



Legislation Details (With Text)

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Title: FY22 Budget Amendment: Special Revenues Budget and Appropriation of American Rescue Plan Act Funds

Sponsors: City Administrator

Indexes: Budget

Code sections:

Attachments: 1. Email Confirmation for Receipt of ARPA Funds, 2. Proposed FY22 American Rescue Plan Funds Budget 9-1-2021

Date	Ver.	Action By	Action	Result
9/20/2021	1	City Council	Approved	Pass

Submitted by: Ron Brooks
Submitting Department: Finance
Agenda Section: Action

Item Title:
FY22 Budget Amendment: Special Revenues Budget and Appropriation of American Rescue Plan Act Funds

Suggested Action:
I move that the Mayor and Council amend the FY22 Special Revenues Fund Budget and approve the establishment of the American Rescue Plan Act (ARPA) fund and to appropriate \$2.5 million of the \$8.9 million in ARPA funds received to cover anticipated expenditures in various categories to include, but not limit to, salaries, benefits, supplies, contract services, professional services, capital equipment, miscellaneous reimbursements, and grant awards through June 30, 2022. The remaining \$6.4 million of the current allocation plus the second allocation of \$8.9 million will be submitted to Council to appropriate in concurrence with a spending plan which will be developed over the next 12 months. This will account for the total of \$17.9 million in ARPA funds the City will receive. All ARPA funds must be obligated between March 3, 2021, and December 31, 2024, and all obligated funds must be spent by December 31, 2026.

Summary Background:
Since the COVID-19 pandemic began, the United States Federal Government passed landmark relief legislation to address the ongoing health and economic crisis. The first measure, passed on March 27, 2020, was the Coronavirus Aid, Relief, and Economic Security Act (H.R. 748, 116th Congress) (the "CARES Act"). The second piece of relief legislation, the American Rescue Plan Act of 2021 (H.R. 1319, 117th Congress), was signed into law on March 11, 2021 (the "ARPA"). These funds will provide significant relief to deal with the COVID-19 pandemic related issues.

Specific amounts of ARPA funds are earmarked for State, County, and Municipal governments, and the City of Hyattsville share of ARPA funds approved is \$17,961,280. These funds will be received from the state in two (2) allocations. The first allocation in the amount of \$8,980,640 was received on July 19, 2021, and the second allocation will be received in the next 12 months. All ARPA funds must be obligated between by December 31, 2024, and spent by December 31, 2026.

The current budget request is seeking to amend the FY22 Special Revenues Fund Budget and to approve the establishment of the American Rescue Plan Act fund and appropriate \$2.5 million of the \$8.9 million in ARPA funds received to cover anticipated expenditures in various categories to include but not limited to salaries, benefits, supplies, contract services, professional services, capital equipment, miscellaneous reimbursements, and grant awards up through June 30, 2022.

Next Steps:

Post the approved \$2.5 million in ARPA funds into various expenditure line-items to cover anticipated costs through June 30, 2022, and complete the required spending plan for the total amount of \$17.9 million in ARPA funds to be received.

Fiscal Impact:

The FY22 Special Revenues Fund Budget expenditures will increase by \$2.5 million but offset by \$8.9 million in ARPA funds previously received.

City Administrator Comments:

Recommend Support

Community Engagement:

Community input on priorities to complete the planned spending plan

Strategic Goals:

Goal 2 - Ensure the Long-Term Economic Viability of the City

Legal Review Required?

N/A