



**COMMITTEE OF THE WHOLE MEETING AGENDA**  
**Tuesday December 7<sup>th</sup>, 2021**  
**7:00 pm**  
**Eldridge Community Center**

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Approval of Agenda
4. Brief Presentation on ARPA Funding
5. Community Input and Discussion

Next Regular meeting Monday, December 20th, 2021



CITY OF

**Eldridge**

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# ARPA Guidance from the United States Treasury



**Government Finance Officers Association**

# City of Eldridge

*7/28/21*

\$510,108

*7/28/22*

\$510,108

\$1,020,216

- Unless otherwise noted, covered period is March 3, 2021-December 31, 2024 (IFR p. 88)
  - Costs can be incurred by December 31, 2024 but must be expended by December 31, 2026 (IFR p. 122)

# Eligible Expenditures: Four Main Categories

- A. COVID-19 or a negative economic impact
- B. Premium pay for eligible workers
- C. Recoupment of lost revenue
- D. Investments in water, sewer and broadband infrastructure



# A. COVID-19 or Negative Economic Impact



# COVID-19 Eligible Expenditures

Eligible Uses	Details (IFR p. 11-21)
<b>Containing/Mitigating Covid-19</b>	<ul style="list-style-type: none"><li>• Vaccine programs, PPE, medical expenses,</li><li>• Enhancing public health data systems,</li><li>• Capital investments in public facilities to meet pandemic operational needs etc.</li></ul>
<b>Behavioral Healthcare Needs</b>	<ul style="list-style-type: none"><li>• Mental health/substance abuse treatment</li><li>• Crisis intervention/hotlines</li><li>• Services to promote access to social services</li></ul>
<b>Payroll/Benefits for:</b> Public health/safety Human services Similar employees	<ul style="list-style-type: none"><li>• Eligible to the extent that the work completed was for COVID-19 response/mitigation.</li><li>• For administrative convenience, <b>public health/safety workers</b>, recipients can use funds to cover the <b>full payroll and covered benefits costs</b> for employees or operating units or divisions <b>primarily dedicated to the COVID-19 response.</b></li></ul>

# Negative Economic Impact

Eligible Uses	Details (IFR p. 21-38)
<b>Impacted Industries (Tourism/Travel/Hospitality etc.)</b>	<ul style="list-style-type: none"><li>• Implement COVID-19 mitigation/prevention measures to enable safe resumption of tourism, travel, and hospitality services<ul style="list-style-type: none"><li>• E.g. improvements to ventilation, physical barriers or partitions, signage to facilitate social distancing, provision of masks or personal protective equipment, or consultation with infection prevention professionals to develop safe reopening plans</li></ul></li></ul>
<b>Rebuilding Public Sector Capacity to Pre-pandemic levels</b>	<ul style="list-style-type: none"><li>• Rehiring public-sector staff</li><li>• Replenishing UI trust funds</li></ul>
<b>Small Business support</b>	<ul style="list-style-type: none"><li>• Loans, grants, in-kind assistance, and counseling programs to rebound from the downturn</li></ul>
<b>Hard-hit Communities</b>	<ul style="list-style-type: none"><li>• Investing in housing/communities</li><li>• Addressing disparities in education</li></ul>



## B. Premium Pay

# Premium Pay

- Can be used **retroactively** (IFR p. 45)
- Employees of the jurisdiction designated by executive as essential (IFR p. 43)
- Can be provided directly, or through grants to private employers to public health/safety staff and essential workers outside the public sector
- Workers at food production facilities, grocery stores, and restaurants, janitors/sanitation workers, truck drivers, and warehouse workers etc.
  - Contact workers performing essential work also eligible.
    - E.g. *If a municipality contracts with a third party to perform sanitation work, the third-party contractor could be eligible to receive a grant to provide premium pay for these eligible workers.*



# C. Recoupment of Revenue

# Recoupment of Revenue

- What is OUT of the revenue calculation:
  - Federal transfers (even those flowing through the State) (IFR p. 50)
  - Intergovernmental transfers from your entity to your entity ([Census p. 45](#))
  - Revenues from utilities (water supply, electric power, gas supply, and public mass transit systems) [Census p. 65](#)
  - Refunds and other correcting transactions (IFR p. 55)
  - Proceeds from the issuance of debt
  - Liquor store revenues [Census p. 62](#)
- What is IN?
  - Everything not listed above
    - taxes, fees and other revenues to support public services
  - Including Fees generated by the underlying economy
    - Component units and enterprise funds
    - civic center, zoo, parking, ports, sports stadiums etc. etc. etc.

# Recoupment of Revenue

- Look at the past 2019 base year revenue (IFR p. 58)
  - Recipients average annual growth of the past three fiscal years
  - Apply 4.1% growth rate or greater to annual revenues collected
- Multiplier applies to the revenue collected in each calendar year
  - Checkpoint each December 31 for actual revenues
  - Not the fiscal year!
- Compare projected growth revenue to actuals collected
  - If actual exceeds projected, collection is zero for that year

# Recoupment of Revenue

- What can I spend it on?
  - “Government services” ([IFR p. 53-54](#), IFR p. 60)
    - directly provide services or aid to citizens
    - Maintenance pay go of building
      - Can use it on a capital project together with bond financed portion
      - You can start a project and you finish it with future revenues / bonds
    - Cybersecurity, Healthcare service, School or education services, Police, fire or public safety
  - NOT ALLOWED: ([IFR p. 55](#), IFR p. 60)
    - NOT ON principal or interest of debt service (or settlement agreement)
    - NOT ON reserves or rainy day funds





# D. Water, Sewer, Broadband Infrastructure

# Water/Sewer Infrastructure

- Building/upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines. (IFR p. 67)
- Invest in wastewater infrastructure projects
  - E.g. constructing publicly-owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works (IFR p. 67)
- ***Recipients retain substantial flexibility to identify those water and sewer infrastructure investments that are of the highest priority for their own communities***

# Broadband Infrastructure

- Build broadband infrastructure with modern technologies in mind, specifically projects that deliver services offering:
  - reliable 100 Mbps download and 100 Mbps upload speeds, unless impracticable due to topography, geography, or financial cost. (IFR p. 71)
- Assisting households to support internet access or digital literacy is an eligible use (IFR p. 77)
- Recipients encouraged to prioritize **fiber optic investments** (IFR p. 75)





# Guiding Principles

# GFOA ARPA Guiding Principles

- Temporary Nature of ARPA Funds
  - Care should be taken to avoid creating new programs or add-ons to existing programs that require an ongoing financial commitment.
  - Replenishing reserves used to offset revenue declines during the pandemic should be given high priority to rebuild financial flexibility/stability and restore fiscal resiliency.
  - Use of ARPA funds to cover operating deficits caused by COVID-19 should be considered temporary and additional budget restraint may be necessary to achieve/maintain structural balance in future budgets.
  - Investment in critical infrastructure is particularly well suited use of ARPA funds because it is a non-recurring expenditure that can be targeted to strategically important long- term assets that provide benefits over many years. However, care should be taken to assess any on-going operating costs that may be associated with the project.

# GFOA ARPA Guiding Principles

- Take Time and Careful Consideration
  - Use other dedicated grants and programs first whenever possible and save ARPA funds for priorities not eligible for other federal and state assistance programs.
  - Whenever possible, expenditures related to the ARPA funding should be spread over the qualifying period (through December 31, 2024) to enhance budgetary and financial stability.
  - Adequate time should be taken to carefully consider all alternatives for the prudent use of ARPA funding prior to committing the resources to ensure the best use of the temporary funding.



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