1. 2021-06-12 FC Mtg Packet

   Documents:

   2021-06-14 FC MTG PACKET.PDF

2. 2021-06-14 ARPA-SLRF FAQs

   Documents:

   SLFRPFAQ 052721.PDF

3. 2021-06-14 CWSRF Info

   Documents:

   CLEAN WATER STATE REVOLVING FUND (CWSRF) _ US EPA.PDF

Town of Brunswick, Maine

Finance Committee Meeting
Monday, June 14, 2021 at 6:30 PM

HOW TO WATCH AND COMMENT VIA ZOOM

https://www.brunswickme.org/313/Brunswick-Cable-TV3
Comments are allowed during the public comment period and at the discretion of the Committee Chair.

HOW TO WATCH VIA TV 3 OR LIVE STREAM

THE LINK TO VIEW OR LISTEN TO THE MEETING ON TV3 (Channel 3 on Comcast) or VIA LIVE STREAM FROM THE TOWN'S WEBSITE
http://tv3hd.brunswickme.org/CablecastPublicSite/watch/1?channel=1

Agenda

1. Acknowledgement that meeting was properly noticed

2. Adjustments to agenda / Public comment

3. Approval of meeting minutes from 5/10/2021
   REQUESTED ACTION – Approval of minutes

4. Proprietary/Enterprise Funds – Review of Accounting Standards

5. Review Town of Brunswick Enterprise Funds
   a. Mere Point Wastewater System
   b. Train Station/Visitors Center
   c. Graham Road Landfill
   d. Pay-Per-Bag Program
   e. Graham Road Processing Facility

6. Update on American Rescue Plan, Coronavirus State & Local Fiscal Recovery Funds

7. Adjourn

Town of Brunswick, Maine

Finance Committee Meeting
Monday, May 10, 2021 at 6:30 PM
Meeting via electronic devices

Meeting Minutes (DRAFT)

Elected Officials: Councilors Dan Ankeles, Stephen Walker, Daniel Jenkins

Staff: Julia Henze, John Eldridge

1. **Acknowledgement that meeting was properly noticed**
   DA called meeting to order. JH confirmed the meeting was properly noticed.

2. **Adjustments to agenda / Public comment**
   No adjustments to the agenda. No public comment.

3. **Approval of meeting minutes from 4/12/2021**
   DJ moved to approve, seconded by SW, unanimously approved.

4. **GFOA Elected Official's Guide: *Understanding the Fiscal Health of Your Community***
   This book came out in December, 2020, and JH procured one for each of the councilors. The GFOA Guides for Elected Officials, are good resources for councilors as they cover a broad range of topics elected officials may come across. This volume provides an overview of government finance fundamentals, including financial reporting, budgeting, and financial policies. JH recommends that the Finance Committee 'present' the book to the rest of the Council at an upcoming meeting. The Committee briefly reviewed the book, with attention to the section about fund balance.

5. **Review Fund Balance Policy - no suggested amendments**
   JH presented the Town's fund balance policy. Brunswick's policy was adopted based upon GFOA's suggested best practices, and Brunswick's particular situation. The policy establishes two months of revenue as the unassigned target balance. This is the reserve/ cushion to protect the Town in the case of unanticipated/emergency costs. JH pointed out thecomments from rating agencies, which emphasize the importance of having a fund balance policy and following the policy.

   DA made the motion to adopt the fund balance policy as it stands without any proposed changes. Seconded by SW. Unanimously approved.

6. **Review Fund Balance**
    a. Unassigned FB trends - JH presented a graph of the fund balance in relation to the target over many years illustrating the use of fund balance in the annual budget, the amount over/(under) the target, and the use for capital or one-time projects.
    b. Use of FB in budget - Committee discussed historical use of fund balance to 'balance the budget', noting years when BNAS closed and the Town used $1M to offset the loss of federal and state aid. JE noted years when the fund balance dipped below the target, and actions taken to bring balance back above the target.
    c. Use of available Unassigned FB – JH presented list of 'one-time' FB uses, primarily for emergencies and capital projects
    d. 6/30/21 Unassigned FB – JH reported that a very preliminary estimate indicates that the balance will be above the target

7. **Long-term Financial Planning – look at model**

JH modeled years of actual operating expenditures, two years of budget, and five years of projections based on assumptions. The model incorporates estimated debt service from the CIP, which includes borrowing for new fire station and tanker.

Model shows a line called "Gap" – which is revenues over/(under) expenditures, in which bracketed (negative) numbers show a budget shortfall, positive numbers show a budget surplus. This line changes as the model is manipulated. JH outlined the increase percentage assumptions at the bottom of the page. Percentages can be adjusted to see how each element affects the bottom line. JH suggested several assumptions, and the committee discussed the elements and how they affect the model.

8. **Report on American Rescue Plan – if updates available**

Report was released a few hours before the FC meeting. FC broadly discussed the rescue plan but more concrete details will be provided as they are available.

9. **Adjourn**

Fund Statements

Separate funds have historically been used to segregate resources related to specific activities (e.g., grants, highway construction, municipal cemetery, debt service). Long ago, each fund represented a separate bank account. Modern funds, however, function essentially as reporting categories for organizing information on assets, deferred outflows of resources, liabilities, and deferred inflows of resources for accounting and budgetary purposes. Each category of funds (as described below) has its own set of financial statements, and, depending on the category, reports all or some of its assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

Government funds are classified into three broad categories:

- **Governmental Funds** generally are used to account for tax-supported activities.
- **Proprietary Funds** are used to report business-type activities.
- **Fiduciary Funds** are used to account for resources held by the government for others as a custodian or trustee. Such funds are not available to support the government's own programs.

The three broad fund categories are subdivided further into eleven fund types as follows:

Governmental Funds

- The *General Fund* is a government's basic operating fund and is used to account for everything not reported elsewhere.
- *Special Revenue Funds* report specific revenue sources whose use is limited to a particular purpose, other than debt service or capital projects.
- *Debt Service Funds* account for the repayment of debt.
- *Capital Projects Funds*, as the name states account for resources used for constructing, acquiring, or rehabilitating capital assets.
- *Permanent Funds* account for principal amounts that are restricted to being invested for income but cannot be spent (i.e., endowments).

Proprietary Funds

- *Enterprise Funds* are used to account for services provided on a total or partial cost-recovery basis to parties outside the government (e.g., water, mass transit, hospitals).
- *Internal Service Funds* are used, for the most part, to allocate selected costs (e.g., data processing) to other funds or departments within the government on a cost-reimbursement basis.

Fiduciary Funds

- *Pension (and other employee benefit) Trust Funds* are postemployment benefit plan assets held in trust on behalf of employees and their beneficiaries.
- *Investment Trust Funds* are used to keep track of other governments' investments held in trust. For example, counties may manage funds in an investment pool that belong to other governments.
- *Private-Purpose Trust Funds* are used to track all other fiduciary trusts that are not pension (and other employee benefit) or investment trusts. These typically include, for example, abandoned bank accounts and unclaimed property. These funds are typically managed by states and there is an expectation (as well as laws and rules) that the property will be returned to the original owners or beneficiaries.
- *Custodial Funds* are used to track all other fiduciary activities that are not held in a trust for the benefit of other governments or individuals. For example, counties may collect the property taxes on behalf of their underlying towns, villages, and school districts as well as their own tax

	Government-wide Activities	Governmental Funds	Proprietary Funds	Fiduciary Funds
What's covered?	All activities of government (except fiduciary), including government activities and business-type activities (enterprise funds) as well as component units	Tax and grant-funded government services	Services that recover costs using fees, rates, and charges (e.g., water, sewer, electric)	Funds belonging to others and not available to the government itself, but which the government holds and/or manages
Financial Statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenses, and changes in net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position

Proprietary funds, like private-sector business enterprises, present three basic financial statements:

1. A statement of net position
2. A statement of revenues, expenses, and changes in net position
3. A statement of cash flows

Significant financial reporting differences between Governmental Funds and Proprietary Funds include:

- Capital items
    - Governmental funds account for the expenditure as it happens, and do NOT put capital assets on the balance sheet
    - Proprietary funds do not record the cost of constructing the asset, but add the capital asset to the statement of net position and record the annual depreciation each year.
- Long-term debt
    - Governmental funds account for the borrowed cash as a source when it is received, and do NOT record a liability on the balance sheet. Annual debt service is recorded each year on the statement of revenues, expenditures and changes in fund balances.
    - Proprietary funds record the debt liability on the statement of net position and account for the annual debt service as a reduction of the liability each year.

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Mere Point Wastewater
For the Year Ended:

	2012	2013	2014	2015	2016	2017	2018	2019	2020	Proj. 2021	$200,000 Forcemain installed Proj. 2022	Proj. 2023
OPERATING REVENUES												
Charge for services	$ 21,533	$ 21,670	$ 21,533	$ 21,035	$ 21,913	$ 31,792	$ 35,268	$ 36,042	$ 34,030	$ 37,592	$ 45,260	$ 45,260
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total operating revenue	21,533	21,670	21,533	21,035	21,913	31,792	35,268	36,042	34,030	37,592	45,260	45,260
OPERATING EXPENSES												
Administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-
Contractual services	16,079	18,557	33,767	27,420	21,614	22,826	27,584	25,244	28,750	33,051	20,000	20,000
Materials and supplies	-	-	-	-	-	-	-	-	-	-	-	-
Unclassified	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	23,557	23,557	23,557	23,558	27,068	28,238	28,238	5,681	4,682	4,681	24,681	24,681
Total operating expense	39,636	42,114	57,324	50,978	48,682	51,064	55,822	30,925	33,432	37,732	44,681	44,681
Operating gain (loss	(18,103)	(20,444)	(35,791)	(29,943)	(26,769)	(19,272)	(20,554)	5,117	598	(140)	579	579
NONOPERATING REVENUES (EXPENSES)												
Interest income	1	4	4	3	3	-	-	9	83	32	20	20
Capital contributions												
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-
Total nonoperating rev (	1	4	4	3	3	-	-	9	83	32	20	20
Income (loss)	(18,102)	(20,440)	(35,787)	(29,940)	(26,766)	(19,272)	(20,554)	5,126	681	(108)	599	599
Change in net position	(18,102)	(20,440)	(35,787)	(29,940)	(26,766)	(19,272)	(20,554)	5,126	681	(108)	599	599
Net position, beginning of year	202,166	184,064	163,624	127,837	97,897	71,131	51,859	31,305	36,431	37,112	37,004	37,603
Net position, end of year	$ 184,064	$ 163,624	$ 127,837	$ 97,897	$ 71,131	$ 51,859	$ 31,305	$ 36,431	$ 37,112	$ 37,004	$ 37,603	$ 38,202
Change in net position w/o depr	5,455	3,117	(12,230)	(6,382)	302	8,966	7,684	10,807	5,363	4,573	25,280	25,280

