

TOTAL REVENUES BY FUND

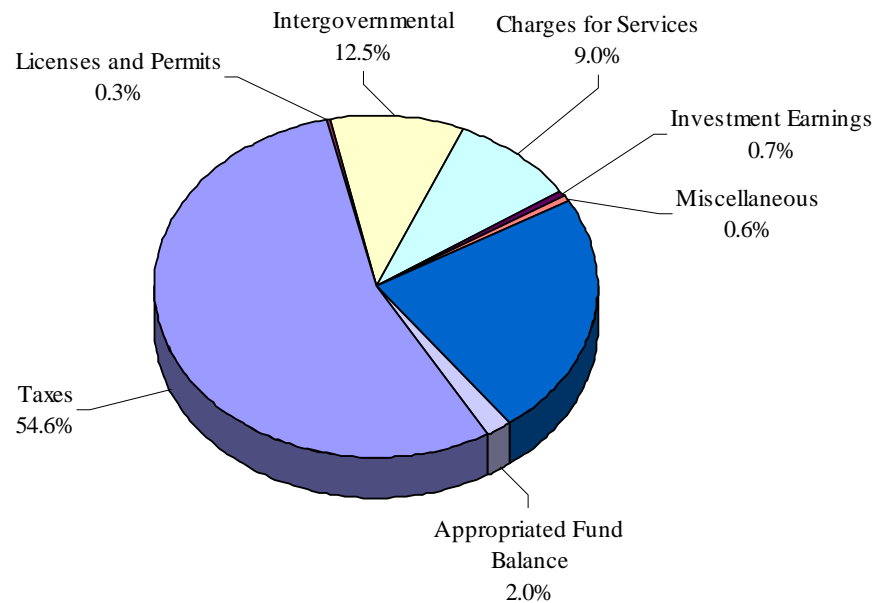
Total Revenues by Fund

		FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
General Fund	\$	764,041,956	808,796,000	827,256,588	851,845,000
Debt Service Fund		123,048,353	122,471,000	122,471,000	130,069,000
Special Revenue Funds					
Capital Area Workforce Development		5,747,882	-	4,746,150	2,917,641
Emergency 911		1,222,802	1,232,400	1,232,400	1,551,374
Fire Tax District		16,019,010	17,603,178	17,657,942	17,222,210
Housing and Community Revitalization		4,120,606	3,883,463	3,883,463	4,507,944
Major Facilities		24,359,213	24,929,000	24,929,000	27,330,000
Revaluation Reserve		1,017,362	1,045,262	1,045,262	1,525,561
Capital Improvement Fund		33,439,773	283,786,481	290,813,807	349,822,963
Risk Management Internal Service Fund		20,045,405	26,958,800	28,982,025	28,117,627
Solid Waste Enterprise Fund		21,179,190	21,085,249	21,756,254	22,804,673
Total Revenues	\$	1,014,241,552	1,311,790,833	1,344,773,891	1,437,713,993
Less Interfund Transfers		(142,916,584)	(150,749,351)	(152,760,641)	(159,302,938)
Total Revenues all Funds, Net of Interfund Transfers	\$	871,324,968	1,161,041,482	1,192,013,250	1,278,411,055

TOTAL REVENUES BY SOURCE

Total Revenues by Source

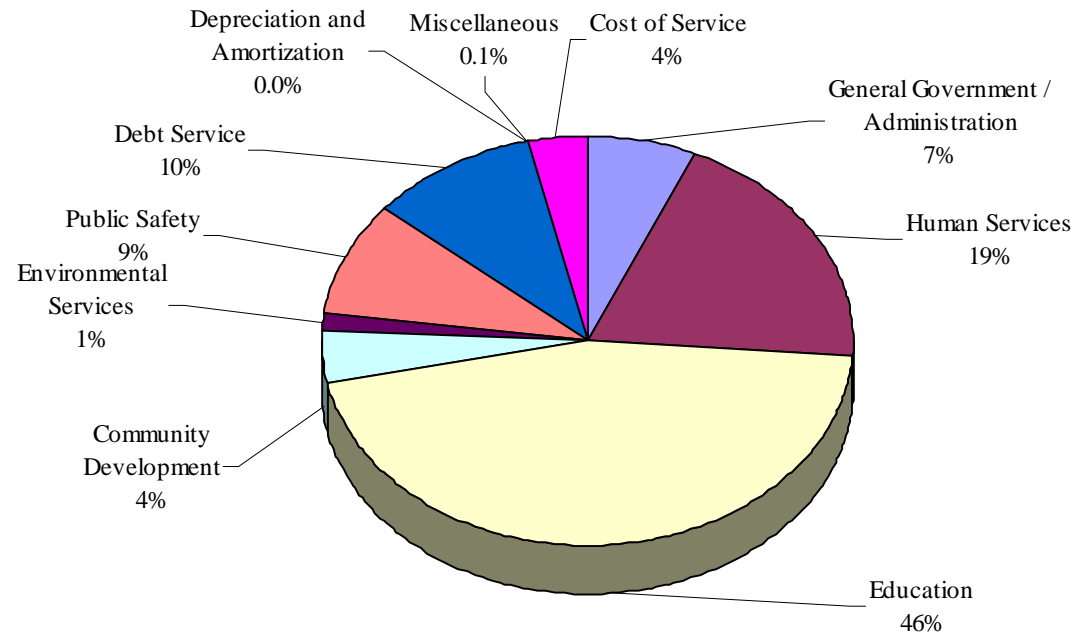
		FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Taxes	\$	609,335,018	642,547,659	642,547,659	698,047,549
Licenses and Permits		3,836,405	3,955,409	3,955,409	3,746,813
Intergovernmental		118,483,896	113,186,434	127,251,673	125,758,913
Charges for Services		121,602,324	128,714,529	129,073,195	115,394,402
Investment Earnings		14,774,319	10,661,472	10,661,472	8,890,840
Miscellaneous		1,599,667	22,109,632	22,117,100	7,933,945
Bond Proceeds and Premiums		1,693,339	219,897,000	226,261,500	293,001,000
Appropriated Fund Balance		-	19,969,347	30,145,242	25,637,593
Total Revenues by Source	\$	871,324,968	1,161,041,482	1,192,013,250	1,278,411,055



