

RESOLUTION NO. 3682-21

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WINDSOR
REGARDING THE RECEIPT AND USE OF CORONAVIRUS STATE AND LOCAL
FISCAL RECOVERY FUNDS FROM THE AMERICAN RESCUE PLAN ACT OF 2021**

WHEREAS, on March 11, 2021, President Biden signed into law HR 1319, the American Rescue Plan Act of 2021 (“ARPA”), which provides financial assistance to individuals, businesses, and state and local government agencies to assist in the economic recovery from the COVID-19 pandemic; and

WHEREAS, ARPA includes a provision entitled “Coronavirus State and Local Fiscal Recovery Funds” (“LRF”) that includes \$350 billion in funding for state and local governments of which \$65 billion is dedicated to local government agencies; and

WHEREAS, the provisions in LRF provide flexibility for each government to meet local needs in four areas: 1) supporting public response to and economic impacts from the pandemic; 2) provide premium pay for essential workers; 3) replace lost public sector revenues; and 4) invest in water, wastewater and broadband infrastructure; and

WHEREAS, the Town is classified as a non-entitlement unit agency within the provisions of LRF and has been informed that its allocation is expected to be \$6,489,594 divided in two equal payments (tranches) of \$3,244,797 with the first payment anticipated in July 2021; and

WHEREAS, the Town will take the necessary steps to promptly file for receipt of the LRF funds through the California Department of Finance; and

WHEREAS, the US Treasury Department (“Treasury”) is responsible for administration and distribution of LRF funds and issued its Interim Final Rule (31CFR Part 35, RIN 1505-AC77) (“IFR”) on May 10, 2021 that establishes the provisions for the use of the LRF funds; and

WHEREAS, based on the Town’s review of the IFR, the Town is eligible to use the LRF funds to either: 1) restore positions frozen as a result of the pandemic recession starting in its FY 2021-22 budget; and/or 2) offset the revenue losses incurred as a result from the pandemic and use those funds for purposes of funding maintenance and pay-go funding of infrastructure and public safety (police) costs; and

WHEREAS, the Town has calculated its revenue losses resulting from the pandemic in accordance with the IFR and has determined that it has suffered revenue losses sufficient to justify the use of all LRF funds as reimbursement of revenue losses incurred.

NOW, THEREFORE BE IT RESOLVED AND ORDERED by the Town Council as follows:

1. The Town Manager, or his/her designee, is authorized to apply for and receive the Town’s allocation of LRF funds from the California Department of Finance.

2. The LRF funds received from Treasury shall be deposited into a Special Revenue Fund for tracking use of said funds in accordance with the provisions of ARPA and the IFR.
3. The Town shall use the funds up to the amount of revenue losses demonstrated in accordance with the IFR as follows:
 - a. Provide pay-go funding of Town infrastructure in the form of constructing Parks & Facilities Improvements in the Town's Fiscal Year 2021-2026 Capital Improvement Program.
 - b. Provide funding of maintenance of Town infrastructure in the form of General Fund costs associated with maintenance of streets, parks and building maintenance for FY 2021-22 and 2022-23; and
 - c. Provision of police services incurred in the General Fund in FY 2021-22 and 2022-23.
4. Any remaining funds shall be used to offset costs associated with restoring municipal services reduced as part of the pandemic recession in accordance with the IFR.
5. The FY 2021-23 budget shall incorporate the following:
 - a. Revenues of \$6,489,594 in a new Special Revenue Fund entitled "ARPA – Coronavirus Local Relief Funds" (ARPA Fund #115).
 - b. Transfers from the ARPA Special Revenue Fund to the General Fund (#10) totaling \$6,489,594 based on use of funds in accordance with the uses outlined above.

PASSED, APPROVED AND ADOPTED this 16th day of June 2021, by the following vote:

**AYES: COUNCILMEMBERS FUDGE, LEMUS,
VICE MAYOR REYNOZA AND MAYOR SALMON**

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE



SAM SALMON, AT-LARGE MAYOR

ATTEST:



**SOMMER HAGEMAN,
DEPUTY TOWN CLERK**