Notes on activities/assumptions:
1. User fees increased 4/1/21
2. Installation of Webb Field Road forcemaine in FY2022
3. Cost of pumping & disposal eliminated, saving $10,000/year
4. Infrastructure capital asset added in FY2022 for $200,000
5. Annual depreciation increased by $20,000 ($200,000 over 10 years)
6. Advance from General Fund to be paid back with available cash

TOWN OF BRUNSWICK, MAINE
Statement of Net Position
Mere Point Wastewater
For the Period Ended:

	2012	2013	2014	2015	2016	2017	2018	2019	2020	Proj 2021	$200,000 Forcemain installed Proj 2022	Proj 2023
ASSETS												
Current assets:												
Cash and cash equivalents	$ 37,182	$ 42,169	$ 30,547	$ 23,182	$ -	$ -	$ -	$ 4,993	$ 8,639	$ 17,110	$ -	$ -
Accounts receivable	5,658	2,921	2,755	2,310	5,341	3,469	4,316	3,131	5,365	-	-	-
Due from General Fund	-	634	431	1,492	-	-	-	-	-	-	-	-
Total current assets	42,840	45,724	33,733	26,984	5,341	3,469	4,316	8,124	14,004	17,110	-	-
Capital assets:												
Machinery and equipment	97,500	97,500	97,500	97,500	97,500	97,500	97,500	97,500	97,500	97,500	97,500	97,500
Infrastructure	589,927	589,927	589,927	589,927	636,738	636,738	636,738	636,738	636,738	636,738	836,738	836,738
Less accum depreciation	(545,084)	(568,641)	(592,198)	(615,756)	(642,824)	(671,062)	(699,300)	(704,981)	(709,663)	(714,344)	(739,025)	(763,706)
Net capital assets	142,343	118,786	95,229	71,671	91,414	63,176	34,938	29,257	24,575	19,894	195,213	170,532
Total assets	185,183	164,510	128,962	98,655	96,755	66,645	39,254	37,381	38,579	37,004	195,213	170,532
LIABILITIES												
Current liabilities:												
Accounts payable	1,119	886	1,125	758	1,853	-	1,603	950	1,467	-	-	-
Due to General Fund	-	-	-	-	23,771	14,786	6,346	-	-	-	157,610	132,330
Total current liabilities	1,119	886	1,125	758	25,624	14,786	7,949	950	1,467	-	157,610	132,330
NET ASSETS												
Net investment in capital assets	142,343	118,786	95,229	71,671	91,414	63,176	34,938	29,257	24,575	19,894	195,213	170,532
Unrestricted	41,721	44,838	32,608	26,226	(20,283)	(11,317)	(3,633)	7,174	12,537	17,110	(157,610)	(132,330)
Total net position	$ 184,064	$ 163,624	$ 127,837	$ 97,897	$ 71,131	$ 51,859	$ 31,305	$ 36,431	$ 37,112	$ 37,004	$ 37,603	$ 38,202

Notes on activities/assumptions:
1. User fees increased 4/1/21
2. Installation of Webb Field Road forcemaine in FY2022
3. Cost of pumping & disposal eliminated, saving $10,000/year
4. Infrastructure capital asset added in FY2022 for $200,000
5. Annual depreciation increased by $20,000 ($200,000 over 10 years)
6. Advance from General Fund to be paid back with available cash

TOWN OF BRUNSWICK, MAINE
Statement of Net Position
Train Station

As of June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	Projected 2021	Projected 2022	Projected 2023
ASSETS											
Current assets:											
Cash and cash equivalents	$ 57,480	$ 83,548	$ 79,377	$ 67,202	$ 46,208	$ 47,424	$ 70,479	$ 93,101	$ 58,540	$ 55,022	$ 52,823
Accounts receivable	300	300	300	-	-	-	-	-	-	-	-
Prepaid rent	58,667	14,667	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	400	-	858	1,146	324	-	-	-
Total current assets	116,447	98,515	79,677	67,602	46,208	48,282	71,625	93,425	58,540	55,022	52,823
Capital assets:											
Improvements other than buildings	74,038	74,038	74,038	74,038	74,038	74,038	74,038	74,038	74,038	74,038	74,038
Machinery and equipment	-	-	-	-	-	8,947	8,947	8,947	15,133	15,133	15,133
Less accumulated depreciation	(22,236)	(37,044)	(49,104)	(59,790)	(70,476)	(75,082)	(76,871)	(78,660)	(80,655)	(83,475)	(84,222)
Net capital assets	51,802	36,994	24,934	14,248	3,562	7,903	6,114	4,325	8,516	5,696	4,949
Total assets	168,249	135,509	104,611	81,850	49,770	56,185	77,739	97,750	67,056	60,718	57,772
LIABILITIES											
Current liabilities:											
Accounts payable	186	589	5,786	5,053	5,080	55	285	5,050	-	-	-
Unearned revenue	59,545	14,667	-	-	-	-	-	-	-	-	-
Total liabilities	59,731	15,256	5,786	5,053	5,080	55	285	5,050	-	-	-
NET POSITION											
Invested in capital assets	51,802	36,994	24,934	14,248	3,562	7,903	6,114	4,325	8,516	5,696	4,949
Unrestricted	56,716	83,259	73,891	62,549	41,128	48,227	71,340	88,375	58,540	55,022	52,823
Total net position	$ 108,518	$ 120,253	$ 98,825	$ 76,797	$ 44,690	$ 56,130	$ 77,454	$ 92,700	$ 67,056	$ 60,718	$ 57,772
	-	-	-	-	-	-	-	-	-	-	-

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Train Station

For the year ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	Projected 2021	Projected 2022	Projected 2023
OPERATING REVENUES											
Charge for services:											
Rent	$ 14,136	$ 14,136	$ 12,138	$ 9,840	$ 10,395	$ 11,340	$ 11,340	$ 11,740	$ 11,340	$ 11,340	$ 11,340
Parking meter	-	-	-	-	-	8,610	20,379	16,492	5,000	10,000	15,000
Total operating revenues	14,136	14,136	12,138	9,840	10,395	19,950	31,719	28,232	16,340	21,340	26,340
OPERATING EXPENSES											
Property Management Services	7,068	7,068	6,069	4,448	5,670	5,670	5,670	5,670	2,835	56,000	56,000
Professional Services	-	-	-	-	838	-	-	130	-	-	-
Electricity	2,798	2,569	2,673	2,446	2,357	2,275	3,292	8,416	8,521	8,750	9,000
Water	-	-	-	-	-	-	-	-	-	-	-
Sewer	-	-	-	-	-	-	-	-	-	-	-
R&M Building	2,186	4,046	4,088	338	883	3,398	558	859	2,000	5,000	5,000
R&M Facilities	15,740	12,170	16,314	7,177	15,666	17,249	23,598	17,152	18,000	22,000	24,000
Rental of Facilities	44,000	44,000	43,987	43,980	43,980	44,001	44,000	47,970	51,939	51,939	51,939
Rental of Parking Lot	5,000	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Advertising	-	-	-	-	-	-	-	-	-	-	-
General Supplies	826	-	130	323	-	369	642	773	900	900	900
Natural Gas	1,144	1,748	1,922	1,553	1,724	1,723	2,052	1,393	1,500	1,800	2,200
Depreciation Visitors Ctr	4,122	4,122	1,374	-	-	-	-	-	-	-	-
Depreciation Parking lot	7,124	10,686	10,686	10,686	10,686	3,562	-	-	-	-	-
Depreciation Machinery & Equipment	-	-	-	-	-	1,044	1,789	1,789	1,789	1,789	747
Total operating expenses	90,008	86,409	92,243	75,951	86,804	84,291	86,601	89,152	92,484	153,178	154,786
Operating gain (loss)	(75,872)	(72,273)	(80,105)	(66,111)	(76,409)	(64,341)	(54,882)	(60,920)	(76,144)	(131,838)	(128,446)
NONOPERATING REVENUES (EXPENSES)											
Interest income	3	8	10	83	302	781	1,206	1,166	500	500	500
Town subsidy	50,000	40,000	44,000	44,000	44,000	75,000	75,000	75,000	50,000	125,000	125,000
Capital contributions	53,430	-	-	-	-	-	-	-	-	-	-
Operating contributions - BDC for rent	44,000	44,000	14,667	-	-	-	-	-	-	-	-
Operating contributions - Town for parking	5,000	-	-	-	-	-	-	-	-	-	-
Total nonoperating revenues (expenses)	152,433	84,008	58,677	44,083	44,302	75,781	76,206	76,166	50,500	125,500	125,500
Income (loss) before transfers	76,561	11,735	(21,428)	(22,028)	(32,107)	11,440	21,324	15,246	(25,644)	(6,338)	(2,946)
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Change in net position	76,561	11,735	(21,428)	(22,028)	(32,107)	11,440	21,324	15,246	(25,644)	(6,338)	(2,946)
Net position, beginning of year	31,957	108,518	120,253	98,825	76,797	44,690	56,130	77,454	92,700	67,056	60,718
Net position, end of year	$ 108,518	$ 120,253	$ 98,825	$ 76,797	$ 44,690	$ 56,130	$ 77,454	$ 92,700	$ 67,056	$ 60,718	$ 57,772

TOWN OF BRUNSWICK, MAINE - Graham Rd Landfill
Statement of Net Position
As of June 30,