EXPENDITURES BY USE

All Funds

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
General Government / Administration	\$ 55,506,613	79,536,221	73,822,209	83,692,643
Human Services	242,728,896	243,765,404	258,630,023	249,266,717
Education	386,077,258	486,567,000	493,447,500	582,034,000
Community Development	60,264,665	62,118,276	69,597,592	55,260,307
Environmental Services	9,699,551	8,631,201	9,059,764	16,164,667
Public Safety	101,784,935	111,116,774	115,623,986	114,652,995
Debt Service	115,694,883	122,387,000	122,311,999	129,838,875
Depreciation and Amortization	-	2,201,000	2,201,000	579,262
Miscellaneous	-	-	-	1,828,500
Cost of Service	39,677,908	44,718,606	47,319,177	45,093,089
Total Operating Expenses	\$ 1,011,434,709	1,161,041,482	1,192,013,250	1,278,411,055



SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

General Fund				
	FY 2005	FY 2006	FY 2006	FY 2007
	Actual	Adopted	Current	Adopted
		Budget	Budget	Budget
Operating Revenues				
Taxes	\$ 568,293,147	595,954,000	595,954,000	652,221,000
Licenses and permits	3,826,961	3,955,409	3,955,409	3,743,013
Intergovernmental	107,986,471	109,507,024	116,774,578	110,455,520
Charges for services	82,244,747	86,779,461	87,138,127	70,792,207
Investment earnings	80,730	77,210	77,210	176,152
Miscellaneous	983,296	560,613	568,081	322,045
Total Operating Revenues	763,415,352	796,833,717	804,467,405	837,709,937
Operating Expenses				
General administration	49,688,805	63,533,096	57,650,424	64,358,041
Human services	228,733,066	235,703,941	245,822,410	235,841,132
Education	248,315,000	261,452,000	267,807,500	291,140,000
Community development	18,801,198	20,057,146	21,034,136	22,017,807
Environmental services	7,550,021	8,101,201	8,529,764	8,497,667
Public safety	65,498,927	77,211,616	81,664,064	82,207,353
Debt service	-	-	-	-
Depreciation and amortization	-	-	-	-
Miscellaneous	-	-	-	-
Cost of service	-	-	-	-
Distributions	-	-	-	-
Total Operating Expenses	618,587,017	666,059,000	682,508,298	704,062,000
Revenues Over (Under) Expenditures	144,828,335	130,774,717	121,959,107	133,647,937
Other Financing Sources (Uses)				
Transfers in	626,604	1,022,870	1,022,870	1,118,200
Transfers out	(135,688,000)	(142,737,000)	(144,748,290)	(147,783,000)
Bond proceeds and premiums	-	-	-	-
Total Other Financing Sources (Uses)	(135,061,396)	(141,714,130)	(143,725,420)	(146,664,800)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	9,766,939	(10,939,413)	(21,766,313)	(13,016,863)
Fund Balance at Beginning of Year	154,850,024	164,616,963	164,616,963	142,850,650
Fund Balance at End of Year	\$ 164,616,963	153,677,550	142,850,650	129,833,787

SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Debt Service Fund

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Operating Revenues				
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	5,126,014	7,000,000	7,000,000	7,240,000
Miscellaneous	-	-	-	-
Total Operating Revenues	5,126,014	7,000,000	7,000,000	7,240,000
Operating Expenses				
General administration	-	-	75,000	104,501
Human services	-	-	-	-
Education	-	-	-	-
Community development	-	-	-	-
Environmental services	-	-	-	-
Public safety	-	-	-	-
Debt service	115,694,883	122,387,000	122,311,999	129,838,875
Depreciation and amortization	-	-	-	-
Miscellaneous	-	-	-	-
Cost of service	-	84,000	84,001	125,624
Distributions	-	-	-	-
Total Operating Expenses	115,694,883	122,471,000	122,471,000	130,069,000
Revenues Over (Under) Expenditures	(110,568,869)	(115,471,000)	(115,471,000)	(122,829,000)
Other Financing Sources (Uses)				
Transfers in	116,229,000	115,471,000	115,471,000	122,829,000
Transfers out	-	-	-	-
Bonds and other financing transactions	1,693,339	-	-	-
Total Other Financing Sources (Uses)	117,922,339	115,471,000	115,471,000	122,829,000
Revenues and Other Sources Over (Under) Expenditures and Other Uses	7,353,470	-	-	-
Fund Balance at Beginning of Year	52,003,056	59,356,526	59,356,526	59,356,526
Fund Balance at End of Year	\$ 59,356,526	59,356,526	59,356,526	59,356,526

SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Special Revenue Funds

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Operating Revenues				
Taxes	\$ 41,041,871	42,067,178	42,067,178	45,826,549
Licenses and permits	-	-	-	-
Intergovernmental	8,535,364	2,727,910	7,462,769	5,358,393
Charges for services	443,878	323,953	323,953	1,531,017
Investment earnings	386,762	70,262	70,262	76,688
Miscellaneous	-	-	-	-
Total Operating Revenues	50,407,875	45,189,303	49,924,162	52,792,647
Operating Expenses				
General administration	302,132	1,045,262	1,045,262	1,525,561
Human services	9,932,485	3,883,463	8,629,613	7,425,585
Education	-	-	-	-
Community development	22,773,899	22,190,130	22,190,130	22,690,500
Environmental services	-	-	-	-
Public safety	13,703,862	14,135,677	14,190,441	14,683,584
Depreciation and amortization	-	-	-	-
Debt service	-	641,000	641,000	579,262
Miscellaneous	-	-	-	1,828,500
Cost of service	-	60,420	60,420	-
Distributions	-	-	-	-
Total Operating Expenses	46,712,378	41,955,952	46,756,866	48,732,992
Revenues Over (Under) Expenditures	3,695,497	3,233,351	3,167,296	4,059,655
Other Financing Sources (Uses)				
Transfers in	2,079,000	2,079,000	2,090,291	2,204,000
Transfers out	(6,028,584)	(6,737,351)	(6,737,351)	(6,321,738)
Bond proceeds and premiums	-	-	-	-
Total Other Financing Sources (Uses)	(3,949,584)	(4,658,351)	(4,647,060)	(4,117,738)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(254,087)	(1,425,000)	(1,479,764)	(58,083)
Fund Balance at Beginning of Year	10,346,623	10,092,536	10,092,536	8,612,772
Fund Balance at End of Year	\$ 10,092,536	8,667,536	8,612,772	8,554,689

SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Solid Waste Fund

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Operating Revenues				
Taxes	\$ -	-	-	-
Licenses and permits	9,444	-	-	3,800
Intergovernmental	969,896	951,500	951,500	945,000
Charges for services	19,170,702	19,172,209	19,172,209	19,453,000
Investment earnings	692,881	460,000	460,000	650,000
Miscellaneous	336,267	274,500	274,500	358,900
Total Operating Revenues	21,179,190	20,858,209	20,858,209	21,410,700
Operating Expenses				
General administration	1,434,687	1,191,539	1,215,749	1,279,354
Human services	-	-	-	-
Education	-	-	-	-
Community development	-	-	-	-
Environmental services	-	-	-	-
Public safety	-	-	-	-
Debt service	-	-	-	-
Depreciation and amortization	-	1,560,000	1,560,000	-
Miscellaneous	-	-	-	-
Cost of service	17,632,870	18,058,710	18,705,505	17,327,119
Distributions	-	-	-	-
Total Operating Expenses	19,067,557	20,810,249	21,481,254	18,606,473
Revenues Over (Under) Expenditures	2,111,633	47,960	(623,045)	2,804,227
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(200,000)	(275,000)	(275,000)	(4,198,200)
Bond proceeds and premiums	-	-	-	-
Total Other Financing Sources (Uses)	(200,000)	(275,000)	(275,000)	(4,198,200)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	1,911,933	(227,040)	(898,045)	(1,393,973)
Fund Balance at Beginning of Year	11,492,431	13,404,364	13,404,364	12,506,319
Fund Balance at End of Year	\$ 13,404,364	13,177,324	12,506,319	11,112,346

SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Risk Management Fund				
	FY 2005	FY 2006	FY 2006	FY 2007
	Actual	Adopted	Current	Adopted
		Budget	Budget	Budget
Operating Revenues				
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	324,824	-	-	-
Charges for services	17,543,595	21,775,906	21,775,906	22,416,678
Investment earnings	176,986	150,000	150,000	125,000
Miscellaneous	-	-	-	-
Total Operating Revenues	18,045,405	21,925,906	21,925,906	22,541,678
Operating Expenses				
General administration	180,403	443,324	512,774	477,281
Human services	-	-	-	-
Education	-	-	-	-
Community development	-	-	-	-
Environmental services	-	-	-	-
Public safety	-	-	-	-
Debt service	-	-	-	-
Depreciation and amortization	-	-	-	-
Miscellaneous	-	-	-	-
Cost of service	22,045,038	26,515,476	28,469,251	27,640,346
Distributions	-	-	-	-
Total Operating Expenses	22,225,441	26,958,800	28,982,025	28,117,627
Revenues Over (Under) Expenditures	(4,180,036)	(5,032,894)	(7,056,119)	(5,575,949)
Other Financing Sources (Uses)				
Transfers in	2,000,000	3,133,000	5,133,000	2,468,000
Transfers out	-	-	-	-
Bond proceeds and premiums	-	-	-	-
Total Other Financing Sources (Uses)	2,000,000	3,133,000	5,133,000	2,468,000
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(2,180,036)	(1,899,894)	(1,923,119)	(3,107,949)
Fund Balance at Beginning of Year	10,541,635	8,361,599	8,361,599	6,438,480
Fund Balance at End of Year	\$ 8,361,599	6,461,705	6,438,480	3,330,531

SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Capital Improvement Fund

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Operating Revenues				
Taxes	\$ -	4,526,481	4,526,481	-
Licenses and permits	-	-	-	-
Intergovernmental	667,341	-	2,062,826	9,000,000
Charges for services	2,199,402	663,000	663,000	1,201,500
Investment earnings	8,310,946	2,904,000	2,904,000	623,000
Miscellaneous	280,104	21,274,519	21,274,519	7,253,000
Total Operating Revenues	11,457,793	29,368,000	31,430,826	18,077,500
Operating Expenses				
General administration	3,900,586	13,323,000	13,323,000	15,947,905
Human services	4,063,345	4,178,000	4,178,000	6,000,000
Education	137,762,258	225,115,000	225,640,000	290,894,000
Community development	18,689,568	19,871,000	26,373,326	10,552,000
Environmental services	2,149,530	530,000	530,000	7,667,000
Public safety	22,582,146	19,769,481	19,769,481	17,762,058
Depreciation and amortization	-	-	-	-
Debt service	-	-	-	-
Miscellaneous	-	-	-	-
Cost of service	-	-	-	-
Distributions	-	-	-	-
Total Operating Expenses	189,147,433	282,786,481	289,813,807	348,822,963
Revenues Over (Under) Expenditures	(177,689,640)	(253,418,481)	(258,382,981)	(330,745,463)
Other Financing Sources (Uses)				
Transfers in	21,981,980	29,043,481	29,043,480	30,683,738
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Bond proceeds and premiums	-	219,897,000	226,261,500	293,001,000
Total Other Financing Sources (Uses)	20,981,980	247,940,481	254,304,980	322,684,738
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(156,707,660)	(5,478,000)	(4,078,001)	(8,060,725)
Fund Balance at Beginning of Year	522,566,778	365,859,118	365,859,118	361,781,117
Fund Balance at End of Year	\$ 365,859,118	360,381,118	361,781,117	353,720,392

SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

All Funds	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Operating Revenues				
Taxes	\$ 609,335,018	642,547,659	642,547,659	698,047,549
Licenses and permits	3,836,405	3,955,409	3,955,409	3,746,813
Intergovernmental	118,483,896	113,186,434	127,251,673	125,758,913
Charges for services	121,602,324	128,714,529	129,073,195	115,394,402
Investment earnings	14,774,319	10,661,472	10,661,472	8,890,840
Miscellaneous	1,599,667	22,109,632	22,117,100	7,933,945
Total Operating Revenues	869,631,629	921,175,135	935,606,508	959,772,462
Operating Expenses				
General administration	55,506,613	79,536,221	73,822,209	83,692,643
Human services	242,728,896	243,765,404	258,630,023	249,266,717
Education	386,077,258	486,567,000	493,447,500	582,034,000
Community development	60,264,665	62,118,276	69,597,592	55,260,307
Environmental services	9,699,551	8,631,201	9,059,764	16,164,667
Public safety	101,784,935	111,116,774	115,623,986	114,652,995
Debt service	115,694,883	122,387,000	122,311,999	129,838,875
Depreciation and amortization	-	2,201,000	2,201,000	579,262
Miscellaneous	-	-	-	1,828,500
Cost of service	39,677,908	44,718,606	47,319,177	45,093,089
Distributions	-	-	-	-
Total Operating Expenses	1,011,434,709	1,161,041,482	1,192,013,250	1,278,411,055
Revenues Over (Under) Expenditures	(141,803,080)	(239,866,347)	(256,406,742)	(318,638,593)
Other Financing Sources (Uses)				
Transfers in	142,916,584	150,749,351	152,760,641	159,302,938
Transfers out	(142,916,584)	(150,749,351)	(152,760,641)	(159,302,938)
Bond proceeds and premiums	1,693,339	219,897,000	226,261,500	293,001,000
Total Other Financing Sources (Uses)	1,693,339	219,897,000	226,261,500	293,001,000
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(140,109,741)	(19,969,347)	(30,145,242)	(25,637,593)
Fund Balance at Beginning of Year	761,800,547	621,691,106	621,691,106	591,545,864
Fund Balance at End of Year	\$ 621,690,806	601,721,759	591,545,864	565,908,271

REVENUE HIGHLIGHTS

Property Tax

The property tax is levied against real and personal property not exempt from taxation. For FY07 the general property tax rate is increased by .03 to a total rate of \$.634 per \$100 assessed valuation. The overall increase in the valuation of property is projected to increase by 4.9 percent. Each component of the property tax base is discussed below.

