

General Fund Fiscal and American Rescue Plan Act Update

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Direction Needed from Council

Staff seeks direction to bring back a resolution to accept the American Rescue Plan Act funding on future consent calendar.



Agenda

- General Fund 2020 Performance
- General Fund 2021 First Quarter Performance
- Forecast Update
- American Rescue Plan Act Update

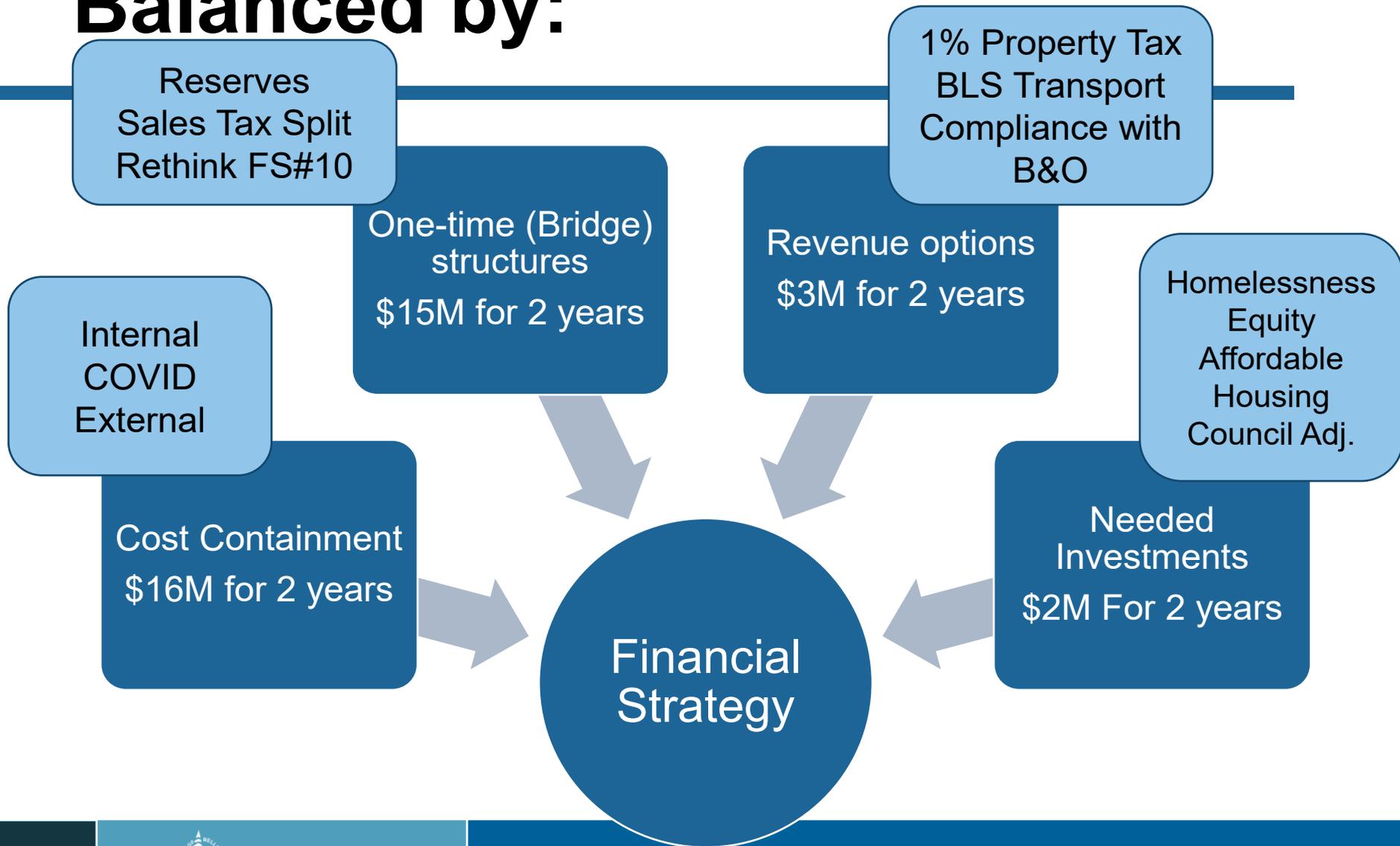


2020 General Fund Year End (Compared to Pre-COVID)

- Revenues – Due to COVID impacts - \$24M(11%) less than budget
- Expenditures – Under budget by \$19M
 - CARES Act : \$4.1M
 - Health Benefits Holiday: \$3.6M
 - Under Spending: \$11.5M
- Utilized \$4.5M in reserves; ending at 18.5%



2021-2022 General Fund Balanced by:



2021 First Quarter performance is looking close to budget...

Good News

- Revenues projected slightly above budget (\$2.6M; 1.2%)

Total Budget Rev:
\$211M

Total 2021 YE
Est: \$214M

Not so Great News

- Expenditures projects above budget \$1M.