	2014	2015	2016	2017	2018	2019	2020	Projected 2021	Projected 2022	Projected 2023
ASSETS										
Current assets:										
Cash and cash equivalents	$ 581,784	$ 663,655	$ 916,771	$ 1,086,798	$ 1,597,892	$ 2,242,960	$ 2,608,340	$ 3,172,164	$ -	$ 12,164
Accounts receivable	18,814	21,752	22,523	20,859	95,564	73,898	10,133	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	-	2,625,000	5,775,000	5,735,000
Due from other funds	-	-	-	-	-	7,107	-	-	-	-
Total current assets	600,598	685,407	939,294	1,107,657	1,693,456	2,323,965	2,618,473	5,797,164	5,775,000	5,747,164
Capital assets:										
Land	115,000	115,000	115,000	115,000	115,000	115,000	115,000	109,000	109,000	109,000
Buildings	54,220	54,220	54,220	54,220	54,220	54,220	54,220	-	-	-
Improvements other than building	7,367,865	7,367,865	7,367,865	7,367,865	7,367,865	7,367,865	7,367,865	-	-	-
Machinery and equipment	537,459	551,282	551,282	551,282	702,522	702,522	702,522	-	-	-
Vehicles	88,632	88,632	88,632	-		-	-	-	-	-
Intangibles	6,470	6,470	6,470	6,470	16,399	16,399	16,399	-	-	-
Less accumulated depreciat	(6,032,197)	(6,044,709)	(6,194,011)	(6,246,265)	(6,769,957)	(7,098,723)	(7,616,199)	-	-	-
Net capital assets	2,137,449	2,138,760	1,989,458	1,848,572	1,486,049	1,157,283	639,807	109,000	109,000	109,000
Total assets	2,738,047	2,824,167	2,928,752	2,956,229	3,179,505	3,481,248	3,258,280	5,906,164	5,884,000	5,856,164
LIABILITIES										
Current liabilities:										
Accounts payable	14,293	6,263	18,694	25,069	9,186	83,907	42,987	-	-	-
Accrual of payroll	3,815	3,347	4,923	6,854	9,260	15,355	8,023	-	-	-
Compensated absences	1,250	1,250	1,250	10,000	10,000	11,880	15,465	-	-	-
Due to other funds	1,934	8,620	42,634	47,690	4,432	-	8,099	-	427,836	-
Total current liabilities	21,292	19,480	67,501	89,613	32,878	111,142	74,574	-	427,836	-
Noncurrent liabilities:										
Bonds payable	-	-	-	-	-	-	-	-	-	-
PH Landfill postclosure	-	-	-	-	-	-	-	-	-	-
GR Landfill closure	5,056,927	5,249,353	5,539,078	5,810,783	6,782,531	7,140,071	9,315,187	4,200,000	-	-
GR Landfill postclosure	1,671,291	1,692,956	1,718,885	1,742,419	1,917,184	1,955,996	2,083,859	2,145,000	2,145,000	2,073,500
WM landfill posclosure	92,000	88,000	84,000	80,000	76,000	72,000	68,000	64,000	60,000	56,000
Compensated absences	8,304	8,240	8,653	457	4,162	-	-	-	-	-
Total noncurrent liabilities	6,828,522	7,038,549	7,350,616	7,633,659	8,779,877	9,168,067	11,467,046	6,409,000	2,205,000	2,129,500
Total liabilities	6,849,814	7,058,029	7,418,117	7,723,272	8,812,755	9,279,209	11,541,620	6,409,000	2,632,836	2,129,500
DEFERRED UNFLOWS OF RESOURCES										
State Landfill Closure reimbursemen	-	-	-	-	-	-	-	2,625,000	5,775,000	5,735,000
Total deferred inflows of reso	-	-	-	-	-	-	-	2,625,000	5,775,000	5,735,000
NET POSITION										
Net investment in capital assets	2,137,449	2,138,760	1,989,458	1,848,572	1,486,049	1,157,283	639,807	109,000	109,000	109,000
Unrestricted	(6,249,216)	(6,372,622)	(6,478,823)	(6,615,615)	(7,119,299)	(6,955,244)	(8,923,147)	(3,236,836)	(2,632,836)	(2,117,336)
Total net position	$ (4,111,767)	$ (4,233,862)	$ (4,489,365)	$ (4,767,043)	$ (5,633,250)	$ (5,797,961)	$ (8,283,340)	$ (3,127,836)	$ (2,523,836)	$ (2,008,336)

TOWN OF BRUNSWICK, MAINE - Graham Road Landfill
Statement of Revenues, Expenses and Changes in Net Position
Fiscal year ending June 30,

	2015	2016	2017	2018	2019	2020	2021	2022	2023
OPERATING REVENUES									
Charge for services	$ 14,175	$ 13,054	$ 13,692	$ 13,488	$ 15,226	$ 15,323	$ 13,157	$ -	$ -
Tipping fees	384,232	462,056	412,076	1,269,350	1,035,837	1,054,442	388,140	-	-
Other	-	-	-	-	-	-	-	-	-
Total operating revenues	398,407	475,110	425,768	1,282,838	1,051,063	1,069,765	401,297	-	-
OPERATING EXPENSES									
Personnel services	177,814	173,797	183,722	253,679	248,052	276,200	183,813	-	-
Administrative expenses	8,099	8,453	8,608	8,524	7,423	7,155	7,500	-	-
Contractual services	124,419	175,959	162,678	254,039	295,088	162,253	210,322	-	-
Central garage costs	40,000	40,000	40,000	50,000	50,000	50,000	50,000	-	-
Materials and supplies	39,462	22,294	30,838	92,790	84,521	143,571	31,698	-	-
Closure costs - GRL	192,426	289,725	271,705	971,748	357,539	2,461,619	(1,615,187)	-	-
Postclosure costs - GRL	21,665	25,929	23,534	174,765	38,813	127,862	61,141	-	(71,500)
Closure/Postclosure costs - WM	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
Depreciation	130,689	149,302	140,886	523,692	328,766	517,475	269,049	-	-
Total operating expenses	730,574	881,459	857,971	2,325,237	1,406,202	3,742,135	(805,664)	(4,000)	(75,500)
Operating gain (loss)	(332,167)	(406,349)	(432,203)	(1,042,399)	(355,139)	(2,672,370)	1,206,961	4,000	75,500
NONOPERATING REVENUES (EXPENSES)									
Interest income	72	846	4,525	19,192	40,428	36,991	10,300	-	-
State closure reimbursment	-	-	-	-	-	-	-		40,000
Gain/(loss) on disposal of capital as	10,000	-	-	7,000	-	-	(261,757)	-	-
Total nonoperating revenues (exp	10,072	846	4,525	26,192	40,428	36,991	(251,457)	-	40,000
Income (loss) before transfers	(322,095)	(405,503)	(427,678)	(1,016,207)	(314,711)	(2,635,379)	955,504	4,000	115,500
Transfers in/(out) - Other Funds	-	-	-	-	-	-	4,200,000	600,000	400,000
Transfers in/out - Gen Fund	200,000	150,000	150,000	150,000	150,000	150,000	-	-	-
Change in net position	(122,095)	(255,503)	(277,678)	(866,207)	(164,711)	(2,485,379)	5,155,504	604,000	515,500
Net position, beginning of year	(4,111,767)	(4,233,862)	(4,489,365)	(4,767,043)	(5,633,250)	(5,797,961)	(8,283,340)	(3,127,836)	(2,523,836)
Net position, end of year	$ (4,233,862)	$ (4,489,365)	$ (4,767,043)	$ (5,633,250)	$ (5,797,961)	$ (8,283,340)	$ (3,127,836)	$ (2,523,836)	$ (2,008,336)

TOWN OF BRUNSWICK, MAINE
Statement of Net Assets
Pay-per-bag Program
Fiscal Years ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	Projected 2021	Projected 2022	Projected 2023
ASSETS											
Current assets:											
Cash and cash equivalents	$ 1,500,507	$ 1,763,947	$ 1,992,981	$ 2,255,101	$ 2,498,484	$ 2,773,642	$ 3,169,877	$ 3,681,381	$ 148,780	$ 73,180	$ 197,580
Accounts receivable	48,500	29,700	30,300	27,200	22,800	109,200	128,800	120,556	40,000	40,000	40,000
Prepaid expense	-	-	26	-	-	-	-	-	-	-	-
Inventory	63,377	49,814	37,523	38,684	34,432	19,522	33,375	66,547	40,000	40,000	40,000
Due from other funds	-	-	10,000	6,100	3,000	-	-	-	-	-	-
Total current assets	1,612,384	1,843,461	2,070,830	2,327,085	2,558,716	2,902,364	3,332,052	3,868,484	228,780	153,180	277,580
LIABILITIES											
Current liabilities:											
Accounts payable	1,596	1,868	1,918	24,558	22,930	32,302	-	37,454	-	-	-
Other liabilities				1,351	1,261	1,777	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	1,596	1,868	1,918	25,909	24,191	34,079	-	37,454	-	-	-
NET ASSETS											
Unrestricted	1,610,788	1,841,593	2,068,912	2,301,176	2,534,525	2,868,285	3,332,052	3,831,030	228,780	153,180	277,580
Total net assets	$ 1,610,788	$ 1,841,593	$ 2,068,912	$ 2,301,176	$ 2,534,525	$ 2,868,285	$ 3,332,052	$ 3,831,030	$ 228,780	$ 153,180	$ 277,580
	-	-	-	-	-	-	-	-	-	-	-

