

CAPITAL AREA WORKFORCE DEVELOPMENT

Fund Summary

		FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Intergovernmental Revenues	\$	4,719,569	N/A	4,430,425	2,917,641
Fee & Other Revenues		0	N/A	0	0
Revenue Totals	\$	4,719,569	0	4,430,425	2,917,641
Personnel Services	\$	1,039,844	N/A	1,196,464	677,438
Operating Expenses		3,679,725	N/A	3,233,961	2,240,203
Expenditure Totals	\$	4,719,569	0	4,430,425	2,917,641
Number of FTEs		12.00	12.00	12.00	12.00

Fund Purpose and Goals

The Capital Area Workforce Development fund was established to account for U.S. Department of Labor and North Carolina Department of Commerce employment and training grant activities as they relate to the federal *Workforce Investment Act of 1998*, and various other federal and state initiatives. The boards of commissioners of the counties of Wake and Johnston created the Capital Area Workforce Development Consortium in 1983. The Consortium plans and administers federal and state workforce programs; competitively procures service providers; conducts quality assurance; and, reports outcome-based results of federal and state programs in partnership with the private-sector led Capital Area Workforce Development Board. This Board's responsibilities include chartering and enhancing the area's Job-Link Career Centers, part of the national network of one-stop career service centers. Twenty-four boards serve North Carolina's 100 counties. Capital Area has the largest population of North Carolina's local workforce areas.

Federal and state block grants provide funding for universal workforce development services to the two counties' employers, adult and youth job applicants, and to dislocated workers and companies experiencing layoffs and closings. The labor force in Wake and Johnston counties numbers over 459,000 and there are 25,000+ employer locations.

Organizationally, Workforce Development is part of the County Manager's Office. Funding for these grants follows federal and state appropriations and are received throughout the year. Amendments to the project ordinance to include new funds are periodically presented to the Board of Commissioners.

CAPITAL AREA WORKFORCE DEVELOPMENT

Major Accomplishments

- Implemented the “Going Home Initiative”
- Opened first JobLink Business Center in the State of North Carolina
- Implemented the Incumbent Workforce Development Program
- Staffed Workforce Investment Act (WIA) Resource Coordinators at the Eastern and Southern Regional Centers
- Developed and implemented follow-up goals and procedures
- Developed relationships with key businesses and employers
- Received incentive funds for exceeding 16 of 17 performance measures in FY03
- Became the first level two Job-Link in the state
- Enhance WDB connection to Economic Development
- Implement industry sector approach to Healthcare Workforce Development
- Re-charter Job-Link Career Centers at higher levels (FY07)
- Achieve total integration and co-location by all partner agencies

Issues for FY 2007

- Implementation of new WIA legislation and transition to JTIA requirements
- New performance measures (common measures) calculations for 2005 and requisite training
- Enhance Job-Link Centers system with more integration and co-location
- Obtain funding to keep WIA Resource Coordinators
- Renew Job-Link Memoranda of Understanding with partner agencies
- Revisit operator designation
- Manage youth WIA contracts
- Manage Adult/Dislocated Workers WIA contracts
- Obtain additional incumbent worker funding continuing the process
- Provide training for common measures

Horizon Issues

- Begin application process for Board to obtain 501-C3 status.
- Board Website Development
- Obtain continued funding for accountability specialist from NC Dept. of Commerce, Division of Employment & Training

EMERGENCY 911

Fund Summary

		FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Taxes	\$	972,706	960,000	960,000	983,549
Charges for Services		245,906	272,400	272,400	567,825
Investment Earnings		4,190	0	0	0
Revenue Totals	\$	1,222,802	1,232,400	1,232,400	1,551,374
Personal Services	\$	0	0	0	0
Operating Expenses		1,242,378	1,232,400	1,232,400	1,551,374
Expenditure Totals	\$	1,242,378	1,232,400	1,232,400	1,551,374
Number of FTEs		0.00	0.00	0.00	0.00

Fund Purpose and Goals

The 911 fund collects revenue from a 25 cent surcharge on telephone bills. Funds must be used to maintain or enhance the County's 911 system. The majority of funds pay for the processing of 911 calls, while remaining funds are used for system improvements. The adopted budget includes no changes to the surcharge rate.

