

WELD COUNTY, COLORADO
Recovery Plan

**State and Local Fiscal Recovery
Funds**

2021 Report

WELD COUNTY, COLORADO
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GENERAL OVERVIEW

Executive Summary

The fiscal recovery fund was established to help turn the tide on the pandemic, address its economic fallout and lay the foundation for a strong and equitable recovery. There are five primary ways – outside of the “lost revenue allowance” – that counties may invest Funds:

1. **Support public health response:** Fund COVID-19 mitigation efforts, medical expenses, behavioral health care and certain county public health, public safety, human services, and other related staff
2. **Address negative economic impacts:** Respond to economic harms to workers, families, small businesses, impacted industries and rehiring of public sector workers (including county staff)
3. **Replace public sector revenue loss:** Use funds to provide government services to the extent of the reduction in revenue experienced during the pandemic – **this provision allows a much broader use of Funds**
4. **Premium pay for essential workers:** Offer additional compensation, up to \$13 per hour in additional wages, to those – both county **employees** and other essential workers in the community – who have faced and continue to face the greatest health risks due to their service
5. **Water, sewer, and broadband infrastructure:** Make necessary investments to improve access to clean drinking water, invest in wastewater and stormwater infrastructure and provide unserved or underserved locations with new or expanded broadband access

Weld County will receive \$63,028,767 from the American Recovery Act State and Local Fiscal Recovery Funds. Weld County is proposing to use the Fiscal Recovery Funds to replace public sector revenue loss: Use funds to provide government services to the extent of the reduction in revenue experienced during the pandemic – this provision allows a much broader use of the funds. Based upon the GFOA ARPA Revenue Replacement Calculator the county can justify a reduction in revenue of \$93,351,095 in comparing the base year revenue period ending December 31, 2019 to the twelve-month calculation date of December 31, 2020. The reduction in revenue for the period ending December 31, 2020 fully justifies the grant amount of \$63,028,767. In 2021 Weld County received half of the funds in the amount of \$31,514,383.50 and will receive a like amount in 2022. The GFOA ARPA Revenue Replacement Calculator used to determine the 12/31/2019 Base Year Revenue of \$375,097,720 with a growth rate of 15.5% to calculate the Counterfactual Revenue of \$433,146,492 versus the 12/31/2020 Actual Revenue of \$339,795,397 for the Revenue Reduction of \$93,351,095 is attached at the end of this report. Audited data which aligns with the Annual Comprehensive Financial Reports for the years was used to make the calculations using a modified accrual basis consistently for all years.

The primary cause for the loss in revenue is associated with the drop in property taxes, severance taxes, and permit fees from the oil and gas production in Weld County. Weld County has over 80% of the oil and gas production in Colorado. Oil and gas accounts for over half of the assessed valuation for property tax in the county. The tax assessment of oil and gas is based upon the price of oil and gas and volume of the production. Both the price and production of oil and gas dropped dramatically in 2020 when the COVID slowdown of the global economy

impacted the demand and price of oil and gas with oil prices dropping to zero for a short time in March 2020. Thus, the need to use the funds for revenue replacement under the American Recovery Act.

Uses of Funds

Weld County will receive \$63,028,767 from the American Recovery Act State and Local Fiscal Recovery Funds. All of the funds will be used under the category of *Revenue Replacement (EC 6)*. In 2021 it is proposed \$16,000,000 be used in the Public Works Fund to provide funds for road and bridge capital projects in the 2021-2026 Capital Improvements Plan to avoid deferring projects to future years. The other 2021 revenue from the Fiscal Recovery Funds in the amount of \$15,514,383.50 are proposed to be used to provide governmental services in the General Fund to avoid service reductions. In addition, funds will be used to avoid deferring capital facility projects in 2021.

In 2022 it is proposed that \$21,900,000 be used in the Public Works Fund to provide funds for road and bridge capital projects in the 2022-2027 Capital Improvements Plan to avoid deferring projects to future years. The remaining \$9,614,383.56 will be used in the General Fund to fund basic government services, such public safety and general government services that would otherwise have to be cut. This will allow the county to fund over \$12 million in capital facility projects, that would have to be deferred, if the Fiscal Recovery Funds had not been granted.

None of the American Recovery Act State and Local Fiscal Recovery Funds will be used to make a deposit in a pension.

Promoting equitable outcomes

With Weld County using all of the \$63,028,767 from the American Recovery Act State and Local Fiscal Recovery Funds as revenue replacement the funds are all going to ensure normal county government services are not being cut and needed capital projects are not being deferred. By ensuring county services are not being cut many of the county services directed to the Weld County citizens that are most in need of financial assistance, housing assistance, and health services can be safeguarded.

In the 2021 budget Weld County will be spending \$45.9 million for social services, \$12.7 million for health services, \$9.2 million for employment service and for services to seniors, and over \$9 million for housing assistance. In the 2022 budget it is anticipated all of these programs will be maintained at the same funding level thanks to the receipt of American Recover Act funds. Many of the recipients of these service come from the low-income neighborhoods, minorities, disconnect youth, the unemployed, and disabled.