Total Budget Exp:
\$216M

Total 2021 YE
Est: \$217M

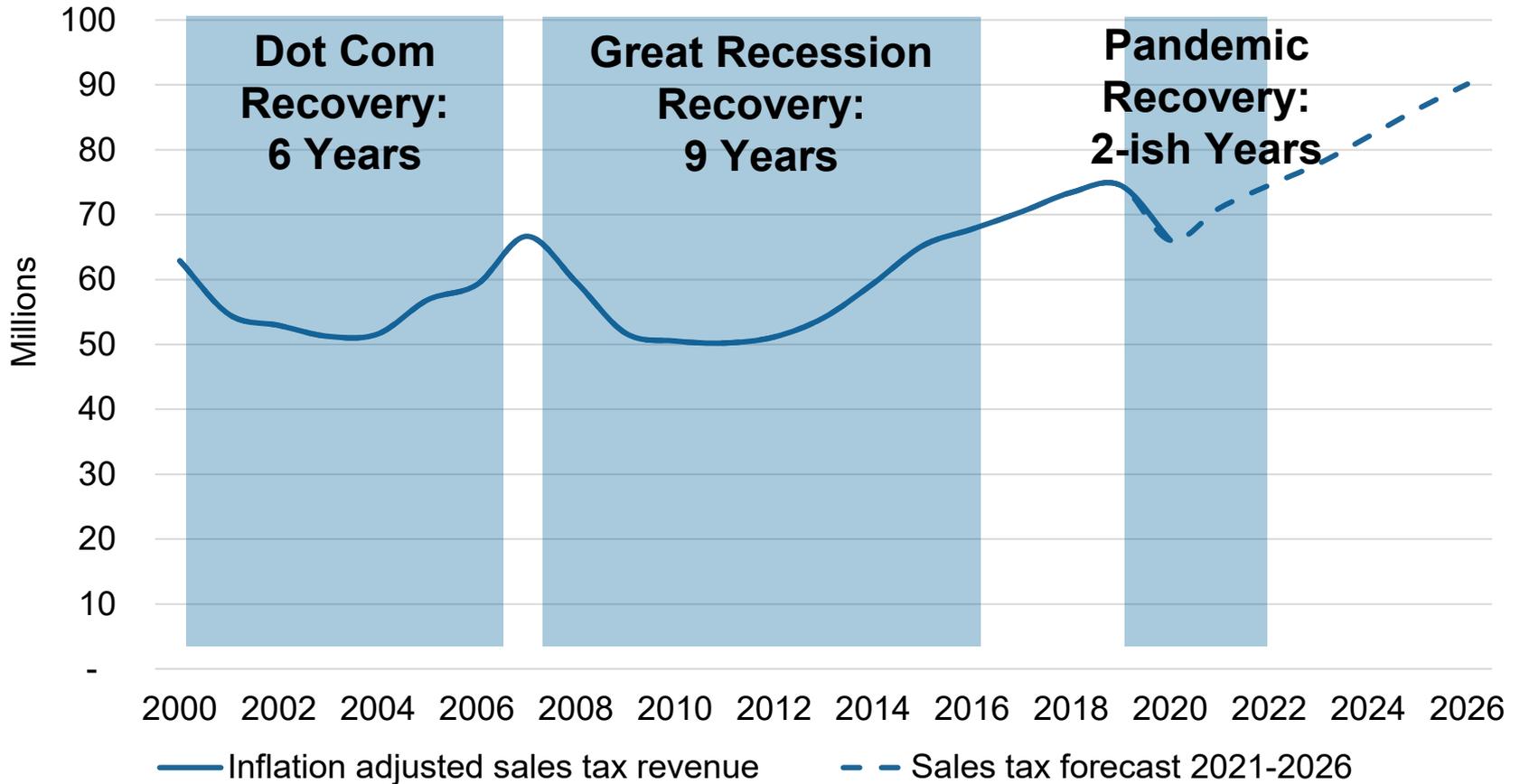
Takeaway

- Financial stewardship is going to be essential to navigate risks and uncertainty

