

To: President and Members of the Munster Town Council

From: Wendy Mis, Clerk-Treasurer

Date: April 19, 2021

Re: Ordinance 1826:
Creation of the ARP Coronavirus Local Fiscal Recovery Fund (176)

In response to the Coronavirus pandemic, the federal government adopted the American Rescue Plan Act earlier this year. The Town of Munster's projected allocation is \$4,683,778.52. The Town is expected to receive two distributions: one in 2021 and the second in 2022. Funds must be spent on or before December 31, 2024.

The Indiana State Board of Accounts has provided Directive 2021-1 on how to account for these monies. Under this guidance, the Town must establish a separate fund by ordinance to account for transactions related to the ARP Act allocation.

The ordinance specifies the uses of the fund in accordance with the purposed outlined in Section 603(c) of the Social Security Act. The Town Council must appropriate the money in Fund(176) for a use consistent with Section 603(c) and will do so in a future ordinance. The Town of Munster will comply with these guidelines and provide a detailed plan at a future date before any funds are distributed.

A detailed accounting of ARP funds will be maintained in a separate file for future audits of APR funds. Every dollar disbursement will be tracked and supporting documentation will be retained. Each disbursement will be directly tied to a use listed in Section 603 (c). The Town will use some of the ARP funds to recover costs incurred for the provision of governmental services as provided in Section 603(c)(1)(C) and will maintain the detailed calculations of the reduction in revenue due to COVID-19 using the most recent full fiscal year prior to the emergency, 2019.

RECOMMENDED ACTION:

By motion and roll call vote, hear Ordinance 1826 on first reading and schedule second reading for the next regular meeting.