PCR-100-23 1 2 THE CITY OF WARWICK 3 4 STATE OF RHODE ISLAND 5 RESOLUTION OF THE CITY COUNCIL 6 7 NO..... **DATE.....** 8 9 APPROVED......MAYOR 10 11 12 A RESOLUTION AUTHORIZING THE WAIVER OF CONDITIONS ON ARPA FUNDS 13 PROVIDED TO THE WARWICK SCHOOL DEPARTMENT IN THE FY 2024 BUDGET 14 15 AND ALLOCATING THE INCREASED STATE AID FOR EDUCATION TO THE SCHOOL COMMITTEE'S ACCOUNT WITHOUT A REDUCTION TO THE \$1.0 16 MILLION ARPA CONTRIBUTION 17 18 19 Resolved that, 20 21 WHEREAS, the health, safety and welfare of the citizens of the City of Warwick are 22 matters of paramount importance to the City Council; and 23 24 WHEREAS, the School Department was appropriated \$178.8 million in the City of 25 Warwick FY 2023 budget, R-22-57; and 26 27 WHEREAS, the Mayor proposed and the City Council approved a FY 2024 budget, R-23-28 50, that appropriated \$185.9 million to the School Department, an increase of \$7.1 million over 29 FY 2023: and 30 31 WHEREAS, ARPA funds are distinguishable from "local funds" as they are one time grant 32 33 funds provided by the federal government; and 34 WHEREAS, the FY 2024 budget included a condition that "[i]f additional state school aid 35 materializes," it would trigger an "elimination of the \$1.0 million ARPA contribution" and in such 36 37 circumstances, the City would "reserve [the ARPA funds] for future use by the city."; and 38 WHEREAS, the FY 2023 budget included a similar grant of ARPA funds to the School 39 Department with an identical condition and, when additional state aid materialized in the prior 40 fiscal year, the City retained the ARPA funds as set forth by the condition; and 41 42 WHEREAS, through its course of conduct knowing and accepting funds under such 43 conditions in the FY 2023 budget and silently acquiescing to the condition in the FY 2024 budget, 44 the School Department has waived any right it may have to assert that Rhode Island General Laws 45 do not allow state aid to replace ARPA funds; and

WHEREAS, if the condition on ARPA funds were deemed unlawful, the School

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Department would not be entitled to the ARPA funds because the budget allocation of ARPA funds 1 2 is not severable from the conditions placed thereon; and 3 WHEREAS, subsequent to the enactment of the City of Warwick's FY 2024 budget, the 4 5 Rhode Island General Assembly enacted its FY 2024 budget, which provided an additional \$752,619 in State Aid Funding for education to the City of Warwick; and 6 7 8 WHEREAS, the School Department, citing the Rhode Island General Laws §16-7-23(d) and §16-7-24, has requested that the funds be added to the School Committee's Account as soon 9 10 as possible; and 11 WHEREAS, the City Solicitor has opined that City may retain the ARPA funding without 12 13 transferred it to the School Department due to the express condition in the budget and the course 14 of conduct establishes in the prior fiscal year, noting that "the School Department's reliance on 15 this statute is misplaced and that the condition placed on the ARPA funds should be given full force and effect, unless and until the City Council agrees to release the condition."; and 16 17 WHEREAS, the Warwick City Council desires to waive the condition on ARPA funds 18 provided to the Warwick School Department in the FY 2024 budget, and have the increased State 19 Aid for education added to the School Committee's Account without a reduction to the \$1.0 million 20 ARPA contribution. 21 22 23 NOW, THEREFORE, BE IT RESOLVED, the City Council hereby authorizes that the conditions placed on American Rescue Plan Act funds provided to the Warwick School 24 Department in the FY 2024 budget, R-23-50, be waived, and that the increased State Aid for 25 education be added to the School Committee's Account without a reduction to the \$1.0 million 26 ARPA contribution. 27 28 The City Clerk is hereby directed to forward a copy of this Resolution to the Mayor, the 29 City Solicitor, the Finance Director, the Superintendent of the Warwick School Department, and 30 the members of the Warwick School Committee. 31 32 33 This Resolution shall take effect upon passage. 34 35 SPONSORED BY: COUNCIL PRESIDENT MCALLISTER 36

FINANCE

COMMITTEE:

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