



Wake County

301 South McDowell Street
Raleigh, NC

Meeting Minutes Board of Commissioners

Monday, May 18, 2020

2:00 PM

Wake County Justice Center

Regular Meeting - Budget Presentation - Meeting Held Remotely

Meeting Called to Order: Chair Greg Ford

Present: 7 - Chairman Greg Ford, Vice-Chair Vickie Adamson, Commissioner Matt Calabria, Commissioner Susan Evans, Commissioner Jessica Holmes, Commissioner Sig Hutchinson, and Commissioner James West

Others Present: David Ellis, County Manager; Scott Warren, County Attorney; Denise Hogan, Clerk to the Board; Yvonne Gilyard, Deputy Clerk to the Board; Emily Lucas, Chief Financial Officer; Chris Dillon, Assistant County Manager; Ben Canada, Assistant to the County Manager

Pledge of Allegiance

Invocation: Commissioner James West

Items of Business

1. Approval of Agenda

Commissioner Hutchinson moved, seconded by Commissioner Evans, to approve the agenda. The motion passed unanimously.

2. Approval of the Minutes of the Regular Meeting of May 4, 2020 and the Work Session of April 13, 2020

Commissioner Holmes moved, seconded by Vice-Chair Adamson, to approve the Minutes of the Regular Meeting of May 4, 2020 and the Work Session of April 13, 2020. The motion passed unanimously.

Consent Agenda

Commissioner West moved, seconded by Commissioner Evans, to approve the consent agenda. The motion passed unanimously.

3. Community Use of Schools Funding Agreement with the Wake County Public School System for Repair of the Track at Knightdale High School

Attachments: [Knightdale HS Track Agenda Item.docx](#)
 [KHS_FRES_SP_JUA_2004_04_05.pdf](#)
 [Draft Agreement for Repair of KHS Track 04-14-2020.pdf](#)
 [KHS_Track_Layout_2020.pdf](#)

Commissioner West moved, seconded by Commissioner Evans, that the Board of Commissioners:

1. Reallocate \$374,109 of Community Use of Schools CIP Funds for the Repair of the Track at Knightdale High School, and

2. Authorize the County Manager to execute a funding agreement with the Wake County Public School System in the amount of \$374,109, subject to terms and conditions acceptable to the County Attorney. The motion passed unanimously.

4. Federal Fiscal Year 2019 Emergency Management Performance Grant (EMPG) Supplemental

Attachments: [EPMG Supplemental Item Summary.docx](#)
 [FULLY EXECUTED MOA19091 Wake County CR#2.pdf](#)
 [EMPG Supplemental Budget Memo.pdf](#)

Commissioner West moved, seconded by Commissioner Evans, that the Board of Commissioners accept and appropriate \$18,779.03 from the 2019 Federal Fiscal Year Emergency Management Performance Grant program via North Carolina Emergency Management for the purpose of providing a system of emergency preparedness from all hazards in the local jurisdiction. The motion passed unanimously.

5. 2020 Tier II Grant Award

Attachments: [2020 Tier II Grant Award.docx](#)
 [Tier II Non-Competitive 2020.pdf](#)
 [Tier II Grant Award Budget Memo.pdf](#)

Commissioner West moved, seconded by Commissioner Evans, that the Board of Commissioners:

1. Accept the Tier II Grant via North Carolina Department of Public Safety in the amount of \$1,000.00, with funds to be appropriated in Grants and Donations Fund; and

2. Authorize the County Manager to sign the MOA for the 2020 Tier II Grant. The motion passed unanimously.

6. Accept and Appropriate CARES Act Funds from US Department of Health and Human Services for Ryan White Part C Primary Medical Services

Attachments: [Agenda Item.docx](#)
 [Notice of Award.pdf](#)
 [Budget Memo - FY20 Grants and Donations Fund.pdf](#)

Commissioner West moved, seconded by Commissioner Evans, that the Board of Commissioners accept and appropriate \$113,696 into the grants fund in one-time funds from the US Department of Health and Human Services. The motion passed unanimously.

