

Merced County CARES Act Funding Plan

BOARD OF SUPERVISORS MEETING

AUGUST 11, 2020

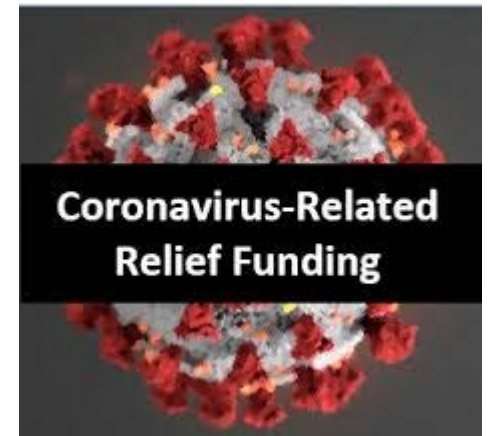
Brief History



- On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law.
- CARES Act established the Coronavirus Relief Fund (CRF) and appropriated \$150 million to the fund.
- Funding to States and certain Counties and Cities with populations over 500,000
- Merced County was allocated approximately \$28.9 million within the State of California's enacted budget for FY 2020/21.
- On June 30, 2020, the County Executive Officer signed and submitted a certification for receipt of funds from the California Department of Finance CARES Act Funding and realignment backfill funding revenues.

Allowable Use of Funds

- The County's certification will follow the proposed uses of the funds provided as direct payment under the applicable provisions of subdivision (d) of Control Section 11.90 of the Budget Act of 2020.
- Funds will be used only for costs that:
 - Are necessary expenditures due to the Coronavirus Disease 2019 (COVID-19)
 - Were not budgeted as of March 27, 2020, for Merced County
 - Were incurred from March 1, 2020 to December 30, 2020
- Allocations made in monthly installments, with the first portion, received on July 31, 2020, being one-sixth of the total allotment.



County Certification

- **Conditions for receipt of funding:**

- Adhere to federal guidance, the State's stay-at-home requirements, and other health requirements including all California Department of Public Health orders, directives, and guidance
- Use the funds in accordance with all applicable provisions of subdivision (d) of Control Section 11.90 of the Budget Act of 2020
- Report due to state on September 1, 2020
- Return unspent funds by October 30, 2020 (unless extended based on reported expenditures to date), and repay the State for any cost disallowed after federal review
- Retain records and participate in audits as outlined by the State and federal government



Planning for Uncertainty



- Allocation Timeline and Cash Flow
- Change or expansion to the CARES Act guidelines for utilization
- Change to federal, State, and/or health guidance and/or mandates
- Unforeseen expenditures or impacts
- Flexibility

CARES Act Funding Plan

- The County's CARES Act Funding Plan allocates the \$28.9 million into the following categories:
 - Proposed Continuity of Operations and Emergency Response: \$18,681,000 (65%)
 - Proposed Community Support: \$7,227,000 (25%)
 - Proposed Reserve Contingency: \$ 3,000,000 (10%)
- FY 2019/20: \$9.75 million
- The stated amounts may be subject to change based on operational needs for COVID-19 pandemic response as determine by the CEO.



Continuity of Operations and Emergency Response

\$18,681,000

- Salary and Benefit Costs
 - Substantially Dedicated to Responding or Mitigating
- Retrofit County Facilities and Rehabilitate Parks
- Telework Technology Upgrade
- Personal Protective Equipment and Disinfectant Procurement
- Expand Testing and Contact Tracing
- Expanded Services and Other Eligible Countywide Expenses

Community Support

\$7,227,000

- Small Business Support: \$3,100,000
- Health Care Support
- Food Assistance
- Homeless and Housing Assistance Services
- Community and Veteran Halls
- Community Outreach and Education
- Other Eligible Community Support Expenses

Reserve Contingency

\$3,000,000



- Contingency funds are designated for unforeseen expenditures or impacts caused by the COVID-19 public health emergency
- Contingency funds may be used:
 - To increase any previously mentioned allocations
 - For eligible uses not identified in the plan
 - In the event CARES Act rules and regulations change

CARES Act Funding Plan: Categorical Estimates for Consideration

County Allocation	\$ 28,908,000.00	FY 2019/20: Phase 1	FY 2020/21: Phase 2
Continuity and Emergency Response	\$ 18,681,000.00		
Salaries and Benefits		\$ 8,349,738.41	
Retrofit County Facilities		\$ 43,051.34	\$ 3,750,000.00
Telework/Technology		\$ 77,893.41	\$ 500,000.00
PPE & Disinfectants		\$ 193,224.52	\$ 750,000.00
Testing & Health Screening		\$ 108,240.31	\$ 2,000,000.00
Expand Contact Tracing			\$ 1,500,000.00
Rehab Parks			\$ 250,000.00
Other Eligible		\$ 553,642.36	\$ 605,000.00
Sub Total	\$ 18,680,790.40	\$ 9,325,790.35	\$ 9,355,000.00

CARES Act Funding Plan: Categorical Estimates for Consideration cont.

