What Governments Need to Know About the $1.9 Trillion American Rescue Plan Act

Use of Funds

- Must be used by **December 31, 2024.**
- State and local governments cannot use the funds towards pensions or to offset revenue resulting from a tax cut enacted since **March 3, 2021.**
- State and local governments could transfer funds to private nonprofit groups, public benefit corporations involved in passenger or cargo transportation, and special-purpose units of state or local governments.

$1.9 Trillion
American Rescue Plan Act 2021

$350 Billion

States / Localitites

State, Local, Tribal, and Territorial Support

The **American Rescue Plan Act of 2021** adds additional State and Local Coronavirus Relief Funds to keep first responders, frontline health workers, and other providers of vital services safely on the job as states, local governments, Tribes, and territories roll out vaccines and fight to rebuild economies.

$195.3 Billion

States and the District of Columbia

- **$25.5 billion** equally divided — every state receives at least **$500 million**
- **$169 billion** based on the state share of total unemployed workers

$130.2 Billion

Local governments

Divided evenly between cities and counties:
- **$65.1 billion** to counties
- **$65.1 billion** to cities using a modified Community Development Block Grant formula

$50 Billion

Emergency Management

For Federal Emergency Management Agency (FEMA) disaster relief funds and vaccination efforts

$117 Million

The bill would provide additional funds to oversight entities to promote transparency and accountability of all federal coronavirus relief funds.

Oversight of Funds

- Government Accountability Office: **$77 million**
- Pandemic Response and Accountability Committee: **$40 million**

$20 Billion

Tribes

Tribes: **$20 billion** to federally recognized Tribal governments
- **$1 billion** divided equally
- **$19 billion** divided as determined by the Secretary of the Treasury

$4.5 Billion

Territories

$2.25 billion divided equally and **$2.25 billion** based on population

$10 Billion

Coronavirus Capital Projects Fund

Additional funding would remain available from the Treasury until expended for making payments to States, territories, and Tribal governments to carry out critical capital projects for work, education, and health monitoring in response to the pandemic.
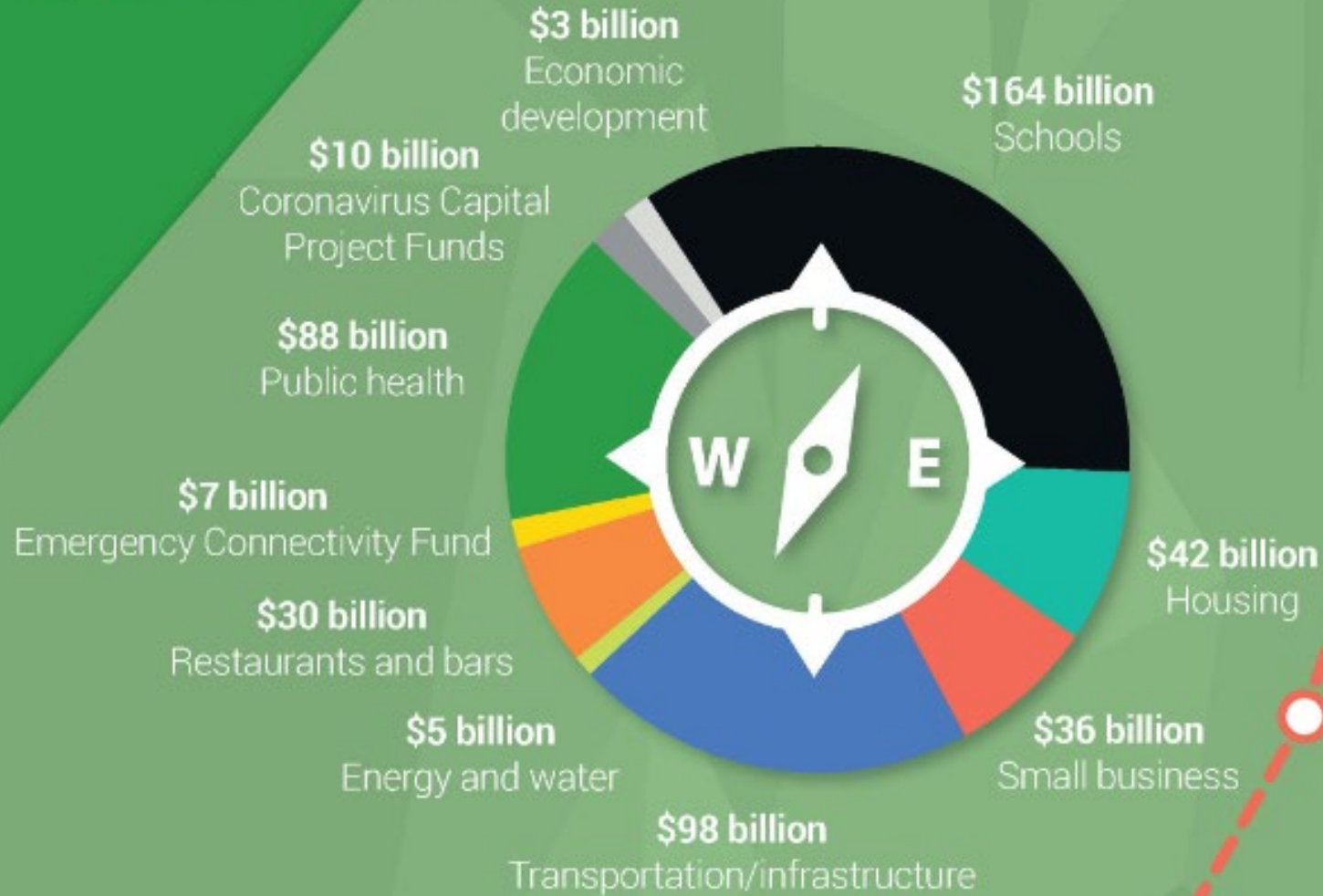- **$100 million** would be split between Territories
- **$100 million** would be split equally between Tribal governments and Hawaii (each with minimum of **$50,000**)

