



# Advance McHenry County **Recovery Plan**

## State and Local Fiscal Recovery Funds 2021 Report

[www.mchenrycountyil.gov/ARP](http://www.mchenrycountyil.gov/ARP)

**McHenry County**  
**2021 Recovery Plan (Preliminary)**

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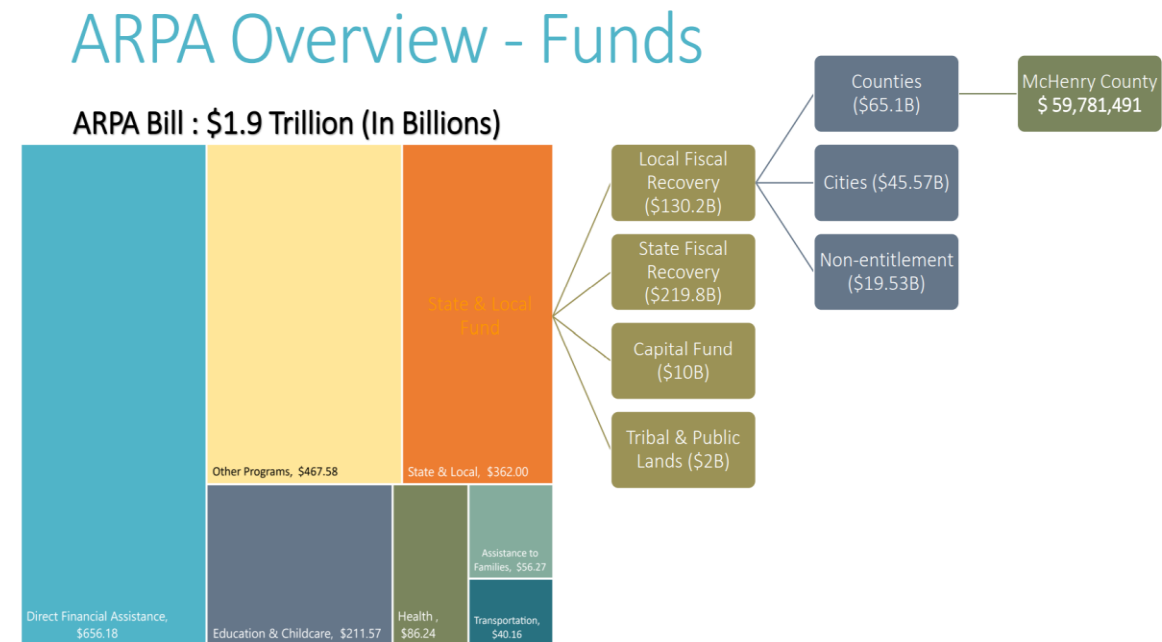
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# GENERAL OVERVIEW

## Executive Summary

McHenry County’s American Rescue Plan Act Allocation is \$59,781,491; the Act was signed into law on March 11, 2021. The funds must be obligated by Dec. 31, 2024, and fully spent by December 31, 2026. The first half of the County’s allotment was received on June 7, 2021. The second half is expected not earlier than one year from May 11, 2021.

Below is a graphical representation and breakdown of how the County funds are tied to the American Rescue Plan:



Below is a general timeline covering the American Rescue Plan:

## ARPA Overview - Timeline



The intent of the American Rescue Plan Act of 2021 legislation is designed to address the unprecedented coronavirus health and economic recovery. The legislation provides broad statements regarding the use of these funds:

- Respond to public health emergency
- Respond to workers performing essential work
- Recover revenue losses
- Investments in sewer, water, or broadband
- Transfer funds to not-for-profit or special purpose units of state or local government

Under the act, the following are broad restrictions in using these funds:

- Cannot be spent on pension funds
- Cannot be spent to pay down debt
- Cannot be deposited into fund balance
- Cannot be used to offset property tax levies
- Cannot be used for roads, bridges, and other infrastructure projects
- Cannot be used to match federal grant (i.e., 80/20 grant)
- Cannot be used to pay for legal settlements

McHenry County is working with the County Board, Elected Officials, Department Heads, Non-for-profits, other local governments, school districts, special tax districts, and its Consultants (Bronner Group), to develop a framework to utilize these funds over the next three years to strengthen our County and address areas negatively impacted by the COVID-19 Pandemic.

Additional details for the administration and timing for each program or project will be determined after this plan is approved by the County Board, which is expected to take place by the end of the FY2021.

The County has maintained a master list of project ideas and requests; currently, the total amount of requested projects surpasses the County's total allotment.