County Allocation	\$ 28,908,000.00	FY 2019/20: Phase 1	FY 2020/21: Phase 2
Community Support	\$,7227,000.00		
Small Business Support			\$ 3,100,000.00
Health Care Support			\$ 400,000.00
Food Assistance			\$ 200,000.00
Homeless and Housing		\$ 255,690.10	\$ 2,000,000.00
Outreach/Education		\$ 6,764.61	\$ 1,000,000.00
Community/Vets Halls			\$ 265,000.00
Other Eligible			
Sub Total		\$ 262,454.71	\$ 6,965,000.00
Reserve Contingency	\$ 3,000,000.00		\$ 3,000,000.00
Total per Phase	~ \$28,908,000.00	\$ 9,588,242.06	\$ 19,320,000.00

Community Outreach and Education

■ Mask-up, Merced County

- Partnership with 6 Cities
- 39 Outreach Events since July 1st reaching over 4,150 people
- Distributing Masks, Hand Sanitizer, & Educational Materials
- Farmworker Outreach through Central Valley Opportunity Center

■ Ready2Open Merced County

- Partnership with 6 Cities
- Business self-certification to follow COVID-19 safety protocols including:
 - COVID-19 Signage, Employee Training, Employee Health, Physical Distancing, and Routine Sanitation
- 113 businesses currently certified

■ Multimedia

- PSAs: Currently 3 PSAs running in English and Spanish; Hmong being produced
- 15 videos produced; Approx. 112,800 views; Approx. 120,000 total minutes watched
- COVID-19 Webpage and Daily Status Reports:
 - Unique pageviews from Feb. 3 to Aug. 6: 489,903
 - People reached daily (weekdays) through email: 13,303

COVID-19 Business Assistance Program Guidelines



- **\$3,100,000 to support local small businesses impacted by COVID-19**
- **Applicants shall be:**
 - For-profit business physically located, operating, and headquartered in Merced County with a demonstrated economic need and negatively impacted by COVID-19. For-profit applicants must attest to a loss of net revenue as a result of COVID-19 pandemic. Merced County corporate franchisees are eligible to apply; or
 - Non-profit business physically located, operating, and headquartered in Merced County with a demonstrated economic need and negatively impacted by COVID-19
- **Eligibility Requirements:**
 - 25 full-time employees or fewer; Self-employed business owners are eligible
 - Operating for at least two full years prior to March 19, 2020
 - Active Business License in Merced County and is in good standing
 - Applications for businesses who have not received other COVID-19 related grants or loans will be prioritized.
 - If selected, required to sign a reporting agreement to be carried out throughout the term of the grant.
 - Submit a current copy of business W-9 form

COVID-19 Business Assistance Program Guidelines cont.



- **Grant Award and Administration**
 - Administered by the Merced County Workforce Development Board (\$100,000)
 - Allocated in amounts up to \$50,000 per small business
 - Limited to one (1) per small business
 - Applications accepted August 17, 2020 - September 20, 2020
 - \$3 million distributed evenly between County Supervisorial Districts at \$600,000 per district
 - If insufficient recipients awarded in district by September 20, 2020, balance redistributed evenly between those districts with surplus eligible applicants
 - Awarded on a first come, first served basis

- **Reporting Requirements**
 - All eligible expenses must be reported to the County by October 4, 2020

Stay Safe, Stay Open



- Hand Washing
 - Frequently with soap and water for at least 20 seconds
 - Hand sanitizer containing at least 60% alcohol



- Cleaning and Disinfecting
 - Clean and disinfect frequently touched surfaces daily.
 - Clean a dirty surface with soap and water, and disinfect with a household disinfectant.



- Social Distancing and Limited Gatherings
 - Maintain a distance of at least 6 feet from individuals who are not from your own household.
 - Groups of 10 people or less



- Cloth Face Coverings
 - Use a face cover whenever you leave your home
 - Ensure face cover fits properly (covers nose and mouth)
 - Wash face cover after each use
 - Not recommended for children under 2 years old



- Self-Monitor
 - Stay home when sick, except to get medical care

Requested Actions



- Approve the Merced County CARES Act Funding Plan for initial usage of \$28,908,000 of the Coronavirus Aid, Relief, and Economic Security Act funds as allocated by the State of California 2020 Budget Act due to the Coronavirus Disease 2019 public health emergency for necessary expenditures incurred and direct staff to return to the board for the necessary budget transfers for Fiscal Year 2020/21 as determined by the County Executive Officer with Auditor-Controller concurrence.
- Review and provide direction to staff regarding the COVID-19 Business Assistance Program Guidelines to provide \$3.1 million in support to small businesses.
- Direct the County Executive Officer to return to the Board of Supervisors to provide a final CARES Act Expenditure Report.