

City of Fayetteville Staff Review Form

2022-0310

Legistar File ID

4/19/2022

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Paul Becker

4/1/2022

CHIEF FINANCIAL OFFICER (110)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Approval to elect the "standard allowance" of \$10 million dollars in revenue losses due to the public health emergency created by the COVID-19 pandemic from the perviously awarded American Rescue Plan Act.

Budget Impact:

	ARPA
Account Number	Fund
Project Number	Project Title
Budgeted Item? <u> No </u>	Current Budget \$ -
	Funds Obligated
	Current Balance \$ -
Does item have a cost? <u> No </u>	Item Cost
Budget Adjustment Attached? <input type="checkbox"/>	Budget Adjustment
	Remaining Budget \$ -

V20210527

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF APRIL 19, 2022

TO: Mayor and City Council
FROM: Paul Becker, Chief Financial Officer
DATE: April 1, 2022
SUBJECT: ARPA Revenue Loss Funds

RECOMMENDATION:

The administration requests the City Council's approval to elect the "standard allowance" of \$10 million in revenue losses due to the public health emergency created by the COVID-19 pandemic from the previously awarded American Rescue Plan Act.

BACKGROUND / DISCUSSION:

The overview of the US. Treasury Final Rule of Coronavirus State & Local Fiscal Recovery Funds provided that a "standard allowance" of \$10 million in awarded funds may be claimed as public revenue loss for a municipality. Although this does not increase the total amount awarded, it allows more flexibility in the expenditure of ARPA funds received. The revenue recovery amount cannot be used to reduce debt, be transferred to pension funds or be used to increase reserves or reduce taxes. However, since the funding must be used for general governmental services of the municipality, it would increase the flexibility of the uses allowed by the City by eliminating some of the restrictions placed on the use of ARPA grant funding. This would be especially important if the City wishes to consider infrastructure uses that may not be allowable or would be questionable. Infrastructure programs for parks, public buildings or some work force development training programs would be examples.

This decision must be made by April 30, 2022.

BUDGET/STAFF IMPACT:

This request does not appropriate funds or change the amount of ARPA funds awarded to the City of Fayetteville.

Attachments:

Staff Review form, Staff Memo