



Legislation Text

File #: 20-1013, **Version:** 1

Chief Administrative Office recommending the Boards:

- 1) Approve and authorize the Chair to sign a budget transfer for Fiscal Year 2019-20 increasing revenues from the Coronavirus Aid, Relief, and Economic Security (CARES) Act to offset County expenses incurred in Fiscal Year 2019-20 due to the COVID-19 public health emergency;
- 2) Approve a plan to allocate CARES Act revenue for Fiscal Year 2020-21 for activities related to the COVID-19 public health emergency through December 30, 2020;
- 3) Approve and authorize the Chair to sign a budget transfer for Fiscal Year 2020-21 increasing revenues from the CARES Act and establishing appropriations in accordance with the allocation plan;
- 4) Authorize the Chief Administrative Officer to reallocate unspent or unneeded funds among the categories listed in the spending plan, within the total available funding; and
- 5) Authorize the Chief Administrative Officer or designee to execute funding and reimbursement agreements with outside agencies, subject to review and approval by County Counsel.

FUNDING: CARES Act.

DISCUSSION / BACKGROUND

On March 27, 2020, President Trump signed the CARES Act, an economic relief package to provide assistance to families, workers, businesses, and state, local, and tribal governments to help mitigate the impacts of the COVID-19 public health emergency. The Fiscal Year 2020-21 California State budget included pass-through allocations to Counties and Cities. Receipt of these funds is contingent upon compliance with all of the Governor's Executive Orders and California Department of Public Health directives and guidance. El Dorado County's allocation is \$19,737,000. The Chief Administrative Office asked County departments to identify costs related to the public health emergency that were incurred in Fiscal Year 2019-20 and to project needs through December 30, 2020, the federal deadline set for use of the funds. The CAO's Office also reached out to other local agencies, including fire districts, school districts, chambers of commerce, and hospitals to see if they needed assistance, or could help provide assistance to the community through use of these funds. The CARES Act requires that payments only be used to cover expenses that:

1. are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
2. were not accounted for in the budget most recently approved as of March 27, 2020, for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

The federal government has issued guidelines and frequently asked question documents (attached) which provide further guidance on appropriate uses of the funds. This information was provided to County departments and outside agencies for guidance in drafting their requests. Upon receipt of the requests, and pursuant to Board of Supervisors Policy A-23, CAO staff and Office of Emergency Services staff reviewed the requests and made recommendations to the CAO. The FY 2019-20 budget transfer includes costs incurred by County departments during the fiscal year totaling \$2,116,764. Generally, these expenses included staff time, personal protective equipment, and

cleaning services and supplies. A list of expenses for each department is attached.

The CAO recommends the following allocations for Fiscal Year 2020-21, based on requests received through July 29, 2020:

County Operations:	\$6,520,236
Emergency Medical Services (Fire and ambulance):	\$1,000,000
Education and Child Care:	\$5,000,000
Business Protection:	\$5,000,000
Miscellaneous:	\$ 100,000
Total FY 2020-21:	\$17,620,236
Total FY 2019-20:	\$ 2,116,764
Grand Total:	\$19,737,000

County Operations: This includes staff time, equipment, supplies, and facilities needs to respond to and mitigate the emergency. Examples include purchases of personal protective equipment, sanitizing supplies, telework devices and facilities projects to enhance safety in public areas and provide for appropriate distancing in workspaces.

Emergency Medical Services: This includes reimbursement to local fire agencies and ambulance service contractors for their increased costs related to the emergency, such as personal protective equipment, medical supplies, and costs associated with implementing appropriate measures to mitigate the spread of the virus among first responder staff.

Education and Child Care: The CAO recommends allocating this funding to support needs related to school closures and/or reopening. The CAO will work with the Office of Education and Public Health to determine needs and prioritize use of these funds. Examples of potential uses are increased testing to comply with State protocols for in-person instruction and increasing child care capacity to support families in the distance learning model.

Business Protection: This includes funding to provide economic support to businesses affected by the public health emergency. The Business Protection Group will administer these funds, the majority of which will be used to offer a grant program through the El Dorado Community Foundation.

Miscellaneous: This includes three requests, \$41,217 to the El Dorado Hills Community Services District, \$6,776 to the Cameron Park Community Services District, and \$15,000 to the Apple Hill Growers' Association totaling \$62,993. All costs are a result of the public health emergency. The remaining amount is being budgeted for additional needs, should they be identified.

The deadline for County departments and outside agencies to submit their requests is July 31, 2020, which is after the publication of this staff report; however, given that the next Board meeting is August 25th, it is recommended the Board approve the allocations among the general categories today in order to immediately begin meeting all agencies' needs. The above allocations are based on

requests received as of July 29th, and it is anticipated some of the categories may need to be adjusted after all requests are received and evaluated. In addition, all costs are estimated through the end of the calendar year and actual costs may vary from the estimates provided by departments and outside agencies. Finally, some County departments may receive additional, program-specific funding through the CARES Act that could cover some of their costs. As a result, the CAO is requesting authority to reallocate funds among the categories as necessary to ensure the most effective and appropriate use of the funds. Policy A-23 requires the CAO to provide a monthly report of expenditures. In addition to this required reporting, the CAO will update the Board on the actions of the Business Protection Group and will notify the Board of any reallocations of funding.

ALTERNATIVES

The Board could provide additional direction.

PRIOR BOARD ACTION

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County departments, outside agencies

FINANCIAL IMPACT

For Fiscal Year 2019-20, County departmental expenses will be reduced by \$2,116,764, resulting in savings. This will reduce general fund expenses by approximately \$1.2 million, increasing fund balance for Fiscal Year 2020-21. The majority of the non General Fund offset is in Public Health, and will result in increased fund balance in that fund. For Fiscal Year 2020-21, County departmental expenses for salaries and benefits for employees doing work related to the public health emergency will be offset, resulting in savings.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Obtain the Chair's signature on the budget transfer forms and return to the Chief Administrative Office for processing.

STRATEGIC PLAN COMPONENT

Healthy Communities; Good Governance; Public Safety

CONTACT

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Chief Administrative Officer