

County of Passaic
Recovery Plan

**State and Local Fiscal Recovery
Funds**

2021 Report

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GENERAL OVERVIEW

Executive Summary

The County of Passaic was awarded \$97,473,818 in State and Local Fiscal Recovery Funding. The Funds were awarded in March of 2021 and must be fully obligated by December 31, 2024 and fully expended by December 31, 2026. Of the total amount awarded, the United States Treasury has paid 50% of the funding or \$48,736,909 to the County and the remaining funding is expected to be paid to the County in Calendar year 2022.

At this point in time, the County has not fully determined how it will direct and spend all of its funding. The Interim Final Rule, which is the guidance put out by the United States Treasury Department on how these funds may be spent, closed its public comment period on July 15, 2021. Treasury is still reviewing the public comment and there may be modifications to the Guidance. The final guidance will be used to determine how the funding will be utilized.

Regardless of the guidance, the health and welfare of the citizens of Passaic County is paramount. The spending of these funds will be, first and foremost, directed toward testing and vaccine programs. The funding will also be utilized in Preakness Healthcare Center, the County owned and operated nursing home. Additionally, the County is reviewing potential economic programs to assist small businesses.

This funding will also be used to offset any direct salary costs incurred to mitigate the virus. These salaries include the salaries of public safety and healthcare workers as well as the salaries of those employees who were diverted from their normal duties to address public health issues of the pandemic and specialized cleaning protocols implemented as a result of the pandemic.

Pursuant to the guidance in the Interim Final Rule, the County calculated a loss of over \$25 million in revenue in calendar year 2020. The County anticipates that future year revenue losses during the grant period are expected to be in the same range or larger. The County plans to use the broad latitude afforded it in the Interim Final Rule toward the provision of government services to address improvements and capital programs that it was not able to pursue as a result of that lost revenue in 2020 and future years.

Uses of Funds

To date, the County has only expended funds to cover vaccine costs and to cover the salaries of public safety and health care workers as well as the salaries of other employees who were diverted from their regular duties to address the needs of the pandemic. As noted in the executive summary, a plan has not yet been formulated for the use of State and Local Fiscal Recovery Funding.

In addition to State and Local Fiscal Recover Funding, the County was awarded approximately \$35 million in Emergency Rental Assistance Program funds. The County hired a firm to accept and review applications for rental assistance. Recently, we began distributing funds to those people who have qualified and who are most in need of rental assistance.

Previously, the County received \$87.5 million in CARES funding. Of this amount, approximately \$40 million was allocated to the sixteen communities within the county based on population to allow them to deal directly with the affects of the pandemic within their communities. Approximately, \$47.5 million was retained by the County to address the pandemic on a county wide basis. The CARES funding was basically used by the County for the following purposes; \$10.5 million for direct testing costs, \$4.5 million for small business grants, \$8 million for COVID related salary costs, \$4 million for medical costs, \$0.6 million for food distribution programs and \$20 million was used to enhance telework capabilities, building improvements for employees to return to work safely, personal protective equipment, nursing home costs and other direct and indirect costs related to testing and vaccines administration.

The County received numerous other grants as well. Our Human Services department received \$148,507 in CSBG funding to provide assistance to homeless populations in the County. These funds have been fully obligated. Our Housing Department received two grants totaling \$395,082 to be used to address the needs of their tenants. Our Senior Services Department received funding from seven different grants totaling \$2,178,921. These funds were utilized to provide additional home meal services to our senior citizens as well as telephone reassurance services, adult protective services, vaccine awareness and education. These funds were also distributed to Senior Services contractors to enhance the services provided to our seniors. Our Energy and Weatherization department received three grants totaling \$338,820 to provide home energy benefits as well as enhance weatherization and home heating services. Additionally, our Economic Development department received three Community Development Block Grants (CDBG-CV) in the amount of \$3,705,836 related to COVID 19 to prevent, prepare and respond to Coronavirus. These funds are being utilized to provide enhanced services to numerous existing county health and social services provided by the County or through our local partners.

Table of Expenses by Expenditure Category

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination	109,342.53	109,342.53
1.10	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	536,269.81	536,269.81