



# Baltimore County, Maryland Recovery Plan

## State and Local Fiscal Recovery Funds

### 2021 Report

Note: The Recovery Plan Performance Report will provide the public and Treasury information on the projects that recipients are undertaking with program funding and how they are planning to ensure program outcomes are achieved in an effective, efficient, and equitable manner. While this template includes the minimum requirements for the Recovery Plan, each recipient is encouraged to add information to the plan that they feel is appropriate to provide information to their constituents on efforts they are taking to respond to the pandemic and promote an equitable economic recovery.

Each jurisdiction may determine the general form and content of the Recovery Plan, as long as it meets the reporting requirements, and recipients are encouraged to tailor this template to best meet their needs. Use of infographics, tables, charts, pictures, case studies, and other explanatory elements are encouraged.

**Baltimore County, Maryland**  
**2021 Recovery Plan**

**Table of Contents**

**General Overview ..... 2**

- Executive Summary..... 2
- Uses of Funds ..... 2
- Promoting Equitable Outcomes..... 5
- Community Engagement ..... 5
- Labor Practices ..... 5
- Use of Evidence..... 5
- Table of Expenses by Expenditure Category ..... 6

**Project Inventory ..... 6**

- Project #IA1-02: Payroll Costs for Staff Responding to COVID-19 ..... 6
- Project #IA1-01: Premium Pay ..... 7
- Project #IA4-18: Other Public Health Response ..... 7

**Performance Report..... 8**

- Project #IA1-01: Premium Pay ..... 8

## GENERAL OVERVIEW

### Executive Summary

On March 11, 2021, the American Rescue Plan (ARP) Act was signed into law by the President. Title VI, Section 602 of the Social Security Act establishes the Coronavirus State Fiscal Recovery Fund, and section 603 establishes the Coronavirus State and Local Fiscal Recovery Fund (together, the Fiscal Recovery Funds). The Fiscal Recovery Funds are intended to provide support to State, local, and Tribal governments in responding to the impact of COVID-19 and in their efforts to contain COVID-19 on their communities, residents, and businesses. The Fiscal Recovery Funds expand the support provided to these governments over the last year, including through the Coronavirus Relief Fund (CRF). In general, this funding may be used to respond to the public health emergency with respect to COVID-19 or its negative economic impacts.

Baltimore County received \$80.3 million, half of its allotted \$160,706,923 directly from the US Treasury through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF). The fund expenditures must be obligated during the period that begins on March 3, 2021, and ends on December 31, 2024, with all work completed and funding spent by December 31, 2026. Similar to our CARES funding expenditures, SLFRF will be used for a holistic, County-wide response and recovery effort. The current allotment will fund a County-wide grant program managed by the Office of Budget and Finance that will be serving its most impacted residents and businesses.

The County created an Economic Recovery Subcabinet, led by Director of Economic and Workforce Development Leonard Howie. Comprised of department and programmatic leaders across County government, the Subcabinet has been tasked with information gathering, examining nationwide best practices, and hosting listening forums with community stakeholders to develop recommendations on SLFRF spending. In addition to prioritizing communities that were disproportionately impacted by the COVID-19 pandemic, the Subcabinet is focused on integrating a data-driven approach.

Excluding Premium Pay expenditures, the following report details Baltimore County's expected plan for future distribution of the first allotment of State and Local Fiscal Recovery Funds. With continued public outreach and input on proposals and a prioritization of an equitable recovery plan, in addition to the evolving COVID-19 pandemic, the outlined uses of funds are expected to change and will be updated in next year's Performance Plan.

