

NORTH  
**Dakota** Be Legendary.™

# **Coronavirus Relief Fund City and County Allocation Plan**

**July 29, 2020**

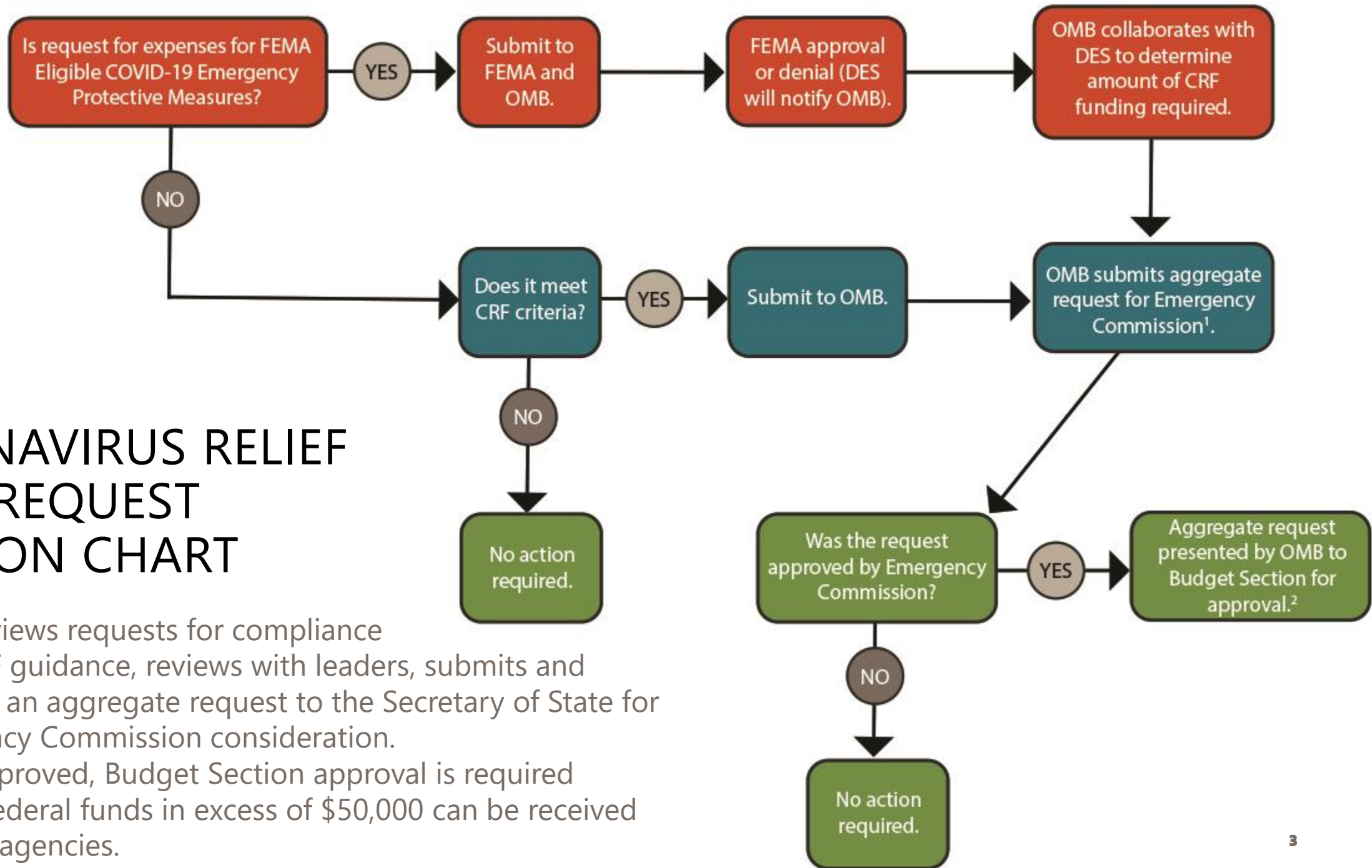
# THREE CRITERIA

- The CARES Act provides that payments from the Coronavirus Relief Fund may only be used to cover costs that:

Are necessary due to the Coronavirus public health emergency.

