

Merced County CARES Act Funding Plan Update

BOARD OF SUPERVISORS MEETING

OCTOBER 20, 2020



Overview

- 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 (DOF) CARES Act Funding and realignment backfill funding revenues.
- The Certification required unspent funds to be returned after October 30, 2020, unless an extension was granted by DOF.
- On August 11, 2020, the County's CARES Act Funding Plan was adopted by the Board of Supervisors consisting of:
 - County Continuity and Emergency Response: \$18,681,000
 - Community Support: \$7,227,000
 - Reserve Contingency: \$3,000,000



Update on State Actions

- August 14, 2020: DOF provided updated reporting criteria with expenditure category definitions
- September 4, 2020: Cycle 1 report submitted
 - Expenditures from March 1 - June 30, 2020 and July 1 - August 30, 2020, plus projected costs through June 30, 2021
- October 1, 2020: DOF requested submission of a supplemental survey to demonstrate that the County will fully expend its CARES Act allocation in order to determine if the County's expenditure deadline will be extended
 - Decision to be issued by October 23, 2020
- October 5, 2020: DOF updated the disbursement schedule from 6 payments to 3 payments of 1/6th of the County's allocation for July, August and September, and the remaining balance to be issued in October



Update on Federal Actions

Two different relief bills pending – HEROES and HEALS

- HEROES

- Provides additional funding to states/counties
- Expands use to cover “lost, delayed or decreased revenue stemming from COVID public health emergency

- HEALS

- No additional funding to states/counties
- Extends deadline for CARES CRF expenditures from December 30, 2020 to September 30, 2021
- Expansion of allowable uses to include revenue shortfalls from taxes, fees or other sources of funds relative to 2019 levels from March 1, 2020 - September 30, 2021

CARES Act Funding Plan: Categorical Plan/Appropriated

County Allocation	\$ 28,907,577.00	FY 2019/20: Phase 1	FY 2020/21: Phase 2	Balance
Continuity and Emergency Response	\$ 18,680,577.00	\$ 9,141,701.95	\$ 4,888,391.00	\$ 4,650,484.00
Community Support	\$7,227,000.00	\$ 272,590.88	\$ 4,210,023.00	\$ 2,744,386.12
Sub Total	\$ 25,907,577.00	\$ 9,414,292.83	\$ 9,098,414.00	\$ 7,394,870.12
Reserve Contingency	\$ 3,000,000.00			\$ 3,000,000.00
Total per Phase	\$28,907,577.00	\$ 9,414,292.83	\$ 9,098,414.00	\$ 10,394,870.12

CARES Act Funding Plan: Projects Summary

Continuity and Emergency Response:

- Retrofit County Facilities*
- Increase Technology and Telework Capacity*
 - Video Conferencing, Remote Connectivity, Equipment
- Purchase PPE & Sanitation Supplies*
- Testing/Health Screening*
 - State Testing Site Facility Rental
 - Strike Team Testing
 - Medical Support at Jail
- Extra Help for Contact Tracing *
- Public Health DOC Support

Community Support:

- Ready2Open Small Business Grant Program
- Increase food distribution capacity through Food Bank and food pantries*
- Expand Community Outreach*
 - Stay Safe, Stay Open & Ready2Open
 - Agricultural Community
 - Southeast Asian Community
 - Don't Wait, Vaccinate!
 - Stay Safe, Get Tested
 - Media: PSAs and Equipment
- Navigation Center: Enhance Distancing and Sanitation Equipment & Supplies
- Homeless Encampment Clean-up*
- Ready2Open Community and Veterans Halls Assistance Program*

*BOS 10/20/20

Summary



- Continue to receive clarity with definitions and allowable costs at the State and Federal levels
- Decisions at the Federal level will impact County's use of funds
- Uncertainty with remaining amount received
 - Based on communications with DOF, receipt of remaining funds likely, but not certain
- Without CARES Act funding, further reductions would have been made to FY 20/21 Final Budget
- Goal is maintaining flexibility and maximizing reimbursement to County departments for COVID related expenses