### Uses of Funds

Similar to how the County structured its CARES funding, the County broke down the SLFRF blueprint of spending into five different "Impact Areas":

**IMPACT AREA 1 – MISC, INCREASED EXPENSES****BUDGET EST. \$78 MILLION**

Premium Pay	\$ 20,000,000
Labor Including Straight Time, OT, Fringe and/or Additional Positions	\$ 15,800,000
PPE Supplies	\$ 16,600,000
Janitorial Supplies and Other Services	\$ 4,700,000
Equipment and MISC Supplies	\$ 7,500,000
County Building Modifications	\$ 10,000,000
Public Works	\$ 3,500,000
	<b>\$ 78,100,000</b>

Impact Area 1 includes an estimate of the breakdown of costs in various categories that will be a continuation of increased costs the County has incurred in its efforts to respond to the COVID-19 pandemic. These costs are separate from the FY 2022 operating budget as adopted by the County Council. Examples of items in this category are Personal Protective Equipment (PPE), increased janitorial expenses, and additional supplies including IT equipment to facilitate teleworking for employees. It includes personnel and fringe chargebacks for additional positions or labor chargebacks for employees whose activity is directly related to COVID-19 specific activities. These chargebacks will assist the County in retaining an adequate fund balance going into FY 2022. The \$15.8 million in this estimate assumes that effort reporting will drop off in the future, and is also dedicated to fund additional temporary personnel to support our efforts in relation to food access coordination, small business resource consultants, additional legal assistance for Child Welfare and approximately 60 additional public health staff to continue contact tracing, testing and vaccination support.

**Premium Pay**

In response to the heightened risk faced by essential workers, on April 16, 2021, the County Executive announced that most County employees would be receiving a one-time premium pay in the amount of \$1,000 or \$3,000 during the month of July 2021. Please see Project Inventory section for further details.

**Impact Area 1 Summary**

This is the only category where there were expenditures as of July 31, 2021. Those expenditures total \$17.7 million and were primarily from the premium pay program. The \$78 million budget estimate is over the entire 2½ year grant duration. By comparison, as of April 30, 2021, in 13½ months during the CARES grant period, the County spent \$87.6 million in these categories in CARES Act funding. This significant reduction in planned expenditures is based on the current anticipated reduction in the County’s overall emergency response over that period. However, we will continue to closely monitor the pandemic and necessary response as we go, and will maintain the flexibility to adjust as necessary.

**IMPACT AREA 2 – ADDRESSING NEGATIVE ECONOMIC IMPACTS****BUDGET EST. \$25 MILLION**

A large focus of the SLFRF funding is to respond to the public health emergency caused by COVID-19, or to the negative economic impacts of the pandemic. The business, tourism, travel, hospitality, recreation and non-profit industries have been hurt by the pandemic, and many families have also faced negative

economic impacts. The placeholder in this Impact Area is estimated at \$25 million that will be dedicated to supporting the needs of businesses, communities and families in the form of grants or other support.

Using our CARES allotment, we provided \$10.8 million in that supported other external funding that provided 1,489 grants across a wide range of businesses, including restaurants, hotels, personal services and retail.

In this \$25 million estimate, the County has the opportunity to take a broader approach to economic recovery that includes other impacted industries such as tourism, travel and hospitality as well as the not-for-profit sector. This could be in the form of grants to these effected industries as well as assistance to individuals and families.

The Subcabinet on Economic Recovery has already held three public roundtables to solicit ideas from members of in the community in these various sectors, and will be submitting recommendations in the near future. There have not been any expenditures in this impact area as of July 31, 2021.

**IMPACT AREA 3 – PUBLIC AND BEHAVIORAL HEALTH** **BUDGET EST. \$5 MILLION**

The County’s \$5 million placeholder in this function aims to supplement another \$28 million in grant funding that the Department of Health has included in the FY 2022 budget that is reserved for COVID-19 related activities, specifically for supporting vaccination efforts. Over the course of the last year, the County spent \$18.7 million in CARES funding dedicated to testing, contract tracing, and vaccination as well as labor chargebacks dedicated to the public health response.

We know that the pandemic has exposed and exacerbated inequities and health disparities and well as behavioral health issues, so \$3.4 million of this new funding will be used for the previously announced expansion of our Mobile Crisis team and to support chronic disease prevention in relation to COVID-19 with an emphasis in our disproportionately and underrepresented communities.