FIRE TAX DISTRICT

FY 2007 Fire Tax District Budget Revenues and Expenditures

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Revenues				
Fire Tax Revenue				
Operating		12,538,088	12,538,088	13,573,000
Operating--Debt Service		641,609	641,609	579,262
Capital		2,998,481	2,998,481	3,360,738
Subtotal	15,822,939	16,178,178	16,178,178	17,513,000
Appropriated Fund Balance	-	425,000	425,000	550,000
Fund Balance Transfer to CIP	-	1,000,000	1,000,000	150,000
Interest	134,434	-	-	-
Total Revenues	\$ 15,957,373	17,603,178	17,603,178	18,213,000
Expenditures				
Department Appropriations				
Personnel and Operating		12,341,174	12,341,174	12,924,616
Contingent Expansions (a)		-	-	207,594
Department Debt Service		641,609	641,609	579,262
Subtotal	11,706,601	12,982,783	12,982,783	13,711,472
Fixed Costs				
CAD Fire Costs	-	-	-	3,560
800 MHz Fire Costs (b)	87,178	136,214	136,214	266,639
NC Forestry--Wildfire Prevention	47,137	60,700	60,700	55,000
Equipment and Fixed Assets				
Turnout Gear Program	-	225,000	225,000	250,000
Small Capital Program	139,965	150,000	150,000	255,591
Air Bottle Replacement	-	-	-	100,000
Contingencies and Grant Matches	-	50,000	50,000	50,000
Other (c)	480,603	-	-	10,000
Subtotal Operating	12,461,484	13,604,697	13,604,697	14,702,262

FIRE TAX DISTRICT

	FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Transfer to Capital (Current Revenues)	3,610,980	2,526,481	2,526,481	2,888,738
Transfer to Capital (Fund Balance)		1,000,000	1,000,000	150,000
Transfer to Debt Service Fund (d)	-	472,000	472,000	472,000
Subtotal Capital	3,610,980	3,998,481	3,998,481	3,510,738
Total Expenditures	16,072,464	17,603,178	17,603,178	18,213,000

Difference	\$	(115,091)	-	-
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(a) This line includes funds for VFIS coverage, and cost-share amounts for Fuquay-Varina, Garner, and Holly Springs; The Budget Committee recommends that, if Towns do not include their cost-shares in adopted budgets, the funds be reverted to small capital

(b) Includes costs for system and equipment maintenance, repairs, and battery replacement

(c) The FY 2007 budget includes a one-time donation to Feed the Firefighters of \$10,000

(d) Debt payment for FY05-06 purchase of engines and tankers

Fire Tax Purpose and Goals

The County contracts with 19 departments to provide fire suppression and emergency services in the fire tax district. Fourteen departments are non-profit corporations, and five are municipal fire departments. The fire tax district includes most of the unincorporated area of the County and the Town of Wendell. The departments use a combination of full-time staff, part-time staff, and compensated volunteers. Besides providing essential fire protection services, the departments also respond to a significant number of medical first responder calls, prepare for technical rescues, and provide fire prevention services in their districts. The 19 departments also strive to maintain high insurance ratings to save property owners on fire insurance premiums.

Major Accomplishments

- Increased fire service participation in the budget development process—Over 10 departments represented on Budget Committee.
- Staffing Committee progressed on long-range plan to address staff

ing needs County-wide.

- Increased funding for staffing resources, including \$200,000 additional funds for volunteer support and cost-shared positions with three municipalities.
- Continued funding for replacement of turnout gear and small capital.
- Developed the first countywide consensus specification for fire fighting turnout gear. The City of Raleigh Fire Department partnered with County departments in drafting the specifications.
- Completed the third and final year of the three-year implementation plan for the fire service compensation plan.
- Completed a salary market survey for the fire service compensation plan and revised salary bands based upon survey results and consultant recommendations.
- Recommended a uniform and consistent accidental death and injury insurance plan for all volunteers in all fire departments. This plan equalizes volunteer coverage countywide for accidental death and injuries.

FIRE TAX DISTRICT

Issues for FY 2007

- Continue to analyze potential station closures and negotiate coverage, cost and service agreements with Raleigh and Cary. The first goal is to complete the analysis of Western Wake Station #2 and bring the Fire Commission a recommendation on its status. Other stations that have been identified for analysis include Bayleaf #3, Falls, Wake New Hope #1, and Western Wake #1.
- Evaluate compliance with training and certification requirements of the fire service compensation plan. The fire service compensation plan required that incumbent employees meet identified training and certification requirements by July 1, 2006.
- Refine long-range plan for staffing that establishes staffing goals, analyzes departments' abilities to meet those goals, and projects costs.
- Refine long-term facility needs in the long-range plan. The Facility Committee is evaluating fire station needs in the East Garner area, Wake Forest area and Bay Leaf area.
- Analyze how departments use full-time, part-time, and volunteers to staff; and determine if most cost-effective staffing patterns are used.
- Analyze cost-sharing arrangements with municipalities and discuss related issues with Town officials. Towns include Apex, Fuquay-Varina, Garner, Holly Springs, Morrisville, Rolesville, Wake Forest, and Zebulon.
- Review level and equality of benefits provided to career employees in the contracting fire departments.

