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**Agenda Item:** Discuss and Consider Approval Of The Budget Adjustment Related To The Payroll Protection Program Loan

**Background:** The Park Board was recently approved to receive a Payroll Protection Program (PPP) loan administered by the Small Business Administration (SBA). The loan amount is \$298,855.00 and it will be used by Tourism Development – Convention and Visitors Bureau (CVB) to retain existing staff during the pandemic. The funds should be eligible for a 100% forgiveness incentive. If any portion of the loan is not forgiven, the term is 5 years with a 1% interest rate. The loan allows the CVB to reallocate funds currently dedicated to payroll to other initiatives.

Staff developed a plan to reallocate the previously dedicated funds. The loan will be recognized as loan proceeds and note payable until the forgiveness incentive is approved by SBA. The loan proceeds will be fully budgeted in the personnel cost line items, and the previously dedicated funds will be reallocated to staff training (TD-70-5635) and special projects (TD-70-7000). Accounting staff will track the use of the loan proceeds and prepare the loan forgiveness application after the funds have been expended.

**Staff Recommendation:** Staff recommends approval of the budget adjustment related to the PPP loan.