`

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenses and Changes in Net Assets
Pay-per-bag Program
For the year ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	Projected 2021	Projected 2022	Projected 2023
OPERATING REVENUES											
Sales of bags	$ 299,100	$ 315,900	$ 317,800	$ 322,300	$ 311,165	$ 414,300	$ 465,600	$ 529,254	$ 725,000	$ 640,000	$ 640,000
Total operating revenues	299,100	315,900	317,800	322,300	311,165	414,300	465,600	529,254	725,000	640,000	640,000
OPERATING EXPENSES											
Cost of bags	80,200	85,259	90,666	92,079	88,785	121,459	70,761	82,552	172,250	160,600	160,600
Total operating expenses	80,200	85,259	90,666	92,079	88,785	121,459	70,761	82,552	172,250	160,600	160,600
Operating gain (loss)	218,900	230,641	227,134	230,221	222,380	292,841	394,839	446,702	552,750	479,400	479,400
NONOPERATING REVENUES (EXPENSES)											
Cost of program start-up	-	-	-	-	-	-	-	-	-	-	-
Interest income	135	164	185	2,043	10,969	40,919	68,928	52,276	45,000	45,000	45,000
Total nonoperating rev (exp)	135	164	185	2,043	10,969	40,919	68,928	52,276	45,000	45,000	45,000
Income (loss) before trans	219,035	230,805	227,319	232,264	233,349	333,760	463,767	498,978	597,750	524,400	524,400
Transfers in/(out)	-	-	-	-	-	-	-	-	(4,200,000)	(600,000)	(400,000)
Change in net position	219,035	230,805	227,319	232,264	233,349	333,760	463,767	498,978	(3,602,250)	(75,600)	124,400
Net position, beginning of year	1,391,753	1,610,788	1,841,593	2,068,912	2,301,176	2,534,525	2,868,285	3,332,052	3,831,030	228,780	153,180
Net position, end of year	$ 1,610,788	$ 1,841,593	$ 2,068,912	$ 2,301,176	$ 2,534,525	$ 2,868,285	$ 3,332,052	$ 3,831,030	$ 228,780	$ 153,180	$ 277,580
Cash at EOY	**1,500,507**	**1,763,947**	**1,992,981**	**2,255,101**	**2,498,484**	**2,773,642**	**3,169,877**	**3,681,381**	**148,780**	**73,180**	**197,580**
Change from PY	178,465	263,440	229,034	262,120	243,383	275,158	396,235	511,504	(3,532,601)	(75,600)	124,400
Cases sold:											
Small bags (200 bags/case)	1,546	1,647	1,652	1,686	1,617	2,137	1,266	1,466	1,900	1,700	1,700
Cost of bags sold	44,106	47,976	50,438	51,778	49,370	66,315	41,070	48,727	72,200	64,600	64,600
Cost per bag	0.14	0.15	0.15	0.15	0.15	0.16	0.16	0.17	0.19	0.19	0.19
Operating gain on bags sold	110,494	116,724	114,762	116,822	112,330	147,385	212,130	244,473	307,800	275,400	275,400
Gain per bag	0.36	0.35	0.35	0.35	0.35	0.34	0.84	0.83	0.81	0.81	0.81
Large bags (100 bags/case)	1,445	1,512	1,526	1,540	1,495	2,007	1,062	1,184	1,725	1,500	1,500
Cost of bags sold	36,094	37,283	40,228	40,601	39,415	55,244	29,691	33,825	100,050	96,000	96,000
Cost per bag	0.25	0.25	0.26	0.26	0.26	0.28	0.28	0.29	0.29	0.32	0.32
Operating gain on bags sold	108,406	113,917	112,372	113,399	110,050	145,456	182,709	202,975	244,950	204,000	204,000
Gain per bag	0.75	0.75	0.74	0.74	0.74	0.72	1.72	1.71	1.42	1.36	1.36

TOWN OF BRUNSWICK, MAINE
Statement of Net Position
Graham Rd Processing Facility
As of June 30,

	Projected 2021	Projected 2022	Projected 2023
ASSETS			
Current assets:			
Cash and cash equivalents	$ 168,983	$ 168,342	$ 167,431
Total current assets	168,983	168,342	167,431
Capital assets:			
Land	6,000	6,000	6,000
Buildings	15,498	15,498	15,498
Improvements other than building	57,000	57,000	57,000
Less accumulated depreciati	-	(7,250)	(14,500)
Net capital assets	78,498	71,248	63,998
Total assets	247,481	239,590	231,430
LIABILITIES			
Current liabilities:			
Due to other funds	-	-	-
Total current liabilities	-	-	-
Noncurrent liabilities:			
Bonds payable	-	-	-
Compensated absences	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	-	-	-
NET POSITION			
Net investment in capital assets	78,498	71,248	63,998
Unrestricted	168,983	168,342	167,431
Total net position	$ 247,481	$ 239,590	$ 231,430

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Graham Road Processing Facility
Fiscal year ending June 30,

	Projected 2021	Projected 2022	Projected 2023	
OPERATING REVENUES				
Permits	$ 1,050	$ 6,500	$ 6,500	(a)
Drop-off fees	6,060	30,100	31,605	
Other	-	7,000	7,350	
Total operating revenues	7,110	43,600	45,455	
OPERATING EXPENSES				
Personnel services	7,439	22,391	23,063	
Contractual services	220	15,050	15,803	
Materials and supplies	1,970	6,800	7,500	
Depreciation	-	7,250	7,250	
Total operating expenses	9,629	51,491	53,615	
Operating gain (loss)	(2,519)	(7,891)	(8,160)	
Transfers in (Other Funds)	250,000	-	-	(b)
Change in net position	247,481	(7,891)	(8,160)	
Net position, beginning of year	-	247,481	239,590	
Net position, end of year	$ 247,481	$ 239,590	$ 231,430	

(a) In FY2021, permit revenue was booked to the facility in operation at the time the permit was purchased. I.e. - FY2021 permits revenue is split between Landfill and processing facility.

(b) From other funds:

LF Impact Fees	$ 250,000
	-
	$ 250,000

Coronavirus State and Local Fiscal Recovery Funds

Frequently Asked Questions

AS OF MAY 27, 2021

This document contains answers to frequently asked questions regarding the Coronavirus State and Local Fiscal Recovery Funds (CSFRF / CLFRF, or Fiscal Recovery Funds). Treasury will be updating this document periodically in response to questions received from stakeholders. Recipients and stakeholders should consult the Interim Final Rule for additional information.

- For overall information about the program, including information on requesting funding, please see https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments

- For general questions about CSFRF / CLFRF, please email SLFRP@treasury.gov

- Treasury is seeking comment on all aspects of the Interim Final Rule. Stakeholders are encouraged to submit comments electronically through the Federal eRulemaking Portal (https://www.regulations.gov/document/TREAS-DO-2021-0008-0002) on or before July 16, 2021. Please be advised that comments received will be part of the public record and subject to public disclosure. Do not disclose any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Questions added 5/27/21: 1.5, 1.6, 2.13, 2.14, 2.15, 3.9, 4.5, 4.6, 10.3, 10.4 (noted with "[5/27]")

1. Eligibility and Allocations

1.1. Which governments are eligible for funds?

The following governments are eligible:

- States and the District of Columbia
- Territories
- Tribal governments
- Counties
- Metropolitan cities
- Non-entitlement units, or smaller local governments

1.2. Which governments receive funds directly from Treasury?

Treasury will distribute funds directly to each eligible state, territory, metropolitan city, county, or Tribal government. Smaller local governments that are classified as non-entitlement units will receive funds through their applicable state government.

1.3. Are special-purpose units of government eligible to receive funds?

Special-purpose units of local government will not receive funding allocations; however, a state, territory, local, or Tribal government may transfer funds to a special-purpose unit of government. Special-purpose districts perform specific functions in the community, such as fire, water, sewer or mosquito abatement districts.

1.4. How are funds being allocated to Tribal governments, and how will Tribal governments find out their allocation amounts?

$20 billion of Fiscal Recovery Funds was reserved for Tribal governments. The American Rescue Plan Act specifies that $1 billion will be allocated evenly to all eligible Tribal governments. The remaining $19 billion will be distributed using an allocation methodology based on enrollment and employment.

There will be two payments to Tribal governments. Each Tribal government's first payment will include (i) an amount in respect of the $1 billion allocation that is to be divided equally among eligible Tribal governments and (ii) each Tribal government's pro rata share of the Enrollment Allocation. Tribal governments will be notified of their allocation amount and delivery of payment 4-5 days after completing request for funds in the Treasury Submission Portal. The deadline to make the initial request for funds is June 7, 2021.

In late-May or shortly after completing the initial request for funds, Tribal governments will receive an email notification to re-enter the Treasury Submission Portal to confirm or amend their 2019 employment numbers that were submitted to the Department of the Treasury for the CARES Act's Coronavirus Relief Fund. The deadline to confirm employment numbers is June 21, 2021. Treasury will calculate each Tribal government's pro rata share of the Employment Allocation for those Tribal governments that confirmed or submitted amended employment numbers. In late-June, Treasury will communicate to Tribal governments the amount of their portion of the Employment Allocation and the anticipated date for the second payment.

1.5. My county is a unit of general local government with population under 50,000. Will my county receive funds directly from Treasury? [5/27]

Yes. All counties that are units of general local government will receive funds directly from Treasury and should apply via the online portal. The list of county allocations is available here.

1.6. My local government expected to be classified as a nonentitlement unit. Instead, it was classified as a metropolitan city. Why? [5/27]

The American Rescue Plan Act defines, for purposes of the Coronavirus Local Fiscal Recovery Fund (CLFRF), metropolitan cities to include those that are currently metropolitan cities under the Community Development Block Grant (CDBG) program but also those cities that relinquish or defer their status as a metropolitan city for purposes of the CDBG program. This would include, by way of example, cities that are principal cities of their metropolitan statistical area, even if their population is less than 50,000. In other words, a city that is eligible to be a metropolitan city under the CDBG program is eligible as a metropolitan city under the CLFRF, regardless of how that city has elected to participate in the CDBG program.

Unofficial allocation estimates produced by other organizations may have classified certain local governments as nonentitlement units of local government. However, based on the statutory definitions, some of these local governments should have been classified as metropolitan cities.

2. Eligible Uses – Responding to the Public Health Emergency / Negative Economic Impacts

2.1. What types of COVID-19 response, mitigation, and prevention activities are eligible?

A broad range of services are needed to contain COVID-19 and are eligible uses, including vaccination programs; medical care; testing; contact tracing; support for isolation or quarantine; supports for vulnerable populations to access medical or public health services; public health surveillance (e.g., monitoring case trends, genomic sequencing for variants); enforcement of public health orders; public communication efforts; enhancement to health care capacity, including through alternative care facilities; purchases of personal protective equipment; support for prevention, mitigation, or other services in congregate living facilities (e.g., nursing homes, incarceration settings, homeless shelters, group living facilities) and other key settings like schools; ventilation improvements in congregate settings, health care settings, or other key locations; enhancement of public health data systems; and other public health responses. Capital investments in public facilities to meet pandemic operational needs are also eligible, such as physical plant improvements to public hospitals and health clinics or adaptations to public buildings to implement COVID-19 mitigation tactics.

2.2. If a use of funds was allowable under the Coronavirus Relief Fund (CRF) to respond to the public health emergency, may recipients presume it is also allowable under CSFRF/CLFRF?

