



TO: Finance and Governance Committee

FROM: Aaron BeMiller, Finance Director

BY: Tony Cullerton, Deputy Finance Director

CC: Mayor McLeod

DATE: December 9th, 2024

SUBJECT: Obligate Remaining American Rescue Plan Act (ARPA) Funding

ISSUE

In accordance with ARPA guidelines, all remaining ARPA funding must be obligated no later than December 31, 2024, and fully expended by December 31, 2026.

BACKGROUND

On March 10, 2021, the American Rescue Plan Act (ARPA) was enacted, providing a \$1.9 trillion relief package. This legislation allocated funds to various sectors including state and local aid, education, rental assistance, and transit. The City was allocated \$5.68 million, with the first installment received in June 2021 and the second installment in July 2022. All funds must be expended or contractually committed by December 31, 2024.

DISCUSSION

The following table details the flow of ARPA funds over three years of council-approved expenditures. The unallocated funds are attributed to expenditures that have not fully utilized their budget allocation. Further recommendations for the allocation of these funds will be provided in due course.

Total ARPA Grant (Beginning Balance)	5,682,598
2021 Actual Spent	817,307
2022 Actual Spent	1,894,357
2023 Actual Spent	1,217,920
2024 Actual Spent	649,294
Remaining ARPA Funding	\$1,103,720

In accordance with US Treasury ARPA requirements, cities must contractually obligate all ARPA funds by December 31, 2024, and expend these funds by December 31, 2026. It is anticipated that council-approved allocations will fully utilize ARPA funds by the December 31, 2024, deadline.

Current 2024 ARPA is listed below by category:

Category	Amount
Code Enforcement	35,446
Comm Dev Administration	54,165
Community Events & Volunteers	77
Community Service & Engagement	7,040
Finance Department	37,527
Gen Fund Capital Transfers	7,017
Park Maintenance	57,000
Permit Coordination	18,719
Preschool Program	546
Res Str-Admin Capital	3,201
Res Str-Administration	223,482
Res Str-Engineering	(155)
Res Str-Roadway	28,409
Str Maint-Administration	118,614
Teen Programs	13,797
Traffic	27,300
Wellness & Enrichment	9,125
Youth Programs	7,983
Total	649,294

Available ARPA Funding is \$1,103,720.

2024 Beginning Balance	1,753,014
2024 Budget	1,496,418
2024 YTD ARPA Spending	649,294
2024 Available ARPA Funding	1,103,720

ARPA funding is restricted and must fall under the following criteria:

- Providing premium pay to essential workers
- Investing in infrastructure like water, sewer, and broadband
- Replacing lost public sector revenue
- Supporting public health initiatives related to COVID-19
- Expanding access to broadband internet
- Funding capital expenditures to address the negative economic impacts of the pandemic

NEXT STEPS

Based on current JL Key-Obj Inquiry ARPA reporting, approximately \$649,294 of the 2024 budget has been spent. While future ARPA projects are pending, some formal contracts remain outstanding. To ensure full allocation of available ARPA funding, it is recommended that \$1,103,720 be allocated to Public Safety.

2024 Beginning ARPABalance	1,753,014
2024 YID ARPASpending	(649,294)
Remaining ARPAFunding	1,103,720
Public Safety	(1,103,720)
Remaining ARPAFunding	0

RECOMMENDATION

Agree to move this forward for approval to the 12/16 Council Regular Meeting for approval.