Infographic from eCivis

Approximate FRF in Champaign County – Not all inclusive

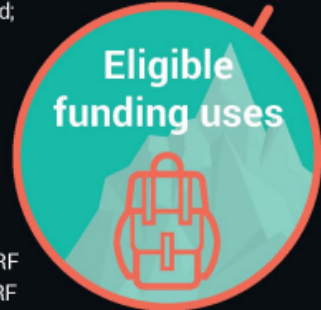|		
Champaign County	$	40,667,890
Champaign	$	25,070,000
Urbana	$	12,500,000
Rantoul	$	8,610,000
Mahomet	$	1,063,000
Savoy	$	1,038,000
St Joe	$	477,000
Tolono	$	419,000
Fisher	$	239,000
Philo	$	173,000
Sidney	$	147,000
Homer	$	143,000
Thomasboro	$	134,000
Gifford	$	129,000
Pesotum	$	65,000
Sadorus	$	48,000
Broadlands	$	42,000
	$	90,964,890

LOCAL FISCAL RECOVERY FUNDS

CHAMPAIGN COUNTY

AMERICAN RESCUE PLAN: FISCAL RECOVERY FUNDS (FRF)

Eligible Uses

Respond to public health emergency

Respond to workers performing essential work

Recover revenue loss

Invest in water, sewer or broadband

Transfer funds to not-for-profit or special unit of state/local government

ELIGIBLE EXPENDITURES

Eligible expenditure areas and recipients

FRF can be used in all areas

- Revenue recovery
- Individual assistance
- Business assistance
- Economic development
- Public facilities & schools
- Transportation entities
- Infrastructure
- Regional collaboration
- Not-for-profit assistance
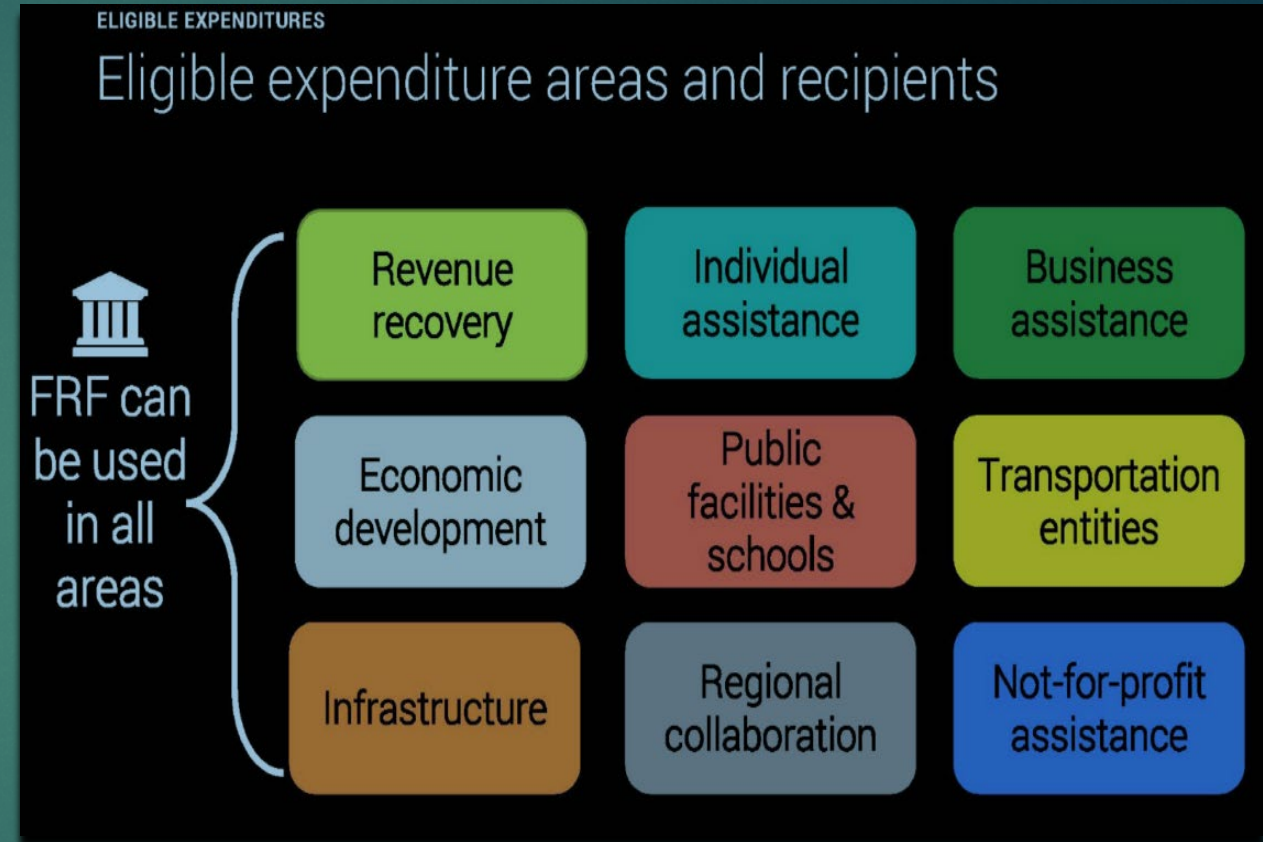
Infographic from Baker Tilly

Local Fiscal Recovery Fund (LFRF) have eligible uses that overlap with other funding sources.

STRATEGY: Maximize available dollars and avoid spending duplication.

TIMING AND FUNDING DISTRIBUTION

Grant Period
March 1, 2021 – December 31, 2024

1st Distribution
Entitlement communities: 60 days (from March 11)
Non-entitlement communities: State has an additional 30 days

2nd Distribution
No earlier than 12 months after first payment

MANAGING PROGRAMS & FUNDING

Segregate funds

Strategically invest funds based on Spending Plan

Do not have internal capacity to manage
  Continuously review guidelines
  Stay abreast regarding state and regional utilization of funding
  Manage programs
  Required reporting
  Ensure fraud prevention
  Meet Audit compliance requirements

KEY CONSIDERATIONS

Regional collaboration/cooperation
   Look for opportunities to leverage funds within Champaign County
   Awareness of State ARPA efforts/initiatives

Transparency
   Make it easy to navigate available resources in the community
   Opportunities for public input

Consider the Long-term value of investments
   Balance Community needs and County needs

Ensure funding is spread over the qualifying period
   Ability to capture lost revenues in future fiscal years

Rating Agencies will:
Evaluate the use of ARPA funds in formulating credit opinions.
Look for long-term financial stability and sustainable operating performance.