Are not accounted for in the most recently approved budget.

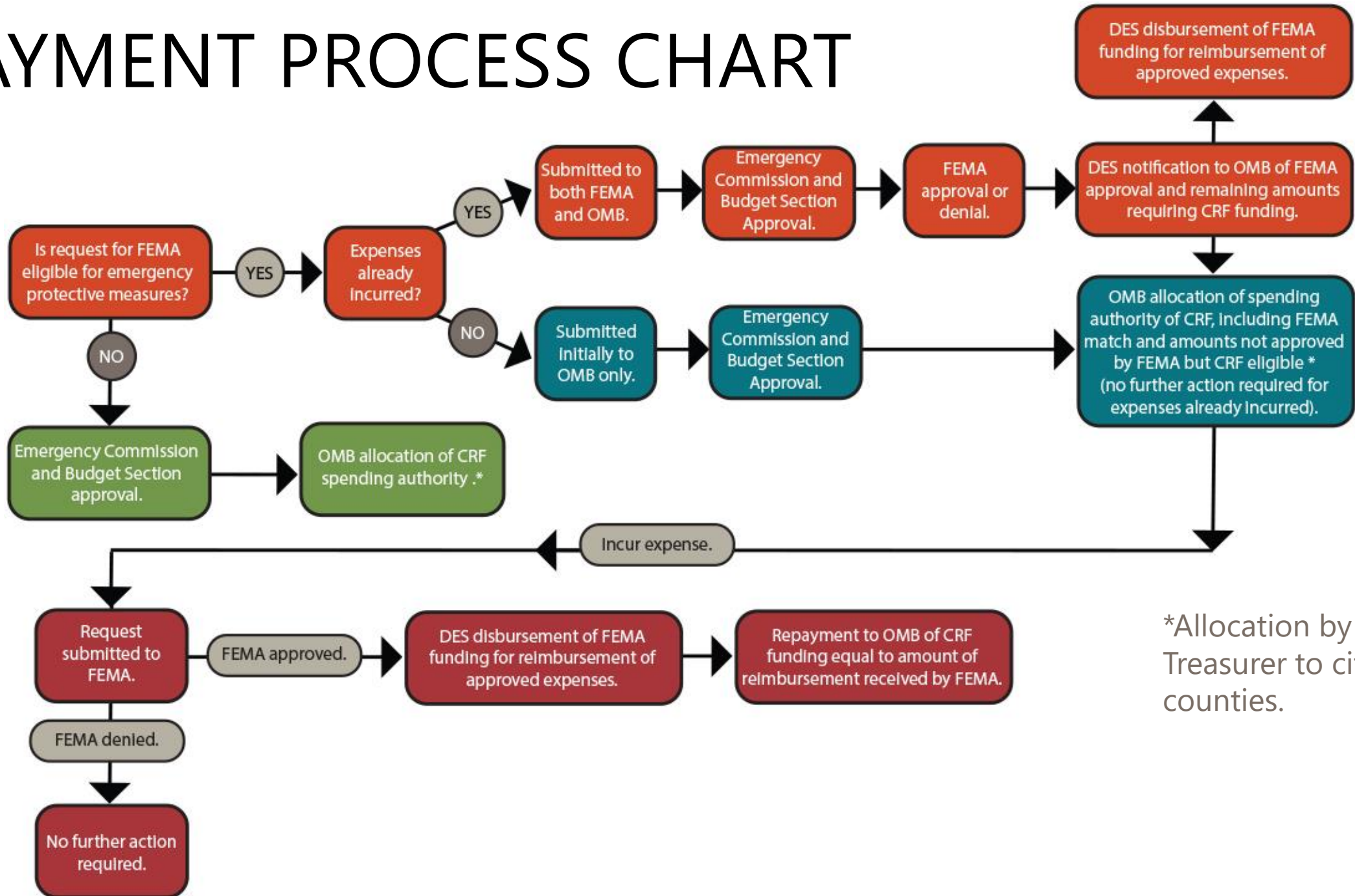
Are incurred during the period March 1, 2020, through December 30, 2020.



