



San Bernardino County

Legislation Text

File #: 7016, Agenda Item #: 32

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY AND RECORD OF ACTION

November 15, 2022

FROM

LEONARD X. HERNANDEZ, Chief Executive Officer, County Administrative Office

SUBJECT

Local Assistance and Tribal Consistency Fund Under the American Rescue Plan Act

RECOMMENDATION(S)

1. Ratify the request for funding, estimated to be \$12,000,000, from the Local Assistance and Tribal Consistency Fund established under the American Rescue Plan Act from the United States Department of the Treasury that was electronically executed by the Chairman of the Board of Supervisors and filed on October 14, 2022, through the United States Department of the Treasury's Submission Portal by providing certain relevant information as instructed.
 2. Ratify the United States Department of the Treasury Local Assistance and Tribal Consistency Fund Award Terms and Conditions for Eligible Revenue Sharing County Governments that was electronically executed by the Chairman of the Board of Supervisors on October 14, 2022, to accept the allocation from the Local Assistance and Tribal Consistency Fund established under the American Rescue Plan Act from the United States Department of the Treasury, estimated to be \$12,000,000.
 3. Authorize the Auditor-Controller/Treasurer/Tax Collector to establish the restricted fund and post the necessary budget adjustments for 2022-23, as detailed in the Financial Impact Section (Four votes required).
 4. Authorize the Chief Executive Officer or County Chief Financial Officer to execute and submit any non-substantive amendments, or any additional or supplemental documentation as may be required by the United States Department of the Treasury in connection with the allocation from the Local Assistance and Tribal Consistency Fund.
 5. Direct the Chief Executive Officer or County Chief Financial Officer to transmit all documents in relation to Recommendation No. 4 to the Clerk of the Board of Supervisors within 30 days of execution.
- (Presenter: Leonard X. Hernandez, Chief Executive Officer, 387-4811)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote the Countywide Vision.

Operate in a Fiscally-Responsible and Business-Like Manner.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). San Bernardino County (County), as an eligible revenue sharing county, received a direct allocation of \$12,000,000 under the American Rescue Plan Act - Local Assistance and Tribal Consistency Fund (LATCF) for use on any

governmental purpose, except for a lobbying activity.

At this time, the direct payment amount to the County is estimated to be \$12,000,000 in two payments, with 50% available in calendar year 2022 and the remaining balance available after the start of calendar year 2023. The table below reflects the budget adjustments requested to proceed with allocations for 2022-23:

Funds/Cost Center	Commitment Item	Description	Action	Amount
1100001077	40509195	ARPA Fund from U.S. Treasury	Increase	\$12,000,000
1100001077	56006000	Contingencies	Increase	\$12,000,000

BACKGROUND INFORMATION

On September 29, 2022, the United States Department of the Treasury (U.S. Treasury) announced the release of LATCF payments to counties. The LATCF provides \$1.5 billion and \$500 million in two equal payments to eligible revenue sharing counties and Tribal governments respectively under the American Rescue Plan Act (ARPA). The U.S. Treasury allocated the funds to eligible counties by taking into account economic conditions of each eligible revenue sharing county using measurements of poverty rates, household income, land values, and unemployment rates as well as other economic indicators, over the 20-year period ending September 30, 2021. The U.S. Treasury also set an annual minimum payment of \$50,000 and a maximum of \$6,000,000 per county with an overall payment cap of \$300 per resident.

The purpose of the LATCF program is to serve as a general revenue enhancement program. Many eligible revenue sharing counties have historically experienced fluctuations in their revenues, and this program is designed, in part, to supplement existing federal programs that augment and stabilize revenues for these communities. Under this program, recipients have broad discretion on uses of funds, similar to the ways in which they may use funds generated from their own local revenue sources. Specifically, recipients may use these funds on any governmental purpose other than a lobbying activity. Recipients may maintain or expand public services - such as health, educational, housing, and public safety services - to their communities with these funds. Recipients may also invest in infrastructure - from roads and bridges to water infrastructure - to facilitate economic development, improve health outcomes, or transition their communities to clean energy. Recipients may also invest in restoring and bolstering government capacity, such as increasing the size of their government workforce or investing in improvements in service delivery, like technology infrastructure and data analysis resources, that will improve delivery of services to their communities for years to come.

Upon receipt of the LATCF payments, the County is expected to use this funding within the categories of eligible uses, including costs incurred from March 15, 2021. The County is also required to expend its LATCF in accordance with the financial management, procurement, and conflicts of interest standards, laws, policies, and procedures applicable to expenditure of and accounting for its own funds as well as certain requirements applicable to federal financial assistance. The LATCF is available to the County until fully expended or returned to the U.S. Treasury. Periodic reporting will be required for the County to submit to the U.S. Treasury as information provided through annual reporting will be used to facilitate U.S. Treasury's compliance review.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Julie Surber, Principal Assistant County Counsel, 387-5455) on October 19, 2022; Auditor-Controller/Treasurer/Tax Collector (Charlene Huang, Accounting Manager, 382-7022) on October 31, 2022; Finance (Guy Martinez, ARPA Compliance Analyst, 387-5428, and Joon Cho, Administrative Analyst, 387-5402) on October 17, 2022; and County Finance and Administration (Matthew

Erickson, County Chief Financial Officer, 387-5423) on October 28, 2022.