More information, including updates to the Advance McHenry County Plan, will be posted on our website at [www.mchenrycountil.gov/ARP](http://www.mchenrycountil.gov/ARP)

## Uses of Funds

Preliminary discussions with County Board members, elected officials and management have outlined the need to explore uses that support public health, support for certain non-for-profit organizations, support for special taxing districts that did not receive an allocation under the American Rescue Plan, broadband infrastructure, County's capital projects related to IT, education assistance, premium pay for essential workers, revenue losses that occurred in 2020, and those that may arise in future years. It's anticipated that facilitated County Board discussions over the next three months will outline strategies to maximize programmatic impact and ensure effective, efficient, and equitable outcomes.

Since the American Rescue Plan Act was signed into law, and the County was notified of its allotment in May 2021, the County has received several project ideas and spending plans via various channels of communication. When Treasury released the Interim Final Rule in May 2021, McHenry County staff began participating in a variety of webinars hosted by the White House, National Association of Counties, State of Illinois, and the Government Finance Officers Association to gain a thorough knowledge of the eligible uses of these funds and the corresponding reporting requirements.

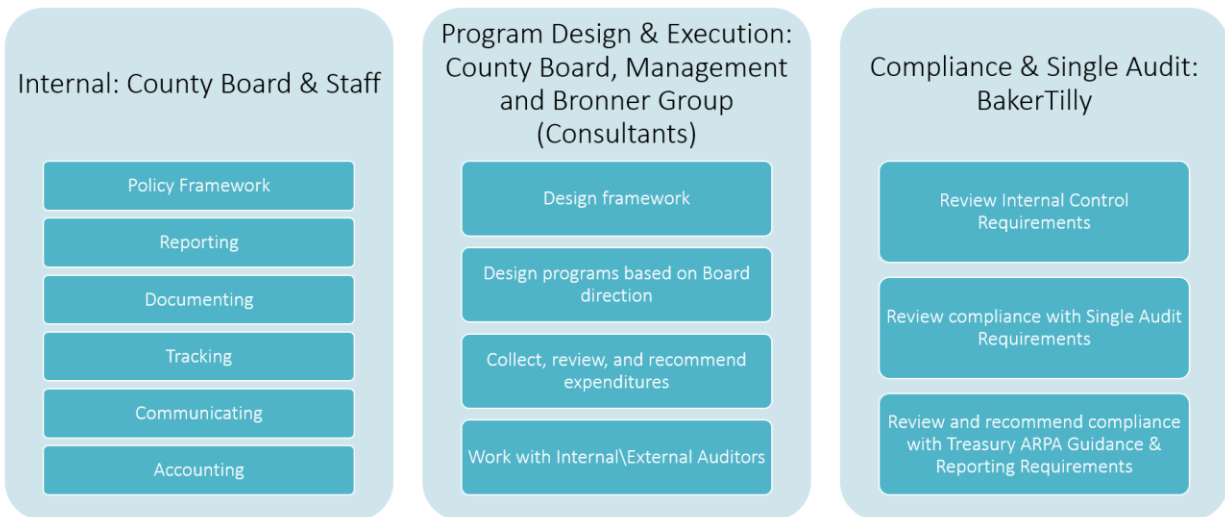
The County will use the list of projects as a starting point to put together a framework for the County Board's consideration.

The County has proposed the following approach to developing a plan to use the funds:



Additionally, the County has developed the following general proposed workplan to be implemented in partnership with the County Board, County Management, Internal/External Auditors, and other stakeholders:

## Proposed Workplan



### Promoting equitable outcomes

The McHenry County Board has established equity, diversity, and inclusion as a top priority for our County. As the Board works through the establishment of a grant application process and scoring matrix, the beginning steps for ensuring equitable outcomes will be realized. Additional feedback from the community as well as required qualitative and quantitative data will be utilized to monitor equity goals.

### Community Engagement

McHenry County has received feedback through several channels; some of these channels are described below.

#### ***2021 McHenry County Nonprofit Study***

The Center for Nonprofit and NGO Studies (NNGO) at Northern Illinois University conducted a non-for-profit study, in partnership with the McHenry County Mental Health Board, McHenry County, United Way of Greater McHenry County and McHenry County College to gather data that would be the catalyst to build a better cooperative between nonprofits, funders, government, business and community. The County will use this study as the Advance McHenry County Plan is designed and implemented. The study can be found online at [https://issuu.com/northernillinoisuniversity/docs/53575\\_clas\\_mchenry\\_co\\_nonprofit\\_study\\_v3b\\_screen](https://issuu.com/northernillinoisuniversity/docs/53575_clas_mchenry_co_nonprofit_study_v3b_screen).

