

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Finance Director

ORDINANCE 23-42

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY23 CAPITAL BUDGET BY RE-APPROPRIATING THE SECOND TRANCHE OF AMERICAN RESCUE PLAN ACT (ARPA) FUNDS IN THE AMOUNT OF \$716,685.16 TO THE GENERAL FUND AS REVENUE REPLACEMENT.

WHEREAS, The City of Homer was awarded \$1,433,370.33 to be paid in two tranches, one year apart; and

WHEREAS, The first tranche of \$716,685.17 was received in FY22 and City Council approved Ordinance 21-55 appropriating this tranche as General Fund revenue replacement; and

WHEREAS, The second tranche of \$716,685.16 was received by the City of Homer and originally intended for use related to water and sewer needs by Ordinance 22-60; and

WHEREAS, The original plan intent for the second tranche did not work as anticipated and the funds need to be re-appropriated; and

WHEREAS, There is a desire to accept the second tranche funds as General Fund revenue replacement similar to the first tranche appropriated by Ordinance 21-55; and

WHEREAS, These funds have to be fully expended by December 31, 2026.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY23 Capital Budget by re-appropriating the second tranche of ARPA funding in the amount of \$716,685.16 for General Fund revenue replacement as follows:

Revenue:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
119-0375	ARPA Funding	\$716,685.16

Transfer to:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
100	General Fund	\$716,685.16



CC-23-171

MEMORANDUM

Ordinance 23-42, An Ordinance of the City Council of Homer, Alaska Amending the FY23 Capital Budget by Re-Appropriating the 2nd 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

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