# CORONAVIRUS RELIEF FUND REQUEST DECISION CHART

1. OMB reviews requests for compliance with CRF guidance, reviews with leaders, submits and presents an aggregate request to the Secretary of State for Emergency Commission consideration.
2. Once approved, Budget Section approval is required before federal funds in excess of \$50,000 can be received by state agencies.

# PAYMENT PROCESS CHART



\*Allocation by State Treasurer to cities and counties.

# FUNDING ALLOCATION BASED ON PUBLIC SAFETY PAYROLL – ALLOWABLE OPTION FOR LOCAL GOVERNMENTS

## **Allowable expenditure as outlined in federal guidelines:**

- Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID19 public health emergency.

## **Flexibility provided in FAQ's:**

"...as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency..."

# ESTIMATED LOCAL GOVERNMENT ALLOCATIONS



# PROPOSED ALLOCATION COMPARED TO CURRENT REIMBURSEMENT METHOD

## CURRENT REIMBURSEMENT METHOD

## PROPOSED ALLOCATION METHOD

CITIES

City requests based on cost reimbursement  
**\$6.1 M**



Proposed city allocations based on LE payroll  
**\$33.5 M**

COUNTIES

County requests based on cost reimbursement  
**\$1.6 M**



Proposed county allocations based on LE payroll  
**\$25.4 M**

# BENEFITS OF USING LICENSED LAW ENFORCEMENT PAYROLL AS BASIS FOR DISTRIBUTION TO CITIES AND COUNTIES



## **Simplified administration**

Funding allocated based on actual payroll costs.

Political subdivision can choose to apply for FEMA funding to maximize available federal resources, but it is no longer a state requirement and there is no duplication of payments.

Previous distributions will be deducted from this allocation so methodology is consistent for all jurisdictions.



## **Simplified application process**

1. Cities and counties provide payroll costs for licensed law enforcement for March 1 through July 31.

2. State issues payment based on a known, verifiable amount.

3. Repeat reimbursement process in October for August and September payroll.



## **Reduced state liability for disallowed expenses**

Public safety payroll is clearly allowable as a basis for distribution.

There is no risk of the state having to repay a disallowed cost.

State reporting is simplified.

The Dec 30 cutoff is irrelevant because the funding is a reimbursement for expenses already incurred.



# BENEFITS OF USING LICENSED LAW ENFORCEMENT PAYROLL AS BASIS FOR DISTRIBUTION TO CITIES AND COUNTIES



## **Property tax relief**

This allocation will help cities and counties avoid property tax increases as other state allocations are expected to decline.

Funding will be received before 2021 budget is finalized, so the additional revenue can keep mills lower in 2021.

Property owners would likely pay higher property taxes in 2021 without this allocation.



**Provides substantial support for local governments which are expecting declining revenues from state aid and highway tax distribution fund**

This allocation will significantly exceed the amount that would be allocated based on reimbursement for direct COVID-19 expenditures.

	<b>Estimated Law Enforcement Payroll Costs March Through September</b>	<b>Total CRF Request (Excluding Capital Projects)</b>
<b>Adams</b>	<b>189,583</b>	<b>15,000</b>
<b>Barnes</b>	<b>303,333</b>	<b>14,408</b>
<b>Benson</b>	<b>151,667</b>	<b>0</b>
<b>Billings</b>	<b>227,500</b>	<b>0</b>
<b>Bottineau</b>	<b>417,083</b>	<b>11,781</b>
<b>Bowman</b>	<b>151,667</b>	<b>0</b>
<b>Burke</b>	<b>227,500</b>	<b>6,138</b>
<b>Burleigh</b>	<b>1,971,667</b>	<b>223,446</b>
<b>Cass</b>	<b>4,170,833</b>	<b>290,884</b>
<b>Cavalier</b>	<b>227,500</b>	<b>21,217</b>
<b>Dickey</b>	<b>151,667</b>	<b>19,849</b>
<b>Divide</b>	<b>227,500</b>	<b>0</b>
<b>Dunn</b>	<b>606,667</b>	<b>5,330</b>
<b>Eddy</b>	<b>189,583</b>	<b>2,935</b>
<b>Emmons</b>	<b>189,583</b>	<b>5,471</b>

