

Agenda Memorandum

To: Honorable Mayor and City Council Members
Prepared By: Kelly Jones, Assistant Finance Director
From: Bryan Cobb, City Manager
Date: July 17, 2023
Subject: **Resolution No. 4354-23**, Approval of a Budget Amendment for ARPA-Utility.

Procedure: Consent Agenda

Introduction: This is a request for City Council to approve a budget amendment transferring \$9,916,680 from Fund 155: American Rescue Plan, to Fund 455: American Rescue Plan - Utility.

Discussion: On March 22, 2021, President Joseph R. Biden Jr. signed into law the American Rescue Plan Act of 2021 (ARPA). Allocated within this Legislation is \$362 billion in Coronavirus State and Local Fiscal Recovery Funds. This funding provides direct payments to address the economic effects of COVID-19 on State, Local and Tribal Governments in the United States. Of the \$362 Billion, the City of Oviedo received \$20,965,734. This total amount was divided into two (2) equal payments. The City received the first payment in October 2021, and the second payment in August 2022. The City created Special Revenue Fund, Fund 155: American Rescue Plan, to track funds received from ARPA, expenses and budget for all ARPA approved projects.

Subsequent to the creation of the new fund, Staff determined that for financial reporting purposes, it was necessary to have the ARPA Utility projects set up in a proprietary fund, instead of a Special Revenue Fund (Governmental Fund). Staff created Fund 455: American Rescue Plan-Utility that will be used to track the revenue funding, expenses and budget related to ARPA Utility projects.

The current approved ARPA Funding Plan is provided in Attachment 1. The items highlighted in yellow are Utility projects. The total budget related to these projects is \$9,916,680. The budget amendment provided in Exhibit 1 of Resolution #4354-23 transfers \$9,916,680 from Fund 155 to Fund 455.

Budget Impact: The entire budget for APRA projects is included in the FY 2022-23 Amended Budget in Fund 155: American Rescue Plan. The budget amendment provided in Exhibit 1 of Res4354-23 will transfer \$9,916,680 from Fund 155, to Fund 455: American Rescue Plan-Utility, which will be used to facilitate the proper tracking of all ARPA Utility approved projects.

Strategic Impact: Approval of the American Rescue Plan Act Coronavirus Local Fiscal Recovery Fund is consistent with the High-Performance Government Strategic Focus Area.

Recommendation: It is recommended that City Council adopt Resolution No. 4354-23.

Attachment(s): 1. ARPA Funding Plan