



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: November 4, 2024

SUBJECT: ARPA Update and Reallocation Considerations

RECOMMENDED MOTION:

Move approval to reallocate returning ARPA funds and remaining Administration and Health Services funds to Revenue Replacement category.

As determined by the Board of Commissioners, approve specific project earmarks within the new General Fund reserve.

BACKGROUND AND POLICY IMPLICATIONS:

In 2023, the Board fully allocated all remaining ARPA funds. In recent months and with the completion of some of those projects, there are remaining ARPA funds available for reallocation.

The Board had allocated a total of \$1.8M for future homeless and/or managed camp. \$1.5M of that was allocated to the Coordinated Homeless Response Office (CHRO) for an RFP process and \$300,000 was held in a homeless/managed camp contingency. That project has not moved forward as expected and those funds are available for reallocation.

The Board had allocated \$480,182 toward eligible costs in the District Attorney's Office and Victim's Assistance under ARPA's Community Violence Intervention category. This included programs such as the Veterans Implementation Strategy, Emerging Adult Program, and High-Risk Domestic Violence Team. The office was able to utilize \$420,877.71 of those funds and return \$59,304.29 of available funds for reallocation.

Lastly, in 2021 the Board had allocated \$2,425,681 to Health Services for their Covid contact tracing program. That program ended with a remaining balance of \$85,892.46 available for reallocation.

As shown in the following table, the remaining available funds total \$1,883,608.77. Finance staff recommends the reallocation of that amount to the ARPA Revenue Replacement category. The Treasury allows up to a \$10M standard allowance which the County has not utilized to date. This category serves to replace lost revenue and allows that funding to be

utilized for the provision of government services. These funds will reimburse Deschutes County for eligible expenses already incurred from the General Fund related to government services. The amount of \$1,883,608.77 will be reserved in the General Fund for future approved ARPA allocations. This reservation gives the County the flexibility to obligate these funds after the deadline of December 31, 2024. If the Board desires, any funds that were then made available in the General Fund could be earmarked for any of the proposed projects below, pending Board approval.

Project	Funds Available for Reallocation
Homeless/Managed Camp	\$1,500,000
Remaining Homeless/Managed Camp reserve	\$300,000
District Attorney's Office Community Violence Prevention	\$59,304.29
Health Services Contact Tracing	\$85,892.46
Total	\$1,945,196.75

Requested Projects for Earmarking New General Fund Reserve Funds

The total amount of requested projects exceeds the amount of available ARPA funds. The table and summaries the requests.

Proposed Project	Proposed Earmarks for GF Reserve from ARPA funds
Homeless/Managed Camp	\$1,800,000
ARPA Administration	\$111,273
Terrebonne Sanitary District	\$75,000
Tumalo Sanitary District	\$25,000
Health Services	\$45,000
Shepherd's House	\$225,000
Proposals Total Amount	\$2,281,273

ARPA Administration

Funds allocated to ARPA administration support ongoing staff time for management of the grant. Previous allocations include \$392,000 in July of 2021, and \$162,000 in March 2024. Due to several factors including large increases in health plan costs and PERS rates, the most recent allocation was too low based on a projection for covering costs through December 2026. Finance is requesting \$111,273 to partially cover an existing 1.0 regular duration FTE position, responsible for both ARPA management and countywide budget functions.

Sanitary Districts

Terrebonne and Tumalo Basin Sanitary Districts both presented to the Board of Commissioners on Monday October 28, 2024, with their requests as noted below. Their

related memos are attached to this staff report.

- Terrebonne Sanitary District Request: \$75,000
- Tumalo Basin Sanitary District Request: \$25,000

Health Services

Deschutes County Health Services have requested funds to support both the Homeless Outreach Services Team and Public Health Response and Recovery. That request is attached to this staff report.

Shepherd's House

Shepherd's House is requesting \$225,000 for the purchase of a home in order to expand shelter services for houseless women and children. That request is attached.

Recategorize

For the existing projects of ARPA Administration, Health Services Homeless Outreach Services, and Public Health Response and Recovery, those remaining funds can be reallocated to revenue replacement and then earmarked within the General Fund reserve for the same projects.

BUDGET IMPACTS:

Any funds reallocated to the ARPA Revenue Replacement category would increase funds within the General Fund. Staff would create a GF reserve account for the amount approved today for future use, including any allocations for projects approved today as well.

ATTENDANCE:

Robert Tintle, Chief Financial Officer
Cam Sparks, Budget and Financial Planning Manager
Laura Skundrick, Management Analyst