



Albemarle County

Legislation Text

File #: 20-373, **Version:** 1

AGENDA DATE: 7/1/2020

TITLE:

Albemarle County's May 2020 Allocation of Federal CARES Coronavirus Relief Funds (CRF)

SUBJECT/PROPOSAL/REQUEST: Establishment of a structured implementation plan for the County's Allocation of Federal CARES CRF funding received in May 2020

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Kamptner, Bessette, Birch, Allshouse, Shifflett

PRESENTER (S): Lori Allshouse

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: The Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 provides funding for a number of different programs to address the COVID-19 pandemic. One of the CARES Act programs is the Coronavirus Relief Fund (CRF) which directly provides assistance to state, local, territorial, and tribal governments for impacts of the COVID-19 pandemic.

Virginia received approximately \$3.1 billion in Federal CARES CRF funding. Fifty-five percent of its allocation was based on the total state population and the remaining 45 percent was based on the local populations of each state's cities and counties.

On May 12, 2020, Aubrey. Layne, Jr, notified the County of Albemarle that the Commonwealth of Virginia has provided an allocation of \$9,538,621 in CRF funding to Albemarle County which is based on the proportion that the County's population represents of the statewide total population. (Attachment A). The County received its allocation of CARES CRF funding on June 1.

Funding has been provided to counties based on population. This includes the populations of the towns within its borders. Consequently, Albemarle County will provide an equitable share of its CRF funds with the town of Scottsville. This funding must be expended in accordance with the same Federal compliance requirements as the County.

This funding is required to be used for qualifying expenses that:

- 1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- 2) were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act); and
- 3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

Guidance from the U.S. Treasury states that expenditures must be used for actions taken to respond to the public health emergency that may include expenditures incurred to allow the locality to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures. Funds may not be used to fill shortfalls in government revenues.

The Federal Statute specifies that expenditures using Fund payments must be “necessary.” CARES CRF funding is to be considered “one-time” and should not be used for ongoing services. The County is required to maintain all necessary documentation to ensure compliance with the federal requirements and would be responsible to return funds to the Federal government if it were determined that the funds were spent on purposes that do not qualify. Additional U.S. Treasury guidance is provided in Attachment A, Appendix B.

STRATEGIC PLAN: Mission: To enhance the well-being and quality of life for all citizens through the provision of the highest level of public service consistent with the prudent use of public funds.

DISCUSSION: The community’s needs are great, and the CARES CFR funding must be expended during the March 1, 2020 to December 30, 2020 time period.

County staff have been documenting COVID-19 expenditures to date, participating in state-wide meetings to gain a more complete understanding of the regulations and working internally and with others and designing recommended implementation plan.

On July 1, 2020, County staff will present a recommended CARES CRF Implementation Plan for the Board’s review and approval. Staff’s recommended CARES CRF implementation plan will be designed to ensure that the County’s allocation of the Federal CARES CRF funding is expended in compliance with Federal requirements, shared with the Town of Scottsville, and utilized for high priority COVID-19-related expenses within the specific timeline. The Plan will include recommended categories of expenditures and departmental roles and responsibilities.

On July 15, 2020 County staff plans to bring forth additional details to implement two community-focused components of the plan for Board’s approval and funding appropriation.

BUDGET IMPACT: The CARES CRF program provided the County with \$9,538,621 to address direct impacts of the COVID-19 pandemic.

RECOMMENDATION:

Staff recommends the Board discuss and approve an Implementation Plan for the County’s June 1 allocation of CARES CRF funding.

ATTACHMENTS:

Attachment A - May 12, 2020 Letter from Aubrey L. Layne, Jr, Secretary of Finance, Commonwealth of Virginia