Composition of Tax Base FY 2006 Estimates

Real Property	\$62.8 billion
Business Personal Property	\$4.5 billion
Public Service	\$3.0 billion
Motor Vehicles	\$7.3 billion

The County's property tax collection rate continues to be one of the highest in the state, at 98.9 percent of the levy collected. One cent on the general fund property tax rate generates approximately \$7.6 million.

Real property includes real estate values for all commercial, industrial, and residential buildings, and land. Values of real property are assessed every eight years. The last revaluation of real property occurred in FY01. The real estate portion of the FY07 tax base is estimated to in-

crease by 5.8 percent compared to the FY06 base. Residential tax base growth continues to be strong while business property growth is not as strong.

Business equipment and machinery, boats, mobile homes, and unregistered vehicles are included in the personal property portion of the tax base. These values are adjusted annually. Wake County expects this segment of the tax base to increase by 3.3 percent in FY07.

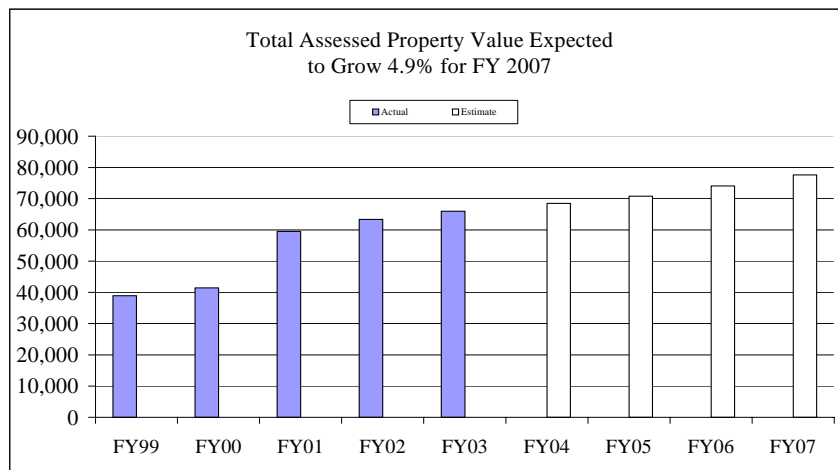
All registered vehicles are included in the motor vehicles portion of the tax base. Values are adjusted annually. The growth rate of 6.6 percent in FY 2007 is higher than the previous year.

The public services tax base component includes the taxable assets of statewide utilities operations such as gas and electric utilities, communications companies, railroad companies, and the rolling stock and fleet equipment of highway and air transportation companies. The State of North Carolina sets the values of taxable assets for utilities companies annually. During the fourth and seventh year of an eight-year county valuation cycle, the State adjusts utilities companies' values to bring them more in line with the other values of a county's tax base. The fourth year of this cycle occurred in FY05. The FY07 valuation is expected to decrease slightly by .1 percent.

Sales Tax

Wake County's second largest revenue source is the sales tax. Total sales tax revenue for FY07 is estimated to be \$141.9 million. There are four statutory authorizations for sales tax, with three different distribution methods:

Article 39 of the North Carolina General Statutes enables counties to levy a one-cent sales tax. This authorization dates back to 1967 and is the original local government sales tax. All proceeds from this one-cent tax are returned to Wake County and its municipalities in a "point of sale" distribution. Prior to the 2001 session of the N.C. General Assembly, the point of sale, or source of a sale, was determined by the location of a retailer's business. A change in the law now determines the point of sale by the location of where the purchaser receives the product. Consequently, sales tax revenue from many purchases made from



REVENUE HIGHLIGHTS

vendors in Wake County now goes to surrounding counties. There are no restrictions as to how receipts from the one-cent local option sales tax can be used within the county budget.

Revenue from the one-cent sales tax for the FY06 budget year is projected to be \$11 million less than estimated. One-cent sales tax revenue in FY07 is estimated to grow by seven percent to \$73.2 million. Projections are based on historical trends and actual revenues collected during the current fiscal year.

Sales Tax

Sales Tax	FY 2006 Est.	FY 2006 Proj.	FY 2007
Article 39 (1967)	\$70.3 million	\$68.4million	\$73.2 million
1/2 cent Article 40 (1983)	\$21.0 million	\$20.2 million	\$21.3 million
1/2 cent Article 42 (1986)	\$20.7 million	\$19.9 million	\$21.0 million
1/2 cent (<i>excludes unprepared food</i>) Article 44 (2002)	\$25.8 million	\$24.6 million	\$26.3 million

The County also receives sales tax revenue from two one-half cent sales taxes levied under authority granted by Articles 40 and 42 of the N.C. General Statutes in 1983 and 1986. The revenue collected from these two levies is placed into a statewide pool and distributed among the state's counties in proportion to how much of the total state population resides in each county. State statute requires that 30 percent of the Article 40 sales tax revenue and 60 percent of the Article 42 sales tax revenue be used to support public school capital outlay or retire any indebtedness incurred by the county in providing capital outlay for the schools. Revenue from these two half-cent sales taxes for FY07 is projected to grow by five percent over the current year estimate. The amount required by state statute for school capital is transferred to the capital projects fund.

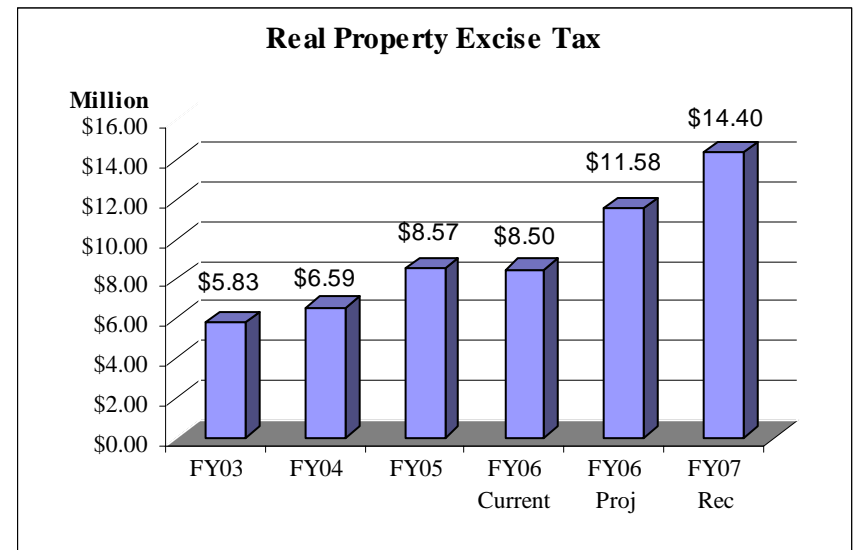
Article 44 of the N.C. General Statutes authorizes counties to levy a one-half cent sales tax. This sales tax authorization replaces state reim-

