

Salisbury City Council Agenda Item Request Form



Please Select Submission Category: ☐ Public ☐ Council ☐ Manager ☒ Staff

Requested Council Meeting Date: 11/4/2022

Name of Group(s) or Individual(s) Making Request: Finance Director Wade Furches

Name of Presenter(s): Wade Furches

Requested Agenda Item: The City of Salisbury was awarded \$7,227,329 in Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) through the American Rescue Plan. On August 10, 2021, City Council adopted a Grant Project ORDINANCE to create a new Special Revenue Fund and appropriate the funds. Revisions to the American Rescue Plan now allow the City to designate its unexpended funds as revenue loss and subsequently expend is ARPA/CSLFRF funds for the provision of government services.

Description of Requested Agenda Item: Adopt a Grant Project ORDINANCE amendment to transfer unexpended ARPA to the General Fund.

Attachments: ☒ Yes ☐ No

Fiscal Note: *(If fiscal note requires approval by finance department because item exceeds \$100,000 or is related to grant funds, please fill out signature blocks for finance at bottom of form and provide supporting documents)*

The remaining ARPA funds will be expended from and tracked separately in the General Fund. Council will continue to receive reports on the remaining balance of these funds.

Action Requested of Council for Agenda Item: *(Please note if item includes an ordinance, resolution or petition)* Approve Grant Project ORDINANCE Amendment.

Contact Information for Group or Individual: Wade Furches, 704-638-5302

☐ **Consent Agenda** (item requires no discussion and will be voted on by Council or removed from the consent agenda to the regular agenda)

☒ **Regular Agenda** (item to be discussed and possibly voted on by Council)

FINANCE DEPARTMENT INFORMATION:

Finance Manager Signature

S. Wade Furches

Department Head Signature

Budget Manager Signature

*****All agenda items must be submitted at least 7 days before the requested Council meeting date*****

**GRANT PROJECT ORDINANCE AMENDMENT FOR THE CITY OF SALISBURY
American Rescue Plan Act of 2021: Coronavirus State and Local Fiscal Recovery Funds**

BE IT ORDAINED by the City Council of the City of Salisbury, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

Section 1: This ordinance is to establish a budget for a project to be funded by the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (CSLRF). The City of Salisbury has a total allocation of \$ 7,277,329. These funds may be used for the following categories of expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Section 2: The City has elected to take the standard allowance for public sector revenue loss, as authorized by 31 CFR Part 35.6(d)(1) and expend all its ARP/CSLFRF funds for the provision of government services, Premium Pay and Public Health.

Section 3: The following ARPA Special Revenue Fund line items will be amended as follows:

Decrease line item 058-000-000-545000 CSLRF Expenditures	<u>\$5,691,543</u>
Increase line item 058-000-000-5981.10 Transfer to General Fund	<u>\$5,691,543</u>

Section 4: The following General Fund line items will be amended as follows:

Increase line item 010-000-000-4981.58	
Transfer from ARPA Fund	<u>\$5,691,543</u>
Increase line item 010-516-000-5011.01	
Transfer from ARPA Fund	\$3,053,339
Increase line item 010-531-350-5011.01	
Transfer from ARPA Fund	<u>2,638,204</u>
	<u>\$5,691,543</u>

Section 5: The following General Fund line items will be further amended as follows:

Decrease line item 010-516-000-5011.01	
Transfer from ARPA Fund	\$3,053,339
Decrease line item 010-531-350-5011.01	
Transfer from ARPA Fund	<u>2,638,204</u>
	<u>\$5,691,543</u>
Increase line item 010-671-000-5399.03	
ARPA Expenditure Reserves	<u>\$5,691,543</u>

Section 6: The Finance Officer is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements, including payroll documentation and effort certifications, in accordance with 2 CFR 200.430 & 2 CFR 200.431 and the City's Uniform Guidance Allowable Costs and Cost Principles Policy.

Section 7: The Finance Officer is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

Section 8: Copies of this grant project ordinance shall be furnished to the Budget Officer, the Finance Officer and to the Clerk to City Council.

Section 8: This grant project ordinance amendment expires on December 31, 2026, or when all the ARP/CSLFRF funds have been obligated and expended by the City, whichever occurs sooner.