

ORDINANCE #23-03:

AN ORDINANCE AMENDING AND CLOSING THE AMERICAN RESCUE PLAN ACT SPECIAL REVENUE FUND AND TRANSFERRING REMAINING FUNDS TO THE GENERAL FUND FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA.

THAT WHEREAS, as part of the American Rescue Plan Act of 2021 signed into law on March 11, 2021, the Village received funds from the Coronavirus State and Local Fiscal Recovery Fund to provide support in responding to the impact of COVID-19; and

WHEREAS, the Village adopted Ordinance #21-10 to establish the American Rescue Plan Act Special Revenue Fund to track the use of the grant funds received; and

WHEREAS, the actual grant funds received of \$5,296,751.52 exceeded the appropriation estimated and authorized in Ordinance #21-10 of \$4,860,000; and

WHEREAS, the U.S. Treasury issued its Final Rule regarding use of American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA) on January 6, 2022 effective April 1, 2022; and

WHEREAS, the Final Rule identifies permissible uses of ARPA funds and certain limitations and process requirements; and

WHEREAS, local governments must allocate ARPA funds no later than December 31, 2024 and disburse all funding no later than December 31, 2026.; and

WHEREAS, the grant funds earned \$108,286 of investment income which is not subject to the requirements of 2 CFR 200.305(b)(9) which requires interest income in excess of \$500 to be remitted to the Federal funding agency; and

WHEREAS, the Village has elected to take the standard allowance, as authorized by 31 CFR Part 35.6(d)(1) and expend all its ARPA funds for the provision of government services; and

WHEREAS, the grant has been fully expended as of February 28, 2023, with all allowable expenditures for general government services being accounted in the General Fund as appropriated in the FY 2023 Annual Budget Ordinance #22-05; and

WHEREAS, the Village wishes to transfer all funds in the American Rescue Plan Act Special Revenue Fund to the General Fund and close the American Rescue Plan Act Special Revenue Fund;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 14th day of March 2023, as follows:

SECTION 1. To amend the American Rescue Plan Act Special Revenue Fund with regard to revenues and expenditures, the revenue and expenditure accounts are to be changed as follows:

| <u>Account No.</u> | <u>Account Name</u> | <u>Debit</u> | <u>Credit</u> |
|--------------------|-----------------------------------|-----------------|-----------------|
| 24-00-170-3372 | American Rescue Plan Grant | | \$ 436,751.52 |
| 24-00-220-6805 | American Rescue Plan Expenditures | | \$ 4,860,000.00 |
| 24-00-920-9010 | Transfer to General Fund | \$ 5,296,751.52 | |
| 24-00-120-3890 | Investment Income | | \$ 108,286.00 |
| 24-00-920-9010 | Transfer to General Fund | \$ 108,286.00 | |

SECTION 2. The American Rescue Plan Act Special Revenue fund balance of \$5,405,037.52 is to be transferred to the General Fund.

SECTION 3. The American Rescue Plan Act Special Revenue Fund established by Grant Project Ordinance #21-10 is closed.

SECTION 4. Copies of this ordinance shall be furnished to the Village Clerk, Village Manager, and Financial Services Director for their direction and implementation.

THIS ORDINANCE passed and adopted this 14th day of March, 2023.



VILLAGE OF PINEHURST
VILLAGE COUNCIL

By *John C. Strickland*
John C. Strickland, Mayor

Attest:

Kelly Chance
Kelly Chance, Village Clerk

Approved as to Form:
Michael J. Newman
Michael J. Newman, Village Attorney