



MEMORANDUM

TO: Whatcom County Council

THROUGH: Satpal S. Sidhu, County Executive

FROM: Kayla Schott-Bresler, Deputy Executive

RE: AB 2024-775 – 2024 Budget Amendment – ARPA Revenue Loss

DATE: November 25, 2024

Background

Whatcom County received \$44,528,542 in federal American Rescue Plan Act (ARPA) funds from the U.S. Department of the Treasury. On June 15, 2021, Whatcom County established the ARPA Fund – Fund 138 – through Ordinance 2021-036. All funding from the ARPA grant must be obligated by December 31, 2024, and spent by December 31, 2026.

The Council and Executive collaborated on an ARPA spending plan for allocating these funds. The Administration has informed the Council that a portion of the programmatic investments of ARPA funds will be first accounted for by utilizing “revenue loss” reporting to Treasury, allowing the County to benefit from maximum regulatory flexibility, particularly with respect to expenditure deadlines.

AB 2027-775 ARPA Transfers

AB 2024-775 reflects a request for supplemental budget authority to utilize up to \$7,500,000 of ARPA funds for revenue loss. This amount reflects the County’s cash balance on the ARPA grant. Per earlier discussion with the Council, revenue loss ARPA funds will be spent on eligible salary and benefits (law enforcement and corrections labor expenses). An associated budget action will then move the general fund savings into the Community Priorities Fund for the Council-directed ARPA spending (i.e. food bank, search and rescue, etc.)

The Council has committed to specific priorities for ARPA funding (i.e. childcare, homeless services, food bank, search and rescue). Still, the remaining revenue needs to be transferred to the Community Priorities Fund (Fund 147) before the ARPA 12/31/24 expenditure deadline.

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EXECUTIVE'S OFFICE
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Satpal Singh Sidhu
County Executive

The Administration will bring forward separate budget actions in 2025 for expenditure authority from the Community Priorities Fund.

The Administration may not need to use all this budget transfer authority. We are asking for authorization up to the maximum balance of the fund so we do not risk returning funds to the federal government based on year-end budget reconciliation.

Please contact Kayla Schott-Bresler x 5220 with any questions.