

Unclassified Administrative Expenses

Focus Agency 87, Unclassified Administrative Expenses, includes General Fund reserves that have been appropriated by the Board of Supervisors. These reserves are typically established when funding is identified to support programs that span multiple County agencies, but has not yet been allocated to those individual agencies. Funding may be expended in Agency 87 to support these programs, or may be reallocated to the implementing agencies during a future budget process.

Pandemic Response and Impact

The County received over \$200 million in stimulus funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Fund to support the County's pandemic response. These funds will be used in combination with General Funds, anticipated funds from the Federal Emergency Management Agency (FEMA), and other federal and state funds. CARES Coronavirus Relief Funds will be centrally budgeted and tracked in Agency 87 to ensure compliance with federal guidance. These one-time funds can only be used to cover costs that:

- are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020. It should be noted that any unspent funds as of December 31, 2020 will be required to be returned.

The Coronavirus Relief Funds are anticipated to be used for a variety of purposes, including the County's public health response and contact tracing program; support for County residents requiring assistance for basic needs; a medical isolation program for vulnerable residents, including those who are homeless; support for County small businesses and non-profits; costs related to personal protective equipment and enhanced sanitation practices; expenses related to expanding telework options for County employees; and support for the towns of Herndon, Vienna, and Clifton. As funds are eligible to be used for expenses through December 30, additional allocations are expected. Consistent with the presentation to the Board of Supervisors at the June 2, 2020 Budget Committee meeting, staff will be submitting monthly reports to the Board regarding utilization of the funds, and these memorandums will be posted at www.fairfaxcounty.gov/budget.

As part of the FY 2021 Adopted Budget Plan, funding of \$9.84 million is included as an appropriated reserve in Agency 87, Unclassified Administrative Expenses, for costs associated with the County's pandemic response which are not eligible under the Coronavirus Relief Fund. This funding is in addition to the \$11.26 million set aside as part of the *FY 2020 Third Quarter Review*. Updates regarding the use of these funds will also be included in the monthly reports to the Board, as noted above.

Unclassified Administrative Expenses

Budget and Staff Resources

Summary by Reserve

Cost Center	FY 2019 Actual	FY 2020 Adopted Budget Plan	FY 2020 Revised Budget Plan	FY 2021 Advertised Budget Plan	FY 2021 Adopted Budget Plan
Economic Development Support Project ¹	\$1,159,101	\$0	\$0	\$0	\$0
Gang Prevention Reserve	0	0	178,375	0	0
Health and Human Services Innovation Fund	0	200,000	400,000	200,000	200,000
Reserve for Ad-Hoc Police Practices Review Commission Recommendations	0	0	1,259,537	0	0
CARES Coronavirus Relief Fund	0	0	200,235,485	0	0
Reserve for Coronavirus Pandemic	0	0	11,261,111	0	9,838,597
Total Expenditures	\$1,159,101	\$200,000	\$213,334,508	\$200,000	\$10,038,597

¹ As part of the *FY 2019 Carryover Review*, the remaining balance of \$5.67 million in the Economic Development Support Project was transferred to Fund 10015, Economic Opportunity Reserve. For more information on the Economic Opportunity Reserve, please refer to Fund 10015, Economic Opportunity Reserve, in Volume 2 of the [FY 2021 Adopted Budget Plan](#).

FY 2021 Funding Adjustments

The following funding adjustments from the FY 2020 Adopted Budget Plan are necessary to support the FY 2021 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the Budget on May 12, 2020.

Reserve for the Coronavirus Pandemic **\$9,838,597**
 Funding of \$9,838,597 is required as an appropriated reserve to support the County's COVID-19 response. This reserve allows resources to be available for the County to respond to needs quickly and is consistent with the one established in FY 2020 as part of the *FY 2020 Third Quarter Review*. This reserve will be used for expenses related to the County's pandemic response but not eligible for federal funding under the Coronavirus Relief Fund or other funding sources.

Changes to FY 2020 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2020 Revised Budget Plan since passage of the FY 2020 Adopted Budget Plan. Included are all adjustments made as part of the FY 2019 Carryover Review, FY 2020 Third Quarter Review, and all other approved changes through April 30, 2020.

Carryover Adjustments \$1,637,912

As part of the *FY 2019 Carryover Review*, the Board of Supervisors approved funding of \$1,637,912, including \$1,259,537 for the Reserve for Ad-Hoc Police Practices Review Commission Recommendations, \$178,375 for the Gang Prevention Reserve, and \$200,000 to support the Health and Human Services Innovation Fund.

Third Quarter Adjustments – CARES Coronavirus Relief Fund \$200,235,485

As part of the *FY 2020 Third Quarter Review*, the Board of Supervisors approved funding of \$200,235,485 to recognize the revenue received from the Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Fund. These funds will be used to cover expenses related to the County's response to the pandemic, including support for basic needs in the community, distribution to local towns, and to sustain non-profit organizations.

Third Quarter Adjustments – Reserve for the Coronavirus Pandemic \$11,261,111

As part of the *FY 2020 Third Quarter Review*, the Board of Supervisors approved funding of \$11,261,111 for the reserve to respond to the coronavirus pandemic. Funding was appropriated to expedite response to the coronavirus pandemic which allowed staff to move quickly to secure needed supplies or equipment. It should be noted that CARES Funding may be able to be utilized to offset this increased support.