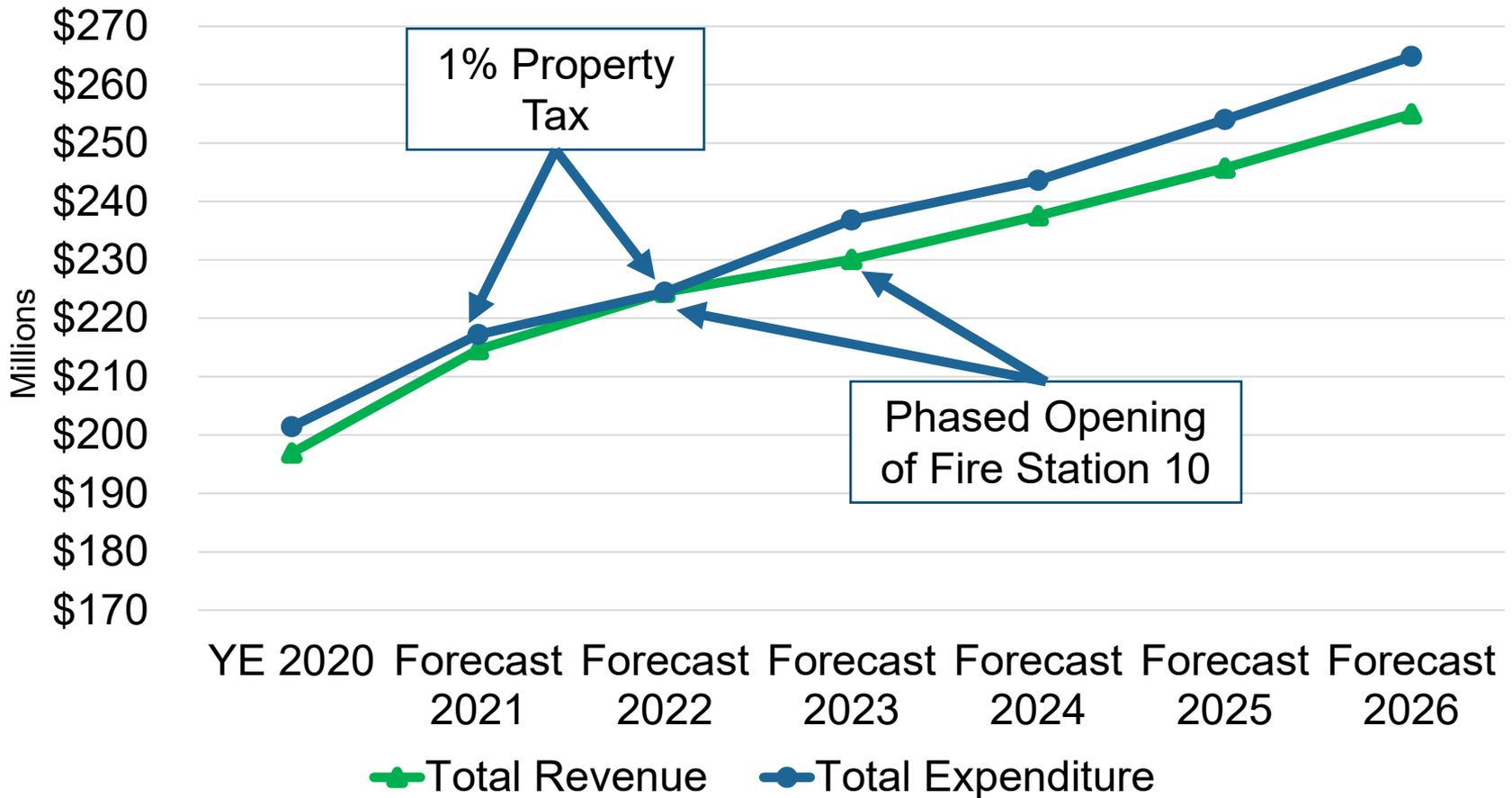
Using \$3M of reserves in 2021 (budgeted \$4.7M)



Historical Sales Tax Recovery



General Fund Forecast – Uncertainty Continues



American Rescue Plan Act - \$1.9 Trillion

- Over 70 percent to individual economic impact payments, enhanced unemployment insurance, expansion of business and individual tax credit programs, and direct funding for education and pension systems.
- Leaving:
 - to economic development and small business relief (\$40 billion),
 - relief for children and families (\$15 billion),
 - housing and utility assistance (\$47 billion),
 - food assistance programs (\$8 billion),
 - disaster relief (\$50 billion), and
 - state and local government fiscal aid (\$350 billion)



Non-ARPA Funding Sources

- The Consolidated Appropriations Act of 2021 (\$323 billion)
- Washington House Bill 1368 (\$772 million)
- King County's COVID-19 Supplemental Budget (\$631 million)
- 2021-2023 Washington State Budget (\$3.9 billion)
- Deliberate action to connect businesses, community organizations, and residents to resources through existing networks and outreach.



