

Utah County
Recovery Plan

**State and Local Fiscal Recovery
Funds**

2021 Report

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GENERAL OVERVIEW

Executive Summary

Utah County is in the beginning stages of determining best uses of State and Local Fiscal Recovery Funds (FRF) moving forward through the second half of 2021. In the meantime, uses consist of continuing to cover emergency Covid-19 related public health expenses that were covered under CARES Coronavirus Relief Funds (CRF) as well as planning for covering funds utilized in the FEMA Public Assistance (PA Grant) when the 100% reimbursement emergency rules expire at the end of September. Preliminary plans have also been made to obligate infrastructure funding that will take several years to accomplish in order to meet the 2024 and 2026 deadlines. We have a goal to identify FRF priorities by middle of the 3rd Quarter of 2021 and have a plan in place for a multi-year expenditure budget with contingencies that will include elements of fiscal responsibility that view these funds as one-time uses that will not obligate the County's operating budget beyond 2024 or grow government beyond what revenues and population growth estimates will require without these funds. The impetus for capital investment also comes from the Guiding Principles of the Government Finance Officers Association which emphasize providing an ongoing benefit while aligning with pre-existing objectives, but are also temporary and non-recurring. (GFA, August 2021, GFOA Guiding Principles, pages 14-15)

Uses of Funds

Approved use of funds at this time are primarily related to addressing the emergency response of the pandemic, including funds associated with infrastructure upgrades that will address congregate setting improvements, including HVAC upgrades, and accelerating remote customer service helps including implementing online application processes. These were in the planning stages during the CRF implementation and are being carried over to FRF. Other plans are being developed to address infrastructure upgrades related to water, sewer, and broadband, as well as addressing outdoor health-related improvements to parks. The emphasis on infrastructure to-date is due to the time frame to undertake some of these long-term projects and the costs involved. Plans to address a strong recovery and equitable outcomes to underserved communities are in preliminary stages that we hope to fully address in the 3rd quarter, since we believe these sort of projects are quicker to implement and generally less expensive, but are also more rigorous in their justification. Categorical detail of these plans is included below:

- a. **Public Health (EC 1)** – We have identified \$56.3 million in potential projects related to the public health emergency and are still in the process of estimating what it could take to address pandemic expenses. Most of those projects correlate to capital investments in public facilities including IT and HVAC ventilation upgrades to broadly serve the county and provide safe or alternative service venues for constituents and staff. We have budgeted \$5.1 million of those for approval to spend, and have only spent \$40,115 as of August 31, 2021
- b. **Negative Economic Impacts (EC 2)** – We have identified \$1.0 million in potential projects addressing the improvement of the hospitality industry of the County through its convention operations. We have approved or spent \$0.
- c. **Services to Disproportionately Impacted Communities (EC 3)** – The County is still in the identification phase of this area of impact. We have obligated or spent \$0. We have identified \$35 million in projects related to serving impacted communities related to

- \$1.7 million in child abuse and child mental health,
 - \$10 million in mental health projects
 - \$15 million for diversion programs that help the underserved in the community to avoid jail.
- d. **Premium Pay (EC 4)** – We have identified potentially \$24 million in premium pay to County employees over four years that have not yet been obligated or expensed. A portion of that is expected to be approved.
- e. **Water, sewer, and broadband infrastructure (EC 5)** - \$20 million of infrastructure projects in water and broadband have been identified. \$1.5 million have been approved relating to a watershed project. \$0 have been spent.
- f. **Revenue Replacement EC 6)** – We anticipate no revenue replacement expenses in 2021 as revenues in 2020 exceeded revenues in 2019 by more than 4.1%. We anticipate no revenue replacement in future years but hold open the option to revisit this area if revenues fall beyond 2021.

We have also elected to participate in the Emergency Rental Assistance Programs. From the first program, ERAP-1, we have received \$19.1 million from Treasury in February. We entered into a revenue share and management program with the State of Utah who is managing the grant through the portal <http://rentrelief.utah.gov>. To date, we have paid out \$2.3 million to Utah County households from the Utah County portion of the revenue share program. Overall, Utah County residents have received \$5.2 million in benefits from both the State and County portions. From the second program, ERAP-2, we have received \$6 million and have yet to establish a program outlay for those funds.

