

**Item Title:** Appropriation of Emergency Funds Associated with COVID-19

**Specific Action Requested:**

**That the Board of Commissioners:**

- 1. Reduces the appropriation of \$10,800,000 of fund balance previously appropriated for costs associated with Wake County's COVID-19 response; and**
- 2. Accepts and appropriates \$62,731,100 of Coronavirus Relief Funds for the costs associated with Wake County's COVID-19 response; and**
- 3. Accepts and appropriates \$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.**

**Item Summary:**

**Purpose:** Provide funds to cover the costs of salaries and overtime, necessary equipment and supplies, and other expenses associated with the County's response to the emergency created by COVID-19.

**Background:** The County is responsible for several functions during emergency events, including but not limited to public health and safety, emergency response, communications, and community recovery. Normal operating budgets may not be able to support the expenses for these functions. A budget appropriation provides adequate funding until it is determined the costs are eligible for reimbursement through federal and/or state response programs.

**Board Goal:** Supports County operations for emergency response efforts.

**Fiscal Impact:** This item un-appropriates \$10,800,000 of fund balance appropriated in March and April and replaces this resource with Coronavirus Relief Funds received by the County in mid-April. The new appropriation assumes expenses associated with response efforts to the COVID-19 emergency through June 30, 2020. This item also accepts an additional \$640,005 received from US Department of Health and Human Service for Wake County EMS.

**Additional Information:**

On March 16, 2020, the Board of Commissioners appropriated \$2 million toward expenses associated with response efforts to the COVID-19 emergency.

On March 26, 2020, Congress and the President approved the Coronavirus Aid, Relief and Economic Security (CARES) Act. This federal aid package included \$150 billion to aid local governments in funding their response efforts. At the time of the Act's passage,

it was unknown how much funding the County would receive and when this funding would be available. As a result, on April 6, 2020, the Board approved an additional appropriation of \$8.8 million of fund balance to support response efforts.

On April 24, 2020, the County received approximately \$194 million from the US Treasury in direct support, called the Coronavirus Relief Funds. Guidance continues to be released on the eligible expenses, but generally these funds can be used toward direct response efforts (payroll expenses, supplies and equipment, communications and outreach, public health, emergency housing and homelessness needs, and public safety) as well as “second order effects” for individuals and businesses impacted by COVID-19 related restrictions and closures.

Through May 1, 2020, the County had expended or encumbered \$12.4 million related to the COVID-19 response and recovery. The County anticipates total expenditures of up to \$62.7 million through June 30, 2020. Anticipated expenditures include:

EOC Operations (including initial containment and mitigation strategies and enforcement of public health orders)	\$19,458,400
Additional Testing, Contact Tracing, and Sampling	4,520,000
HouseWake! Plan (FY 2020 costs only)	6,994,300
Food Security Programs through Cooperative Extension	410,000
Potential Utility Assistance Program for Individuals/Families ( <i>research underway</i> )	3,250,000
Continuity of Operations (hazard pay, telework setup, PPE for employees, and facility maintenance/cleaning)	10,215,000
Wake Forward Small Business Loan Program with the Rural Center (includes marketing costs)	5,275,000
25% Contingency Factor (due to unknown timing of State’s reopening, EOC operations, and other community needs)	12,608,400
FY 2020 Estimated Total	\$62,731,100

Any funding not actually expended by June 30, 2020 would fall to restricted fund balance, to be used toward similar efforts in FY 2021 (through December 30, 2020). Staff will return with estimated costs for FY 2021 and request to appropriate funding in the next fiscal year.

The County has developed a proposed CARES Act Funding Plan, outlining how the total funding received potentially can be used to address the County’s response and community needs. This proposed plan will be shared with the Board at the May 18 meeting for feedback.

Finally, the Wake County EMS has received \$640,005 from the US Department of Health and Human Services to assist in their response to the Coronavirus. These funds can be used to reimburse the agency for COVID-related healthcare expenditures and lost revenue associated with EMS transportation and medical services. Additional guidance on use and reporting of these funds has not yet been released.

**Attachments:**

1. Presentation
2. Budget Memos