

# VLCT

## Sample ARPA Approaches



# Scenario #1: Spend Directly From Your ARPA Special Revenue Fund





# Scenario #1

---

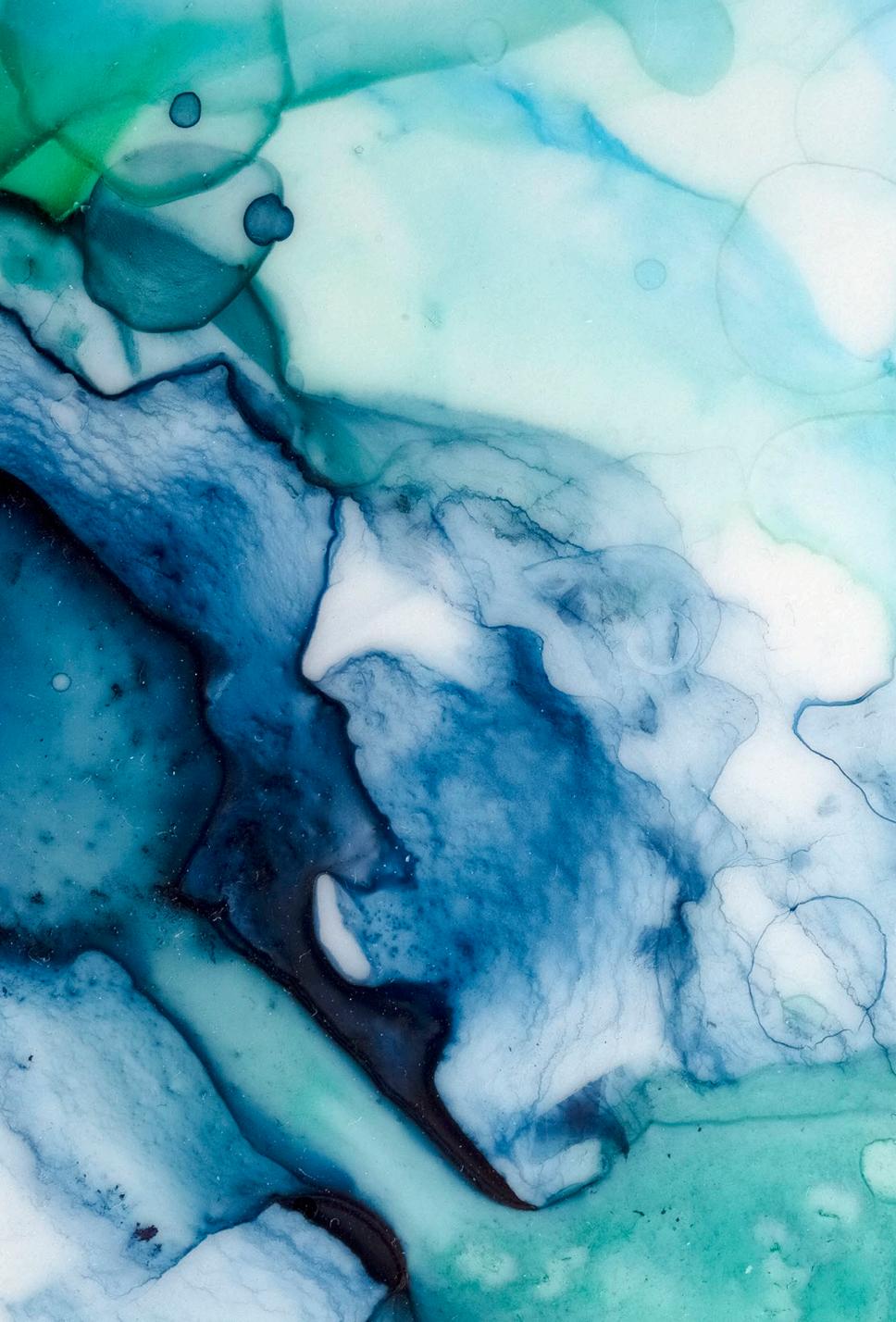
Expensing nonrecurring or infrequent items directly to the special revenue fund allows for comparability in the General Fund over time.