Generally, funding uses eligible under CRF as a response to the direct public health impacts of COVID-19 will continue to be eligible under CSFRF/CLFRF, with the following two exceptions: (1) the standard for eligibility of public health and safety payrolls has been updated; and (2) expenses related to the issuance of tax-anticipation notes are not an eligible funding use.

2.3. If a use of funds is not explicitly permitted in the Interim Final Rule as a response to the public health emergency and its negative economic impacts, does that mean it is prohibited?

The Interim Final Rule contains a non-exclusive list of programs or services that may be funded as responding to COVID-19 or the negative economic impacts of the COVID-19 public health emergency, along with considerations for evaluating other potential uses of Fiscal Recovery Funds not explicitly listed. The Interim Final Rule also provides flexibility for recipients to use Fiscal Recovery Funds for programs or services that are not identified on these non-exclusive lists but which meet the objectives of section 602(c)(1)(A) or 603(c)(1)(A) by responding to the COVID-19 public health emergency with respect to COVID-19 or its negative economic impacts.

2.4. May recipients use funds to respond to the public health emergency and its negative economic impacts by replenishing state unemployment funds?

Consistent with the approach taken in the CRF, recipients may make deposits into the state account of the Unemployment Trust Fund up to the level needed to restore the pre-pandemic balances of such account as of January 27, 2020, or to pay back advances received for the payment of benefits between January 27, 2020 and the date when the Interim Final Rule is published in the Federal Register.

2.5. What types of services are eligible as responses to the negative economic impacts of the pandemic?

Eligible uses in this category include assistance to households; small businesses and non-profits; and aid to impacted industries.

Assistance to households includes, but is not limited to: food assistance; rent, mortgage, or utility assistance; counseling and legal aid to prevent eviction or homelessness; cash assistance; emergency assistance for burials, home repairs, weatherization, or other needs; internet access or digital literacy assistance; or job training to address negative economic or public health impacts experienced due to a worker's occupation or level of training.

Assistance to small business and non-profits includes, but is not limited to:

- loans or grants to mitigate financial hardship such as declines in revenues or impacts of periods of business closure, for example by supporting payroll and benefits costs, costs to retain employees, mortgage, rent, or utilities costs, and other operating costs;
- Loans, grants, or in-kind assistance to implement COVID-19 prevention or mitigation tactics, such as physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs; and
- Technical assistance, counseling, or other services to assist with business planning needs

2.6. May recipients use funds to respond to the public health emergency and its negative economic impacts by providing direct cash transfers to households?

Yes, provided the recipient considers whether, and the extent to which, the household has experienced a negative economic impact from the pandemic. Additionally, cash transfers must be reasonably proportional to the negative economic impact they are intended to address. Cash transfers grossly in excess of the amount needed to address the negative economic impact identified by the recipient would not be considered to be a response to the COVID-19 public health emergency or its negative impacts. In particular, when considering appropriate size of permissible cash transfers made in response to the COVID-19 public health emergency, state, local, territorial, and Tribal governments may consider and take guidance from the per person amounts previously provided by the federal government in response to the COVID crisis.

2.7. May funds be used to reimburse recipients for costs incurred by state and local governments in responding to the public health emergency and its negative economic impacts prior to passage of the American Rescue Plan?

Use of Fiscal Recovery Funds is generally forward looking. The Interim Final Rule permits funds to be used to cover costs incurred beginning on March 3, 2021.

2.8. May recipients use funds for general economic development or workforce development?

Generally, not. Recipients must demonstrate that funding uses directly address a negative economic impact of the COVID-19 public health emergency, including funds used for economic or workforce development. For example, job training for unemployed workers may be used to address negative economic impacts of the public health emergency and be eligible.

2.9. How can recipients use funds to assist the travel, tourism, and hospitality industries?

Aid provided to tourism, travel, and hospitality industries should respond to the negative economic impacts of the pandemic. For example, a recipient may provide aid to support safe reopening of businesses in the tourism, travel and hospitality industries and to districts that were closed during the COVID-19 public health emergency, as well as aid a planned expansion or upgrade of tourism, travel and hospitality facilities delayed due to the pandemic.

Tribal development districts are considered the commercial centers for tribal hospitality, gaming, tourism and entertainment industries.

2.10. May recipients use funds to assist impacted industries other than travel, tourism, and hospitality?

Yes, provided that recipients consider the extent of the impact in such industries as compared to tourism, travel, and hospitality, the industries enumerated in the statute. For example, nationwide the leisure and hospitality industry has experienced an approximately 17 percent decline in employment and 24 percent decline in revenue, on net, due to the COVID-19 public health emergency. Recipients should also consider whether impacts were due to the COVID-19 pandemic, as opposed to longer-term economic or industrial trends unrelated to the pandemic.

Recipients should maintain records to support their assessment of how businesses or business districts receiving assistance were affected by the negative economic impacts of the pandemic and how the aid provided responds to these impacts.

2.11. How does the Interim Final Rule help address the disparate impact of COVID-19 on certain populations and geographies?

In recognition of the disproportionate impacts of the COVID-19 virus on health and economic outcomes in low-income and Native American communities, the Interim Final Rule identifies a broader range of services and programs that are considered to be in response to the public health emergency when provided in these communities. Specifically, Treasury will presume that certain types of services are eligible uses when provided in a Qualified Census Tract (QCT), to families living in QCTs, or when these services are provided by Tribal governments.

Recipients may also provide these services to other populations, households, or geographic areas disproportionately impacted by the pandemic. In identifying these disproportionately-impacted communities, recipients should be able to support their determination for how the pandemic disproportionately impacted the populations, households, or geographic areas to be served.

Eligible services include:

- Addressing health disparities and the social determinants of health, including: community health workers, public benefits navigators, remediation of lead paint or other lead hazards, and community violence intervention programs;

- Building stronger neighborhoods and communities, including: supportive housing and other services for individuals experiencing homelessness, development of affordable housing, and housing vouchers and assistance relocating to neighborhoods with higher levels of economic opportunity;

- Addressing educational disparities exacerbated by COVID-19, including: early learning services, increasing resources for high-poverty school districts, educational services like tutoring or afterschool programs, and supports for students’ social, emotional, and mental health needs; and

- Promoting healthy childhood environments, including: child care, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth.

2.12. May recipients use funds to pay for vaccine incentive programs (e.g., cash or in-kind transfers, lottery programs, or other incentives for individuals who get vaccinated)?

Yes. Under the Interim Final Rule, recipients may use Coronavirus State and Local Fiscal Recovery Funds to respond to the COVID-19 public health emergency, including expenses related to COVID-19 vaccination programs. See forthcoming 31 CFR 35.6(b)(1)(i). Programs that provide incentives reasonably expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would have, are an allowable use of funds so long as such costs are reasonably proportional to the expected public health benefit.

2.13. May recipients use funds to pay "back to work incentives" (e.g., cash payments for newly employed workers after a certain period of time on the job)? [5/27]

Yes. Under the Interim Final Rule, recipients may use Coronavirus State and Local Fiscal Recovery Funds to provide assistance to unemployed workers. See forthcoming 31 CFR 35.6(b)(4). This assistance can include job training or other efforts to accelerate rehiring and thus reduce unemployment, such as childcare assistance, assistance with transportation to and from a jobsite or interview, and incentives for newly employed workers.

2.14. The Coronavirus Relief Fund (CRF) included as an eligible use: "Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency." What has changed in CSFRF/CLFRF, and what type of documentation is required under CSFRF/CLFRF? [5/27]

Many of the expenses authorized under the Coronavirus Relief Fund are also eligible uses under the CSFRF/CLFRF. However, in the case of payroll expenses for public safety, public health, health care, human services, and similar employees (hereafter, public health and safety staff), the CSFRF/CLFRF does differ from the CRF. This change reflects the differences between the ARPA and CARES Act and recognizes that the response to the COVID-19 public health emergency has changed and will continue to change over time. In particular, funds may be used for payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, including first responders, to the extent that the employee's time that is dedicated to responding to the COVID-19 public health emergency.

For administrative convenience, the recipient may consider a public health and safety employee to be entirely devoted to mitigating or responding to the COVID-19 public health emergency, and therefore fully covered, if the employee, or his or her operating unit or division, is primarily dedicated (e.g., more than half of the employee's time is dedicated) to responding to the COVID-19 public health emergency.

Recipients may use presumptions for assessing whether an employee, division, or operating unit is primarily dedicated to COVID-19 response. The recipient should maintain records to support its assessment, such as payroll records, attestations from supervisors or staff, or regular work product or correspondence demonstrating work on the COVID-19 response. Recipients need not routinely track staff hours. Recipients should periodically reassess their determinations.

2.15. What staff are included in "public safety, public health, health care, human services, and similar employees"? Would this include, for example, 911 operators, morgue staff, medical examiner staff, or EMS staff? [5/27]

As discussed in the Interim Final Rule, funds may be used for payroll and covered benefits expenses for public safety, public health, health care, human services, and similar employees, for the portion of the employee's time that is dedicated to responding to the COVID-19 public health emergency.

Public safety employees would include police officers (including state police officers), sheriffs and deputy sheriffs, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Public health employees would include employees involved in providing medical and other health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions, and other support services essential for patient care (e.g., laboratory technicians, medical examiner or morgue staff) as well as employees of public health departments directly engaged in matters related to public health and related supervisory personnel. Human services staff include employees providing or administering social services; public benefits; child welfare services; and child, elder, or family care, as well as others.

3. Eligible Uses – Revenue Loss

3.1. How is revenue defined for the purpose of this provision?

The Interim Final Rule adopts a definition of "General Revenue" that is based on, but not identical, to the Census Bureau's concept of "General Revenue from Own Sources" in the Annual Survey of State and Local Government Finances.

General Revenue includes revenue from taxes, current charges, and miscellaneous general revenue. It excludes refunds and other correcting transactions, proceeds from issuance of debt or the sale of investments, agency or private trust transactions, and revenue generated by utilities and insurance trusts. General revenue also includes intergovernmental transfers between state and local governments, but excludes intergovernmental transfers from the Federal government, including Federal transfers made via a state to a locality pursuant to the CRF or the Fiscal Recovery Funds.

