



Legislation Text

File #: 24-1030, **Version:** 1

Chief Administrative Office recommending the Board approve and authorize the Chair to sign a Fiscal Year 2023-24 budget transfer increasing operating transfers from the American Rescue Plan Act (ARPA) Special Revenue Fund by \$5,172,684, and reducing the Planning and Building budget by \$1,500,000 for ARPA funds that will no longer be allocated to Broadband projects due to the receipt of grant funding and refined project costs. (4/5 vote required)

FUNDING: American Rescue Plan Act State and Local Fiscal Recover Fund.

DISCUSSION / BACKGROUND

In March of 2021, the American Rescue Plan Act (ARPA) was signed into law, allocating \$1.9 trillion to aid in recovery from the impacts of the COVID-19 pandemic. A portion of this allocation was designated for use under the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, which provides a direct allocation of funding to counties and cities. El Dorado County received a \$37.46 million SLFRF allocation.

On April 30, 2024, the Board received a presentation regarding the status of the County's ARPA program, approved recommended changes to the approved use of funds, and directed staff to return to the Board with a budget transfer consistent with the updated project plan (Legistar item 21-1680). Among the recommended revisions approved by the Board is the removal of Broadband projects from the ARPA project plan.

The recommended budget transfer increases operating transfers from the ARPA Special Revenue Fund to the General Fund in the amount of \$5,172,684. This transfer will allow ARPA funds to reimburse expenditures incurred in the General Fund in the current and prior fiscal years which have been approved for ARPA funding. Recording these transfers in Fiscal Year 2023-24 will ensure that they are completed by the December 31, 2024, obligation deadline for ARPA SLFRF funds. Additionally, the recommended transfer removes budget for the Broadband program that had been included in the adopted Fiscal Year 2023-24 Budget.

ALTERNATIVES

There are no viable alternatives consistent with prior Board direction. The Board could provide alternative direction and alter the spending plan, but that might result in funding not being obligated by the December 31, 2024 obligation deadline.

PRIOR BOARD ACTION

21-1680 - 11/9/21 - The Board approved the County's initial ARPA project plan and allocations.
24-0786 - 4/30/24 - The Board approved updates to the ARPA project plan, and directed staff to return with a budget transfer.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Planning and Building has concurred with the reduction of their budget for the reallocation of ARPA funds originally allocated to Broadband projects.

FINANCIAL IMPACT

This item has no significant new financial impacts and aligns the FY 2023-24 Budget with the revised ARPA spending plan. The FY 2024-25 Recommended Budget and projections assume the completion of the transfers that will be authorized by the recommended budget transfer.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Obtain Chair's signature on budget transfer and forward to Chief Administrative Office for processing.

STRATEGIC PLAN COMPONENT

N/A

CONTACT

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