

Additional Use of ARPA Funds

Summary:

In 2021 and 2022, the Town of Fraser received two tranches of funding through the American Rescue Plan Act (ARPA), which totaled \$333,289.78. These funds are qualified for expenses through 2024 with a focus on three major purposes:

1. Support of essential workers to maintain services during the COVID pandemic
2. Financial support to critical businesses directly impacted by the COVID pandemic
3. Broadband infrastructure expansion

As of October 2022, the Town has spent or allocated the following ARPA funds:

1. \$94,836 in recruitment incentives
2. \$70,000 in support to local businesses (KFFR & Grand Kids Learning Center)
3. \$0 in Broadband infrastructure (\$50,000 was committed in 2021 for the "Meet-Me Room" component of the Middle Park Health Center, but was withdrawn in September 2022 Board meeting).

The Finance Director recommends applying \$50,000 of ARPA funds to cover one-time retention bonuses for employees at the 400 Job Grade and below who have been with the Town for at least 1 year. The target value is \$4,000 per full-time employee to create parity with the signing bonuses.

This impacts 12 employees who have been physically present through the COVID pandemic and have taken on additional roles and responsibilities to maintain Town operations. Such a bonus will not be base building. However, it will go a long way in reducing housing challenges, recognizing the effort of our experienced operators, removing the inequity around recruitment bonuses, and retaining certified employees in the face of higher competition from other service agencies.

In review of other posted jobs in the county, Fraser wages are in line with similar jobs across Winter Park and Granby.

Grand County Sanitation recently offered a 20% wage increase plus a 10% retention bonus for current employees. They had also offered a \$10,000 signing bonus with more claw-backs provisions than Fraser.

Grand County is offering sign-on bonuses across their job postings, but no value is published.

Winter Park and Granby offered sign-on bonuses and have filled most of their critical positions. Winter Park has stepped up their housing assistance programs for employees.

Such a bonus will have a material impact on these employees as a percentage of their wages and will mitigate the house, food, and fuel prices in the valley that have exceeded the front range CPI.

Job Grade	Annual Wage Range	# of Eligible Employees
75	\$37,440 - \$56,160	1
100	\$37,440 - \$53,000	0
200	\$47,840 - \$65,000	3
300	\$51,000 - \$70,000	5
400	\$60,000 - \$95,000	3

Implementation of this additional use of ARPA funds would leave \$118,453.78 to expend by December 31, 2024. Some options could include revisiting the broadband infrastructure project or establishing a workforce housing program to bridge the gap until affordable housing initiatives take physical form.