7. Accept and Appropriate One-Time Funds from the North Carolina Department of Health and Human Services to Wake County Human Services for COVID-19 Public Health Crisis Response

Attachments: [Agenda Item.docx](#)
 [Notice of Funding.pdf](#)
 [Budget Memo - FY20 Grants and Donations Fund.pdf](#)

Commissioner West moved, seconded by Commissioner Evans, that the Board of Commissioners accept and appropriate an additional allocation of \$551,988 of revenues and expenditures into the Grants and Donations Fund from the NC DHHS to prevent, prepare for, and respond to Coronavirus Disease 2019 (COVID-19). The motion passed unanimously.

8. Amend the 2019-2020 Housing Action Plans with Housing Related Services provided through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

Attachments: [DRAFT AAP Amendment Approval 5.18.2020.docx](#)
 [Housing Action Plan Presentation 5-18-20.pdf](#)
 [Public Notice](#)

Commissioner West moved, seconded by Commissioner Evans, that the Board of Commissioners:

1. Approve the 2019-2020 Wake County Housing Action Plan Amendment; and

2. Authorize the Chair to sign documents necessary to submit to HUD and to carry out activities described in the Amendment. The motion passed unanimously.

9. Public Comments

Attachments: [Public Comments 05-18-20.pdf](#)

Ms. Denise Hogan, Clerk to the Board, shared a summary of the public comments to the Board of Commissioners.

The comments were as follows:

- Nine citizens requested that the Board of Commissioners no longer support the governor's executive order
- Seven citizens commented on the Odd Fellows land and asked the board to do the following:
 - Submit comment requesting to deny the new quarry pit on the Odd Fellows tract
 - Support the state park systems critical acquisition of both the Odd Fellows and 286 east
 - Ask NCDEQ to reinstate the Sunset Clause on the Triangle Quarry site
- One citizen commented that children must be back on campus for the start of the 2021 school year
- One citizen asked the board for a resolution supporting the county's businesses to resume
- Two citizens supporting One Wake requested the board to support the CARES ACT funding for housing
- One citizen supporting Re-Open NC requested the board re-open North Carolina. The science is not there to keep N.C. closed

A full version of the comments are attached to this agenda item and have been provided to the board.

That the Board of Commissioners receives comments from the general public. Comments will be summarized during the meeting by the Clerk and provided in full as part of the meeting minutes.

Regular Agenda

10. Public Hearing on an Agreement with the NC Rural Economic Development Center, Inc.

to administer a Wake County Small Business Loan Program

Attachments: [WakeSmallBusinessRelief agenda item 05182020.docx](#)
[COVID-19 Small Business Support Presentation 5-18-20.pdf](#)
[FINAL DRAFT CLEAN Rural Center -Wake County Agreement .docx](#)
[RC_Small-Biz-Coalition_OneSheet_5-8 \(1\).pdf](#)

Ms. Emily Lucas, Chief Financial Officer, shared the agenda for the item on the county business relief program partnership with the North Carolina Rural Economic Development Center.

Agenda

- Discuss proposed county business relief program partnership with NC Rural Economic Development Center
- Discuss next steps on proposed program
- Conduct Public Hearing

She shared the background information.

- Wake County received approximately \$194 million from the federal government to cover expenses related to local response efforts
 - Includes expenses to “directly respond to the emergency”
 - AND
 - “Second-order effects” including “economic support to those suffering from employment or business disruption...”
- County's first priority is to ensure funding supports direct COVID response (public health and safety) for duration of event
- Funding can be used to provide support to small businesses to reimburse the costs of business interruption caused by business closures

Wake County Small Business Relief Program

- At May 4 Board approved a \$5 million small business relief program and instructed staff to return with specific proposal
- Interest in portion of program (at least \$1 million) being available to sole proprietors and single-owner businesses
- Staff recommends partnership with NC Rural Economic Development Center

She shared information about the NC Rural Center.

