

# CARES ACT FUNDING FACT SHEET

## ABOUT THE CARES ACT OF 2020

The Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 provides \$150 billion in assistance to U.S. state, local, territorial, and tribal governments to address the direct impact of the COVID-19 pandemic.

Virginia received approximately \$3.1 billion—distributed through the Coronavirus Relief Fund— and the state, in turn, allocated portions to cities and counties based on population. The City of Waynesboro has received two allocations of CARES Act funding for a total of \$3,948,760.

## CARES ACT SPENDING RESTRICTIONS

CARES Act money comes with strict preconditions, and the City would have to return any funds spent for purposes that do not meet those conditions.

Funds may only cover direct costs associated with the response to the COVID-19 pandemic, and those costs must be:

- necessary expenditures incurred due to the COVID-19 public health emergency;
- unaccounted for in the budget most recently approved as of Mar. 27, 2020 (the date of enactment of the CARES Act); and
- incurred between Mar. 1, 2020 to Dec. 30, 2020. CARES Act funds must be spent by Dec. 30, 2020, and cannot support ongoing services or general city operations.



The City cannot spend the funds to make up for the FY 2021 budget shortfall of \$4.2 million due to the pandemic. State and local government officials have requested that Congress lift this restriction, but Congress has not taken action to allow that flexibility or to provide funding for that purpose.

Congress provided coronavirus relief funds to bolster the continuous delivery of government services during the pandemic, specifically, public health, public safety and human services. A description of how the City is helping to alleviate economic hardship facing Waynesboro businesses, residents and non-profit organizations is listed below. Federal guidelines do not permit the City to use CARES money as a general stimulus.

## **CARES ACT SPENDING SO FAR**

The City has spent or earmarked just over \$1.4 million of its CARES Act allocations to date. Approximately \$2.5 million of the funds remain in the City's coffer.

### **WAYNESBORO PUBLIC SCHOOLS**

- \$600,000 commitment (15% of the City's CARES Act funds). Waynesboro Public Schools has also received more than \$800,000 through the CARES Act as part of the Elementary and Secondary School Emergency Relief Fund.

### **VALLEY COMMUNITY SERVICES BOARD**

- \$50,000 to help mitigate COVID-19 effects on Waynesboro's homeless population. City Council is planning to allocate an additional \$200,000 to the organization.

### **WAYNESBORO RENAISSANCE FUND**

- \$133,149 in grants to local businesses that have suffered losses due to business closures because of COVID-19. The City created the fund to help local businesses in June. A second round of funding is in the works for \$150,000.

### **CITY EMPLOYEE SAFETY**

- \$227,000 to protect essential employees, specifically public safety staff and frontline public works staff, in addition to telecommuting provisions for staff working from home.

### **NON-PROFIT SUSTAINABILITY FUND**

- Proposed \$150,000 non-profit sustainability fund to assist local non-profit organizations impacted by the pandemic.

### **SHENANDOAH VALLEY SOCIAL SERVICES**

- \$75,000 for public assistance to individuals and households that have suffered economic hardship due to COVID-19. Social services can use the money for its programs that provide rent or mortgage payments and utility payments.

### **OTHER EXPENDITURES**

- Nearly \$54,000 to assist with the provision of personal protective equipment and public notices for the May 2020 election, COVID support at Middle River Regional Jail, and cleaning and sanitation.