Horizon Issues

- Evaluate and, if approved, incorporate additional capital needs into Long-Range Business Plan. Such needs include new stations, service trucks, and breathing apparatus.
- As the number of volunteers continues to decline, contracting fire departments will continue to rely more in paid staff to maintain service. This increased reliance on paid staff will increase the service cost to the fire tax district.

FIRE TAX DISTRICT

Summary of Appropriations by Department

Department		FY 2005 Actual	FY 2006 Adopted Budget	FY 2007 Current Budget	FY 2007 Adopted Budget
Bay Leaf	\$	1,110,154	1,228,295	1,228,295	1,317,284
Durham Highway		734,153	788,608	788,608	670,769
Eastern Wake		1,154,329	1,278,227	1,278,227	1,343,069
Fairview		792,017	786,944	786,944	822,363
Falls		296,978	315,793	315,793	317,447
Garner		843,668	1,008,670	1,008,670	1,047,866
Hopkins		399,224	542,223	542,223	579,014
Rolesville		254,649	356,190	356,190	395,424
Stony Hill		562,773	623,928	623,928	777,946
Swift Creek		384,009	419,520	419,520	464,252
Wake Forest		259,007	299,003	299,003	309,000
Wake-New Hope		829,323	933,108	933,108	878,772
Wendell		851,590	992,462	992,462	1,017,524
Western Wake		622,728	650,830	650,830	621,010
Total- Rural	\$	9,094,602	10,223,800	10,223,800	10,561,741
Apex		435,628	481,983	481,983	513,922
Fuquay-Varina		990,154	1,053,260	1,053,260	1,108,133
Holly Springs		272,586	275,083	275,083	301,905
Morrisville		571,354	604,958	604,958	657,094
Zebulon		260,526	336,581	336,581	361,083
Total- Municipal	\$	2,530,249	2,751,866	2,751,866	2,942,137
TOTALS:	\$	11,624,851	12,975,666	12,975,666	13,503,878

* FY 2007 appropriation amounts do not include some expansion funds for VFIS coverage and funds contingent on Town budget adoption.

HOUSING AND COMMUNITY REVITALIZATION

Fund Summary

		FY 2005 Actual	FY 2006 Adopted Budget	FY 2006 Current Budget	FY 2007 Adopted Budget
Intergovernmental Revenues	\$	3,362,026	2,727,910	3,049,486	2,440,752
Fee & Other Revenues		1,263,954	1,155,553	1,222,553	2,067,192
Revenue Totals	\$	4,625,980	3,883,463	4,272,039	4,507,944
Personal Services	\$	508,864	491,376	476,348	434,860
Operating Expenses		5,335,251	3,392,087	3,798,353	4,073,084
Capital Outlay		60,000	0	(2,662)	0
Expenditure Totals	\$	5,904,115	3,883,463	4,272,039	4,507,944
Number of FTEs		7.50	7.50	7.50	7.50

Fund Purpose and Goals

Affordable housing continues to be a great need in Wake County. Human Services' Housing and Community Revitalization (HCR) program receives federal and county funds to mitigate this need. The HCR Fund has three primary revenue sources: federal Community Development Block (CDBG) grant funds, federal Home Investment Partnership Program (HOME) funds, Wake County capital funds. In addition, the Fund receives federal Emergency Shelter Grant (ESG) and Housing Opportunities for Persons with Aids (HOPWA) funds. Finally, the HCR fund earns program income on its CDBG, HOME, and County funds.

Every five years, HCR creates a five-year action plan which it submits to the federal government. The most recent five-year action plan was approved by the Board of Commissioners at its April 18, 2005 meeting. In addition, HCR annual creates a one-year action plan that will pursue the goals outlined in the five-year plan. The most recent one-year plan was presented to the Board of Commissioners in May, 2006. Since the

demand for affordable housing in Wake County exceeds the production capability of the HCR program budget, the five-year plan establishes priorities for spending. These are:

- Homeowners earning less than \$30,000 per year;
- Renters earning less than \$30,000 per year;
- Homeless individuals and families;
- Non-homeless individuals and families with special needs.

This segment of the population was selected by the Housing Committee of the Human Services Board for the following reasons: they have the greatest demand for housing; the market generally is not producing housing for them; and, it coordinates with other efforts such as the 10-year Plan to End Homelessness.