- Regularly administer federal and state small business loan programs
 - Already administering State's NC Rapid Recovery Loan

Program

- Loan terms favorable to small businesses
- Will utilize state funds before accessing County CARES funding
- Administrative fee = 5 percent
- State allocated additional \$2 million to program to provide technical assistance to businesses
 - Focus on minority-owned businesses, female-owned businesses and other under-represented groups

She shared information about the loan criteria and terms.

Criteria

- Maximum Number of Employees = 100
- Loan Amount = 2 Months Revenue (up to \$50,000)
- Cannot receive more than one loan
- Business is within Wake County
- At least \$1 million of program available to sole proprietors

Terms

- 6 Months Deferred Payments at Low Interest Rate
- 48 Months of Principal & Interest at 5.5 percent
- No Prepayment Penalties

She shared the marketing and outreach efforts.

- County staff to partner with:
 - Wake County Economic Development
 - Wake County Diversity, Equity, & Inclusivity Alliance
- Promote program to entire County
 - Focus on sole proprietors and historically underutilized businesses
- Estimated cost = \$25,000
 - To be covered with CARES Act funding

She shared the public hearing information.

- Pursuant to NC General Statutes 158-7.1, required to hold a public hearing on economic development initiatives
 - Pubic hearing advertised on May 7
- Special considerations due to COVID-19:
 - Online comment form available on Wake County Website since May 7
 - Recently-approved COVID-19 legislation requires public

comment remain open for 24 hours after item is considered

She shared the next steps.

TODAY:

- Conduct public hearing

MAY 19:

- Board of Commissioners reconvenes meeting to vote on item

Commissioner West said that he has reviewed the pluses and minuses of the program and has spoken with various citizens. He said the main concern of citizens is about the amount of funding for businesses. He said that progress is being made, and there are grass roots efforts in place to address some concerns. He said that he has spoken with Senator Blue's staff and expressed his concern about setting up a process for success. He said that it is the hope the county can work with the state and federal government for forgivable loans. He said that "complex problems require divergent solutions." He said that there have been discussions about the amounts for the program. He said the key is to build on the programs the county has for economic and social mobility.

Commissioner Hutchinson asked about the criteria of employees the program defines. He asked that the program indicates there is a maximum of 100 full-time employees, he asked if it can be extended beyond 100 full time employees for the benefits of restaurants.

Commissioner Holmes thanked Ms. Lucas and Mr. Dillon for their work. She said the reason these are not grants is because of legal restrictions not in Wake County government's control, it comes from the State. She asked about the 5.5 percent interest rate and whether it is the best rate that can be obtained.

Mr. Chris Dillon, Assistant County Manager, said the first six months is 0 payments and .25 percent interest. He said that the rate is based on the credit score of the business that applies. He said that many of the businesses that apply may not be able to obtain a loan at this time.

Commissioner Holmes asked staff to look at the rates closely. She said Muslim residents may have an issue with the interest rate and asked whether this has been researched. She said that the program should be inclusive to all businesses.

Mr. Dillon said he can provide some research toward what other programs are doing.

Commissioner Holmes said she has received comments from small business owners that the federal loans went very quickly and concerns about the state loans going quickly. She said that if the \$5 million from the state is dispensed quickly and she would be in favor of the county securing an additional allocation to support the small businesses.

Vice-Chair Adamson asked if non-profits would qualify and could there be loan forgiveness.

Mr. Dillon said non-profits do not qualify and within legal authority he is uncertain whether the loans can be forgiven. The default rate could affect the businesses credit. A change in the State Constitution may be necessary for changes such as these.

Commissioner Calabria thanked Mr. Dillon, Ms. Lucas, and Mr. Danya Perry, Director of Diversity, Equity & Inclusivity, of the Greater Raleigh Chamber of Commerce. He thanked the NC Rural Center and echoed Commissioner West's comments regarding the target being minority businesses. He said the state grants will be provided first before the county. He asked that staff be conservative over the terms and he supports Commissioner Hutchinson's suggestion about full-time employees being part of the language for the qualifications. He said that non-profits participate as much as other businesses in the community. He asked staff to look at adding non-profits in the future. He asked staff about the timeline.