	<b>Estimated Law Enforcement Payroll Costs March Through September</b>	<b>Total CRF Request (Excluding Capital Projects)</b>
<b>Foster</b>	<b>113,750</b>	<b>2,469</b>
<b>Golden Valley</b>	<b>113,750</b>	<b>3,978</b>
<b>Grand Forks</b>	<b>1,289,167</b>	<b>180,366</b>
<b>Grant</b>	<b>189,583</b>	<b>0</b>
<b>Griggs</b>	<b>75,833</b>	<b>8,139</b>
<b>Hettinger</b>	<b>227,500</b>	<b>6,917</b>
<b>Kidder</b>	<b>113,750</b>	<b>0</b>
<b>LaMoure</b>	<b>151,667</b>	<b>15,155</b>
<b>Logan</b>	<b>113,750</b>	<b>17,635</b>
<b>McHenry</b>	<b>303,333</b>	<b>0</b>
<b>McIntosh</b>	<b>113,750</b>	<b>0</b>
<b>McKenzie</b>	<b>1,099,583</b>	<b>32,631</b>
<b>McLean</b>	<b>985,833</b>	<b>12,591</b>
<b>Mercer</b>	<b>606,667</b>	<b>3,835</b>
<b>Morton</b>	<b>1,365,000</b>	<b>16,577</b>

	<b>Estimated Law Enforcement Payroll Costs March Through September</b>	<b>Total CRF Request (Excluding Capital Projects)</b>
<b>Mountrail</b>	<b>341,250</b>	<b>29,684</b>
<b>Nelson</b>	<b>189,583</b>	<b>3,563</b>
<b>Oliver</b>	<b>151,667</b>	<b>2,541</b>
<b>Pembina</b>	<b>455,000</b>	<b>19,685</b>
<b>Pierce</b>	<b>151,667</b>	<b>4,835</b>
<b>Ramsey</b>	<b>303,333</b>	<b>11,383</b>
<b>Ransom</b>	<b>189,583</b>	<b>19,885</b>
<b>Renville</b>	<b>227,500</b>	<b>5,121</b>
<b>Richland</b>	<b>682,500</b>	<b>64,995</b>
<b>Rolette</b>	<b>303,333</b>	<b>15,479</b>
<b>Sargent</b>	<b>151,667</b>	<b>12,751</b>
<b>Sheridan</b>	<b>113,750</b>	<b>5,311</b>
<b>Sioux</b>	<b>37,917</b>	<b>0</b>
<b>Slope</b>	<b>37,917</b>	<b>5,161</b>
<b>Stark</b>	<b>910,000</b>	<b>213,013</b>

	<b>Estimated Law Enforcement Payroll Costs March Through September</b>	<b>Total CRF Request (Excluding Capital Projects)</b>
<b>Steele</b>	<b>113,750</b>	<b>25,928</b>
<b>Stutsman</b>	<b>492,917</b>	<b>34,638</b>
<b>Towner</b>	<b>227,500</b>	<b>2,676</b>
<b>Trall</b>	<b>379,167</b>	<b>25,509</b>
<b>Walsh</b>	<b>379,167</b>	<b>72,133</b>
<b>Ward</b>	<b>1,706,250</b>	<b>70,981</b>
<b>Wells</b>	<b>151,667</b>	<b>3,919</b>
<b>Williams</b>	<b>1,440,833</b>	<b>81,326</b>
<b>Total</b>	<b>25,404,167</b>	<b>1,647,267</b>