As we have learned over this past year, public health responses are fluid situations and must remain flexible. While we have shifted from large-scale, location-specific vaccination efforts to a more targeted mobile approach, if things change significantly this fall and the need for testing ramps up again, or we begin vaccinating children under 12 and/or potentially providing booster shots to the general public, the County is prepared to adjust funding in this area as necessary. There have not been any expenditures in this impact area as of July 31, 2021.

**IMPACT AREA 4 – REVENUE LOSS AND STABILIZATION** **TBD**

SLFRF funding can be used to provide government services to the extent of reduction in revenue experienced due to COVID-19 on an entity-wide basis. Funding cannot be used for pre-pandemic projections as a basis to estimate the reduction in revenue. Funding also cannot be used for directly or indirectly offsetting a reduction in the net tax revenue resulting from a change in law, regulation, or administrative interpretation.

Methodologies are currently being reviewed in this area to determine impacts and eligibility of this provision. There have not been any expenditures in this impact area as of July 31, 2021.

Another main focus of SLFRF is to make necessary investments in water, sewer, and broadband infrastructure. The \$45 million placeholder will be dedicated to a host of different capital needs including transportation, solid waste improvements and stabilization, broadband, streetscapes and other community improvements as allowed. There have not been any expenditures in this impact area as of July 31, 2021.

### Promoting Equitable Outcomes

Baltimore County has over 850,000 residents -- the third largest population in Maryland. Nearly 30 percent of the County's population is African American, 100,000 residents are foreign-born, and students in the County's school system speak 97 different languages. From 2010 to 2020, the Hispanic or Latino population grew over 71.7%, 7.2% of residents. Nine percent of the County's households live below the federal poverty line, and 29 percent fall under the Asset Limited, Income Constrained, Employed (ALICE), threshold, according to the United Way. Given Baltimore County's diversity, ensuring that our SLFRF expenditures prioritize equitable outcomes is key to our overall recovery. The Economic Recovery Subcabinet will work in conjunction with community stakeholders to define the SLFRF equity goals and ultimately a County-wide equity framework. Using the data-based performance model already in place across County government, BCSTAT will support the Economic Recovery Subcabinet in ensuring that equity outcomes match Treasury guidance and demonstrate measurable impacts to the community.

### Community Engagement

The Economic Recovery Subcabinet has engaged with many different community stakeholders throughout their internal planning process. With the expanded treasury guidance, the County is developing a multi-pronged community engagement plan to allow the general public to provide feedback and input on SLFRF spending proposals. A detailed outline will be published on the County website alongside community-partner led outreach to ensure that all residents and stakeholders can participate. When possible, proposals will also prioritize building the capacity of our community partners who fill crucial gaps in supporting County residents.

### Labor Practices

The Baltimore County Council approved prevailing wage legislation in 2020 for County contracts, a foundation that the County will follow if infrastructure projects are identified for SLFRF spending.

### Use of Evidence

Baltimore County launched BCSTAT, the County's first data-driven performance management program, in 2019. Using evidence and data based systems for decision-making is well integrated throughout County government and SLFRF projects will follow this model while also following Treasury guidance.

## Table of Expenses by Expenditure Category

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	28,617	28,617
2	Expenditure Category: Negative Economic Impacts		
3	Expenditure Category: Services to Disproportionately Impacted Communities		
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees	17,670,495	17,670,495
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure		
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services		
7	Administrative and Other	3,691	3,691
7.1	Administrative Expenses		
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		
7.4	Transfers to Non Entitlement Units (States and Territories only)		

## Project Inventory

### Project #IA1-02: Payroll Costs for Staff Responding to COVID-19

Funding amount: \$28,617

Project Expenditure Category: 1.9; Expenditure Category: Public Health

#### Project overview

This project includes labor costs for payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, to the extent that their services are devoted to mitigating or responding to COVID-19. Baltimore County considers public health/safety employees to be entirely devoted to mitigating/responding to COVID-19, and are fully recovered, if the employee, or his/her operating unit or division, is primarily dedicated to responding to the COVID-19 public health emergency. The \$28,617 expenditure during the reporting period reflects additional legal staff to assist with Child In Need of Assistance and other child welfare work, which has been backlogged since the start of the pandemic.