Mr. Dillon said that the program is expected to go live on Thursday, May 21, 2020. He said staff is working on making the program available immediately and once applications begin to come in staff will be working to have a short turn around.

Commissioner Evans asked why the non-profits are not eligible.

Mr. Dillon said lending to a non-profit is complicated and the NC Rural Center is not set up for lending. He said that staff could further review on funding for non-profits.

Commissioner Evans said the non-profits are important and encouraged staff to continue to look at ways to fund them. She said that she is pleased with the work staff has done thus far for support to small businesses.

Commissioner Holmes asked who benefits from the interest rate for the loans.

Ms. Lucas said the interest income is divided between the NC Rural Center and the capital loans. She said the principal is returned to the federal government.

Commissioner Holmes said it is important that the county place the funds back into the community to further support small businesses, if that ever occurs.

Chairman Ford said that in previous discussions there was discussion about the CARES ACT funding. He asked if there has been any indication that these loans could be grants instead. He asked whether there are other states that distribute the loans as grants and if there are other states who issue these funds as grants instead of loans, where do the payments go.

Mr. Dillion shared a history of similar funding and said he has not heard any discussion about a constitutional amendment. He said that he can research the loans and processes by other states. He said that there have been conversations with the congressional delegation about flexibility in use of the funds. He said the main priority is the revenue to sustain the business while reopening.

Commissioner West said it has been said that "we have not, because we ask not." He said that he has held conversations with congressional leaders and other leaders. He said that discussions have been had about the cost share for farmers. He said that salons and barbers who are sole proprietors need to be remembered for these funds.

Mr. Dillon said that at least \$1 million of these loans will go toward the sole proprietors and individuals.

Chairman Ford thanked Commissioners Calabria, Holmes, and West for their work toward this item. He commended staff for their work as the program moves forward. He said this may be the beginning of a program that can be expanded. He commended County Manager Ellis and Mr. Dillon.

Chairman Ford said that this part of the meeting will reconvene at 3 p.m. tomorrow to allow for public comment.

Commissioner Evans moved, seconded by Commissioner Holmes, that the Board of Commissioners:

1. Conduct a public hearing on an agreement with the NC Rural Economic Development Center, Inc. to administer a small business

loan program for Wake County, pursuant to NC General Statutes 158-7.1; and

2. Following a public hearing, authorize the county manager to execute a contract with the NC Rural Economic Development Center, Inc., subject to the terms and conditions acceptable to the County Attorney. The motion passed unanimously.

11. Appropriation of Emergency Funds Associated with COVID-19

Attachments: [FINAL Agenda Item - Coronavirus Response - May budget action.docx](#)
[COVID Funding Plan Presentation - BOC Meeting 05182020.pdf](#)
[Budget Memo - FY 2020 Non-Departmental](#)
[Budget Memo - FY 2020 EMS](#)

Ms. Emily Lucas, Chief Financial Officer shared the CARES ACT funding information.

CARES ACT

\$2.5 trillion in packages passed by Congress

- Aid to individuals, businesses and state and local governments through a variety of federal agencies, state, and direct local funding

Established the Coronavirus Relief Fund (\$150 billion) for:

- Necessary expenditures due to the public health emergency with respect to COVID-19; Corona
- Expenditures not accounted for in the budget most recently approved as of the date of enactment; and
- Were incurred during the period beginning March 1 and ends on December 30, 2020.

She shared information about the Coronavirus Relief Funds.

Coronavirus Relief Funds (CRF)

Wake County received approximately \$194 million in Coronavirus Relief Funds (CRF)

- Includes expenses to “directly respond to the emergency” AND
- “Second-order effects” including “economic support to those suffering from employment or business disruption...”

The State set aside \$150 million of their CRF distribution for counties

- Wake, Guilford, and Mecklenburg Counties excluded from this distribution

She shared the Coronavirus Relief Fund information.

