

October 26, 2020

To: Members of the Budget and Finance Committee

From: Paula Boggs Muething, City Manager **202002063**

**Subject: Emergency Ordinance – Use of Coronavirus Relief Fund (CRF)
Funds Per FYI Memo: Update on Coronavirus Relief Fund Allocation**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the appropriation of the sum of \$3,942,957 from the unappropriated surplus of COVID-19 Fund 473 to the City Manager's Office COVID-19 Fund personnel operating budget account no. 473x101x7100 for the purpose of providing reimbursement of or resources for certain personnel expenditures as set forth in the attached Attachment A; **AUTHORIZING** the appropriation of the sum of \$5,037,042 from the unappropriated surplus of COVID-19 Fund 473 to the City Manager's Office COVID-19 Fund non-personnel operating budget account no. 473x101x7200 for the purpose of providing reimbursement of or resources for certain non-personnel expenditures as set forth in the attached Attachment A; **AUTHORIZING** the appropriation of the sum of \$42,220,000 from the unappropriated surplus of COVID-19 Fund 473 to the City Manager's Office COVID-19 Fund personnel operating budget account no. 473x101x7100 for the purpose of providing funds for the reimbursement of FY 2020 payroll and benefit expenses of public safety and public health personnel that are substantially dedicated to mitigating or responding to COVID-19 and unemployment expenses associated with furloughs due to COVID-19; **AUTHORIZING** the City Manager to re-allocate certain herein appropriated funds in the event that such funds remain unencumbered by December 1, 2020 so that such funds may be utilized prior to the December 30, 2020 deadline; and further, **DECLARING** that such expenditures serve a public purpose.

The City has received funding from the State of Ohio and Hamilton County under the Coronavirus Relief Fund (CRF), established by the United States Department of the Treasury pursuant to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The FY 2021 Approved Budget Update includes the use of \$32.0 million in CRF funding plus an additional \$10.2 million from the Ohio Revised Code (ORC) Section 133.12 approved borrowing as one-time sources to balance. In order to avoid incurring additional interest expense, the City Administration's goal for FY 2021 was to utilize CRF dollars in place of the borrowed funds, if such CRF funding became available. With a third round of CRF distributions from the State, the City received an additional \$10.9 million in CRF funds which allows the City to avoid using borrowed funds for operations, which translates into estimated interest savings of approximately \$2.6 million in FY 2022 through FY 2030.

After satisfying the need of \$42.2 million as part of the FY 2021 Approved Budget Update, an additional amount of \$8,979,999 in CRF funds remain for eligible expenditures.

This Emergency Ordinance authorizes the appropriation of the sum of \$3,942,957 from the unappropriated surplus of COVID-19 Fund 473 to the City Manager's Office COVID-19 Fund personnel operating budget account no. 473x101x7100 for the purpose of providing reimbursement of Coronavirus Aid, Relief, and Economic Security Act (CARES) eligible personnel expenditures. Additionally, this Emergency Ordinance also authorizes the appropriation of the sum of \$5,037,042 from the unappropriated surplus of COVID-19 Fund 473 to the City Manager's Office COVID-19 Fund non-personnel operating budget account no. 473x101x7200 for the purpose of providing reimbursement of Coronavirus Aid, Relief, and Economic Security Act (CARES) eligible non-personnel expenditures.

Finally, this Emergency Ordinance authorizes the appropriation of the sum of \$42,220,000 from the unappropriated surplus of COVID-19 Fund 473 to the City Manager's Office COVID-19 Fund personnel operating budget account no. 473x101x7100 for the purpose of providing funds for the reimbursement of FY 2020 payroll and benefit expenses of public safety and public health personnel that are substantially dedicated to mitigating or responding to COVID-19. This is the amount that was included in the FY 2021 Approved Budget Update.

The uses of these funds are outlined in the Attachment to the Emergency Ordinance.

The reason for the emergency is the immediate need to accomplish the authorized COVID-19 related reimbursements and expenditures before the December 30, 2020 deadline required by the CARES Act.

The Administration recommends passage of this Emergency Ordinance.

cc: Christopher A. Bigham, Assistant City Manager
Karen Alder, Finance Director

Attachment