that explain what’s in the FY23 Recommended Budget on our website, wakegov.com/budget. They’re available online now, and we encourage you to read through them to gain a better understanding of our priorities for the year ahead.

Thank you for your time and consideration.



wakegov.com/budget