CRF Considerations

The state directed recipients to exhaust CRF prior to applying to FEMA (except where any direct appropriations were received); Wake municipalities should first apply to FEMA for FEMA-eligible expenses. Guidance is released frequently to clarify language in the CARES Act; not all potential uses have been verified as eligible. County continues to advocate CRF be allowed to offset revenue losses caused by COVID-19 economic downturn, *not currently eligible*. County anticipates high level of scrutiny over funding decisions, eligibility of expenses, and record keeping

She shared the CRF Funding Plan Framework.

CRF Funding Plan Framework

Develop a strategic plan for utilization of CRF throughout Wake County
County's first priority is to ensure funding supports direct COVID response (public health and safety) for duration of event.

Board and community feedback:

- Support vulnerable populations, specifically housing, food security, and behavioral health
- Support the business community impacted by COVID-19 business restrictions and stay-at-home orders
- Utilize community partners to facilitate county's response and recovery efforts

CRF Funding Plan Categories

- Public Health Emergency Response
- Community Response & Resiliency
- Continuity of Operations
- Economic Recovery
- Miscellaneous

She shared the public health emergency response information.

Public Health Emergency Response

Purpose: Adequately respond to the public health emergency created by COVID-19 through containment and mitigation

Estimated Need: \$65.5 million

Responsible Groups: County (primarily) and municipalities

She shared the public health emergency response cost information.

Public Health Emergency Response Costs

EOC Operations & Coordinated Public Health Response

- Overtime and special pay provided to employees working under direction of EOC
- Full salaries and benefits of employees redirected from regular assignments to COVID response
- Supplies, materials, contracted services, etc. for EOC operations
- Communication and enforcement of public health orders
- Testing, field sampling, contact tracing, and monitoring efforts (supplies, contracts, and facilities)
- Enforcement of isolation and quarantine orders
- Immediate care of most-vulnerable populations to mitigate COVID-19
- Additional medical transportation, telehealth, and other related costs

She shared the community response and resiliency information.

Community Response & Resiliency

Purpose: Ensure the county's most vulnerable populations impacted by COVID-19 are cared for during and after the crisis

Estimated Need: \$34.2 million

Responsible Groups: County, municipalities, contracted agencies, and non-profits

Community Response & Resiliency Costs

Housing

Healthy Hotels & Hotel Families Programs

Expanded Case Management & Housing Navigation Programs

Assisting homeless populations with basic needs

Utility Assistance

Assist individuals with delinquent utility payments (*still researching eligibility and administrative capacity*)

Food Security

Expand capacity for Family Meal Program

Enhance access to fresh produce

Restore SNAP Double Bucks Program

Behavioral Health

Enhance and/or expanded behavioral and/or substance abuse management (*still researching eligibility*)

She shared the continuity of operations information.

Special Premium Pay

Fairly compensate public-facing employees unable to social distance while continuing normal operations.

PPE

Purchase personal protective equipment for employees for services requiring close, personal proximity.

Facility Modifications

Enhance cleaning services and supplies in high traffic areas; reconfigure spaces to attain proper social distancing practices.

Transit

Ensure transit facilities receive additional cleanings and fairly compensate transit employees.

Telework

Create and maintain infrastructure and equipment to enable employees to successfully telework.

County Partners

Ensure municipalities as well as education partners and contract agencies have resources to provide needed public services.

She said that the purpose of these funds is to ensure that individuals and businesses have support to rebound from the economic downturn caused by COVID-19. She said the estimated need is \$24.7 million and the responsible groups will be the county, educational partners, and contracted non-profits and agencies.

She shared the economic recovery information.

Economic Recovery Costs**Small Business Support**

Fund Wake Forward Program (small business loans)

Technical and other support for businesses impacted by COVID-19

Tourism Regeneration

Partner with appropriate agencies to bring tourism, arts and culture programming, and other events back to Wake County within new safety

parameters (*still researching eligibility*)

Workforce Development

Work with community partners and agencies to support the workforce displaced by COVID-19 business curtailment and closures

She shared miscellaneous information.

