

ORDINANCE 2021-12

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF LEBANON,
INDIANA, ESTABLISHING A LOCAL FUND FOR FEDERAL ASSISTANCE
RECEIVED FROM THE AMERICAN RESCUE PLAN ACT OF 2021**

WHEREAS, the City of Lebanon (the “City”) is a duly formed municipal corporation within the State of Indiana, governed by its duly elected Mayor and Common Council (the “Council”);

WHEREAS, it is the duty and responsibility of the Council to maintain fiscal integrity of the finances of the City;

WHEREAS, from time to time, the Council is empowered to establish local funds for various governmental purposes;

WHEREAS, the American Rescue Plan Act of 2021 (the “ARP”) was enacted on March 11, 2021;

WHEREAS, the ARP, among other things, established a Coronavirus Local Fiscal Recovery Fund, which provides for the disbursement of emergency federal assistance to local government units to mitigate the negative fiscal impacts stemming from the COVID-19 public health emergency;

WHEREAS, the revenue received by local government units may only be utilized for specified purposes;

WHEREAS, the Indiana State Board of Accounts issued State Examiner Directive 2021-1 requiring the establishment of a separate fund for federal assistance received through the ARP;

WHEREAS, the City is a non-entitlement unit of local government and therefore will receive an allocation from the Coronavirus Local Fiscal Recovery Fund under Section 603 of the Social Security Act, as added by Section 9901 of the ARP (“ARP Funds”) from the State of Indiana; and

WHEREAS, the Council now desires to create a separate non-reverting local fund to receive and expend the ARP Funds in accordance with Section 603(c) of the Social Security Act and federal and State guidance.

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the City of Lebanon, Indiana, Boone County, Indiana meeting in regular session as follows:

Section 1. **Establishment of ARP Coronavirus Local Fiscal Recovery Fund.** The Council hereby establishes a special non-reverting fund entitled the “ARP Coronavirus Local Fiscal Recovery Fund,” Fund Number 176 (the “ARP Fund”).

Section 2. **Purpose.** All monies received by the City under Section 603(c) of the

Social Security Act, as added by Section 9901 of the ARP, shall be deposited in the ARP Fund. The ARP Fund shall serve as a local fund which supports expenditures in accordance with Section 603(c) of the Social Security Act and guidance issued by federal and State of Indiana agencies. The ARP Fund is a special purpose non-reverting fund and therefore unexpended cash balances in the ARP Fund will remain in the ARP Fund and will not revert to the General Fund at year end.

Section 3. **Plan.** Expenditures from the ARP Fund must be made in accordance with a written plan, adopted by the Council, which defines the allocation of monies among the eligible uses prescribed in Section 603(c) of the Social Security Act, as added by Section 9901 of the ARP.

Section 4. **Disbursements.** Disbursements from the ARP Fund must be appropriated by the Council in accordance with the City's claims approval process prior to expenditure. All disbursements must be made from the ARP Fund, and shall not be transferred to another fund of the City.

Section 5. **Uses of ARP Funds.** Cash balances in the ARP Fund may be used only for the following purposes prescribed in Section 603(c) of the Social Security Act, as added by Section 9901 of the ARP. Those eligible uses include covering costs of the City:

- (a) to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- (b) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the City that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
- (c) for the provision of government services to the extent of the reduction in revenue of the City due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the City prior to the emergency; or
- (d) to make necessary investments in water, sewer, or broadband infrastructure.

Section 6. **Administration of the Fund.** The Clerk-Treasurer shall keep accurate and complete financial records of any and all ARP Funds deposited and paid from the ARP Fund.

Section 7. **Closure of ARP Fund.** The ARP Fund shall be liquidated and closed on the later of December 31, 2024, or the date of the final eligible payment from the ARP Fund of cash balances encumbered prior to December 31, 2024. Any unused ARP Funds shall be paid back to the Secretary of the United States Treasury.

Section 8. **Effective Date.** This Ordinance shall be in full force and effect immediately upon its adoption.

* * * * *

ALL OF WHICH IS ADOPTED this 26 day of July, 2021 by the Lebanon Common Council of the City of Lebanon, Indiana.

Voting For

Voting Against

Abstain

Keith Campbell
Keith Campbell

Keith Campbell

Keith Campbell

John Copeland
John Copeland

John Copeland

John Copeland

Morris Jones
Morris Jones

Morris Jones

Morris Jones

Mike Kincaid
Mike Kincaid

Mike Kincaid

Mike Kincaid

Sierra Messenger
Sierra Messenger

Sierra Messenger

Sierra Messenger

Dick Robertson
Dick Robertson

Dick Robertson

Dick Robertson

ABSENT
Brent Wheat

Brent Wheat

Brent Wheat

ATTEST:

Tonya Thayer
Tonya Thayer, Clerk-Treasurer

I hereby certify that Ordinance No. 2021-12 was delivered to the Mayor of Lebanon on the 26 day of July, 2021, at 7:27 p.m.

Tonya Thayer
Tonya Thayer, Clerk-Treasurer

I hereby APPROVE ORDINANCE 2021-12 this 26 day of July, 2021, at 7:30 p.m.

[Signature]
Matthew T. Gentry, Mayor

I hereby VETO ORDINANCE 2021-12 this ___ day of _____, 2021, at ___:___ .m.

Matthew T. Gentry, Mayor

ATTEST:

Tonya Thayer
Tonya Thayer, Clerk-Treasurer

This document prepared by:
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