



OFFICE OF THE COUNTY COUNSELOR

JACKSON COUNTY COURTHOUSE

415 EAST 12TH STREET
KANSAS CITY, MISSOURI 64106

816-881-3355

Fax: 816-881-3398

TO: FRANK WHITE, JR.
COUNTY EXECUTIVE

FROM: BRYAN O. COVINSKY
COUNTY COUNSELOR

DATE: JUNE 2, 2020

RE: CARES ACT FUNDS

You have asked this office to provide guidance on the interplay between section 532 of the Jackson County Code and the recent midyear receipt of significant federal funding via the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. Per that Act, and pursuant to an application for direct federal funding that you filed with the U.S Treasury as authorized by the Act, Jackson County has received \$122,669,998.00 for coronavirus pandemic relief, of which \$18,354,806.00 has been previously appropriated by the County Legislature at your recommendation.

Section 532., Jackson County Code, 1984, provides:

532. Appropriations, Limitation on.

The County Legislature shall not increase the total appropriation from any fund as proposed by the County Executive in the budget so that the total appropriations shall exceed ninety-five percent (95%) of the income and revenue as estimated by the County Executive in the budget.

532.1 Exception, New Revenue.

If the County Executive shall propose and the County Legislature shall enact a measure that will provide additional income and revenues, and if the County Executive shall propose additional expenditures, the County Legislature may appropriate an amount equal to not more than ninety-five percent (95%) of the estimated income and revenue from the new source or sources.

This section governs how the County is to treat new revenues that are received mid-year and that are not a part of the County's annual budget process. Since the CARES Act funding received is not included in the 2020 Jackson County budget, the first paragraph of section 532, which governs the County Legislature's power to appropriate funds that you estimated in the annual budget, does not apply. Rather, the appropriation of CARES Act funds is governed by the exception in section 532.1. The County Legislature may

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appropriate up to 95% of this “additional income and revenues” only if “the County Executive shall propose additional expenditures.”

Regarding pending legislative items, you have advised that you have not proposed any expenditures of CARES Act funds for hazard pay for County associates as contemplated by Ordinance 5352 now pending before the Legislature. You have also advised that you have not proposed any expenditure for Truman Medical Centers, Inc., for building improvements or equipment. Accordingly, the County Legislature is without authority at this time to appropriate any new revenues for these purposes.