

**RESOLUTION APPROVING THE USE OF CORONAVIRUS RELIEF FUNDS AND
AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL
AGREEMENT WITH FORSYTH COUNTY FOR GRANT OF THOSE FUNDS**

WHEREAS, on March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act, which created the federal Coronavirus Relief Fund (CRF) and provided \$150 billion to states and local governments with populations over 500,000; and

WHEREAS, North Carolina received \$7.6 billion, and on May 4, 2020, Governor Cooper signed Session Law 2020-4, which appropriated \$150 million in CRF funds to be distributed to the 97 counties that did not receive direct federal assistance; and

WHEREAS, at that time, Forsyth County received \$6.5 million in CRF funds, and the Forsyth County Board of Commissioners allocated \$1.0 million to the municipalities within the county, including \$774,738 to Winston-Salem; and

WHEREAS, subsequently, on July 1, 2020, Governor Cooper signed Session Law 2020-80, which appropriated an additional \$150 million in CRF funds, bringing the total assistance to local governments to \$300 million; and

WHEREAS, under this law, counties must allocate at least 25% of their total distribution to the municipalities within the county. Forsyth County received a total distribution of \$13.9 million as a result of these two state laws and plans to distribute \$3,472,407 to the municipalities within the county; and

WHEREAS, from that total, the City of Winston-Salem will receive \$2,690,204; and

WHEREAS, according to guidance issued by the United States Treasury, CRF funds must be spent on COVID-19-related needs, including medical expenses, public health expenses, payroll expenses for employees whose services are substantially dedicated to mitigating and responding to the COVID-19 public health emergency, expenses to facilitate compliance with

COVID-19-related public health measures, expenses associated with the provision of economic support in connection with the COVID-19, and any other COVID-19-related expenses reasonably necessary to the function of government. Revenue replacement is not an eligible use of CRF funds; and

WHEREAS, in order for Forsyth County municipalities to receive their distributions from the County, they must enter into an interlocal agreement for the grant of Coronavirus Relief Funds and provide a resolution approving the municipality's use of the funds; and

WHEREAS, City management proposes to use the CRF funds to cover existing public safety salaries for sworn police and certified fire personnel paid during FY 2020-2021; and

WHEREAS, as a result of using the CRF funds to cover existing public safety salaries accounted for in the general fund, the fund balance appropriation is reduced by \$2,690,204 in order to re-balance the fund. Adding back the fund balance would increase the percentage of fund balance reserved from 10.2% to 11.5%.

NOW, THEREFORE BE IT RESOLVED, that the Mayor and City Council of the City of Winston-Salem, upon the recommendation of the Finance Committee, hereby approve the use of \$2,690,204 distributed from the Coronavirus Relief Fund to cover existing public safety salaries for sworn police and certified fire personnel paid during FY 2020-2021.

BE IT FURTHER RESOLVED, that as a result of using these funds to cover existing public safety salaries accounted for in the general fund, the fund balance appropriation is reduced by \$2,690,204, thus increasing the percentage of fund balance reserved from 10.2% to 11.5%.

BE IT FURTHER RESOLVED, that the City Manager and City Secretary hereby are authorized to execute an interlocal agreement with Forsyth County for grant of Coronavirus Relief Funds on behalf of the City, with the City Attorney's approval as to form and legality.