



**Agenda Item:** Budget Amendment

**Title:** Resolution 2021-61 Budget Amendment - Amendment pertaining to American Rescue Plan Act (ARPA) funding

**Recommended Council MOTION:**

Approve resolution 2021-61 amending appropriations totaling \$5,673,340 for the American Rescue Plan Act (ARPA) for the fiscal year 2021-2022 budget of the City of Laramie, WY and authorize the Mayor and City Clerk to sign.

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**Administrative or Policy Goal:**

To provide ARPA funding for government services to the extent of revenue reduction due to the COVID-19 public health emergency and to assist in investment of water and sewer infrastructure.

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**Background:**

The City initially received funding of \$4,990,000 from the ARPA funds based on population. Some smaller cities and towns declined the funding from the State due to the OMB grant requirements and reporting. As the initial funding was only estimated and some cities opted out, this increased City of Laramie funding to \$5,673,340. The first tranche was received on June 24, 2021 for \$2,836,670. The second tranche or balance of \$2,836,670 is due approximately 12 months later.

Treasury Guidance is limited on how the City can spend the funding. The basic guidelines for ARPA is as follows:

- 1) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.
- 2) To respond to workers performing essential work during the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency.
- 3) For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency.
- 4) To make the necessary investments in water, sewer, or broadband infrastructure.

The State of Wyoming has ARPA funding and the City does not want to duplicate programs. The State already had implemented ERAP (Emergency Rental Assistance Program) to which includes help for citizen rent and utilities. The State also contracted with the University of Wyoming (WYGISC) to conduct a state mapping for broadband detailing providers and speeds per geographic area. The Wyoming Business Council is in charge of broadband funds and working with providers to help unserved or underserved households or businesses. As the legislature meets the State will be working on other programs. The State received \$524 million in ARPA funds to date, with another \$534 million anticipated during 2022. The Governor's focus on funding criteria: long term impact or rate of return, support stimulus over relief, where possible leverage dollars through matching or buy-in programs, benefit a wide group of citizens.

The City would like to offset rate impacts by funding critical infrastructure projects as follows:

- \$2,000,000 to the B2 Sewer Line project
- \$2,000,000 to the 3<sup>rd</sup> Street Water Line project.

In addition, the ARPA funding is to help stabilize revenues for cities during the COVID-19 pandemic. We are recommending revenue recovery for the remaining funding of \$1,673,340.

Budget amendments for the General Fund in the amount of one million six-hundred seventy-three thousand three-hundred forty dollars (\$1,673,340), for the Water Fund in the amount of two million dollars (\$2,000,000), and for the Wastewater Fund in the amount of two million dollars (\$2,000,000) are recommended for adjustment into the City’s 2021-2022 budget fully funded by ARPA monies.

**Legal/Statutory Authority:**

Approve to amend budget per W.S. 16-4-112. 16-4-113

**BUDGET/FISCAL INFORMATION:**

**REVENUE**

GRANTS	5,643,341	ARPA Funding
<b>Total FY 2020 Sources</b>	<b>\$ 5,643,341</b>	

**EXPENSE**

**Budgeted Expenditure (approved and adopted by Council)**

<b>Amendment FY 2022</b>	<b>\$ 2,000,000</b>	Capital Project B2 Sewer Line
	<b>\$ 2,000,000</b>	Capital Project 3rd Street Water Line
	<b>\$ 1,673,341</b>	Revenue Recovery

**Responsible Staff:**

Malea Brown, Chief Operating Officer

**Attachments:**

Budget Resolution