



STAFF REPORT – CITY COUNCIL MEETING

April 17, 2024

TO: Honorable Mayor and City Council Members

FROM: Tabatha Miller, Finance Director

PREPARER: Tabatha Miller, Finance Director

DATE: April 08, 2024

TITLE: **Potential Allocation of Remaining City Council Fiscal Year (FY) 2023-24 Community Support Funds.**

RECOMMENDATION:

It is recommended that the Council review the remaining community support funds budgeted for FY 2023-24 and consider use or allocation of those funds prior to the end of the fiscal year on June 30, 2024.

INTRODUCTION:

Included in the FY 2023-24 Adopted Budget for City Council was \$45,000 for Community Support Payments. Additionally, \$20,000 in American Rescue Plan Act (ARPA) funds was appropriated for Community Support Payments. The purpose of this agenda item is to allow the City Council to consider projects, programs or events that it would like support with the remaining \$62,000, prior to the end of the fiscal year—June 30, 2024.

BACKGROUND:

Prior to and during development of the FY 2023-24 Budget, the City Council discussed having a small amount of funding that could be used throughout the budget year to support or address programs, events or small projects that were not included in the original budget process. As a result, \$45,000 was included in the City Council's Department Budget to allow requests or unforeseen needs to be addressed throughout the year.

On December 6, 2023, the City Council approved a \$3,000 request from the Humboldt Community Emergency Response Team Coalition for partial funding to sponsor CERT training with a priority for City of Arcata citizens and community members. Less the \$3,000 CERT sponsorship, \$42,000 remains in the City Council's budget. Additionally, the City Council set aside \$35,000 of American Rescue Plan Act (ARPA) funds in FY 2022-23 for Other Support Payments that went unspent. Of the \$35,000, \$20,000 was carried forward and re-budgeted in FY 2023-24. As of writing this staff report - \$20,000 in ARPA funds remains available.

The Council may choose to allocate these funds (\$62,000) during the last quarter of the FY 2023-24 to projects and programs that the Council identifies as City priorities.

DISCUSSION:

Any unspent funds as of June 30, 2024, will be unappropriated and potentially remain available for budget allocation in FY 2024-25 or a future year. It is important to note that both the ARPA Other Support Payments and the City Council Community Support Payments were considered one-time funding and not necessarily intended to support ongoing projects or endeavors.

The City Council may decide to allocate specific funding during this agenda item, roll all or a portion of the unspent funds forward to the FY 2024-25 budget, or allow all or a portion of the appropriations to lapse at year end and return to the unappropriated fund balance.

BUDGET/FISCAL IMPACT:

Unless the Council increases or decreases the amount of funds budgeted for Community Support Payments in either the General Fund (Account:101-10-01-52108) or the ARPA Fund (Account: 224-10-01-52108) there is no budgetary impact from Council decisions/direction to spend already budgeted funds. Budgeted funds that remain unspent at year end have a positive fiscal impact to the City. Those funds are unappropriated and become available to fund future programs or services.

ATTACHMENTS:

- A. Potential Community Project - Samoa and H (DOCX)