City of Bellevue will receive \$20.1M (1/2 in 2021, 1/2 in 2022)

- Uses under the interim guidance is:
 - Responding to the public health emergency or its negative economic impacts
 - Providing premium pay to eligible essential workers
 - Reduction in revenue related to COVID-19
 - To make necessary investments in water, sewer, or broadband infrastructure.
- “be incurred” by December 31, 2024, spent by December 31, 2026.

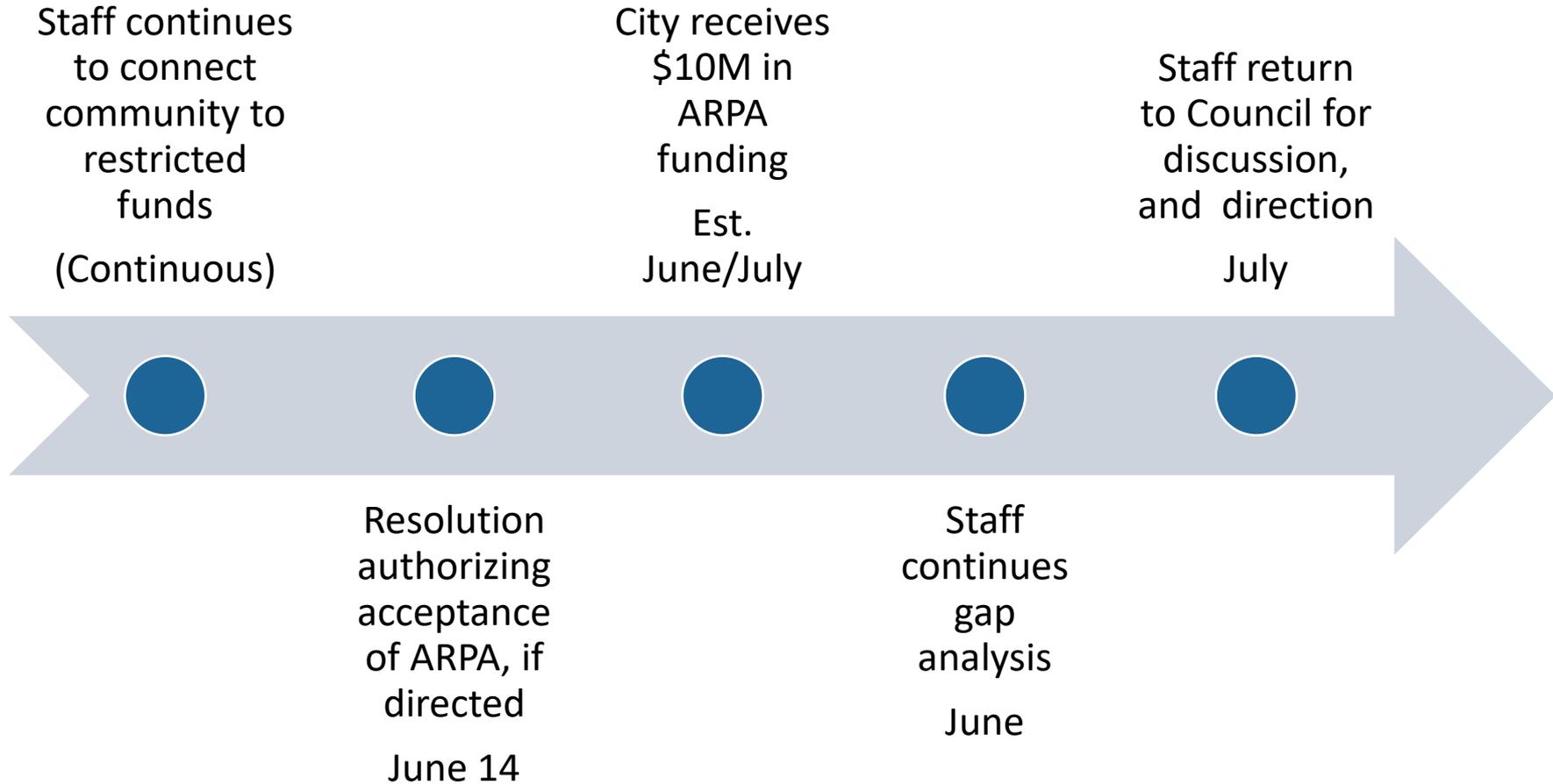


Next Steps

- Staff seeks direction to return on a consent calendar for approval to accept the \$20.1M ARPA funding.
- Staff will continue to work with businesses, community organizations, and residents to assist in connecting the community to the many available resources.
- Staff is formulating a list of gaps in community needs that could be filled with the City's \$20.1M. Staff will return to Council for further discussion and direction regarding the allocation of the ARPA city funding.



Next Steps Timeline



Direction Needed from Council

Staff seeks direction to bring back a resolution to accept the American Rescue Act funding on future consent calendar.