Reserve 20 percent of total CRF (\$38.8 million) received for:

- Potential use to offset lost revenues, should future federal legislation allow it
 - County revenue losses from sales tax and development fees
~\$45 million
- Unknown additional testing costs around duration and/or fluctuations in response and recovery efforts

County can re-evaluate the Contingency later in the fall, should conditions and/or legislation change

She shared a chart of the CARES ACT funding plan summary.

She shared information about other financial relief.

Other Financial Relief

Housing

Received approximately \$2 million in CDBG, ESG, and HOPWA funding to assist individuals and families facing homelessness.

EMS

Received \$664K from HHS to cover COVID-related health care and EMS transport expenditures.

Human Services

Received additional \$113K to support Ryan White Program and \$552K from HHS to support additional efforts related to COVID-response activities.

Other

County and its partners continue to advocate for additional funding opportunities. Examples include elections and public safety.

She shared information about today's budgetary action.

The county appropriated \$10.8 million of fund balance in March and April to cover COVID-19 response expenditures until other funding sources were identified

Today's budgetary action:

- Un-appropriates fund balance and replaces it with CARES Act funding needed for expenditures to date and anticipated through June 30
- Expenditures through May 1 total approximately \$12.4 million, largely around the public health response
- Estimated total expenses for FY 2020 = \$62.7 million
- Funds not actually expended will go to restricted fund balance at end of fiscal year (to be used for these same efforts in FY 2021)

She shared a chart of Fiscal Year 2020 estimated COVID-related expenditures through June 30, 2020.

She shared a summary.

Summary

- County received \$194 million in direct Coronavirus Relief Funds to support the County's response and recovery efforts
- County's first priority is to ensure sufficient funding supports our responsibility to contain and mitigate the public health emergency
- County has developed a funding plan to utilize CRF for a variety of potential uses that support vulnerable populations, local governments and agencies, and the business community
- The funding plan is meant to be a high-level guideline, and subject to change based on updated guidance from the federal government

She shared the next steps.

TODAY:

- Approve budget amendment for actual and anticipated costs for remainder of FY 2020

NEXT STEPS:

- Engage appropriate stakeholders to develop and implement strategies for funding plan
 - Municipalities, non-profits, contract agencies and other community partners
- Bring back specific programs for approval as developed

Commissioner Hutchinson asked whether the municipal partners will be engaged in the process.

Ms. Lucas said the Emergency Operations Center processes have been stepped up in tracking of calls, facility modifications, and cleaning. She said that the municipalities have been helpful in understanding the needs in the community for services such as utilities.

Commissioner Holmes said that she would like to see Triangle Family Services, Passage Homes, Oak City Cares, Dorcas Ministries, Food Bank, Interfaith Food Shuttle, A Place at the Table, and Healing Transitions who have been partners with the county be prioritized for the CARES ACT funding. She said that PPE has been difficult to obtain for the community. She mentioned Chinese and Asian organizations that have assisted. She said the focus should be in the 27610 area of the county that needs it most. She said that partnership with Wake Tech will assist with the Workforce Development in the community.

County Manager Ellis noted that within the 27610 zip code, there is testing for these communities.

Commissioner Holmes said that funding is important including testing for the 27610 area.

Chairman Ford said he supports proportional use of the available funds.

Commissioner West noted that there are pastors in the 27610 area that have expressed concern about the basic needs of the residents in these areas. He said there are challenges in these areas and he is pleased that the focus is in these areas.

Vice-Chair Adamson echoed the previous comments and said that foster kids are of concern to her. She said that Interact partners with these efforts. She asked about funding to assist schools opening back up in the fall.

County Manager Ellis said the schools are receiving \$25 million from the CARES ACT.

Chairman Ford said conversations have been had about partnering with municipalities for funding.

County Manager Ellis said the county is responsible for how the funds are spent so this is why reimbursement for qualifying expenses was considered. He said that tracking the information is important since the

federal government is constantly making changes.

