



CITY OF ARCHDALE

CITY COUNCIL

MEETING DATE: Tuesday August 25, 2020

SUBJECT: Resolution Creating CARES Act Special Revenue Fund

RECOMMENDATIONS OR COMMENTS: The federal government passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) on March 27, 2020. The Act provides funding to cover COVID-19 expenses for the public health emergency that were not budgeted as of March 27, 2020 and are incurred between March 1, 2020 and December 30, 2020. The funds provided by the Act are intended to help state and local governments cover costs directly associated with the emergency. The North Carolina General Assembly allocated amounts to each county from the State's CARES allocation. Randolph County is required to offer 25% of its allocation with municipalities based on population. Archdale has \$289,081 available from the Act.

Based on NCGS 159-26(b)(2) and GASB Statement 54, CARES Act funds should be budgeted and accounted for in a special revenue fund. Local governments should keep adequate records to improve transparency and demonstrate that funds have been used appropriately and within the limitations of the Act.

Staff recommends approving a resolution to create a CARES Act Special Revenue Fund Budget Ordinance as an addition to the City of Archdale Operating Budget for the fiscal year ending on June 30, 2021.

SUMMARY OF ATTACHED INFORMATION: Proposed Resolution and Proposed Fund Budget.

ATTACHMENTS: YES NO



RESOLUTION

Authorizing Special Revenue Fund

WHEREAS, the federal government passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) on March 27, 2020 to help state and local governments cover costs directly associated with the COVID-19 emergency; and,

WHEREAS, the Act provides funding to cover COVID-19 expenses for the public health emergency that were not budgeted as of March 27, 2020, and, were incurred between March 1, 2020 and December 30, 2020; and,

WHEREAS, the U.S. Treasury Department has issued Guidance for the use of these emergency funds; and,

WHEREAS, NCGS 159-26(b)(2) authorizes the creation of a special revenue fund.

NOW, THEREFORE, BE IT RESOLVED

- Section 1.** The Archdale City Council hereby creates the CARES Act Special Revenue Fund for the purposes of tracking and reporting eligible expenditures and CARES Act revenues.
- Section 2.** This CARES Act Special Revenue Fund shall remain until the expiration of the original act and any subsequent extensions or additions provided by the federal government.
- Section 3.** This resolution shall become effective upon its adoption.

Adopted this 25th day of August 2020.

Bert Lance-Stone, Mayor

ATTEST:

Susan. T. Swaim, City Clerk



CITY OF ARCHDALE
CARES ACT SPECIAL REVENUE FUND BUDGET ORDINANCE
FISCAL YEAR ENDING JUNE 30, 2021

BE IT ORDAINED by the City Council of the City of Archdale, North Carolina that the following anticipated fund revenues and expenditures, with certain restrictions and authorizations, are hereby appropriated and approved for the CARES Act Special Revenue Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

Section 1.

ESTIMATED REVENUES

Restricted Revenues

Revenue from Other Governments	\$ 289,081
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APPROPRIATED EXPENDITURES

General Government	\$ 150,000
Public Safety	\$ 55,000
Parks and Recreation	\$ 50,981

Transfer to General Fund for prior year expenditures	\$ 29,200
Transfer to Water and Sewer Fund for prior year expenditures	\$ 3,900
	<u>\$ 289,081</u>

Section 2. The budget officer may transfer amounts between functions without limitation.

Section 3. Expenditure of CARES Act funds will be preaudited in accordance with the Local Government Budget and Fiscal Control Act and be used as allowed for in the "Coronavirus Relief Fund Guidance for State Territorial, Local and Tribal Governments" (April 22, 2020), and "FAQ."

Section 4. Copies of this budget shall be furnished to the City Clerk and the Finance Director for their direction.

Adopted this 25th day of August 2020.

ATTEST

Bert Lance-Stone, Mayor

Susan T. Swaim, City Clerk