

RESOLUTION NO. R24-35

**A RESOLUTION AMENDING THE CITY'S 2024 BUDGET AND ARPA
GRANT BUDGET TO APPROPRIATE COSTS**

WHEREAS, the American Rescue Plan Act (ARPA), which was signed into law in March 2021, provides fiscal recovery funds to local governments; and

WHEREAS, ARPA provides support to local governments in responding to the impact of COVID-19 and in addressing the economy; and

WHEREAS, ARPA created several eligible uses of the funding, including one to address lost revenue for cities and towns; and

WHEREAS, the United States Department of Treasury on January 6, 2022, issued a Final Rule regarding the use of ARPA funds; and

WHEREAS, the Final Rule permits cities and towns to utilize one of the statutorily eligible uses of the funds as "lost revenue or revenue replacement" up to a standard allowance of \$10,000,000 or the total amount of a city's grant award, whichever is less; and

WHEREAS, the total grant award amount for the City of Hector is less than \$10,000,000; and

WHEREAS, the Final Rule permits cities and towns to utilize "lost revenue/revenue replacement" for any government services.

NOW, THEREFORE, be it resolved by the Hector City Council, that:

Section 1. The City hereby appropriates \$12,202.54 from the City's ARPA Grant Fund for the expenses of 2024 salary and employer payroll contribution costs (including APERS, FICA, health/dental/vision insurance costs, etc.) for one non-elected full-time street department employee starting January 1, 2024. These funds were originally disbursed from the City Street Fund and the expenses are to be transferred into the ARPA Grant Fund until fully expended. This adjustment reduces the 2024 Street Fund budget by \$12,202.54 and increases the ARPA Grant Fund budget by the same amount.

Section 2. In addition to the amount set forth in Section 1, the City hereby appropriates \$624.16 from the City's ARPA Grant Fund for the expenses of 2024 salary and employer payroll contribution costs (including APERS, FICA, health/dental/vision insurance costs, etc.) for one non-elected part-

time city employee (Office Manager) starting January 1, 2024. These funds were originally disbursed from the City General Fund and the expenses are to be transferred into the ARPA Grant Fund until fully expended. This adjustment reduces the 2024 General Fund budget by \$624.16 and increases the ARPA Grant Fund budget by the same amount.

Section 3. The City Council directs the Mayor to move the expenditures for Section 1 and Section 2 from the City Street Fund (\$12,202.54) and the City General Fund (\$624.16) accounts to the ARPA Grant Fund in the total amount of \$12,826.70, and to pay the City's Street Fund and the City's General Fund for the expenses from the City's ARPA Grant Fund in the total amount of \$12,826.70.

Section 4. On the mandatory Annual ARPA Reports, the ARPA expenses shall be reported under the Expenditure Category (EC) number 6.1 entitled "Revenue Replacement – Provision of Government Services."

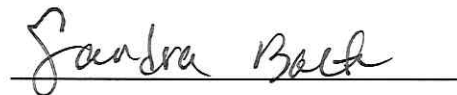
Section 5. On the Annual Publication of the Financial Report due by April 1, 2025, the ARPA expenses shall be reported under a new line item entitled "2024 ARPA Expenses," and these expenses shall not be reported under the City's Street Fund or the City's General Fund.

PASSED AND ADOPTED this 18 day of November 2024.

A handwritten signature in black ink, appearing to be "L. H. B.", written over a horizontal line.

Mayor – City of Hector

ATTEST:

A handwritten signature in black ink, appearing to be "Sandra Borch", written over a horizontal line.

Recorder/Treasurer – City of Hector