



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2023-415

Agenda Item# I.1.

Agenda Date: 6/6/2023. **Department:** Financial & Administrative Services
Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2023–415 Ordinance Amending the American Rescue Plan Act (ARPA) Fund, the General Capital Improvements Fund and the FY 2022-2023 General Fund Budgets in the Amount of \$545,000 for Expenditure of ARPA Fund Interest Earnings

Council Priority: Place an ‘x’ in the box.

- | | |
|--|--|
| <input type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input type="checkbox"/> Abundance of Attainable Housing | <input checked="" type="checkbox"/> Other/Admin <u>Budget Appropriations</u> |

Council District: All

Public Hearing: No

Advertising Date/By: N/A

Contact 1 and Phone: Marlene Druga, Ext 2094

Contact 2 and Phone: Jon Decker, Ext 2291

PURPOSE:

To authorize appropriations to allow expenditure of estimated interest earnings on ARPA funds received and deposited by the City through June 30, 2023.

BACKGROUND:

\$463,773 of interest earnings have been recorded through April 2023 from the deposit of \$59.4 million of federal American Rescue Plan Act funds received by the City in 2021 and 2022. Estimated additional interest earnings of up to \$81,227 are expected to be received through June 30, 2023 for a total amount earned of approximately \$545,000. Interest earnings on ARPA funds are not subject to program restrictions and may be spent on any purpose authorized by state law.

On January 17, 2023, City Council authorized award of \$160,000 of ARPA enabled funds from interest earnings to eight (8) nonprofit organizations who are first time recipients of any City funds to assist them with obtaining a review/audit of their financial records. The estimated remaining balance of interest earnings is \$385,000, and is proposed to be spent on general government services with a corresponding appropriation of “local” dollars established in a project fund that is recommended to be designated and held to support any cost overruns associated with City capital and maintenance projects funded through ARPA enabled awards.

Vision Statement: “A Community with Endless Economic Opportunities and Exceptional Quality of Life.”

BUDGET IMPACT:

Appropriation of estimated interest earnings in ARPA Fund 230 and transfer to the General Fund 101 allows the ability for future expenditure of local dollars in Capital Project Fund 411 if capital project and maintenance cost bids received exceed the original ARPA enabled project award.

ACCOUNT NUMBER:

Fund 230; Fund 101 and Fund 411

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council approve the attached ordinance to allow expenditure of estimated interest earnings of up to \$545,000 through June 30, 2023 from American Rescue Plan Act Funds.