Recommended:
Use other dedicated grants and programs first whenever possible and save ARPA funds for priorities not eligible for other federal/state assistance programs.

GFOA GUIDANCE

ARPA funds are non-recurring so their use should be applied primarily to non-recurring expenditures.

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.

GFOA GUIDANCE

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 projects.

GFOA GUIDANCE

GOING FORWARD

Monitor Guidance

Document revenue reductions due to COVID-19
(will be allowable in future fiscal years as well)

Identify County needs that may/may not be eligible

Engage local partners, stakeholders, businesses, and identify Community needs

Determine the best approach to push out information and provide transparency

Identify resources necessary to properly implement (including staffing and/or contracting)

American Rescue Plan Act - Possible Ideas

▶ Countywide infrastructure

▶ Community recovery (households and non-profits)

▶ Business recovery

▶ County departments

▶ Is it allowable?

▶ Is other funding available?

▶ Is it a one-time expense?

▶ Does it leverage other funds or the county's long-term goals?

▶ What year (2021-2024) should it be funded?

Possible ideas – countywide infrastructure (water, sewer & broadband)

idea	allowed	year	one-time $ estimate	annual $ estimate	other $ available
contract for countywide broadband plan			$50,000		future federal/state grants
small town wastewater systems					small town ARPA allocations
IT fail-over system for GIS					GIS partners
free wi-fi in public parks					park districts

Possible ideas – community recovery (households and non-profit agencies)

idea	allowed	year	one-time $ estimate	annual $ estimate	other $ available
contract with agency(ies) to manage requests					
internet public service directory for resources					
county park district summer camp scholarships					
MTD support for rural rider routes					
individual grants based on need					
regional hazardous and e-waste collection facility			$825,000	$200,000	
violence prevention			$1,000,000		
recyclie campaign			$25,000		
CCMHB priorities			$771,125		

Possible ideas – business recovery (travel, tourism, hospitality; employers of essential workers)

idea	allowed	year	one-time $ estimate	annual $ estimate	other $ available
contract with EDC/VCC to manage requests					
contract with EDC/VCC for small business consulting					
unincorporated county business grants					DCEO- Restaurant Revitalization Fund (RRF), Shuttered Venue Operating Grants; BIG second round
airport guarantee		2021	$15,000		
one-time grants to 170 DD direct service providers			$530,400		

Possible ideas – county departments (replace lost revenue; premium pay for essential workers; water, sewer & broadband; response to COVID-19)

budget	dept	idea	allowed	year	one-time $ estimate	annual $ estimate	other $ available
all	all	replace lost revenues by line item					
staff	Exec	contract w/RPC proj mgr for ARPA funds					
staff	all	provide tech training for staff					
staff	all	reimburse for time/OT due to increased workload of essential workers					
staff	JDC	pay out comp time for JDC officers					
staff	all	bonuses for staff who worked without paid leave					
equip	cir clk	office chairs for desks at circuit clerk					
equip	CAC	new refrigerator at CAC					
equip	EMA	replace 2011 EMA mobile command post			$500,000		
equip	clerk	vote by mail supplies/equipment					
Equip	Sheriff	Full body scanner for jail			$150,000		
Equip	Sheriff	Updated Camera System for Sheriff's Office			$1,000,000		

Possible ideas – county departments (cont.)

