



# MEMORANDUM

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**Ordinance 23-42, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Re-Appropriating the 2<sup>nd</sup> Tranche of American Rescue Plan Act (ARPA) Funds in the Amount of \$716,685.16 to the General Fund as Revenue Replacement. City Manager/Finance Director.**

**Item Type:** Backup Memorandum  
**Prepared For:** Mayor Castner and Homer City Council  
**Date:** July 11, 2023  
**From:** Rob Dumouchel, City Manager

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As part of the American Rescue Plan Act (ARPA), the City of Homer was awarded \$1,433,370.33 to be paid in two tranches across two different years. The first tranche was received in FY22 and appropriated as revenue replacement. The second tranche was originally considered for use for water and sewer needs. That approach did not work as planned so we are asking Council to use Ordinance 23-42 to re-appropriate the second tranche of ARPA funds to the General Fund as revenue replacement. Our ability to accept ARPA funds as revenue replacement was confirmed by an analysis conducted by Porter & Alison before we appropriated the original tranche in 2022.

**Staff Recommendation:** Adopt Ordinance 23-42