Tribal governments may include all revenue from Tribal enterprises and gaming operations in the definition of General Revenue.

3.2. Will revenue be calculated on an entity-wide basis or on a source-by-source basis (e.g. property tax, income tax, sales tax, etc.)?

Recipients should calculate revenue on an entity-wide basis. This approach minimizes the administrative burden for recipients, provides for greater consistency across recipients, and presents a more accurate representation of the net impact of the COVID- 19 public health emergency on a recipient's revenue, rather than relying on financial reporting prepared by each recipient, which vary in methodology used and which generally aggregates revenue by purpose rather than by source.

3.3. Does the definition of revenue include outside concessions that contract with a state or local government?

Recipients should classify revenue sources as they would if responding to the U.S. Census Bureau's Annual Survey of State and Local Government Finances. According to the Census Bureau's Government Finance and Employment Classification manual, the following is an example of current charges that would be included in a state or local government's general revenue from own sources: "Gross revenue of facilities operated by a government (swimming pools, recreational marinas and piers, golf courses, skating rinks, museums, zoos, etc.); auxiliary facilities in public recreation areas (camping areas, refreshment stands, gift shops, etc.); lease or use fees from stadiums, auditoriums, and community and convention centers; and rentals from concessions at such facilities."

3.4. What is the time period for estimating revenue loss? Will revenue losses experienced prior to the passage of the Act be considered?

Recipients are permitted to calculate the extent of reduction in revenue as of four points in time: December 31, 2020; December 31, 2021; December 31, 2022; and December 31, 2023. This approach recognizes that some recipients may experience lagged effects of the pandemic on revenues.

Upon receiving Fiscal Recovery Fund payments, recipients may immediately calculate revenue loss for the period ending December 31, 2020.

3.5. What is the formula for calculating the reduction in revenue?

A reduction in a recipient's General Revenue equals:

$$\text{Max}\ \{[\text{Base Year Revenue}^*\ (1+\text{Growth Adjustment})^{\left(\frac{n_t}{12}\right)}] - \text{Actual General Revenue}_t\ ; 0\}$$

Where:

Base Year Revenue is General Revenue collected in the most recent full fiscal year prior to the COVD-19 public health emergency.

Growth Adjustment is equal to the greater of 4.1 percent (or 0.041) and the recipient's average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency.

n equals the number of months elapsed from the end of the base year to the calculation date.

Actual General Revenue is a recipient's actual general revenue collected during 12-month period ending on each calculation date.

Subscript *t* denotes the calculation date.

3.6. Are recipients expected to demonstrate that reduction in revenue is due to the COVID-19 public health emergency?

In the Interim Final Rule, any diminution in actual revenue calculated using the formula above would be presumed to have been "due to" the COVID-19 public health emergency. This presumption is made for administrative ease and in recognition of the broad-based economic damage that the pandemic has wrought.

3.7. May recipients use pre-pandemic projections as a basis to estimate the reduction in revenue?

No. Treasury is disallowing the use of projections to ensure consistency and comparability across recipients and to streamline verification. However, in estimating the revenue shortfall using the formula above, recipients may incorporate their average annual revenue growth rate in the three full fiscal years prior to the public health emergency.

3.8. Once a recipient has identified a reduction in revenue, are there any restrictions on how recipients use funds up to the amount of the reduction?

The Interim Final Rule gives recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue. Government services can include, but are not limited to, maintenance of infrastructure or pay-go spending for building new infrastructure, including roads; modernization of cybersecurity, including hardware, software, and protection of critical infrastructure; health services; environmental remediation; school or educational services; and the provision of police, fire, and other public safety services.

However, paying interest or principal on outstanding debt, replenishing rainy day or other reserve funds, or paying settlements or judgments would not be considered provision of a government service, since these uses of funds do not entail direct provision of services to citizens. This restriction on paying interest or principal on any outstanding debt instrument, includes, for example, short-term revenue or tax anticipation notes, or paying fees or issuance costs associated with the issuance of new debt. In addition, the overarching restrictions on all program funds (e.g., restriction on pension deposits, restriction on using funds for non-federal match where barred by regulation or statute) would apply.

3.9. How do I know if a certain type of revenue should be counted for the purpose of computing revenue loss? [5/27]

As discussed in FAQ #3.1, the Interim Final Rule adopts a definition of "General Revenue" that is based on, but not identical, to the Census Bureau's concept of "General Revenue from Own Sources" in the Annual Survey of State and Local Government Finances.

Recipients should refer to the definition of "General Revenue" included in the Interim Final Rule. See forthcoming 31 CFR 35.3. If a recipient is unsure whether a particular revenue source is included in the Interim Final Rule's definition of "General Revenue," the recipient may consider the classification and instructions used to complete the Census Bureau's Annual Survey.

For example, parking fees would be classified as a Current Charge for the purpose of the Census Bureau's Annual Survey, and the Interim Final Rule's concept of "General Revenue" includes all Current Charges. Therefore, parking fees would be included in the Interim Final Rule's concept of "General Revenue."

The Census Bureau's Government Finance and Employment Classification manual is available here.

4. Eligible Uses – General

4.1. May recipients use funds to replenish a budget stabilization fund, rainy day fund, or similar reserve account?

No. Funds made available to respond to the public health emergency and its negative economic impacts are intended to help meet pandemic response needs and provide immediate stabilization for households and businesses. Contributions to rainy day funds and similar reserves funds would not address these needs or respond to the COVID-19 public health emergency, but would rather be savings for future spending needs. Similarly, funds made available for the provision of governmental services (to the extent of reduction in revenue) are intended to support direct provision of services to citizens. Contributions to rainy day funds are not considered provision of government services, since such expenses do not directly relate to the provision of government services.

4.2. May recipients use funds to invest in infrastructure other than water, sewer, and broadband projects (e.g. roads, public facilities)?

Under 602(c)(1)(C) or 603(c)(1)(C), recipients may use funds for maintenance of infrastructure or pay-go spending for building of new infrastructure as part of the general provision of government services, to the extent of the estimated reduction in revenue due to the public health emergency.

Under 602(c)(1)(A) or 603(c)(1)(A), a general infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).

4.3. May recipients use funds to pay interest or principal on outstanding debt?

No. Expenses related to financing, including servicing or redeeming notes, would not address the needs of pandemic response or its negative economic impacts. Such expenses would also not be considered provision of government services, as these financing expenses do not directly provide services or aid to citizens.

This applies to paying interest or principal on any outstanding debt instrument, including, for example, short-term revenue or tax anticipation notes, or paying fees or issuance costs associated with the issuance of new debt.

4.4. May recipients use funds to satisfy nonfederal matching requirements under the Stafford Act? May recipients use funds to satisfy nonfederal matching requirements generally?

Fiscal Recovery Funds are subject to pre-existing limitations in other federal statutes and regulations and may not be used as non-federal match for other Federal programs whose statute or regulations bar the use of Federal funds to meet matching requirements. For example, expenses for the state share of Medicaid are not an eligible use. For information on FEMA programs, please see here.

4.5. Are governments required to submit proposed expenditures to Treasury for approval? [5/27]

No. Recipients are not required to submit planned expenditures for prior approval by Treasury. Recipients are subject to the requirements and guidelines for eligible uses contained in the Interim Final Rule.

4.6. How do I know if a specific use is eligible? [5/27]

Fiscal Recovery Funds must be used in one of the four eligible use categories specified in the American Rescue Plan Act and implemented in the Interim Final Rule:

a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;

b) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;

c) For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and

d) To make necessary investments in water, sewer, or broadband infrastructure.

Recipients should consult Section II of the Interim Final Rule for additional information on eligible uses. For recipients evaluating potential uses under (a), the Interim Final Rule contains a non-exclusive list of programs or services that may be funded as responding to COVID-19 or the negative economic impacts of the COVID-19 public health emergency, along with considerations for evaluating other potential uses of Fiscal Recovery Funds not explicitly listed. See Section 2 for additional discussion.

For recipients evaluating potential uses under (c), the Interim Final Rule gives recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue. See FAQ #3.8 for additional discussion.

For recipients evaluating potential uses under (b) and (d), see Sections 5 and 6.

5. Eligible Uses – Premium Pay

5.1. What criteria should recipients use in identifying essential workers to receive premium pay?

Essential workers are those in critical infrastructure sectors who regularly perform in-person work, interact with others at work, or physically handle items handled by others.

Critical infrastructure sectors include healthcare, education and childcare, transportation, sanitation, grocery and food production, and public health and safety, among others, as provided in the Interim Final Rule. Governments receiving Fiscal Recovery Funds have the discretion to add additional sectors to this list, so long as the sectors are considered critical to protect the health and well-being of residents.

The Interim Final Rule emphasizes the need for recipients to prioritize premium pay for lower income workers. Premium pay that would increase a worker's total pay above 150% of the greater of the state or county average annual wage requires specific justification for how it responds to the needs of these workers.

5.2. What criteria should recipients use in identifying third-party employers to receive grants for the purpose of providing premium pay to essential workers?

Any third-party employers of essential workers are eligible. Third-party contractors who employ essential workers in eligible sectors are also eligible for grants to provide premium pay. Selection of third-party employers and contractors who receive grants is at the discretion of recipients.

To ensure any grants respond to the needs of essential workers and are made in a fair and transparent manner, the rule imposes some additional reporting requirements for grants to third-party employers, including the public disclosure of grants provided.

5.3. May recipients provide premium pay retroactively for work already performed?

Yes. Treasury encourages recipients to consider providing premium pay retroactively for work performed during the pandemic, recognizing that many essential workers have not yet received additional compensation for their service during the pandemic.

6. Eligible Uses – Water, Sewer, and Broadband Infrastructure

6.1. What types of water and sewer projects are eligible uses of funds?

The Interim Final Rule generally aligns eligible uses of the Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).

Under the DWSRF, categories of eligible projects include: treatment, transmission and distribution (including lead service line replacement), source rehabilitation and decontamination, storage, consolidation, and new systems development.

Under the CWSRF, categories of eligible projects include: construction of publicly-owned treatment works, nonpoint source pollution management, national estuary program projects, decentralized wastewater treatment systems, stormwater systems, water conservation, efficiency, and reuse measures, watershed pilot projects, energy efficiency measures for publicly-owned treatment works, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to ensure compliance with the Clean Water Act.

