

# FORSYTH COUNTY

## BOARD OF COMMISSIONERS

MEETING DATE: August 6, 2020 AGENDA ITEM NUMBER: 26

**SUBJECT: RESOLUTION REQUESTING CONGRESS TO ALLOW LOCAL GOVERNMENTS FLEXIBILITY IN UTILIZING CORONAVIRUS RELIEF FUNDS TO RESPOND TO COVID-19 AND ENSURE THE CONTINUATION OF VITAL LOCAL SERVICES**

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS: Recommend Approval

SUMMARY OF INFORMATION: See Attached

ATTACHMENTS:  YES  NO

SIGNATURE: \_\_\_\_\_ COUNTY MANAGER DATE: August 06, 2020

**RESOLUTION REQUESTING CONGRESS TO ALLOW LOCAL GOVERNMENTS FLEXIBILITY IN UTILIZING CORONAVIRUS RELIEF FUNDS TO RESPOND TO COVID-19 AND ENSURE THE CONTINUATION OF VITAL LOCAL SERVICES**

**WHEREAS** Congress enacted the CARES Act, P.L. 116-136, on March 27, 2020, which established the federal Coronavirus Relief Fund (“CRF”) and distributed funds directly to States and localities with populations over 500,000, including North Carolina and 4 North Carolina local governments;

**WHEREAS** Treasury Department guidance stated that States should provide 45% per capita of the CRF funds to local governments with populations of 500,000 or less;

**WHEREAS**, of the more than \$4 billion in CRF funds received by the State of North Carolina, the North Carolina General Assembly, in Session Laws 2020-04 and 2020-80, established a \$300 million fund to be distributed to the 97 counties that did not receive direct CRF funds and required each county to allocate at least 25 percent of such funds for use by municipalities within the county for allowable uses;

**WHEREAS** Forsyth County received \$13,889,626 from the North Carolina allocation of CRF funds from the General Assembly, which represents approximately 9% of its per capita share of CRF funds, far less than the 45% intended by Congress;

**WHEREAS** Forsyth County has suffered a shortfall in sales tax, property tax, and other revenues due to COVID-19 and resulting business shutdowns;

**WHEREAS** Forsyth County provides and funds many vital services including public health, behavioral health, public schools, emergency services, fire services, law enforcement, detention center, child and adult social services, housing assistance, parks, elections, and community and economic development, and has been forced to cut funding for many of these services due to the disruption caused by COVID-19;

**WHEREAS** current CRF restrictions do not allow local governments to use such funds to replace lost revenues; and

**WHEREAS** allowing more flexibility in using CRF funds, including the replacement of lost revenues, would allow Forsyth County to strengthen its provision of these vital services;

**NOW, THEREFORE, BE IT RESOLVED**, that the Forsyth County Board of Commissioners hereby requests that in any bill it considers relating to COVID-19 that Congress (1) allow local governments more flexibility in the expenditure of CRF funds, including the ability to replace revenues lost due to COVID-19 and the resulting business shutdown; and (2) consider allocating additional CRF funds directly to local governments with populations of 500,000 or less, that did not receive direct federal funds from the CARES Act.

Adopted this 6<sup>th</sup> day of August 2020.

**Supported by Reopen Forsyth Ad Hoc Committee Members:**

Mayor Dawn Morgan, Town of Kernersville

Mayor John Wait, Village of Clemmons

Council Member Michelle Barson, Village of Clemmons

Council Member Mike Rogers, Village of Clemmons