bursements made because of the repeal of previously authorized property taxes. This tax is levied on purchases as is the other local option taxes with one exception: unprepared food is excluded from taxation. The distribution of receipts from this tax within the state is blended. One half of the net proceeds of the tax collected is distributed to all counties based on a point of origin basis (as is the Article 39 sales tax). The other half of the tax is distributed on a per capita basis (as is the Article 40 and 42 sales tax). There are no restrictions or earmarking of these funds within the overall budget. The Board of Commissioners authorized the levy of this tax effective December 1, 2002. The FY06 amount is estimated at \$24.3 million with six percent growth expected in FY07.

The distribution of all sales tax receipts within the county is currently based on the population of the various governmental units in Wake County.

Real Property Excise Tax

State statutes provide for counties to collect an excise tax on transfers of real property. The tax levied on each recorded deed is \$2.00 per \$1,000 property valuation and is collected by the Register of Deeds. Wake County receives one-half of the collections as revenue to support



REVENUE HIGHLIGHTS

County services with the other half remitted to the state. The FY07 budget reflects a 24% increase over the projected FY06 amount.

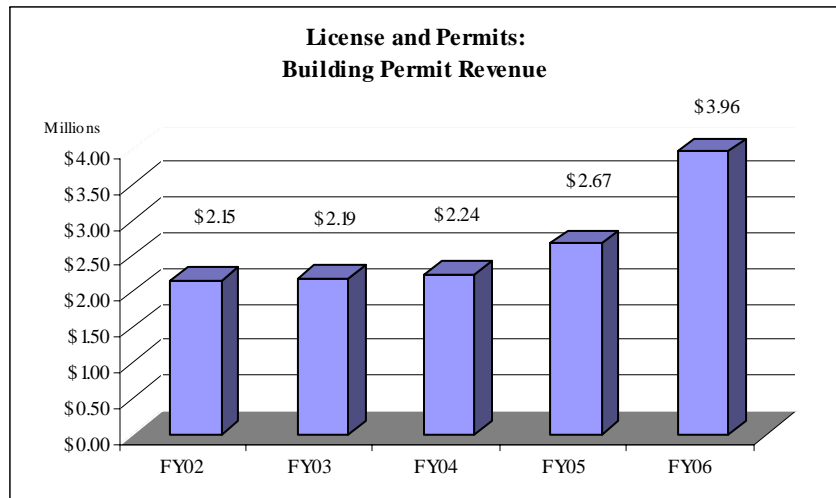
Lease/Rental Vehicle Tax

In FY 2001, the General Assembly eliminated the property tax on daily leased and rental vehicles (vehicles leased less than 365 days). To hold local governments harmless, the legislation provided for an alternative 1½ percent gross receipts tax on vehicles leased or rented less than 365 days. The County is projected to receive approximately \$2.5 million dollars from this revenue source in FY07 based on collections during the current fiscal year and historical trend information.

Beer and Wine Excise Tax

The state levies an excise tax on beer and wine sales at the wholesale level and remits a portion of the net proceeds to local governments. Participating cities and counties share the proceeds on a per capita basis. Of the total tax on beer collected, counties and cities receive 23.75% of the amount collected; for fortified wine, local governments receive 22% of the proceeds; and for wine, local governments receive 62% of the tax proceeds. The amount budgeted is \$750,000 based on state estimates of a 2% increase.

Licenses and Permits



The largest revenue source in this category is from building permits. For FY07, revenue is projected to remain stable as building activity is projected to slightly increase. The building permit fee structure is consistent with the Board-adopted User Fee Policy as it provides full recovery of costs of the building inspection program.

Federal, State and Local Shared Revenue

The County receives funding from the federal and state governments for Human Services, the Sheriff, Community Services, Public Safety, and Environmental Services. These revenue sources are dependent upon actions by the legislative bodies of both levels of government, as well as upon administrators of the respective programs. Revenues from these sources are expected to be about \$1.3 million less than the current FY05 budget. The amount budgeted in FY 2007 for Human Services Shared Revenue is \$102.2 million. This is an increase of approximately \$3.1 million over the FY06 adopted budget. The change is primarily due to a \$4.7 million increase in Child Care Subsidy funds and a \$1.5 million increase in Adult Development funds, offset by a \$3.3 million reduction in state mental health funds for the Local Managing Entity for Mental Health.

Fees and Charges for Services

Charges for services include user fees for Human Services, Sheriff, Public Safety, Register of Deeds, Recreation, Libraries, and other county services. The County also contracts with municipalities for various services, such as fire inspections, and receives revenue from these contracts. These fees usually finance, in part, the county functions for which they are assessed. All fees are consistent with the County's User Fee Policy, found behind the Process and Policies tab of this book.

Human Services Fees and Charges

In FY07, the Human Services department will receive approximately 30% of its revenue (or \$42 million) from fees and charges for services. These fees include Medicaid payments, fees charged to clients in the County's health clinics, and vending/sales income. The FY07 budget of \$42 million is \$18 million lower than in FY06. This decrease is primarily due to a change in how Medicaid payments are processed, which reduced both the County's revenues and expenditures by \$20 million.

REVENUE HIGHLIGHTS

Sheriff Fees

The Sheriff's Office receives payments for serving civil process papers, executing criminal warrants, pistol and concealed weapon permit fees, and providing investigative reports. Other fees collected by the Sheriff include jail fees from the Federal government for housing detainees awaiting trial in Federal Court. Projected revenues from serving civil process papers will be substantially higher than the amount currently projected in the FY 2005 budget. This is due to an increase in the rate collected by the Sheriff's Office for providing this service, from \$5 to \$15 per papers served. This additional \$600,000 in revenues will be offset by reduction in reimbursements from the State for housing convicted inmates. Due to the opening of several new state prisons, there is no longer a need for the prisoners to be housed in the County jail.