All of Weld County's health and human services programs have the goal of continuously strengthening services and supporting innovation that leads to a culture that empowers people in Weld County to improve their quality of life.

Community Engagement

In order to get input into the use of the State and Local Fiscal Recovery Funds under the American Rescue Plan Act grant funds the Board of Weld County Commissioners held a public hearing in its Hearing Room, Weld County Administrative Building, 1150 O Street, Greeley, Colorado, on July 26, 2021. The purpose of the hearing was to receive written and oral comment from the public concerning the proposed use of Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act. All interested citizens, groups and organizations representing the interests of citizens were encouraged to attend and to submit oral or written comments.

As part of the 2022 budget process the Board of Weld County Commissioners solicited community-based agencies to submit all requests for 2022 funding to the county, no later than June 4, 2021. The County will be looking at all programs in relationship to the County's mission and strategic plan and prioritize accordingly.

In addition, the health and human services programs have a goal of establishing a systematic structure to effectively communicate to the targeted communities served in Weld County. Evidence of this communication structure exists in viewing the county's website, social media postings, press releases, and informational literature distributed throughout the county.

Labor Practices

This section is not applicable since Weld County will be using all of the \$63,028,767 from the American Recovery Act State and Local Fiscal Recovery Funds as revenue replacement and none for any infrastructure projects under Expenditure Category EC 5.

Use of Evidence

This section is not applicable since Weld County will be using all of the \$63,028,767 from the American Recovery Act State and Local Fiscal Recovery Funds as revenue replacement and none for evidence-based intervention in the Public Health (EC 1), Negative Economic Impacts (EC 2), and Services to Disproportionately Impacted Communities (EC 3) Expenditure Categories.

Table of Expenses by Expenditure Category

In this section, list the amount of funds used in each Expenditure Category.

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination		
1.2	COVID-19 Testing		
1.3	COVID-19 Contact Tracing		
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
1.5	Personal Protective Equipment		
1.6	Medical Expenses (including Alternative Care Facilities)		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)		
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19		
1.10	Mental Health Services		
1.11	Substance Use Services		
1.12	Other Public Health Services		
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs		
2.2	Household Assistance: Rent, Mortgage, and Utility Aid		
2.3	Household Assistance: Cash Transfers		
2.4	Household Assistance: Internet Access Programs		
2.5	Household Assistance: Eviction Prevention		
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers		
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)		
2.8	Contributions to UI Trust Funds*		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.9	Small Business Economic Assistance (General)		
2.10	Aid to nonprofit organizations		
2.11	Aid to Tourism, Travel, or Hospitality		
2.12	Aid to Other Impacted Industries		
2.13	Other Economic Support		
2.14	Rehiring Public Sector Staff		
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning		
3.2	Education Assistance: Aid to High-Poverty Districts		
3.3	Education Assistance: Academic Services		
3.4	Education Assistance: Social, Emotional, and Mental Health Services		
3.5	Education Assistance: Other		
3.6	Healthy Childhood Environments: Child Care		
3.7	Healthy Childhood Environments: Home Visiting		
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System		
3.9.	Healthy Childhood Environments: Other		
3.10	Housing Support: Affordable Housing		
3.11	Housing Support: Services for Unhoused persons		
3.12	Housing Support: Other Housing Assistance		
3.13	Social Determinants of Health: Other		
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators		
3.15	Social Determinants of Health: Lead Remediation		
3.16	Social Determinants of Health: Community Violence Interventions		
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees		
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		
5.3	Clean Water: Decentralized wastewater		
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment		
5.11	Drinking water: Transmission & distribution		
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure		
5.16	Broadband: "Last Mile" projects		
5.17	Broadband: Other projects		
6	Expenditure Category: Revenue Replacement	\$31,514,383.50	\$31,514,383.50
6.1	Provision of Government Services		
7	Administrative and Other		
7.1	Administrative Expenses		
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		
7.4	Transfers to Nonentitlement Units (States and Territories only)		

Project Inventory

This section is not applicable since Weld County will be using all of the \$63,028,767 from the American Recovery Act State and Local Fiscal Recovery Funds as revenue replacement under Expenditure Category 6 Revenue Replacement. Therefore there are no associated projects under the other Expenditure Categories.

Performance Report

- This section is not applicable since Weld County will be using all of the \$63,028,767 from the American Recovery Act State and Local Fiscal Recovery Funds as revenue replacement under Expenditure Category 6 Revenue Replacement therefore there are no associated projects under the other Expenditure Categories in Project Inventories in Section 8.
- Weld County has no relevant projects requiring mandatory performance indicators in the required Expenditure Categories, since Weld County will be using all of the \$63,028,767 from the American Recovery Act State and Local Fiscal Recovery Funds as revenue replacement under Expenditure Category 6 Revenue Replacement.

Ineligible Activities: Tax Offset Provision (States and territories only)

For the initial reporting year, States and territories will report the following items related to the Tax Offset Provision 31 CFR 35.8. Baseline revenue or revenue-increasing covered charges are not required at this time.

Item	Amount
a. Revenue-reducing Covered Changes	\$ 0