HCR will use four strategies to address the housing and community development needs of the population groups listed as a top priority:

- Preserve existing housing;

HOUSING AND COMMUNITY REVITALIZATION

- Add new affordable units;
- Provide short-term rental assistance;
- Fund public facilities improvements in low-income neighborhoods

Planned Activities for FY 2007

As part of the one-year action plan presented to the Board of Commissioners in May 2006, HCR outlined the outcomes that it expects to achieve in FY 2007, which included plans to:

- Help 20 homeowners repair sub-standard housing and help 10 homeowners with emergency repairs;
- Install a sidewalk in Garner;
- Fund street extensions in Apex for development of 12 units of af-

fordable single-family homes;

- Provide funding to support the development of affordable housing for 90 families earning at or below 40% Median Family Income;
- Assist two families in achieving homeownership through the American Dream Down payment Initiative, which is a separate allocation of HOME funds dedicated specifically to homeownership; and
- Provide services such as rental subsidies, utilities or mortgage payments for 460 families.

MAJOR FACILITIES

Fund Summary

		FY 2005 Actual	FY 2006 Adopted Budget	FY 2007 Current Budget	FY 2007 Adopted Budget
Occupancy Tax Proceeds	\$	10,997,889	11,340,000	11,340,000	12,403,900
Prepared Food & Beverage Tax Proceeds		13,160,031	13,589,000	13,589,000	14,926,100
Other Revenues		201,293	0	0	0
Revenue Totals	\$	24,359,213	24,929,000	24,929,000	27,330,000
City of Raleigh Hold-back from the Occupancy Tax Proceeds	\$	680,000	680,000	680,000	680,000
Town of Cary Hold-back from the Occupancy Tax Proceeds		533,953	549,990	549,990	601,600
Allocation to the Greater Raleigh Convention & Visitors Bureau		2,916,619	2,997,200	2,997,200	3,255,200
Allocation to the City of Raleigh for Discretionary Projects		1,000,000	1,000,000	1,000,000	1,000,000
Transfer to Debt Service on Five County Stadium		991,000	991,000	991,000	991,000
Allocation for Construction of the New Convention Center		8,257,151	8,763,621	8,763,621	10,361,800
Operating Support for the Centennial Authority		1,399,570	1,444,376	1,444,376	1,585,700
Debt Service on the RBC Center Construction		5,209,131	5,208,422	5,208,422	5,206,200
Transfer to Reserve for Future Projects		0	1,546,521	1,546,521	1,828,500
Transfer to the General Fund, Admin. Fee for Occupancy Tax		298,138	340,200	340,200	372,000
Transfer to General Fund, Admin fee for Prepared Food & Bev.		426,604	407,670	407,670	448,000
Transfer to the County's CIP Fund for Discretionary Projects		1,000,000	1,000,000	1,000,000	1,000,000
Expenditure Totals	\$	22,712,166	24,929,000	24,929,000	27,330,000

Fund Purpose and Goals

Proceeds from the Occupancy and Prepared Food and Beverage taxes are allocated, according to State statutes, to participating governmental agencies and jurisdictions for the purpose of promoting tourism in the County. The fund was created in 1992 with proceeds from 6% occupancy taxes. In 1993 the fund began collecting 1% prepared food and beverage taxes. The distribution of tax proceeds planned for fiscal

year 2007 is shown in the table above.

Major projects have been funded in the past via interlocal agreements between the City of Raleigh and Wake County. These projects include the RBC Center, Exploris Museum and IMAX Theater, the Raleigh Convention Center renovation, Five County Stadium, BTI Performing Arts Center, SAS Soccer Complex, NC Museum of Natural Sciences,

MAJOR FACILITIES

Arts Center, SAS Soccer Complex, NC Museum of Natural Sciences American Tobacco Trail Park and Yates Mill Pond Park. The ninth amendment to the inter-local agreement between the City of Raleigh and Wake County provides funding from the major facilities fund for the construction of a new \$192 million convention center to be built in downtown Raleigh. Ground was broken on April 8, 2005 and completion is planned for June 2008.

Issues for FY 2007

In FY07 proceeds from the taxes are expected to grow by approximately 9% for the Prepared Food and Beverage tax and by nearly 10% for the Occupancy Tax. The projected growth is based on the most recent results from tax proceeds received in fiscal year 2006. The ninth amendment to the inter-local agreement between the City of Raleigh and Wake County allocates 85% of funds not committed to other projects to the construction of the new convention center. The remaining 15% is currently being held in reserve for future projects.

