

As discussion is held regarding HB 2142 I feel that it is very pertinent that representatives be aware of the use of Corona Virus Relief Funding that counties distributed throughout their communities.

Morris County received \$1,132,545.00 in Corona Virus Relief (SPARK) Funding. The primary purpose of this funding was to address any financial need for local hospitals, health departments, and schools in order to be prepared and able to continue operating in the midst of the COVID-19 pandemic. It was also required that cities be able to receive reimbursement for any COVID-related expenditures. The allocation and use of any remaining funds were then determined by the County. Below is a recap of how Morris County chose to distribute its funding:

Morris County Funds Received: \$1,132,545.00

Spending breakdown:

City of Council Grove	\$ 2,141.63
City of White City	\$ 207.59
Morris County Hospital/EMS/Clinic	\$132,446.83
Council Grove Assisted Living	\$ 9,134.54
Morris County Health Department	\$ 60,198.96
CrossWinds Mental Health	\$ 2,433.96
U.S.D. 417	\$249,262.15
U.S.D. 481	\$399,800.53
Small Business & Non-Profit Grants	\$163,000.00
Morris County	\$ 78,809.63
Contracted CPA Services	\$ 35,109.18

Healthcare/Mental Health- 19%

Schools- 57%

Small Business & Non-Profit- 14%

County- 7%

CPA Services- 3%

As you can see, 76% of funds were allocated for healthcare, mental health, and educational support.

The county used 7% of funds to accommodate working remotely, purchase cleaning and disinfecting supplies, as well as implementing changes to the court room in order to provide safety during the pandemic.

The remaining funds were allocated for small business and non-profit support. This was provided through a SPARK grant program. 26 local businesses and non-profit organizations in Morris County were awarded grant funding ranging from an award amount of \$20,000.00 to \$1,000.00. The amount of the award was determined by the loss of revenue that was provided on the application, the number of employees per business, the businesses being subject to closures as a result of the COVID-19 pandemic, are several other factors. The grant awardees included local hair salons, public libraries, restaurants, and other businesses and non-profit organizations. 16 of the 26 grant awardees reported already receiving PPP, PPE, CDBG, or other sources of funding on their application.

Morris County may only be a small piece of a much larger picture; however, I believe that you will find majority of local governments realized the need to support businesses during this time and provided support by implementing a grant program as an avenue to do so. Rather than allocating additional funding for county use, local governments used very little funding for themselves in order to provide support where it was most needed.

I would also encourage you to look at local sales tax revenue for your respective counties. Morris County has seen a local sales tax increase of 15% from 2019 to 2020. While some of this increase may be contributed to less travel for shopping as a result of the pandemic, I believe that it also reflects tax payers realizing the importance of supporting their local "mom and pop" businesses within their communities.

While there is no doubt the COVID-19 pandemic has impacted us all in many ways, the idea to provide a tax reimbursement that would fall solely on the responsibility of counties, (not to mention that it is retroactive to December 31, 2019) without counties having any budgetary planning or preparation, is very concerning.