budget	dept	idea	allowed	year	one-time $ estimate	annual $ estimate	other $ available
facilities	all	develop a facility master plan					
facilities	all	more flexible hybrid meeting space					
facilities	all	relocate Brookens offices to downtown U.					
facilities	courthouse	adjust courthouse air filtration/ ventilation system					
facilities	courthouse	expand jury boxes in 3 largest courtrooms					
facilities	courthouse	expand public defender's - 2 offices					
facilities	courthouse	replace 2 courthouse boilers			$400,000		facilities plan
facilities	east campus	replace phys plant parking lot			$25,000		facilities plan
facilities	east campus	replace Brookens parking lots (3)			$680,000		facilities plan
facilities	east campus	replace coroner/A.C. parking lot			$40,000		facilities plan
facilities	east campus	JDC parking lot/curbing			$95,000		facilities plan
facilities	east campus	JDC driveway			$100,000		facilities plan
facilities	east campus	METCAD parking/curbing			$120,000		facilities plan
facilities	east campus	Art Bartell curbing/gutters			$650,000		facilities plan - total $1,710.000
facilities	Brookens	new sinks/hands free dryers in bathrooms					
facilities	cir clk	glass partitions in circuit clerk's office					
facilities	CAC	replace flooring at CAC					
facilities	clerk	vote by mail office renovations					
facilities	JDC	replace JDC backflow preventer			$5,000		facilities plan
facilities	JDC	replace JDC water heaters			$35,000		facilities plan
facilities	animal cont	install emergency generator in A.C.			$100,000		facilities plan
facilities	animal cont	install building A/C at A.C.			$150,000		facilities plan
facilities	animal cont	replace main electric panel in A.C.			$225,000		facilities plan - total $475,000
facilities	JDC	JDC foundation/drainage tile repair			$200,000		facilities plan
facilities	sheriff	satellite jail foundation/drainage tile			$250,000		facilities plan
facilities	sheriff	satellite jail air returns/supply grills			$100,000		facilities plan
facilities	sheriff	Consolidate jails			$20,000,000		
facilities	RPC	relocate early childhood center					
facilities	RPC	new HVAC for Savoy & Rantoul H.S. sites					

Possible ideas – county departments (cont.)

budget	dept	idea	allowed	year	one-time $ estimate	annual $ estimate	other $ available
IT	all	IT netwok (switch/server) upgrades			$500,000		IT plan
IT	all	VoIP replacement phones			$200,000		IT plan
IT	all	Email archiving solution			$30,000		IT plan
IT	all	IT onsite backups (Veam & storage)			$85,000		
IT	all	IT offsite backups (data)			$65,000		
IT	all	network on premise security monitor			$30,000		
IT	all	SIEM server (security mgmt)			$7,500		
IT	all	Cisco router licensing increase bandwidth			$2,000		
IT	all	Proxicard security/audit for data center			$30,000		
IT	all	risk/security assessment			$15,000		
IT	all	replace laptops for remote work		2024			
IT	all	zoom licenses					
IT	all	combine officials into countywide website					
IT	all	web-based inventory system					
IT	courthouse	replace video hearing arraignment system at courthouse			$50,000		
IT	courthouse	A/V (speakers, mics)			$50,000		
IT	courthouse	A/V (TVs)					
IT	courthouse	A/V (courtrooms)			$150,000		
IT	courthouse	replace case mgmt system			$15,000,000		
IT	courthouse	JANO integration			$300,000		
IT	courthouse	increase broadband					X
IT	courthouse	remote court technology					
IT	probation	smartphone-based kiosks for probation check-in					
IT	courthouse	transmitters/headsets for translation			$5,000		
IT	courthouse	laptops/blu-ray players for remote P.D. visits; probation officers					

Possible ideas – county departments (cont.)

budget	dept	idea	allowed	year	one-time $ estimate	annual $ estimate	other $ available
IT	courthouse	increase courthouse assistive listening devices			$3,000		
IT	courthouse	equip PCs with mics/cameras					
IT	probation	smartphones for probation officers working remotely					
IT	courthouse	upgrade video feed between JDC and courthouse					
IT	east campus	Brookens mtg room A/V			$20,000		
IT	east campus	single-mode fiber			$100,000		
IT	east campus	Brookens security camera upgrade			$100,000		
IT	courts	Surface Pro's for court clerks					
IT	courts	Ask-A-Lawyer kiosks for public use					
IT	cir clk	headsets with mics for front counter of circuit clerk					
IT	cir clk	new headsets for PCs at circuit clerk					
IT	cir clk	additional scanners for circuit clerk			$20,000 ea		
IT	cir clk	reinstate text reminders for court					
IT	cir clk	add BOT function at circuit clerk's website					
IT	cir clk	internal message digital signage in circuit clerk office					
IT	clerk	merge clerk/recorder websites					
IT	clerk	build features in clerk's website					
IT	clerk	digitize tax records					
IT	clerk	digitize vital records					
IT	clerk	digitize deeds			$1,000,000		
IT	clerk	security to allow remote access for clerk's office functions					
IT	P & Z	digitize files					
IT	CAC	add-on to forensic interview recording system at CAC					
IT	RPC	complete implementation of SIERRA					
IT	RPC	improve RPC website					