Chairman Ford said partnerships are important and with the funds coming from the federal government it is important relationships are made and the funds are used efficiently.

Commissioner Calabria asked what the restrictions are for the fund balance and for the remainder of the portion of the unspent amount.

Ms. Lucas said the \$10.8 million will go back to its unassigned fund balance. The portion that will be restricted at the end of the year will be any of the CARES dollars that are not spent. The Federal government restricts the use of those funds.

Commissioner Evans said the approach is rational and reasonable and she supports the work.

Commissioner Evans moved, seconded by Commissioner Holmes, that the Board of Commissioners:

- 1. Reduce the appropriation of \$10,800,000 of fund balance previously appropriated for costs associated with Wake County's COVID-19 response; and**
- 2. Accept and appropriate \$62,731,100 of Coronavirus Relief Funds for the costs associated with Wake County's COVID-19 response; and**
- 3. Accept and appropriate \$640,005 into the General Fund in one-time federal funds from the US Department of Health and Human Services to Wake County Emergency Medical Services. The motion passed unanimously.**

12. Presentation of the County Manager's Recommended Budget for Fiscal Year 2021

Attachments: [Budget Presentation Item Summary 05-18-20.docx](#)
[FY 21 Budget Presentation.pdf](#)
[FY21 Budget MessageFINAL.pdf](#)

Chairman Ford shared that the budget process for the following fiscal year typically begins late summer or early fall of the previous fiscal year. He said the final phase of the budget processes is early March. He said that the first confirmed positive COVID-19 case in Wake County and the state occurred on March 3, 2020. He said the county declared a State of Emergency a few weeks later and many changes have occurred since that time. He said in the following weeks, the focus has been public health,

safety and recovery efforts. He said that there has been a re-boot of short and long-term impacts. He said that staff has been faced with planning for a year ahead of uncertainty and unclear needs. He said that County Manager Ellis has been faced with being responsive given the economic impacts and public health issues.

County Manager Ellis said that staff had to act quickly and regroup because of the current public health impacts. He commended county staff for their quick response in re-working their budgets.

County Manager David Ellis presented the Fiscal Year 2021 recommended budget.

Full comments of County Manager Ellis' recommended budget are attached to this agenda item.

Chairman Ford thanked County Manager Ellis for delivering the budget.

Vice-Chair Adamson thanked County Manager Ellis for delivering the budget and said it is a lot for board members to consider. She said in looking at the Wake County Public Schools budget, \$48 million is mandated for charter schools. She asked that per pupil spending be considered for the schools. She said that there have been questions about ABC funding, and asked where those funds would be allocated.

County Manager Ellis said in the past those funds have been used for programs and services for Health and Human Services, Substance Use prevention and Behavioral Health.

Vice-Chair Adamson said Interact and Interact have seen additional service needs due to COVID-19. She said she serves on the Drug Overdose Task Force and they have see an increase in needs.

County Manager Ellis said he would provide the board information on the use of the ABC funds and Ms. Lorena McDowell, Director of Affordable Housing and Community Revitalization, and the Emergency Operations Center have worked toward assisting Interact in making changes for safer services.

Commissioner Evans said that the county is in unusual circumstances. She said it is a difficult time for many. She said working with less revenue for an unknown period of time is challenging. She echoed Vice-Chair Adamson's supports the comments from Vice-Chair Adamson about the per pupil funding instead of flat funding. She asked whether an interim budget can be passed for a quarter of the year.

County Manager Ellis said an interim budget would be difficult for the county.

Ms. Lucas said there are choices and tradeoffs with an interim budget. She said it poses an issue with the tax rate for municipalities. She said that staff can bring this information to the board at the May 27, 2020 Work Session.

Commissioner West asked about community organizations whether the designation of \$500,000 has been determined.

County Manager Ellis said the board has discussed at a previous Work Session to designate them for food insecurity for vulnerable citizens.

Commissioner West asked if capital funding is being provided for Marbles Kids Museum.

