

May 3, 2021

To: Members of the Budget and Finance Committee

From: Paula Boggs Muething, City Manager *JLM* *For PBM* 202101617

Subject: **Emergency Ordinance – Use of American Rescue Plan (ARP) Act Funds for FY 2021 Restricted Funds Revenue Replacement**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the establishment of American Rescue Plan grant project account no. 469x101xARP052, “FY 2021 Restricted Funds Revenue Replacement,” for the purpose of providing fiscal stability funds to reimburse various Restricted Funds for lost revenue due to the COVID-19 pandemic; **AUTHORIZING** the appropriation of the sum of \$20,600,000 from the unappropriated surplus of Local Fiscal Recovery Fund 469 to newly established American Rescue Plan grant project account no. 469x101xARP052, “FY 2021 Restricted Funds Revenue Replacement,” for the purpose of providing fiscal stability funds to reimburse various Restricted Funds for lost revenue due to the COVID-19 pandemic according to the attached schedule; and **DECLARING** expenditures from American Rescue Plan grant project account no. 469x101xARP052, “FY 2021 Restricted Funds Revenue Replacement,” 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 for revenue replacement to reimburse various Restricted Funds for the lost revenue due to the COVID-19 pandemic. This Emergency Ordinance would establish American Rescue Plan grant project account no. 469x101xARP052, “FY 2021 Restricted Funds Revenue Replacement,” for the purpose of providing fiscal stability funds to reimburse various Restricted Funds for lost revenue due to the COVID-19 pandemic. Furthermore, this Emergency Ordinance would appropriate the sum of \$20,600,000 from the unappropriated surplus of Local Fiscal Recovery Fund 469 to newly established American Rescue Plan grant project account no. 469x101xARP052, “FY 2021 Restricted Funds Revenue Replacement.” Finally, the use of these funds is declared to be for a public purpose.

Various Restricted Funds experienced revenue shortfalls since the beginning of the global pandemic. The amount of those shortfalls, net of expenditure savings over the same period, and the affected funds are included on the attached Schedule.

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