

**DEPARTMENT MATTERS**

**INDIAN RIVER COUNTY  
INTER-OFFICE MEMORANDUM**

**OFFICE OF MANAGEMENT & BUDGET**

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TO: Members of the Board of County Commissioners

DATE: February 14, 2022

THROUGH: Jason E. Brown, County Administrator

FROM: Kristin Daniels, Director, Management & Budget

SUBJECT: CARES Act – Spending Plan Revisions

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**BACKGROUND:**

On July 7, 2020, the Board of County Commissioners approved the initial CARES Act Spending Plan for the first 25% allocation received from the State, with slight revisions approved on July 14, 2020. Subsequently, on August 18, 2020, the Board approved further revisions to the initial plan. On September 22, 2020 the Board approved allocating an additional \$4,662,600 under the Phase 2 Spending Plan. On November 10, 2020 the Board made other revisions to the plan for an additional \$1,886,518, bringing the total proposed plan to \$13,525,451. On December 1, 2020 the Board approved use of the full \$27,905,330 Indian River County had been allocated. Further revisions to the plan were approved on January 5, 2021, which allocated the \$12,723,176 attributed to public health/public safety payroll to other expenditure categories. On February 17, 2021, Indian River County received the remaining \$15,347,931 in CARES Act funding, and has therefore received the entire \$27,905,330 allocation. Additional revisions to the plan were approved on March 9, 2021 and December 7, 2021, to reallocate funding between categories.

Because the Board elected to draw down funding via reimbursement for public health/public safety payroll expenses, the Board has discretion on awarding these funds after the initial December 30, 2020 CARES Act deadline.

**ANALYSIS:**

The following table shows the currently approved allocation by category and recommended revisions to the plan. Details regarding individual changes are itemized below. These decreases are being offset by increases in line items that may have a future need for funding.

<b>CARES Act Spending Plan</b>		
Type of Expense	Approved Allocation	Proposed Reallocation
Municipalities	\$2,278,078	\$0
Constitutional Officer Expenses	\$3,388,573	\$0
BCC Expenses	\$9,466,090	\$761,249
Health Department	\$451,999	\$0
Other Healthcare Providers	\$280,280	\$0
State Agencies	\$30,000	\$0
Economic Development	\$2,620,864	\$0
Community Support	\$8,362,756	(\$761,249)
School District of IRC	\$1,026,690	\$0
PH/PS Payroll to be Reallocated	\$0	\$0
<b>Total</b>	<b>\$27,905,330</b>	<b>\$0</b>

Adjustments need to be made in the BCC Expense category to cover expenses associated with IT improvements and COVID-19 related Health Insurance Fund claims. Due to the ongoing pandemic, the County continues to incur Zoom expenses each month to facilitate virtual meetings. In addition, a microphone system is necessary to complete the iG facility conference room upgrades that were installed in 2021 to host virtual meetings. Staff proposes these expenses, totaling \$34,933 be allocated towards the BCC-IT Upgrades allocation from the BCC-Miscellaneous Purchases allocation.

The Eviction Diversion Program has ended and an available balance of \$761,249 remains in the program. Staff recommends the balance be allocated towards the County's Health Insurance Fund once again to offset the now \$3,086,377 in COVID-19 related claims through December 31, 2021. On November 16, 2021 the Board of County Commissioners approved a reallocation of \$1.2M from the Eviction Diversion Program to the County's Health Insurance Fund in order to partially offset the \$2.8M in COVID-19 related expenses the County's employees and dependents had incurred at that time. After appropriating \$761,249 from the Eviction Diversion Program, in order to reimburse the Health Insurance Fund in full, an additional \$1,125,128 is needed. Staff proposes to reduce the BCC-Employee Vaccination Incentive allocation by \$134,998 and BCC-COVID-19 Overtime allocation by \$200,000 to offset these expenses since the employees have already received their benefit and the Eviction Diversion Program has ended. The remaining \$790,130 will be transferred from the BCC-Miscellaneous Purchases allocation. This will bring the total allocation reduction to BCC-Miscellaneous Purchases to \$825,063, which includes the BCC-IT Upgrades.

**RECOMMENDATION:**

Staff recommends that the Board consider the proposed CARES Act reallocations, make any changes to the plan and adopt the proposed plan with any applicable changes.

**ATTACHMENTS:**

CARES Act Spending Plan