#### ***McHenry County Council of Governments***

The McHenry County Council of Government represents 30 municipalities; the Council's Executive Director is a quasi-employee of the Council of Governments and McHenry County. As such, County management has coordinated with other local government leaders to ensure community engagement including that there is no duplication of benefits. The County Chair and

the County Administrator continually meet with Village\City Administrators to ensure there is a coordination of benefits.

### ***McHenry County Superintendents Meetings***

The County has also coordinated a meeting with all school districts' superintendents along with the County Chair, the County Administrator, and the Public Health Administrator.

### ***County Administrators Meetings***

At a macro level, the County Administrator has actively participated in a regularly scheduled meeting with other surrounding County administrators; the purpose of this meeting is to gain feedback on what surrounding counties are doing.

### ***County CFOs Meetings***

At a macro level, the County CFO has coordinated a biweekly meeting with 10+ northern Illinois counties to discuss strategies, plans, and ideas related to the pandemic including the impact of American Rescue Plan funds in the community.

### ***Facebook Townhall Meetings***

The County has coordinated two Facebook townhall meetings; these meetings received over 1,000 live viewers and over 100 comments and questions related to COVID-19 and how the County is addressing it. The meeting was led by the County Chairman, County Board Members, Director of Nursing, and the Public Health Administrator.

McHenry County recognizes that it is vital that community feedback remain a central theme throughout this process and is considering additional methods of obtaining feedback throughout the performance period.

### ***Labor Practices***

McHenry County is considering several infrastructure projects, including a broadband expansion project. McHenry County will detail how those projects will use strong labor standards to promote effective and efficient delivery of high-quality infrastructure projects while also supporting the economic recovery through strong employment opportunities for workers. All these projects will ensure compliance as indicated in Section C (5) on page 25 of the Reporting Guidance.

### ***Use of Evidence***

McHenry County staff has begun to outline some preliminary considerations for the Board that will ensure that evidence-based interventions and/or rigorous program evaluations are incorporated into the overall approach for funding distribution. During future Board planning sessions, staff will work with the Board to outline the Board's desired overall approach for using evidence and evaluation.

## Table of Expenses by Expenditure Category

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination		
1.2	COVID-19 Testing		
1.3	COVID-19 Contact Tracing		
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
1.5	Personal Protective Equipment		
1.6	Medical Expenses (including Alternative Care Facilities)		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)		
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19		
1.10	Mental Health Services		
1.11	Substance Use Services		
1.12	Other Public Health Services		
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs		
2.2	Household Assistance: Rent, Mortgage, and Utility Aid		
2.3	Household Assistance: Cash Transfers		
2.4	Household Assistance: Internet Access Programs		
2.5	Household Assistance: Eviction Prevention		
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers		
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)		
2.8	Contributions to UI Trust Funds*		
2.9	Small Business Economic Assistance (General)		
2.10	Aid to nonprofit organizations		
2.11	Aid to Tourism, Travel, or Hospitality	\$20,000	\$20,000
2.12	Aid to Other Impacted Industries		
2.13	Other Economic Support		



Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.14	Rehiring Public Sector Staff		
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning		
3.2	Education Assistance: Aid to High-Poverty Districts		
3.3	Education Assistance: Academic Services		
3.4	Education Assistance: Social, Emotional, and Mental Health Services		
3.5	Education Assistance: Other		
3.6	Healthy Childhood Environments: Child Care		
3.7	Healthy Childhood Environments: Home Visiting		
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System		
3.9.	Healthy Childhood Environments: Other		
3.10	Housing Support: Affordable Housing		
3.11	Housing Support: Services for Unhoused persons		
3.12	Housing Support: Other Housing Assistance		
3.13	Social Determinants of Health: Other		
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators		
3.15	Social Determinants of Health: Lead Remediation		
3.16	Social Determinants of Health: Community Violence Interventions		
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees	\$258,431	\$258.431
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		
5.3	Clean Water: Decentralized wastewater		
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.11	Drinking water: Transmission & distribution		
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure		
5.16	Broadband: "Last Mile" projects		
5.17	Broadband: Other projects		
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services		
7	Administrative and Other		
7.1	Administrative Expenses		
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		
7.4	Transfers to Nonentitlement Units (States and Territories only)		

See Section C (7) on page 27 of the Reporting Guidance for additional information.

**PROJECT INVENTORY**

As of July 31, 2021, no projects had been undertaken, reviewed, or approved by the County Board except for expenditures related to Public Health (Premium Pay) and assistance to Local Tourism (Visit McHenry County).