Emergency Medical Services Fees

Charges for Emergency Medical Services are assessed when paramedics transport patients for any medical reason. Fee amounts are based on services provided and applicable mileage, and are based on the Medicaid Reimbursement Schedule. The County contracts with an EMS billing firm to collect all current and delinquent fees. Beginning with the FY 2006 budget, staff and EMS stakeholders have strived to develop more accurate revenue projections. Several factors, including payment issues with Blue Cross/Blue Shield, have made estimating FY07 collections difficult. The budget anticipates that the County will receive roughly \$6 million and the contracted squads will receive \$5.4 million. Revenues from the EMS Subscription program are estimated at \$1.25 million. The subscription fee will remain at \$60 per household.

Environmental Services Fees

The department provides services that assist developers in meeting their regulatory obligations. These regulations are meant to protect the environment from harmful effects of development. The department intends to recover its costs for providing these service through the imposition of fees and charges. In FY07, the Environmental Services department expects to receive \$2 million from charges and fees, which is an increase of \$230,000 from the FY06 Adopted Budget.

Register of Deeds Fees

The Register of Deeds collects fees for most official acts performed. Fees charged are for recording deeds, marriage licenses, and other instruments. The FY07 budget anticipates modest increases in these revenues at just over \$7 million.

Other Revenue

Other revenue includes contributions, reimbursements, sale of surplus property and materials, property rentals, parking fees, fines, and investments. Note that interest earnings are no longer budgeted in the general fund. These earnings on investments are now budgeted directly in the debt service fund.

Interfund Transfers

Interfund transfers represent money transferred from other County funds to the General Fund for various purposes. The Solid Waste Enterprise Fund will transfer \$298,200 to the General Fund for costs associated with supporting the activities of the Solid Waste Management division, including salaries and benefits totaling \$88,000 in the General Fund's Facilities Design and Construction department. Also, the Major Facilities Trust Fund will transfer \$820,000 to the General Fund to pay the County's administrative cost for collecting the one percent tax on Prepared Food and Beverages and on Hotel/motel Occupancy revenues.

Appropriated Fund Balance

The County regularly budgets appropriated fund balance in the General Fund equal to 2% of non-education, non-capital expenditures to serve as the "margin of error." It is anticipated that this reduction in fund balance will not be needed as either realized revenue will exceed estimates or actual expenditures will be less than budget. Fund balance has also been used to re-appropriate grant funds received but not yet expended.

Non-General Fund Revenues

Debt Service Fund

Debt service fund revenues are comprised of transfers from the General

REVENUE HIGHLIGHTS

Fund of property and sales tax revenues dedicated for debt service payments, and from the Major Facilities Fund to fund debt service on Five-County Stadium. A transfer is also budgeted from the Fire Tax District to cover the cost of self-financing of fire apparatus. In addition, interest income from the General and Debt Service funds is an additional funding source.

Housing and Community Revitalization Fund

The major revenue sources for this fund are: Community Development Block Grant funds administered by the U.S. Department of Housing and Urban Development; an annual transfer of \$1 million from the Capital Projects Fund; and program and interest income resulting from fund activities.

Major Facilities

A special revenue fund has been established to account for the proceeds from a 6% tax on occupancy sales at hotels, motels and guest houses, and from a 1% tax on sales of prepared food and beverage. Revenue from these taxes are projected to grow at a rate of 10% and 9% respectively in Fiscal Year 2007 over the current year levels, to \$13 million for occupancy and \$15.6 million for prepared food and beverage. Proceeds from the taxes support tourism activities in the County such as the construction of stadiums, convention facilities, museums and parks. Proceeds from these two taxes represent 100% of the fund's revenues.

Emergency 911

The primary source of revenue is from a twenty-five cent surcharge fee on land-line telephone bills within the County. The funds also receives revenue from a 911 revenue sharing agreement with the City of Raleigh. Total revenues for this fund will be roughly \$1.5 million.

Revaluation Reserve

The sources of income for the Revaluation Reserve are an annual transfer from the General Fund and interest earnings on the unexpended cash in the fund.

Fire Tax District

The County has a single consolidated fire tax district created to provide fire service to the unincorporated areas of the County and the Town of Wendell. A ten-cent property tax is levied on all residential and commercial property in the district to fund both operating and capital needs. The Fire Commission and staff estimate that tax revenues will reach \$17.5 million.

Solid Waste

Solid waste operations in Wake County are accounted for in an enterprise fund, segregating the fund from reliance on property taxes. The revenues that support solid waste operations come from tipping fees, household fees, recycling proceeds, grants and interest income. The tipping fee rate in Fiscal Year 2007 is set at \$29.50 a ton for disposal of waste at the land fill, and at \$33.50 a ton for disposal at a transfer station. The household fee is set at \$20 per household per year. These two sources of revenue represent 85% of the funds total revenues.

Risk Management

This fund's revenue comes from transfers from the General Fund and from charges to other funds to finance the countywide expenses for health and dental insurance for County employees, Worker's Compensation, auto and general liability, and other claims and insurance.

EXPENDITURE HIGHLIGHTS

Community Services

The Community Services budget includes partial year funding for North Regional Library, which is being relocated from its current location that composes a total of 18,000 square feet. A new 30,000 square foot facility is slated to open in January 2007. The budget also annualizes partial year funding for West Regional and Holly Springs Community libraries. West Regional Library is slated to open in late August 2006 and Holly Springs is scheduled to open in December 2006. The budget also adds 1.5 positions for an expanded South Raleigh Community Library.

In FY06, Veterans Affairs was transferred from Human Services to Community Services. The FY07 budget includes funding for this office, including two positions approved by the Board of Commissioners in November 2005.

Education

School Operating Expense: The Wake County Board of Education requested an increase of \$21,450,781 over and above the FY06 County Appropriation of \$254,376,000. Included in the FY07 budget is an increase in WCPSS funding of \$21,451,000, bringing the FY07 county appropriation to the Wake County Public School System to \$275,827,000.

Wake Technical Community College: The Wake Technical Community College's Board of Trustees requested \$19.26 million in operating funds, a 51% increase over the FY 2006 budget of \$12.7 million. While the FY 2007 budget recommendation is not able to accommodate the full request, a net funding increase of \$2.2 million is proposed for the College. The County will continue to support start-up staffing for the College's North Campus in FY 2007 (\$990,000). Funding also supports salary and benefit increases on currently funded County positions (\$180,000), increases in property, workers' compensation, and dental insurance premiums, and other fringe benefit increases (\$125,000). An additional \$1.02 million is funded to support plant operations and maintenance costs associated with expansion of campus facilities and rising utility costs, and to add three new positions for facility maintenance and warehouse activities. Lastly the budget supports a \$165,000 increases in

maintenance contracts and other technology operating expenses.

