

May 3, 2021

To: Members of the Budget and Finance Committee 202101588
From: Paula Boggs Muething, City Manager
Subject: **Emergency Ordinance – Use of American Rescue Plan (ARP) Act Funds for FY 2022 Fiscal Stability COVID-Related Expenses**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the establishment of American Rescue Plan grant project account no. 469x101xARP051, “FY 2022 COVID Expenses,” for the purpose of providing fiscal stability funds to reimburse the General Fund for COVID related expenses incurred by the various departments during FY 2021 and FY 2022; **AUTHORIZING** the appropriation of the sum of \$67,500,000 from the unappropriated surplus of Local Fiscal Recovery Fund 469 to newly established American Rescue Plan grant project account no. 469x101xARP051, “FY 2022 COVID Expenses,” for the purpose of providing fiscal stability funds to reimburse the General Fund for COVID related expenses incurred by the various departments during FY 2021 and FY 2022; and **DECLARING** expenditures from American Rescue Plan grant project account no. 469x101xARP051, “FY 2022 COVID Expenses,” to be for a public purpose.

Included in the Administration’s recommended plan for use of American Rescue Plan (ARP) funds is the designation of funds for fiscal stability, specifically as a source of funds in the FY 2022 Budget. This Emergency Ordinance would establish American Rescue Plan grant project account no. 469x101xARP051, “FY 2022 COVID Expenses” for the purpose of providing fiscal stability funds to funds to reimburse the General Fund for COVID related expenses incurred by various departments during FY 2021 and FY 2022. Furthermore, this Emergency Ordinance would appropriate the sum of \$67,500,000 from the unappropriated surplus of Local Fiscal Recovery Fund 469 to newly established American Rescue Plan grant project account no. 469x101xARP051, “FY 2022 COVID Expenses.” Finally, the use of these funds is declared to be for a public purpose.

Ultimately funds will be utilized to close the projected FY 2022 Budget deficit which has been exacerbated by a loss of revenue as well as increased expenditures directly related to the impact of the COVID-19 pandemic.

The reason for the emergency is the immediate need to implement authorized American Rescue Plan-related support programs.

The Administration recommends passage of this Emergency Ordinance.

cc: Christopher A. Bigham, Assistant City Manager
Karen Alder, Finance Director

Attachment