Promoting equitable outcomes

As of this report, Utah County has not yet identified the extent to which programs currently considered or approved will promote equitable outcomes from any evidentiary basis, but as Utah County has a sizable Hispanic community, we will be identifying programs that could promote such outcomes. We do have some preliminary project proposals related to addressing child abuse and the inmate population, mental health care, and inmate diversion, all of which contain historically underserved and adversely affected communities, including communities containing persons of color (POC) but these projects have yet to be completely analyzed in the context of evidence-based interventions and FRF County priorities.

Likewise, with economic impacts, we have yet to determine programmatic needs or goals in order to develop programs related to recovering underserved communities in an equitable manner, but we anticipate a healthy discussion on how we can address some of these issues with these funds.

Community Engagement

Currently the County is engaged with internal needs related to the Covid-19 Pandemic with some preliminary outreach to nonprofit communities and other government entities to begin engaging in needs assessments related to services that will impact underserved communities. We intend to advertise more engagement as we get plans in place to address internal emergency needs and capital programs and plans and move to external stakeholders. We also plan to address the large Hispanic community in the center of the valley to include them in this stakeholder outreach.

Goals, Methodology for Distribution, and measuring Outcomes have yet to be discussed or considered at this time.

Labor Practices

At this time, major capital obligations have not yet been incurred or expensed. Our public works department is planning on using local labor contracts in line with strong labor and wage requirements.

See Section C(5) on page 25 of the Reporting Guidance for additional information.

Use of Evidence

Utah County has recently been trained on the need for use of evidence justification and the opportunity to adopt a leaning agenda to develop evidence from certain types of projects. \$22,502 of current expenditures fall under the provision for providing evidence. In this case, the evidence that providing remote services decreases the risk of contracting Covid-19 in a congregate setting was easy to provide and was much of the justification for the CARES CRF allocation. As future projects are considered, we will develop a plan and system to gather such evidence or develop programs that will create evidence that can be used by other jurisdictions.

See Section C(6) on page 26 of the Reporting Guidance for additional information.

Table of Expenses by Expenditure Category

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)	128839	128839
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	17613	17613
7	Administrative and Other		
7.1	Administrative Expenses	11097	11097

Project Inventory

Covid-19 Emergency Payroll Project

Project 1: Covid-19 Emergency Payroll

Funding amount: \$17,613

Project Expenditure Category: [1.9 Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19]

Project overview

- These were funds allocated up to \$1 million to continue managing the public health and safety needs of Covid-19 pandemic. Costs were initially justified under the CARES CRF

provision in the SLFRF. These HR costs are going toward public safety emergency management.

- These expenses are not subject to evidence-based interventions

Remote Services Development Project – Tax Admin

Project 2: Remote Services Development for Tax Administration

Funding amount: \$22,502

Project Expenditure Category: [1.4 Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)]

Project overview

- These funds were carryover costs from CARES CRF to develop a remote application process for citizens to apply for marriage licenses and tax admin assistance without needed to come into the office, mitigating the spread the Covid-19, particularly among the older population that is more likely to use the tax administration services. This is part of a multi-expense effort that is in the middle of implementation.
- Evidence shows that when citizens and staff can either conduct business or work from home, that they are not as likely to be exposed to Covid-19 per guidance from the CDC: https://www.cdc.gov/coronavirus/2019-ncov/daily-life-coping/index.html?CDC_AA_refVal=https%3A%2F%2Fwww.cdc.gov%2Fcoronavirus%2F2019-ncov%2Fdaily-life-coping%2Fgoing-out.html
- Performance Indicators: Number of constituents using the services

Covid-19 Administration Project

Project 3: Covid-19 Administration

Funding amount: \$11,097

Project Expenditure Category: [7.1 Administrative Expenses]

Project overview

- These were funds allocated to cover the HR costs of the Covid-19 Grants teams as they ramp up work to plan and expense the FRF funds.
- These expenses are not subject to evidence-based interventions
- Performance Indicators: FRF dollars obligated or spent

Performance Report

Since have not completed projects, we have no performance data to report, but we have indicated how we will be recording such indicators in the prior section.