



MEMORANDUM

To: Mayor and Members of the City Council

From: Montique McClary, Interim City Manager
Brian Lewis, Assistant Finance Director
Alicia Steward, Finance Director

Date: September 26, 2022

Ref: Consideration – Approval of Amendment American Rescue Plan Act of 2021 Grant Project Ordinance

BACKGROUND:

Occasionally, budget amendments are needed after the initial budget is adopted by the City Council in June for the following fiscal year. These amendments are necessary for a variety of reasons – to carry forward projects that were approved in the prior year, but were not completed before June 30th; to reflect contracts that were approved in the current year, but were not foreseen and previously budgeted, and for increases in costs that were estimated in the budget at a lower amount. On June 27, 2022, the Council approved Grant Project Ordinance ARPA Funds for \$5,657,198.33.

ANALYSIS:

At this time, we are requesting to amend the Capital Project ordinance for moving the unassigned funds to the appropriations as follows:

- Decrease Unassigned by \$5,657,198.33
- Increase Fire Department: Portable Radios by \$259,782.00
- Increase Salary Expense to Police by \$442,000.00
- Increase Salary Expense to P&R Salaries by \$365,000.00
- Increase Salary Expense to Finance Salaries by \$320,000.00
- Increase Salary Expense to IT Dept. Salaries by \$150,000.00
- Increase Salary Expense to Public Utilities Salaries by \$4,120,416.33

STAFF RECOMMENDATION:

By motion, approve the attached Capital Project budget amendment to modify the original Capital Project Ordinance as approved by City Council on June 27, 2022.



**ORDINANCE #2022-09-01
AMENDMENT TO CAPITAL PROJECT ORDINANCE # 2022-06-04
AMERICAN RESCUE PLAN ACT OF 2021
CORONAVIRUS STATE AND LOCAL PISCAL RECOVERY FUNDS
CITY OF ELIZABETH CITY**

BE IT ORDAINED by the City Council of the City of Elizabeth City, North Carolina:

SECTION I. To amend the Grant Project Ordinance, the appropriations are to be changed as follows:

Account #	Account Name	Decrease	Increase
60-5700-6000	Unassigned	\$5,657,198.33	
60-5300-7400	Portable Radios		\$259,782.00
60-5100-1000	Salary Expense to Police Salaries		\$442,000.00
60-6200-1000	Salary Expense to P&R Salaries		\$365,000.00
60-4400-1000	Salary Expense to Finance Salaries		\$320,000.00
60-6900-1000	Salary Expense to IT Salaries		\$150,000.00
60-8100-1000	Salary Expense to Public Utilities Salaries		\$4,120,416.33
	Total	\$5,657,198.33	\$5,657,198.33

ADOPTED, this 26th day of September, 2022.

E. Kirk Rivers
Mayor

Attest:

April Onley, NCCMC
City Clerk



ORDINANCE #2022-06-04

**GRANT PROJECT ORDINANCE FOR THE CITY OF ELIZABETH CITY
AMERICAN RESCUE PLAN ACT OF 2021:
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**

BE IT ORDAINED by the City Council of the City of Elizabeth City, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

Section 1: The City Council of the City of Elizabeth City, does hereby ratify the acceptance of \$2,828,599.17 from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (CSLFRF) and does hereby authorize the Mayor to execute any necessary documents related to the funds on behalf of the City Council of the City of Elizabeth City.

Section 2: This ordinance is to establish a budget for projects to be funded by the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (CSLFRF). The City of Elizabeth City has received the first tranche in the amount of \$2,828,599.17 of CSLFRF funds. The total allocation is \$5,657,198.33, with the remainder to be distributed to the City within 12 months. These funds may be used for the following categories off expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sections, and;
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Section 3: The following amounts are appropriated for the project and authorized for expenditure:

Unassigned (60-5700-6000)	\$5,657,198
Transfer to General Fund (60-5700-9201)	

Section 4: The following revenues are anticipated to be available to complete the project:

CSLFRF Funds (60-3490-5166)	\$5,657,198
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Section 5: No funds may be obligated or expended until they are properly budgeted by the City Council of the City of Elizabeth City.

Section 6: The Finance Officer is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements.

Section 7: The Finance Officer is hereby directed to report the financial status of the project to the governing Board on a quarterly basis.

Section 8: Copies of this grant project ordinance shall be furnished to the Budget Officer, the Finance Officer and the Clerk to City Council.

Section 9: This grant project ordinance expires on December 31, 2026, or when all the CSLFRF funds have been obligated and expended by the City, whichever occurs sooner.

ADOPTED this the 27th day of June, 2022.



Edward Kirk Rivers
Mayor

ATTEST:



Doris Walton, NCCMC
Deputy City Clerk