General Services Administration (GSA)

Rising utility costs largely drive the increase in the budget for GSA. Of the nearly \$2 million increase, utilities account for 80%. Electric and natural gas cost escalations of four and eleven percent, respectively, combined with the annualization of utility costs for the recently open Hammond Road 1B detention facility drive these numbers.

Five new full-time positions are planned for GSA in FY 2007. Four are created by converting temporary/contracted services dollars to permanent positions for a portfolio manager position to maintain the facility management system in Administration, a Security Trades specialist for management of after-hours security events, and two Master Mechanic positions to address increased electrical and HVAC systems maintenance. The Fleet Fund will support the fifth new position, Master Mechanic, to address demands associated with a growing fleet inventory.

Human Services

Human Services FY 2007 budget totals \$236 million. The budget includes an increase of just over \$2 million for the County's match for the total cost of providing services to Medicaid-eligible citizens throughout the County.

The Human Services budget also includes several significant changes related to the State's Mental Health Reform. The State recently reduced its funding for Wake County's Local Managing Entity by approximately \$3.3 million. Those cuts, in both revenues and expenditures, are included in the budget. Also related to Mental Health, the budget includes \$5 million reserved for mental health.

In other changes, Human Services' budget decreases by \$20 million in both revenues and expenditures related to Medicaid-funded services. These reductions reflect the fact that community health providers are billing the State directly to be reimbursed for Medicaid, and these transactions will no longer pass through the County's books.

EXPENDITURE HIGHLIGHTS

Information Services

The budget includes funding for 1 position to serve as the project manager to directly support the County's land records application, which handles appraisal, valuation, billing, and collection for personal and real property. Funds are also included for increases in license and maintenance fees that support desktop services and network security. The FY07 budget also reflects 9.0 positions that were transferred from the County Manager and Human Services.

Office of the Sheriff

The Sheriff's Office budget increases by \$5 million, largely resulting from increases in detention. These include the annualization of detention positions associated with the opening of Hammond Road Phase 1B (\$2.5 million), increased costs associated with inmate health care services (\$375,000), food services (\$257,000) and the Sheriff Safekeeper's program (\$100,000). Law Enforcement budget increases support higher fuel costs (\$384,000), annualization of lease rates for 22 add-on vehicles in FY 2006, higher lease rates for recently replaced vehicles (\$275,000), and additional lease and fuel charges for the final phase of vehicles purchased in FY 2006 for Courthouse deputies. Lastly, \$506,900 is provided to adjust for compression in both law enforcement and detention. Funding is provided for nine months.

Public Safety

The FY 2007 budget funds a number of public safety improvements, while covering cost increases due to fuel and increases in service demand. On the recommendation of the EMS Peer Review Committee, the budget funds three additional ambulance units during peak-demand hours. The EMS system will not base these units in a single location, but, rather, they will rotate throughout the County as needed. In addition, the peak-demand unit currently deployed along the Durant Road corridor will convert from a 12-hour unit to a 24-hour unit. These deployment strategies will help the system consistently meet response time goals and better serve citizens. The budget will also improve pre-hospital medical care by funding new equipment designed to assist cardiac arrest patients.

In Criminal Justice Planning, the budget expands the electronic moni-

toring program, which is provides unique benefits to inmates while allowing for law enforcement tracking. On the recommendation of the Criminal Justice Advisory Board, this program will expand from 60 slots to 85 slots. To assist the County's law enforcement agencies, the budget also funds a Computer Forensic Analyst in CCBI.

Salaries, Wages, and Benefits

The cost of salaries and benefits, 35 percent of the non-education operating budget, totals \$195.9 million. This includes a reduction of \$5.3 million to avoid budgeting for positions while vacant. Performance pay increases are budgeted at an average of four percent and totals \$5.3 million. The County cost of health insurance will increase 7.5% requiring an additional \$.68 million to cover the costs of active employees as well as retirees. Dental insurance premiums are up minimally at an additional cost of \$40,000.

REQUESTS NOT FUNDED

BUDGET AND MANAGEMENT SERVICES **\$59,000**

Additional Staff - 1 FTE

COMMUNITY SERVICES **\$414,010**

Parks - Additional Staff, OakView - 1 FTE
 Libraries - Expand South Raleigh Community Library

ENVIRONMENTAL SERVICES **\$281,362**

One FTE for Stormwater Engineering/Consulting;
 7 FTEs for Wake County Animal Care,
 Control and Adoption Center

FINANCE **\$30,000**

Contract funds for year one of a systematic review
 of County business processes

HUMAN RESOURCES **\$61,350**

Additional staff - Human Resource Trainer

HUMAN SERVICES **\$2,369,310**

Health Care Access/Disparity -- 11.5 FTEs
 Child Health Clinic
 Women's Health Clinic
 Laboratory
 Local Managing Entity for Mental Health

Health Care Access/Demand -- 6.5 FTEs
 Pharmacies
 Dental Health Clinic
 Adult Mental Health and Substance Abuse

Preventive Health Strategies - 3.5 FTEs
 Partnership for Educational Success
 Health Clinic Technician and Vehicle for Outreach Program
 Health Promotion
 Employee and Occupational Health

Child Protective Services/Foster Care - 4 FTEs
 Treatment
 Assessments and Investigations
 Foster Care and Adoption Services

Increased Demand/Demographics - 1 FTE
 School Dental Program

Economic Security - 5.5 FTEs
 Adult Guardianship
 Senior Adult Services
 Medicaid and Food Assistance

INFORMATION SERVICES **\$161,170**

Additional staff - 3 FTEs

PLANNING **\$108,050**

Additional Staff—2 FTEs

PUBLIC SAFETY **\$2,427,810**

CCBI:
 Additional Latent Fingerprint Examiner
 CALEA Accreditation

Emergency Management:
 LERT
 Warehouse Expansion
 CERT
 Emergency Shelter Supplies

Emergency Medical Services:
 Additional Staff - 13 FTEs
 Tactical Team Support
 HazMat/USAR capability
 Illness Prevention
 Logistics Warehouse

REQUESTS NOT FUNDED

Requests not Funded (cont'd)

- Patient Satisfaction Surveys
- Vehicle for transporting materials
- Incident Management Training
- Upgrade Supervisor Vehicles
- Convert PT to FT/Admin Mgr Pos
- Garner Deputy Chief & HR/Accounting positions
- Extrication Gear
- Convert PT staff to FT (contracted squads)