MAJOR FACILITIES CAPITAL TRUST FUND

Fiscal Year	NC Art Museum	Cary Aquatics Center	NC Museum of Natural Sciences	St. Augustine's College Track	NC Ballet	Falls Whitewater Park
2007	3,400,000	500,000	-	100,000	50,000	150,000
2008	900,000	500,000	200,000	100,000	100,000	-
2009	1,000,000	500,000	200,000	100,000	100,000	-
2010	1,000,000	500,000	200,000	100,000	-	-
2011	1,000,000	700,000	200,000	100,000	-	-
2012	1,000,000	700,000	200,000	100,000	-	-
2013	1,000,000	1,000,000	200,000	100,000	-	-
2014	1,000,000	1,000,000	200,000	100,000	-	-
2015	1,000,000	1,000,000	200,000	100,000	-	-
2016	1,000,000	1,000,000	700,000	100,000	-	-
2017	1,000,000	1,000,000	700,000	-	-	-
2018	1,000,000	1,600,000	1,000,000	-	-	-
2019	700,000	-	2,000,000	-	-	-
TOTAL	15,000,000	10,000,000	6,000,000	1,000,000	250,000	150,000

REVALUATION RESERVE

Fund Summary

		FY 2005	FY 2006	FY 2006	FY 2007
		Actual	Adopted	Current	Adopted
			Budget	Budget	Budget
Transfer from General Fund	\$	975,000	975,000	975,000	1,100,000
Investment Income		42,362	70,262	70,262	76,688
Appropriated Fund Balance		0	0	0	632,835
Revenue Totals	\$	1,017,362	1,045,262	1,045,262	1,809,523
Contracted Services	\$	302,133	1,045,262	1,045,262	1,542,500
Other Operating Expenses		0	0	0	267,023
Expenditure Totals	\$	302,133	1,045,262	1,045,262	1,809,523
Number of FTEs		0.00	0.00	0.00	0.00

Fund Purpose and Goals

Chapter 105, Section 286 of the North Carolina General Statutes requires counties to reappraise taxable real property at least every eight years. Wake County's last revaluation was effective January 1, 2000, and the next revaluation will be effective January 1, 2008. To pay for these revaluations, Chapter 153A, Section 150 requires the County to establish a revaluation reserve fund. This law requires an eight-year budget to be adopted immediately following the effective date of a revaluation in order to fund the next such revaluation. The budget includes the total projected amount needed for the revaluation and eight annual amounts that the County will set aside during the years of the octennium. State law further provides for the annual review of the budget to determine whether there is a material change in the cost projected for the next revaluation, with amendments to the plan adopted by the Board of Commissioners as deemed appropriate. Amounts deposited into the revaluation reserve fund may not be used for any purpose other than the revaluation of real property.

Major Accomplishments

- The Revenue Department partnered successfully with the North Carolina Association of County Commissioners to create a unified property tax software system in North Carolina. The department developed a comprehensive property tax administration, collection, billing and appraisal system for all types of property, including taxable and exempt, with the dual purpose of making the data more accessible.
- The department continues to work to refine the module that assists in the revaluation process, Computer-Aided Mass Appraisal (CAMA). The development of this module is being funded from the revaluation reserve fund and is scheduled for completion in time for the 2008 revaluation process.

REVALUATION RESERVE

Fund Financial Summary

- Fund balance at June 30, 2005 was \$2.59 million.
- The County has transferred \$975,000 annually into the fund since FY 2001. This transfer will increase to \$1.1 million annually for FYs 07 and 08, which will provide \$8.1 million over the eight-year period for the 2008 Revaluation. Additionally, these funds are projected to generate approximately \$437,000 in interest earnings.

Projected Revenue and Expenditures for the 2001 - 2008 Octennium Revaluation

		FY01-06 Projected	FY 2007 Projected	FY 2008 Projected	FY 2009 Projected
Transfer from General Fund	\$	5,850,000	1,100,000	1,100,000	See note
Investment Income		315,705	76,688	51,375	
Revenue Totals		6,165,705	1,176,688	1,151,375	-
Contracted Services	\$	4,429,136	1,542,500	1,585,000	507,200
Other Operating Expenses		931,672	267,023	307,673	40,411
Expenditure Totals		5,360,808	1,809,523	1,892,673	547,611
<i>Annual Surplus (Deficit)</i>		<i>804,897</i>	<i>(632,835)</i>	<i>(741,299)</i>	<i>(547,611)</i>
Prior Year Ending Fund Balance		1,112,310	1,917,207	1,284,372	543,073
Fund Balance at June 30	\$	1,917,207	1,284,372	543,073	(4,538)

Note: The FY09 General Fund Transfer will be designated towards the subsequent Revaluation. As such, it is not shown here.

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