



Legislation Text

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Item:

Durham County's Amended Coronavirus Relief Fund (CRF) Plan (20min)

Date of BOCC Meeting: September 8, 2020

Request for Board Action:

The Board is requested to suspend the rules and take action to approve the amended Durham County Coronavirus Relief Fund (CRF) plan required to be submitted by September 15, 2020. The CRF is established under the federal CARES Act and is administered by the North Carolina Pandemic Recovery Office (NC PRO). HB 1023/S.L. 2020-80, Section 3.3(2), has appropriated an additional \$150 million to be distributed to county governments, based on their population according to 2019 Vintage Year Census Bureau estimates.

S.L. 2020-80 made a significant change to the language regarding the municipal share of these funds. In previous legislation (HB 1043/S.L. 2020-4), counties could choose to share these funds with their municipalities. S.L. 2020-80 changed that language directing counties to give a minimum of 25% of their total allocation to municipalities. Durham County is required to give the City of Durham \$2.9 million which represents 25% of the County's total CRF allocation.

The County submitted its first round CRF plan in the amount of \$5,480,715 in early June 2020. The County's second funding allocation is \$3,309,388 bringing the County's total CRF allocation to \$8,790,103. The County is required to amend its' plan to include the second funding allocation. A copy of the allocation letter from the NC Office of State Budget and Management is attached.

The expenditure categories remain the same for round one and two of CRF funding. Eligible expenses include:

- **Medical expenses**, such as the COVID-19 related expenses of public hospitals and clinics, the establishment of temporary medical facilities, COVID-19 testing, emergency medical response expenses, and public telemedicine capabilities.
- **Public health expenses**, such as communication and enforcement expenses, the acquisition of personal protective equipment and other medical supplies, disinfection of public areas and facilities, technical assistance to help mitigate the virus, expenses for public safety measures, and expenses for quarantining.
- **Payroll expenses** for public safety or public health employees.
- **Expenses of actions that facilitate compliance with COVID-19 related public health measures** such as teleworking, distance learning, food delivery, paid sick, family and medical leave for public employees, expenses for maintaining prisons and jails, and expenses for protecting the homeless population.

- **Expenses associated with the provision of economic support** in connection with the COVID-19 public health emergency such as provision of grants to small businesses, expenditures related to government payroll support, and unemployment insurance costs.
- **Any other COVID-19 related expenses reasonably necessary** to the function of government.
- **Grants to municipalities and nonprofits.**

These funds may not be used for damages covered by insurance, payroll or benefits for employees not substantially dedicated to responding to, or mitigating the COVID-19 health emergency, or to reimburse for revenue losses. CRF funds must be spent by December 30, 2020 and counties and municipalities can amend their plans after the September 15 deadline should the need occur.

The County's amended CRF plan was drafted using the following framework:

1. Assist in covering the County's unanticipated and unbudgeted expenses related to the COVID-19 pandemic to the greatest extent possible.
2. Leverage all state and federal funding available to the County to ensure maximum allocations and reimbursements.
3. Use FEMA reimbursement before CRF funding for COVID-19 related expenses as recommended by NC PRO.

A copy of the County's amended plan has been provided and will be reviewed during the September 8 work session. The City of Durham has submitted its plan to the County by the September 1 deadline. A copy of the City's plan has been provided and has been incorporated into the County's amended plan. Counties and municipalities are liable to the State for the misuse or mishandling of funds and are subject to clawback. Bertha Johnson, City of Durham Budget and Management Services Director, will be available to answer questions related to the City's CRF plan.

Alignment with Strategic Plan: Aligns with Goal 2: Health and Well-Being For All, Goal 3: Safe Community, and Goal 5: Accountable, Efficient and Visionary Government

Resource Persons: Jodi Miller, General Manager, Leslie O'Connor, Chief Emergency Manager, Keith Lane, Budget and Management Services Director, and Bertha Johnson, City of Durham Budget and Management Services Director.

County Manager's Recommendation: The County Manager recommends that the Board suspend the rules and take action to approve the County's amended CRF plan to be submitted to NC PRO by the September 15, 2020 deadline.

County Manager: _____