As mentioned in the Interim Final Rule, eligible projects under the DWSRF and CWSRF support efforts to address climate change, as well as to meet cybersecurity needs to protect water and sewer infrastructure. Given the lifelong impacts of lead exposure for children, and the widespread nature of lead service lines, Treasury also encourages recipients to consider projects to replace lead service lines.

6.2. May construction on eligible water, sewer, or broadband infrastructure projects continue past December 31, 2024, assuming funds have been obligated prior to that date?

Yes. Treasury is interpreting the requirement that costs be incurred by December 31, 2024 to only require that recipients have obligated the funds by such date. The period of performance will run until December 31, 2026, which will provide recipients a reasonable amount of time to complete projects funded with Fiscal Recovery Funds.

6.3. May recipients use funds as a non-federal match for the Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF)?

Recipients may not use funds as a state match for the CWSRF and DWSRF due to prohibitions in utilizing federal funds as a state match in the authorizing statutes and regulations of the CWSRF and DWSRF.

6.4. Does the National Environmental Policy Act (NEPA) apply to eligible infrastructure projects?

NEPA does not apply to Treasury's administration of the Funds. Projects supported with payments from the Funds may still be subject to NEPA review if they are also funded by other federal financial assistance programs.

6.5. What types of broadband projects are eligible?

The Interim Final Rule requires eligible projects to reliably deliver minimum speeds of 100 Mbps download and 100 Mbps upload. In cases where it is impracticable due to geography, topography, or financial cost to meet those standards, projects must reliably deliver at least 100 Mbps download speed, at least 20 Mbps upload speed, and be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.

Projects must also be designed to serve unserved or underserved households and businesses, defined as those that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed.

6.6. For broadband investments, may recipients use funds for related programs such as cybersecurity or digital literacy training?

Yes. Recipients may use funds to provide assistance to households facing negative economic impacts due to Covid-19, including digital literacy training and other programs that promote access to the Internet. Recipients may also use funds for modernization of cybersecurity, including hardware, software, and protection of critical infrastructure, as part of provision of government services up to the amount of revenue lost due to the public health emergency.

7. Non-Entitlement Units (NEUs)

7.1. Can states impose requirements or conditions on the transfer of funds to NEUs?

As the statute requires states to make distributions based on population, states may not place additional conditions or requirements on distributions to NEUs, beyond those required by the ARPA and Treasury's implementing regulations and guidance.

For example, states may not impose stricter limitations than permitted by statute or Treasury regulations or guidance on an NEU's use of Fiscal Recovery Funds based on the NEU's proposed spending plan or other policies, nor permitted to offset any debt owed by the NEU against its payment. Further, states may not provide funding on a reimbursement basis (e.g., requiring NEUs to pay for project costs up front before being reimbursed with Fiscal Recovery Fund payments), because this approach would not comport with the statutory requirement that states make distributions to NEUs within the statutory timeframe.

7.2. Can states transfer additional funds to local governments beyond amount allocated to NEUs?

Yes. The Interim Final Rule permits states, territories, and Tribal governments to transfer Fiscal Recovery Funds to other constituent units of government or private entities beyond those specified in the statute, as long as the transferee abides by the transferor's eligible use and other requirements. Similarly, local governments are authorized to transfer Fiscal Recovery Funds to other constituent units of government (e.g., a county is able to transfer Fiscal Recovery Funds to a city, town or school district within it).

7.3. What is the definition of "budget" for the purpose of the 75 percent cap on NEU payments, and who is responsible for enforcing this cap?

States are responsible for enforcing the "75 percent cap" on NEU payments, which is a statutory requirement that distributions to NEUs not exceed 75 percent of the NEU's most recent budget. Treasury interprets the most recent budget as the NEU's most recent annual total operating budget, including its general fund and other funds, as of January 27, 2020. States may rely for this determination on a certified top-line budget total from the NEU. Funding amounts in excess of such cap must be returned to Treasury.

7.4. May states use funds to pay for the administrative costs of allocating and distributing money to the NEUs?

Yes. If necessary, states may use Fiscal Recovery Funds to support the administrative costs of allocating and distributing money to NEUs, as disbursing these funds itself is a response to the public health emergency and its negative economic impacts.

8. Ineligible Uses

8.1. What is meant by a pension "deposit"? Can governments use funds for routine pension contributions for employees whose payroll and covered benefits are eligible expenses?

Treasury interprets "deposit" in this context to refer to an extraordinary payment into a pension fund for the purpose of reducing an accrued, unfunded liability. More specifically, the interim final rule does not permit this assistance to be used to make a payment into a pension fund if both: (1) the payment reduces a liability incurred prior to the start of the COVID-19 public health emergency, and (2) the payment occurs outside the recipient's regular timing for making such payments.

Under this interpretation, a "deposit" is distinct from a "payroll contribution," which occurs when employers make payments into pension funds on regular intervals, with contribution amounts based on a pre-determined percentage of employees' wages and salaries. In general, if an employee's wages and salaries are an eligible use of Fiscal Recovery Funds, recipients may treat the employee's covered benefits as an eligible use of Fiscal Recovery Funds.

9. Reporting

9.1. What records must be kept by governments receiving funds?

Financial records and supporting documents related to the award must be retained for a period of five years after all funds have been expended or returned to Treasury, whichever is later. This includes those which demonstrate the award funds were used for eligible purposes in accordance with the ARPA, Treasury's regulations implementing those sections, and Treasury's guidance on eligible uses of funds.

9.2. What reporting will be required, and when will the first report be due?

Recipients will be required to submit an interim report, quarterly project and expenditure reports, and annual recovery plan performance reports as specified below, regarding their utilization of Coronavirus State and Local Fiscal Recovery Funds.

<u>Interim reports</u>: States (defined to include the District of Columbia), territories, metropolitan cities, counties, and Tribal governments will be required to submit one interim report. The interim report will include a recipient's expenditures by category at the summary level and for states, information related to distributions to nonentitlement units of local government must also be included in the interim report. The interim report will cover activity from the date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Nonentitlement units of local government are not required to submit an interim report.

Quarterly Project and Expenditure reports: State (defined to include the District of Columbia), territorial, metropolitan city, county, and Tribal governments will be required to submit quarterly project and expenditure reports. This report will include financial data, information on contracts and subawards over $50,000, types of projects funded, and other information regarding a recipient's utilization of award funds. Reports will be required quarterly with the exception of nonentitlement units, which will report annually. An interim report is due on August 31, 2021. The reports will include the same general data as those submitted by recipients of the Coronavirus Relief Fund, with some modifications to expenditure categories and the addition of data elements related to specific eligible uses. The initial quarterly Project and Expenditure report will cover two calendar quarters from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent quarterly reports will cover one calendar quarter and must be submitted to Treasury within 30 days after the end of each calendar quarter.

Nonentitlement units of local government will be required to submit the project and expenditure report annually. The initial annual Project and Expenditure report for nonentitlement units of local government will cover activity from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent annual reports must be submitted to Treasury by October 31 each year.

Recovery Plan Performance reports: States (defined to include the District of Columbia), territories, metropolitan cities, and counties with a population that exceeds 250,000 residents will also be required to submit an annual recovery plan performance report to Treasury. This report will include descriptions of the projects funded and information on the performance indicators and objectives of each award, helping local residents understand how their governments are using the substantial resources provided by Coronavirus State and Local Fiscal Recovery Funds program. The initial recovery plan performance report will cover activity from date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Thereafter, the recovery plan performance reports will cover a 12-month period and recipients will be required to submit the report to Treasury within 30 days after the end of the 12-month period. The second Recovery Plan Performance report will cover the period from July 1, 2021 to June 30, 2022 and must be submitted to Treasury by July 31, 2022. Each annual recovery plan performance report must be posted on the public-facing website of the recipient. Local governments with fewer than 250,000 residents, Tribal governments, and nonentitlement units of local government are not required to develop a Recovery Plan Performance report.

Treasury will provide further guidance and instructions on the reporting requirements for program at a later date.

9.3. What provisions of the Uniform Guidance for grants apply to these funds? Will the Single Audit requirements apply?

Most of the provisions of the Uniform Guidance (2 CFR Part 200) apply to this program, including the Cost Principles and Single Audit Act requirements. Recipients should refer to the Assistance Listing for detail on the specific provisions of the Uniform Guidance that do not apply to this program. The Assistance Listing will be available on beta.SAM.gov.

10. Miscellaneous

10.1. May governments retain assets purchased with Fiscal Recovery Funds? If so, what rules apply to the proceeds of disposition or sale of such assets?

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds. If such assets are disposed of prior to December 31, 2024, the proceeds would be subject to the restrictions on the eligible use of payments.

10.2. Can recipients use funds for administrative purposes?

Recipients may use funds to cover the portion of payroll and benefits of employees corresponding to time spent on administrative work necessary due to the COVID–19 public health emergency and its negative economic impacts. This includes, but is not limited to, costs related to disbursing payments of Fiscal Recovery Funds and managing new grant programs established using Fiscal Recovery Funds.

10.3. Are recipients required to remit interest earned on CSFRF/CLFRF payments made by Treasury? [5/27]

No. CSFRF/CLFRF payments made by Treasury to states, territories, and the District of Columbia are not subject to the requirement of the Cash Management Improvement Act and Treasury's implementing regulations at 31 CFR part 205 to remit interest to Treasury. CSFRF/CLFRF payments made by Treasury to local governments and Tribes are not subject to the requirement of 2 CFR 200.305(b)(8)–(9) to maintain balances in an interest-bearing account and remit payments to Treasury.

10.4. Is there a deadline to apply for funds? [5/27]

The Interim Final Rule requires that costs be incurred by December 31, 2024. Eligible recipients are encouraged to apply as soon as possible. For recipients other than Tribal governments, there is not a specific application deadline.

Tribal governments do have deadlines to complete the application process and should visit www.treasury.gov/SLFRPTribal for guidance on applicable deadlines.