County Manager said in the past the county has provided operational funding for repairs to the building since it is a county owned building.

Commissioner West asked if support is being given through capital funding.

County Manager Ellis said there is capital funding in the major facilities area of the budget.

Commissioner Holmes said in relation to the comments from Commissioner Evans and Vice-Chair Adamson that the per pupil spending she has concern because the student enrollment cannot be determined until later in the fiscal year. She said that she encourages the per pupil spending to remain the same. She said she would like opportunity to review the budget book information that she received today. She expressed her concern about the cuts that have been recommended in Human Services regarding positions. Given that Wake County has the highest population and the greatest need. She said that food nutrition areas have increased in March and April. She said that Pre-K, Wake Tech, and infant mortality are of priority and asked the board to consider funding in these areas.

Commissioner Hutchinson thanked County Manager Ellis and the Wake County staff. He echoed support for Vice-Chair Adamson's comments on the community organizations and other comments about food security and housing. He noted that legacy organizations like the Marbles Kids Museum, the Symphony and United Arts have lost funding that is needed. He suggested reinstating funding for these organizations.

Vice-Chair Adamson asked for a chart of information on how the funding for charter schools are divided between public schools. She requested that the contract for EMS non-profits can be separated from the budget process.

Commissioner West said there are challenges with the budget and it is the hope the board would look at the funding for most essential services considering the quality of life of the citizens.

Chairman Ford thanked County Manager Ellis and staff for their efforts in weighing opportunities and cost. He said that decisions will need to be made in uncertain times. He said that in 28 days the board will come to a decision on the budget and he welcomes today's feedback. He said that he welcomes feedback from citizens. He said that including community partners, non-profits, municipalities, and stakeholders about the implications of the budget and decisions to be made. He said although this is the County Manager's budget recommendation, the board will make the final decision on how the investment is made. He said a tax increase would not be responsible and it is the hope the board would be supportive and find alternative solutions.

Commissioner West said that the budget will be challenging but is clear in assisting the board to make the best decisions for the citizens of Wake County.

Chairman Ford said the County Manager's recommended budget aligns with the board goals and priorities.

Commissioner Holmes moved, seconded by Vice-Chair Adamson, that the Board of Commissioners receive the Recommended Fiscal Year 2021 Budget for consideration and approve the following:

- 1. Instruct the County Manager to provide an online method of public comment for the FY 2021 Recommended Budget ahead of the Monday, June 1, budget public hearing.**
- 2. Hold a budget public hearing during the Board of Commissioners' regular (virtual) meeting on Monday, June 1, which begins at 5:00 p.m., at which point the Clerk to the Board will provide a summary of public comments submitted.**
- 3. Hold virtual budget work sessions on Wednesday, May 27, at 2:00 p.m. and Monday, June 8, at 2:00 p.m.**

4. Consider the budget for adoption on Monday, June 15, during the Board of Commissioners' regular (virtual) meeting, which begins at 2:00 p.m. The motion passed unanimously.

Other Business

13. Informational Items for the Board of Commissioners

Attachments: [Informational Items Item Summary 5-18-20.docx](#)
 [Memorandum to BOC FY 2021 Recommended Wake Transit Work Plan.pdf](#)
 [March 2020 Financials.pdf](#)

Closed Session

Recess – Pursuant to Section G.S. §166A-19.24, this meeting will reconvene at 3:00p.m. on Tuesday, May 19, to complete the public hearing process for Item 9, the Public Hearing on an Agreement with the NC Rural Economic Development Center.

Commissioner Evans moved, seconded by Commissioner West, Recess - Pursuant to Section G.S. §166A-19.24, this meeting will reconvene at 3:00p.m. on Tuesday, May 19, to complete the public hearing process for Item 9, the Public Hearing on an Agreement with the NC Rural Economic Development Center. The motion passed unanimously.

Respectfully submitted,

Denise M. Hogan, NCMCC
Clerk to the Board
Wake County Board of Commissioners