

Federal CARES Act; AzCares Fund; AzDEMA; FEMA; for the Town of Paradise Valley, AZ



Two funding sources; Two resolutions:

- ▶ AzCares grant funding
- ▶ FEMA Reimbursement

June 25th, 2020

(A)
AzCares Fund



June 25th, 2020

I. Federal CARES Act

Source: May 29, 2020

Governor's Office of Strategic Planning and Budgeting (OSP)
Economic Recovery Management Team (ERMT)

Federal CARES Act

- ▶ The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law on March 27, 2020.
- ▶ The CARES Act established the Coronavirus Relief Fund (CRF)
 - ▶ \$150 Billion to States and direct allocations to local governments with populations over 500,000
 - ▶ Populations over 500,000 in Az included: Cities of Mesa, Phoenix and Tucson; and Counties of Maricopa and Pima.

Coronavirus Relief Fund (CRF)

U.S. Department of Treasury: \$150.0 Billion
State of Arizona allocation: \$2.8 Billion

AZ Municipalities over
500,000 Population:
\$1.0 Billion

AZ Governor's Office
\$1.8 Billion

"AzCares Fund"

for Local Jurisdictions under 500,000 pop.
\$441.0 Million (16% total AZ)

Audit RFP
included
Single Audit

Town of
Paradise Valley
\$1,680,424

Expenditure
Limitation
Excluded

II. AzCares Fund

Who is Eligible

- ▶ Any County and incorporated City or Town that did not receive a direct allocation from U.S. Department of Treasury
- ▶ All in Arizona, except for Mesa, Phoenix, Tucson, Maricopa County and Pima County
- ▶ AzCares Funds distribution is based on 2019 population

What are Allowable Costs

- ▶ Public health and safety regular salary and employee-related-expenses costs incurred between March 1, 2020 and December 30, 2020
- ▶ Paradise Valley eligible programs includes Police Officers, 9-1-1, contractual Fire services
- ▶ Costs for overtime, hazardous duty pay, COVID specific training and PPE should be submitted to FEMA for reimbursement, not AzCares

II. AzCares Fund

Source: AzCares Fund Website / Grant Portal
AZ League of Cities and Towns FAQs

Application Requirements

- ▶ Complete Application
 - ▶ Scope and budget
- ▶ Report Payroll from March 1, 2020 to date of application (June 30, 2020)
- ▶ Forecast Payroll for remainder of award allocation December 30, 2020.
- ▶ Execute Certification Form

▶ Resolution 2020-22: Authorizing an Application for the Acceptance of AZCares Fund and Authorizing Town Manager to Execute and Submit the Certification Form.

Award Requirements

- ▶ Accept award and execute agreement
- ▶ Adhere to accounting requirements

When to Apply

- ▶ May 26 though July 30, 2020

“Freed up” Appropriations ?

- ▶ Encumbered funds are “freed up” and can be repurposed by Council
- ▶ Recommendation is to use to off-set reduced revenues and re-examine when revenues rebound to Level II, as represented in the FY2021 Budget

(B) FEMA Reimbursement



June 25th, 2020

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III. AzDEMA

Emergency Assistance (Monetary)

- ▶ When a state of emergency is declared by the Governor or the President, emergency assistance is available from state and federal agencies in the form of financial assistance and/or reimbursement of costs for property, personnel, and materials used during the emergency
- ▶ Pursuant to the national emergency, the Federal Emergency Management Agency (FEMA), through the State of Arizona, is administering public assistance funds available to local Arizona governments for expenditures related to the COVID-19 pandemic

What is AzDEMA

- ▶ Arizona Department of Emergency and Military Affairs
- ▶ Administers reimbursement funds from FEMA for declared emergencies

Before Reporting for FEMA Reimb.

- ▶ Work with DEMA
- ▶ Designate an agent for the Town:
 - ▶ Resolution 2020-23: Designating the Town's CFO as the Applicant's Agent to obtain public assistance funds.

IV. FEMA

FEMA Public Assistance Funds

- ▶ Federal Emergency Management Agency
- ▶ Funding is a reimbursement for actual costs incurred as a result of the “disaster”
 - ▶ Funding is NOT a grant; and is up to 75% reimbursed of eligible costs
 - ▶ Costs must be documented to FEMA standards
- ▶ Typically, disasters are localized and a particular event (flood, hurricane)
 - ▶ the COVID-19 is nation-wide with an unknown duration

Deadline to Apply

- ▶ Unknown; no end date to the emergency has been declared

Award Amount

- ▶ Unknown; depends on allowed costs

How to Report

- ▶ Entities can report in various formats
- ▶ Staff recommends reporting on a quarterly basis
 - ▶ Keeps current and
 - ▶ Allows to re-submit if a cost is rejected

V. Paradise Valley

Summary (in Development)

Question

- ▶ Filing Deadline
- ▶ Town's filing agent
- ▶ Allowable costs
- ▶ Match
- ▶ Total award
- ▶ How file
- ▶ Funding source
- ▶ Expenditure limitation

AzCares

- ▶ July 30, 2020
- ▶ TM
- ▶ Public Safety (PD)
- ▶ No match
- ▶ \$1.7 million
- ▶ Twice – estimates, actuals
- ▶ Federal (Single audit possible)
- ▶ Exempt–federal funds

FEMA / AzDEMA

- ▶ Unknow, not yet declared
- ▶ CFO
- ▶ Disaster related cost
- ▶ 25% of allowable costs
- ▶ Unknown, reimbursed on claims
- ▶ Town's chose of Quarterly
- ▶ Federal
- ▶ Exempt–reimbursement and feds

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