



Legislation Text

File #: RES 21-1111, **Version:** 1

Recommending release of \$86,034 from the City general fund contingency account to the Parks and Recreation Department to increase rec center hours and to release \$70,000 from the Library general fund contingency account to increase staff capacity.

WHEREAS, the 2021 adopted budget, RES 20-1649 included \$86,034 for Park and Rec Center hours in a contingency reserve account, and

WHEREAS, the 2021 adopted budget, RES 20-1661 included \$70,000 for Library staffing in a contingency reserve account, and

WHEREAS, the contingency policy states revenue projections will be reviewed in June 2021, and

WHEREAS, the adopted contingency policy states if the June revenue forecast is greater than 1% of budget, use of contingency funding would be approved, and

WHEREAS, the Office of Financial Services reviewed June revenue forecasts and estimated there will not be 1% revenue surplus in revenue, releasing contingency was not approved, and

WHEREAS, the adopted contingency policy states a forecast in September would be the next time contingency may be approved, and

WHEREAS, the American Rescue Plan Act was enacted into law March 10, 2021 and local governments learned they would be receiving recovery aid from the federal government, and

WHEREAS, on May 10, 2021 the American Rescue Plan Act Interim Rule was published with details on qualifying uses of the money, and

WHEREAS, the City received half of the recovery funding in the amount of \$83,320,812 on May 26, RES PH 21-129, and

WHEREAS, the American Rescue Plan Act funding allows revenue lost to be replaced with federal funds, and

WHEREAS, the contingency policy was developed without knowledge of the American Rescue Plan recovery funds becoming available, and

WHEREAS, the contingency reserve account should be approved for release, based on the new information that the American Rescue Plan can be used to replace lost revenue, now, therefore, be it

RESOLVED, that the Council of the City of Saint Paul recommends and requests that the Carter Administration transfer funds from the contingency reserve account, if available, or otherwise dedicate alternative funds as follows:

- to the Parks and Recreation Department general fund in the amount of \$86,034 and
- to the Library Department general fund in the amount of \$70,000.