

DEPARTMENT MATTERS

**INDIAN RIVER COUNTY
INTER-OFFICE MEMORANDUM**

OFFICE OF MANAGEMENT & BUDGET

TO: Members of the Board of County Commissioners

DATE: November 19, 2021

THROUGH: Jason E. Brown, County Administrator

FROM: Kristin Daniels, Director, Management & Budget

SUBJECT: CARES Act – Spending Plan Revisions

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 has 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, 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. On January 5, 2021, the Board approved time extensions with each agency that had funds remaining to grant them the remainder of the current fiscal year to spend their allocations.

ANALYSIS:

The following table shows the currently approved allocation by category and recommended revisions to the plan. The majority of the proposed spending plan revisions are due to select agencies and municipalities returning portions of their allocations. Details regarding individual changes are itemized below. These decreases are being offset by increases in line items that may have a future need for the funding.

CARES Act Spending Plan		
Type of Expense	Approved Allocation	Proposed Reallocation
Municipalities	\$2,278,078	\$0
Constitutional Officer Expenses	\$3,388,573	\$0
BCC Expenses	\$7,997,647	\$1,468,443
Health Department	\$600,453	-\$148,454
Other Healthcare Providers	\$380,280	-\$100,000
State Agencies	\$30,000	\$0
Economic Development	\$2,640,853	-\$19,989
Community Support	\$9,562,756	-\$1,200,000
School District of IRC	\$1,026,690	\$0
PH/PS Payroll to be Reallocated	\$0	\$0
Total	\$27,905,330	\$0

Municipalities

On September 21, 2021 the Board of County Commissioners approved the City of Fellsmere's requested time extension from September 30, 2021 to December 1, 2021. This additional time was to be used to design specific construction plans for the implementation of broadband based on the results of the completed study. The City of Fellsmere has since requested an additional extension through December 31, 2021 in order to complete the project and request reimbursement from the County.

The City of Sebastian has also requested an extension through the end of the year in order to receive goods that have been purchased with the intent of utilizing CARES Act funding. Staff is agreeable to both of the proposed extensions.

BCC Expenses

Adjustments need to be made in the BCC Expense category to cover reallocations of funding detailed in the expense categories below. In total, BCC Expenses are receiving an additional \$1,468,443 in funding.

Health Department

The Health Department has invoiced the County for COVID-19 related expenses totaling \$451,999, and proposes to return the remaining funding of \$148,454. Staff recommends the remaining funds totaling \$148,454 be reallocated to the BCC Miscellaneous Expenses line item in order to fund any unanticipated COVID-19 related expenses that may occur in the future.

Other Healthcare Providers

The County's contract with Cleveland Clinic expired on September 30, 2021. Staff has not received any reimbursement requests from the hospital, despite multiple outreach attempts. It is

possible that the hospital may have received other stimulus funding to cover their COVID-19 related expenses. Staff recommends Cleveland Clinic's \$100,000 allocation be reallocated to the BCC Miscellaneous Expenses line item in order to fund any unanticipated COVID-19 related expenses that may occur in the future.

Economic Development

On September 21, 2021, the Board of County Commissioners approved a reduction of \$19,147 in Indian River State College's requested allocation (originally \$60,000) to provide courses to County residents that provided additional skillsets and training to potentially help those affected by COVID-19 in securing employment going forward. After review of the invoices submitted by the College, the County is able to fund \$20,864 for these programs. The College wishes to return the remaining allocation totaling \$19,989. Staff recommends the remaining funds be reallocated to the BCC Miscellaneous Expenses line item in order to fund any unanticipated COVID-19 related expenses that may occur in the future.

Community Support

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 have incurred since the pandemic began.

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. Staff recommends that the Board approve the Time Extensions with the City of Fellsmere and the City of Sebastian. Staff recommends that the Board approve the decreases in allocations for the Health Department (\$148,454), Cleveland Clinic (\$100,000), and Indian River State College (\$19,989).

ATTACHMENTS:

CARES Act Spending Plan
City of Fellsmere CARES Act Third Time Extension
City of Sebastian CARES Act Second Time Extension