Examples:

- Purchase of land
- Additional road work
- Grant match
- Onetime purchases

# Scenario #2: Use ARPA as a Revenue Source in Annual Budgeting





# Scenario #2

---

- Use this approach if you want to see the ARPA funds running through the General Fund to offset cost of ARPA expenditures
- Allows for the most input in spending of the funds by including it in the annual budget process

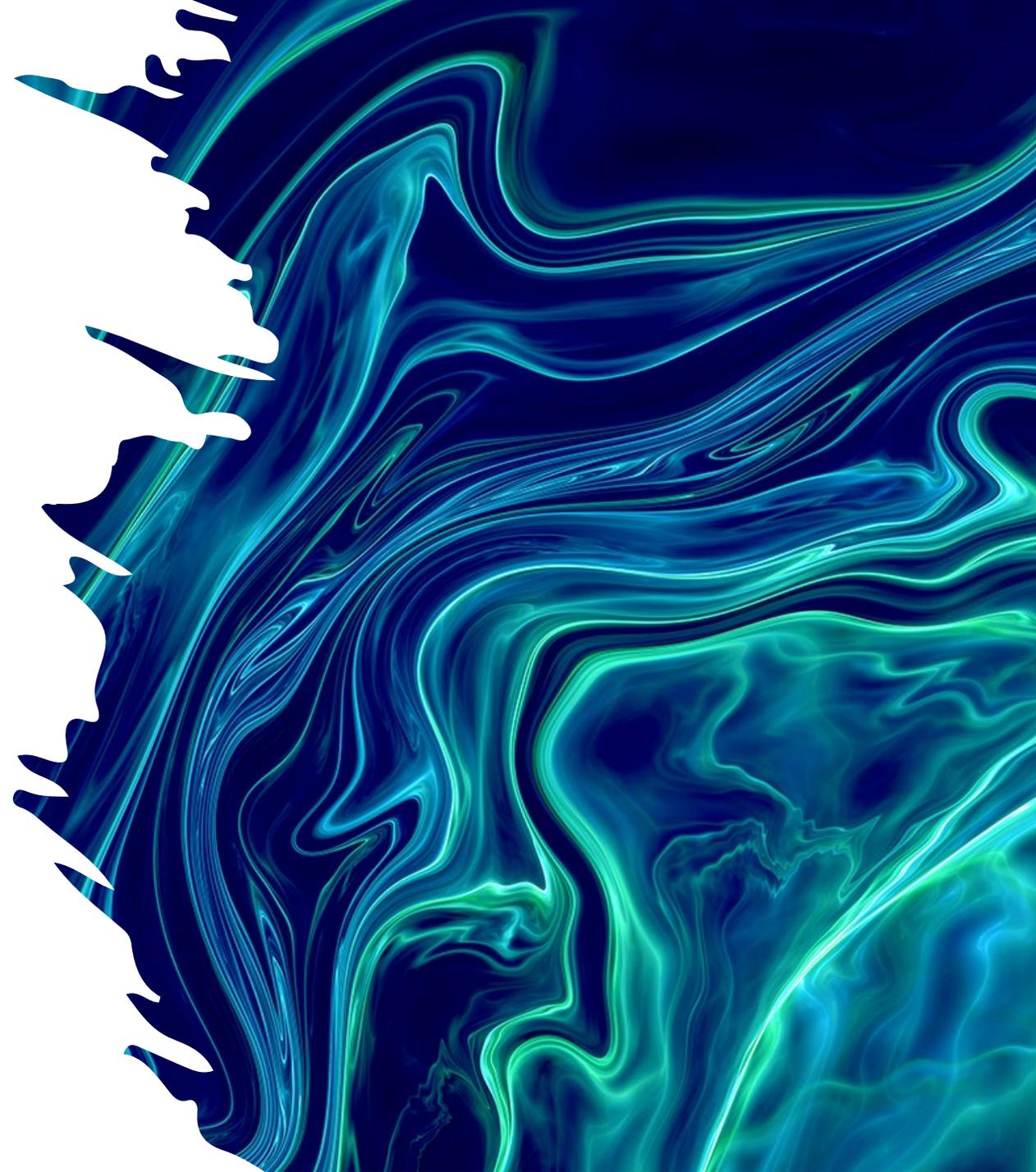
Two budget cycles left to do this:

Calendar Year 2023 // Fiscal Year 2024

Calendar Year 2024 // Fiscal Year 2025\*

\*funds must be obligated by December 31, 2024

**Scenario #3:  
Transfer to General  
Fund to Create Fund  
Balance**





# Scenario #3

---

When would you use this approach?

- Desired project has a long timeline, still in the early stages
- Concerned about losing out on ARPA money because of timing
- This approach uses ARPA funds for an eligible purpose, freeing up other funds with fewer restrictions to allow for a longer timeline
- Utilize future budget cycles to designate the surplus for voter approved purposes