NON-DEPARTMENTAL **\$161,881**

- Edge 3 Program
- Historic Preservation
- Economic Development

WAKE TECHNICAL COMMUNITY COLLEGE **\$4,764,186**

TOTAL REQUESTS NOT FUNDED **\$10,838,129**

PERSONNEL SUMMARY

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
General Fund				
General Government				
County Commissioners	3.00	3.00	3.00	3.00
County Manager	11.00	12.00	13.00	13.00
County Attorney	10.00	10.70	10.70	10.70
Board of Elections	14.60	16.00	16.00	16.00
Budget & Management Services	7.00	7.00	8.00	9.00
Facilities Design & Construction	10.00	10.00	11.00	11.00
Finance	29.50	30.10	30.10	30.10
General Services				
Administration	7.00	8.00	8.00	9.00
Central Services	21.00	22.00	22.00	23.00
Field Services	30.00	31.00	31.00	31.00
Fleet	12.00	13.00	13.00	14.00
Physical Plant	46.00	52.00	52.00	54.00
General Services Total	116.00	126.00	126.00	131.00
Human Resources	21.00	21.00	22.00	22.00
Information Services	64.50	67.50	81.50	82.50
Planning Department	20.00	20.00	20.00	20.00
Register of Deeds	38.00	38.00	38.00	39.00
Revenue Department	62.00	62.00	62.00	62.00
General Government Total	406.60	423.30	441.30	449.30
Community Services				
Administration	4.00	4.00	4.00	4.00
Geographic Information Services	20.00	20.00	20.00	20.00
Inspections, Development Plans and Permits	33.00	34.00	34.00	35.00
Libraries	170.50	198.50	198.50	210.50
Parks, Recreation and Open Space	27.00	27.50	25.50	25.50
Veterans Services	0.00	0.00	4.00	4.00
Community Services Total	254.50	284.00	286.00	299.00
Environmental Services	99.00	101.00	101.00	101.00

PERSONNEL SUMMARY

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Human Services	1,716.30	1,744.10	1,754.85	1,761.80
Public Safety				
EMS	122.00	122.00	122.00	136.00
Fire/Rescue	21.00	21.00	17.00	17.00
CCBI	63.00	63.00	63.00	64.00
Emergency Management	7.00	7.00	7.00	7.00
Administration	4.00	4.00	4.00	4.00
Public Safety Total	217.00	217.00	213.00	228.00
Office of the Sheriff				
Detention	273.00	392.00	389.00	389.00
Law Enforcement	380.00	382.00	386.00	387.00
Office of the Sheriff Total	653.00	774.00	775.00	776.00
Subtotal General Fund	3,346.40	3,543.40	3,571.15	3,615.10
Other Funds				
Debt Service	0.00	0.00	1.00	1.00
Housing and Community Revitalization Fund	7.50	7.50	7.50	7.50
Risk Management Internal Service Fund	4.00	4.00	4.00	4.00
Solid Waste Enterprise Fund	15.00	14.00	14.00	14.00
Capital Area Workforce Development	12.00	12.00	12.00	12.00
Subtotal Other Funds	38.50	37.50	38.50	38.50
Total Positions All Funds	3,384.90	3,580.90	3,609.65	3,653.60
Increase from Current to Adopted				43.95

PERSONNEL SUMMARY

Position Changes in the FY 2007 Adopted Budget

Budget and Management Services—Net Change +1.0 FTE

Add 1.0 FTE as a Budget Manager. The position will help provide the County Manager and Board of Commissioners with requested analysis and coordinate organization-wide projects.

Community Services—Net Change +13.0 FTEs

Add 5.0 positions to support the opening of Holly Springs Community Library in December 2006.

Add 4.5 positions to support the opening of North Regional Library in January 2007.

Add 1.0 position to support the expanded Cameron Village Regional Library, which opened in January 2006.

Add 1.5 positions to support expansion of South Raleigh Community Library.

Add 1.0 FTE to Inspections/Development Plans and Permits (IDPP) by converting a temporary Plans and Permit Technician to a permanent position. This position helps direct inquires and visitors to the proper department, issues certificates of occupancy, power tickets to various utilities, and mechanical permits.

Environmental Services—Net Change 0.0 FTE

Transferred 1.0 FTE to the Sheriff's Communications section to address animal control dispatch services. Added 1.0 FTE to review and process applications for site plans for land use permits, general use permits, and special use permits and to assist with subdivision inspection as required by the County's Uniform Development Ordinance.

General Services Administration—Net Change +5.0 FTEs

Five new full-time positions are planned for GSA in FY 2007. Four are created by converting temporary/contracted services dollars to permanent positions for a portfolio manager position to maintain the facility management system in Administration, a Security Trades specialist for management of after-hours security events, and two Master Mechanic positions to address

increased electrical and HVAC systems maintenance. The Fleet Fund will support the fifth new position, Master Mechanic, to address demands associated with a growing fleet inventory.

Human Services—Net Change +6.95 FTEs

Positions Added: 39.5 FTEs

The 39.5 positions added to the Human Services budget all seek to keep up with increased demand due to County growth.

Positions added were: 15 FTEs total for Child and Protective Services and Foster Care; 3.0 FTE School Health Nurses; 11 FTEs total for the Child Health and Women's Health clinics; 1 FTE Attorney and 1 FTE Administrative Staff for Child Support Enforcement; 3 FTEs for Adult Medicaid Services; 2 FTEs for Child and Adult Services; 2.5 FTEs for Maternal and Child Health nurse home visiting; 1 FTE to serve as the Director of the upcoming Northern Regional Center.

Positions Abolished: 32.55 FTEs

The budget abolishes 32.55 FTEs in the Human Services Local Managing Entity (LME), because of a \$3.3 million reduction in state mental health funds for the Local Managing Entity for Mental Health.

Information Services—Net Change +1.0 FTEs

Add 1.0 FTE to serve as the project manager for ongoing and future land record projects. This position directly supports the County's land records application, which handles appraisal, valuation, billing, and collection for personal and real property. It is anticipated that projects will include statutory changes, on-line credit card payments, archiving data, and application security improvements. The position will also provide vendor management.

Public Safety—Net Change +15.0 FTEs

The budget includes 2.0 paramedic positions to convert the ambulance stationed on Durant Rd. (in north Raleigh) from a 12-hour to a 24-hour unit. The budget funds 12.0 additional para

PERSONNEL SUMMARY

Position Changes in the FY 2007 Adopted Budget (cont'd)

medics to staff three peak-demand units. Lastly, 1.0 FTE is added to CCBI for a Computer Forensic Analyst.

Register of Deeds—Net Change +1.0 FTE

Add 1.0 FTE for additional staffing needed in the department's vital records office. The position will help the office address growing customer volume and undertake a back file scanning project.

Office of the Sheriff—Net Change +1.0 FTE

The Law Enforcement section of the Sheriff's Office will add one permanent full-time FTE. This position is a transfer from the Environmental Services department to the Sheriff's Communications section to address animal control dispatch services.

TOTAL POSITION CHANGE: +43.95FTEs

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