



PAUL BRODEUR
Mayor

CITY OF MELROSE

OFFICE OF THE MAYOR

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MEMORANDUM

To: Melrose City Council/A&O Committee
From: Margot Fleischman, Director of Strategic Initiatives and Communication
Re: Update on use of American Rescue Plan (ARPA) funds
Date: December 8, 2022

On behalf of Mayor Brodeur, I am pleased to present the Honorable City Council with a further update on the use of Melrose's ARPA funds, including funds that have been spent or committed for specific projects. As you know, the City of Melrose has received total of \$8,374,174 in federal ARPA grant dollars. All ARPA grant funds must be spent or encumbered by December 31, 2024.

Approved ARPA projects

Since the last update to the Council, the following ARPA projects have been approved by the Mayor and CFO Patrick Dello Russo. Together with projects previously approved, this represents \$7.3 million investments in COVID-19 response, critical infrastructure, and organizational capacity.

• Schools Asbestos Abatement	\$90,000
• Community Conversations Initiative	\$25,000
• COVID-19 Sanitization-Custodial	\$65,000
• COVID-19 Disinfection (Schools)	\$128,000
• Labor Costs/Additional Cleaning and Sanitizing of Public Buildings	\$40,000
• HVAC Study and Implementation of A/C addition at MVMMS	\$1,050,000
• Tremont Fire House Update	\$151,205
• ARPA - Administration	\$4,500
• Addressing Food Insecurity	\$75,000
• Small Business/Non-Profits/Cultural Sector Support	\$150,000
• Police Department Vehicles	\$256,000
• Fire Department Vehicles	\$120,000
• Replacement Vehicle to Deliver Services (DPW)	\$23,000
• School Department Closing FY22 Budget	\$774,697
• Address COVID-19 Backlog of IT Infrastructure and Cybersecurity Projects	\$26,000

A complete list of all ARPA project approvals is attached to this memo and is also available on the City of Melrose webpage at: www.cityofmelrose.org/mayor/pages/ARPA

Budgetary Adjustments

As part of our regular tracking of ARPA project expenditures, Assistant Auditor Kerri Golden and I have periodically reviewed approved projects and, in consultation with the relevant department heads, have made budgetary adjustments as appropriate.

In cases where the amount originally budgeted exceeded what was necessary, those excess funds have been released back to available ARPA funds to be used for another project subject to the Mayor’s review and approval. All budget adjustments have been reflected in the budget documents provided to the Council and posted on the City of Melrose website. The following projects have been adjusted since our last update to the Council:

	Original	Revised
• Social Services Coordinator	\$213,847	\$200,330
• Economic Recovery Director	\$417,000	290,000
• At-Home COVID tests	\$30,000	\$1,824

ARPA expenditures to-date

As of November 30, 2022, the City has expended \$3,189,685 of our ARPA allocation and has encumbered a further \$392,804.

Temporary moratorium on new ARPA allocations

Given the current financial uncertainty, including the potential impact of rising inflationary pressure on both labor and material costs, as well as the School Department structural deficit, the Mayor has chosen to reserve the remaining \$1.05 million in order to provide for maximum flexibility in the year ahead. However, it remains a high priority for the City to spend or allocate all ARPA funds by the December 2024 deadline.