



DATE: March 19, 2024

TO: Town Council, Town of Carrboro

FROM: Bret Greene, Finance Director

SUBJECT: America Rescue Plan Act (ARPA) Update for Town of Carrboro

Mayor and Council members,

Below provides a summary of where the Town stands in relation to the Federal dollars received for the Town of Carrboro totaling \$6.75M. The summary paragraph is followed by definitions/timeline, spend to date, major projects in works, and next steps. Any inquiries, as always, are welcomed to the finance staff or other departments through the direction of the Town Manager.

Background / Timeline / Definitions

- \$1.9 Trillion Federal Stimulus Bill to aid public health and economic recovery from the COVID-19 pandemic
- “Final Rule” published 1/6/2022 provides additional clarity and flexibility on uses including:
 - Capital Expenditures
 - Expansion of public sector hiring and capacity
 - Premium pay for essential works
 - Broadening eligible broadband, water, and sewer infrastructure
- Timeline

Funds Received	Funds Obligated		Funds Spent
	by Town	Funds Contracted	
2021	2023	2024	2026

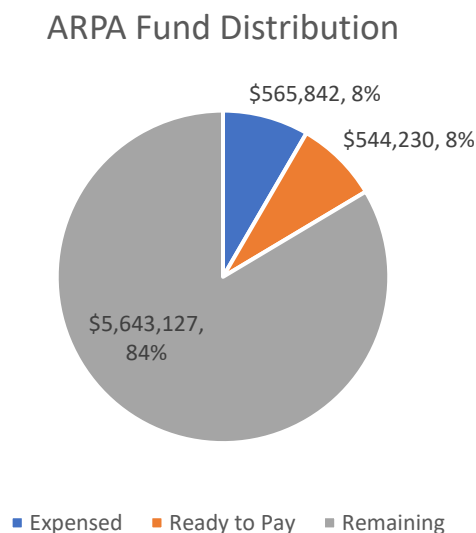


- Town of Carrboro allocated \$6.75M in 2021 and 2022
 - \$6.2M on 6/11/2021
 - \$0.5M on 9/14/2021
- Town has until 12/31/2024 to **CONTRACTUALLY OBLIGATE FUNDS**
 - Dollars cannot just be programmed, but need to be under contract according to Federal bidding requirements prior to calendar year-end 2024
 - It is not enough to decide on fund usage through Council and Staff recommendations
- Town has until 12/31/2026 to EXPEND ALL FUNDS
 - Under current guidance, Town has additional 24 months to spend ARPA dollars
 - **Consideration** – any funds contracted prior to calendar YE 2024 (meeting deadline) that do not transact (do not meet contract specifications, individual within a designed staffing position – note individual, not position, vendor or organization bankruptcy) CANNOT be re-allocated under current law after 12/31/2024 cutoff
 - Town of Carrboro goal, therefore, is to expend the majority of the remaining \$6.2M in calendar year 2024.

Council Approved Programming

- In 2022, Council approved spending for a staff-created list of ARPA projects to benefit the Town of Carrboro
- These 40 projects span 8 departments with projects as small as \$3,000 up to \$1,000,000
- Programming will be initially revisited with staff and represented to Council in Spring, 2023

Current Expenditures and Programming



Reporting Guidelines

Reporting guidelines vary by identified projects. For the Town of Carrboro, Council is offered optionality in project expenditures as the appropriation from the Federal Government was under \$10M.

The goal of staff is to promote transparency in financial reporting to the State and Federal Governments to exceed recommended reported standards. As stated in Pocket Questions, much of the financial reporting focuses upon the ability to measure effectiveness in fund programming as it relates to both ARPA intentions for equitable recovery from the pandemic and aligning with Council directives.

Next Steps

As stated, staff will continue to work to present recommendations to Council for expenditures of ARPA funds. The Town has hired a Grants Manager to focus solely on ARPA distribution from March – June of 2024. The Town is committing to spending the entire \$6.75M by 12/31/2026, with a goal of 60% equitably expended by 12/31/2024.