



## County Manager's Office

**DATE:** May 5, 2020

**TO:** Wake County Community Organization Funding Applicants

**FROM:** David Ellis, County Manager

**SUBJECT:** FY 2021 Community Organization Funding Update

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The COVID-19 outbreak continues to impact County operations, increasing demands on public health, human services, housing services, emergency management, and public safety.

As the community and businesses complied with Stay-at-Home orders, economic activity declined significantly. This most directly impacts the County through decreased revenues from property taxes, sales taxes and a subset of development-related charges. Wake County is projecting revenues for Fiscal Years 2020 and 2021 to be much lower than previously estimated, resulting in a budget shortfall for FY 2021.

To help bridge the funding gap resulting from this drastic change in our revenue picture for FY 2021, the County identified multiple strategies, including reductions to County department operating budgets, reductions and delays in capital programs, and use of County reserves to offset one-time costs.

Our funding shortfall has delayed the Community Organization evaluation process. Additionally, my recommended budget includes a decrease in Community Organization funding to help address the FY 2021 budget gap. No additional information is requested from you at this time. We will continue to keep you apprised of the process and outcomes as the Board deliberates our budgetary options.

We find ourselves in extraordinary and unprecedented times. Thank you for your ongoing efforts. I acknowledge the difficulty of the situation and appreciate your understanding as we all work together to continue to serve those in our community.