11. Operations

11.1. How do I know if my entity is eligible?

The Coronavirus State and Local Fiscal Recovery Funds American Rescue Plan Act of 2021 set forth the jurisdictions eligible to receive funds under the program, which are:

- States and the District of Columbia
- Territories
- Tribal governments
- Counties
- Metropolitan cities (typically, but not always, those with populations over 50,000)
- Non-entitlement units of local government, or smaller local governments (typically, but not always, those with populations under 50,000)

11.2. How does an eligible entity request payment?

Eligible entities (other than non-entitlement units) must submit their information to the Treasury Submission Portal. Please visit the **Coronavirus State and Local Fiscal Recovery Fund website** for more information on the submission process.

11.3. I cannot log into the Treasury Submission Portal or am having trouble navigating it. Who can help me?

If you have questions about the Treasury Submission Portal or for technical support, please email covidreliefitsupport@treasury.gov.

11.4. What do I need to do to receive my payment?

All eligible payees are required to have a DUNS Number previously issued by Dun & Bradstreet (https://www.dnb.com/).

All eligible payees are also required to have an active registration with the System for Award Management (SAM) (https://www.sam.gov).

And eligible payees must have a bank account enabled for Automated Clearing House (ACH) direct deposit. Payees with a Wire account are encouraged to provide that information as well.

More information on these and all program pre-submission requirements can be found on the **Coronavirus State and Local Fiscal Recovery Fund website**.

11.5. Why is Treasury employing id.me for the Treasury Submission Portal?

ID.me is a trusted technology partner to multiple government agencies and healthcare providers. It provides secure digital identity verification to those government agencies and healthcare providers to make sure you're you – and not someone pretending to be you – when you request access to online services. All personally identifiable information provided to ID.me is encrypted and disclosed only with the express consent of the user. Please refer to ID.me Contact Support for assistance with your ID.me account. Their support website is https://help.id.me.

11.6. Why is an entity not on the list of eligible entities in Treasury Submission Portal?

The ARP statute lays out which governments are eligible for payments. The list of entities within the Treasury Submission Portal includes entities eligible to receive a direct payment of funds from Treasury, which include states (defined to include the District of Columbia), territories, Tribal governments, counties, and metropolitan cities.

Eligible non-entitlement units of local government will receive a distribution of funds from their respective state government and should not submit information to the Treasury Submission Portal.

If you believe an entity has been mistakenly left off the eligible entity list, please email SLFRP@treasury.gov.

11.7. What is an Authorized Representative?

An Authorized Representative is an individual with legal authority to bind the government entity (e.g., the Chief Executive Officer of the government entity). An Authorized Representative must sign the Acceptance of Award terms for it to be valid.

11.8. How does a Tribal government determine their allocation?

Tribal governments will receive information about their allocation when the submission to the Treasury Submission Portal is confirmed to be complete and accurate.

11.9. How do I know the status of my request for funds (submission)?

Entities can check the status of their submission at any time by logging into Treasury Submission Portal.

11.10. My Treasury Submission Portal submission requires additional information/correction. What is the process for that?

If your Authorized Representative has not yet signed the award terms, you can edit your submission with in the into Treasury Submission Portal. If your Authorized Representative has signed the award terms, please email SLFRP@treasury.gov to request assistance with updating your information.

11.11. My request for funds was denied. How do I find out why it was denied or appeal the decision?

Please check to ensure that no one else from your entity has applied, causing a duplicate submission. Please also review the list of all eligible entities on the **Coronavirus State and Local Fiscal Recovery Fund website**.

If you still have questions regarding your submission, please email SLFRP@treasury.gov.

11.12. When will entities get their money?

Before Treasury is able to execute a payment, a representative of an eligible government must submit the government's information for verification through the Treasury Submission Portal. The verification process takes approximately four business days. If any errors are identified, the designated point of contact for the government will be contacted via email to correct the information before the payment can proceed. Once verification is complete, the designated point of contact of the eligible government will receive an email notifying them that their submission has been verified. Payments are generally scheduled for the next business day after this verification email, though funds may not be available immediately due to processing time of their financial institution.

11.13. How does a local government entity provide Treasury with a notice of transfer of funds to its State?

For more information on how to provide Treasury with notice of transfer to a state, please email SLRedirectFunds@treasury.gov.

Learn about the Clean Water State Revolving Fund (CWSRF)

Infographic: Learn how the CWSRF works.

The CWSRF was created by the 1987 amendments to the Clean Water Act (CWA) as a financial assistance program for a wide range of water infrastructure projects, under 33 U.S. Code §1383. The program is a powerful partnership between EPA and the states that replaced EPA's Construction Grants program. States have the flexibility to fund a range of projects that address their highest priority water quality needs. The program was amended in 2014 by the Water Resources Reform and Development Act.

Using a combination of federal and state funds, state CWSRF programs provide loans to eligible recipients to:

- construct municipal wastewater facilities,
- control nonpoint sources of pollution,
- build decentralized wastewater treatment systems,
- create green infrastructure projects,
- protect estuaries, and
- fund other water quality projects.

Building on a federal investment of $46.8 billion, the state CWSRFs have provided $145 billion to communities through 2020. States have provided over 42,800 low-interest loans to protect public health, protect valuable aquatic resources, and meet environmental standards benefiting hundreds of millions of people.

Learn about:

- How the CWSRF Works
- CWSRF Project Eligibilities
- Types of CWSRF Assistance
- How to Apply for CWSRF Assistance

How the CWSRF Works

Under the CWSRF, EPA provides grants to all 50 states plus Puerto Rico to capitalize state CWSRF loan programs. The states contribute an additional 20 percent to match the federal grants. EPA also provides direct grant funding for the District of Columbia, U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of Northern Marianas.

The 51 CWSRF programs function like environmental infrastructure banks by providing low interest loans to eligible recipients for water infrastructure projects. As money is paid back into the state's revolving loan fund, the state makes new loans to other recipients for high priority, water quality activities. Repayments of loan principal and interest earnings are recycled back into individual state CWSRF programs to finance new projects that allow the funds to "revolve" at the state level over time.

States are responsible for the operation of their CWSRF program. Under the CWSRF, states may provide various types of assistance, including loans, refinancing, purchasing, or guaranteeing local debt and purchasing bond insurance. States may also set specific loan terms, including interest rates from zero percent to market rate and repayment periods of up to 30 years. States have the flexibility to target financial resources to their specific community and environmental needs.

States may customize loan terms to meet the needs of small and disadvantaged communities, or to provide incentives for certain types of projects. Beginning in 2009, Congress authorized the CWSRFs to provide further financial assistance through additional subsidization, such as grants, principal forgiveness, and negative interest rate loans. Through the Green Project Reserve, the CWSRFs target critical green infrastructure, water and energy efficiency improvements, and other environmentally innovative activities.

See more information on how the CWSRF program works in the presentation, "CWSRF 101: An Introduction to EPA's Clean Water State Revolving Fund."

CWSRF Project Eligibilities

CWSRFs fund a wide range of water infrastructure projects. Eleven types of projects are eligible to receive CWSRF assistance:

- **Construction of publicly owned treatment works**
  Assistance to any municipality or inter-municipal, interstate, or state agency for construction of publicly owned treatment works (as defined in CWA section 212).

- **Nonpoint source**
  Assistance to any public, private, or nonprofit entity for the implementation a state nonpoint source pollution management program, established under CWA section 319.

- **National estuary program projects**
  Assistance to any public, private, or nonprofit entity for the development and implementation of a conservation and management plan under CWA section 320.

- **Decentralized wastewater treatment systems**
  Assistance to any public, private, or nonprofit entity for the construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage.

- **Stormwater**
  Assistance to any public, private, or nonprofit entity for measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water.

- **Water conservation, efficiency, and reuse**
  Assistance to any municipality or inter-municipal, interstate, or state agency for measures to reduce the demand for publicly owned treatment works capacity through water conservation, efficiency, or reuse.

- **Watershed pilot projects**
  Assistance to any public, private, or nonprofit entity for the development and implementation of watershed projects meeting the criteria in CWA section 122.

- **Energy efficiency**
  Assistance to any municipality or inter-municipal, interstate, or state agency for measures to reduce the energy consumption needs for publicly owned treatment works.

- **Water reuse**
  Assistance to any public, private, or nonprofit entity for projects for reusing or recycling wastewater, stormwater, or subsurface drainage water.

- **Security measures at publicly owned treatment works**
  Assistance to any public, private, or nonprofit entity for measures to increase the security of publicly owned treatment works.

- **Technical assistance**
  Assistance to any qualified nonprofit entity, to provide technical assistance to owners and operators of small and medium sized publicly owned treatment works to plan, develop, and obtain financing for CWSRF eligible projects and to assist each treatment works in achieving compliance with the CWA.

Types of CWSRF Assistance

CWSRFs may offer a variety of financial assistance:

Loans

- The terms of the loan may not exceed 30 years or the useful life of the project.
- Interest rates must be at or below market rate, including interest-free.

Purchase of Debt or Refinance

- A community’s debt may be purchased by a CWSRF program.
- The purchase may have terms up to 30 years, or the useful life of the project.
- A CWSRF program may refinance previously issued debt.

Guarantees and Insurance

- Guarantees or insurance can be used where such assistance will result in improved credit market access or reduced interest rates.
- The CWSRF program does not disburse funds for construction; such funds are procured by a borrower in the market.

Guarantee SRF Revenue Debt

- CWSRF programs may issue debt guaranteed by CWSRF funds. The revenue generated is used to provide assistance to borrowers for eligible projects. This expands the capacity of a program in the near-term.

Provide Loan Guarantees

- Similar revolving funds established by municipalities or inter-municipal agencies can receive loan guarantees.

Additional Subsidization

- Under certain conditions, CWSRF programs may provide up to a fixed percentage of their capitalization grants as additional subsidization in the form of principal forgiveness, negative interest rate loans, or grants.
- The annual CWSRF appropriation must be greater than $1 billion.
- The recipient must be a municipality or inter-municipal, interstate, or state agency.
- Additional subsidization may only be used to help address affordability issues or to implement a process, material, technique, or technology that addresses water or energy efficiency goals; mitigates stormwater runoff; or encourages sustainable project planning, design, and construction.

Earn Interest

- CWSRFs may invest available funds in short-term investments.
- All interest earnings must remain in the fund to be used for eligible purposes.

How to Apply for CWSRF Assistance

CWSRF assistance is provided directly from state agencies. Contact the CWSRF program in your state for information on how to apply.

LAST UPDATED ON FEBRUARY 11, 2021