## Project #IA1-01: Premium Pay

Funding amount: \$17,670,465

Project Expenditure Category: 4.1; Expenditure Category: Premium Pay, Public Sector Employees

### Project overview

On April 16, 2021 the County Executive announced that most County employees would be receiving a one-time premium pay in the amount of \$1,000, while public safety and public health employees would receive \$3,000 during the month of July 2021. Recognizing the heightened risk faced by Police, Fire, EMS, Corrections, 911, and Sheriff's Office employees, as well as health and human service workers, these departments received the higher allotment. Premium pay covered by SLFRF funding was only eligible for those County employees reporting to work in person, however, those employees that were on a telework arrangement were eligible for a bonus paid for by County General Funds.

Sections 602(c)(1) and 603(c)(1) of the American Rescue Plan Act of 2021 provide that funds may be used "to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers." Sections 602(g)(2) and 603(g)(2) define eligible worker to mean "those workers needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors as each Governor of a State or territory, or each Tribal government, may designate as critical to protect the health and well-being of the residents of their State, territory, or Tribal government." 602(g)(2) and 603(g)(2), state that "the chief executive of each recipient has discretion to add additional sectors to this list, so long as additional sectors are deemed critical to protect the health and well-being of residents." As such, since County government, including all executive, judicial and legislative functions, continued and will continue throughout the COVID-19 pandemic and in light of the new Delta variant and increase in positivity rate to 5 percent in Baltimore County, County services have and will remain uninterrupted. As a result, the Baltimore County Executive determined most County employees eligible for either the \$3,000 or \$1,000, excluding elected officials.

Expenditures from the one-time Premium Pay program from SLFRF funding totaled \$17.7 million. Premium pay went to approximately 33 percent of staff who identify as non-white. The premium pay allotment contributed to a 14 percent increase in the number of employees whose total pay fell above \$93,765 (150 percent of the Baltimore County Average Annual Wage for all occupations)<sup>1</sup>. Considering the impact through an equitable framework, employees of color and female employees each comprised 22 percent of those who benefited from the premium pay bonus increasing their total pay above the \$93,765 threshold. Considering the "public health/safety vs regular premium pay" differential, the impact was greater for public health/safety employees with this group experiencing a 13.54 percent increase in the percentage who fell above the \$93,765 threshold for their total pay (compared to 6.05 percent increase for those in the "other" category).

## Project #IA4-18: Other Public Health Response

Funding amount: \$3,691

Project Expenditure Category: 7; Expenditure Category: Administrative and Other

---

<sup>1</sup> Per 31 CFR Part 35, the County median annual wage is taken to be that of the metropolitan or nonmetropolitan area that includes the county. See U.S. Bureau of Labor Statistics, May 2020 Metropolitan and Nonmetropolitan Area Estimates listed by county or town, <https://www.bls.gov/oes/2020/may/oesrcma.htm>



## Project overview

This project includes expenses for personnel working to ensure safe social distancing for jury selection for the Circuit Court. Additional expenses above and beyond current line item budgets will be included in this category going forward.

## Performance Report

In future reports, Project Inventories will include key performance indicators (KPI) for all major SLFRF funded projects. Key performance indicators for each project, or group projects with substantially similar goals and the same outcome measures will be included.

### Project #IA1-01: Premium Pay

Activity	Desired Outcome	KPI 1	KPI 2
Premium pay to address heightened risk faced by essential workers during the public health emergency	Prioritized financial compensation to frontline health and safety workers	Percentage of total employees receiving Premium Pay classified as Public Health or Safety	Percentage of total Premium pay allocated to Public Health and Safety employees
		65%	83%