



**TOWN BOARD AGENDA
REGULAR MEETING**

(All items listed for discussion and possible action)

Virtual Meeting

**Thursday, January 20, 2022
6:30 p.m.**

1. Call to Order
2. Roll Call of Board Members
3. Audience Participation Period (limit 4 minutes per speaker)
4. Consent Agenda
 - a. Approval of Minutes – January 6, 2021
 - b. Financial Reports – December 2021
5. For Discussion
 - a. Draft Ordinance Allowing Marijuana Delivery
 - b. ARP Funds
 - c. 2021 Financial Forecast Update
6. Reports
 - a. Correspondence
 - b. Mayor
 - c. Members of Town Board
 - d. Staff
7. Future Agenda Items
8. Adjournment



MINUTES

BOARD OF TRUSTEES MEETING

January 6, 2022

Call to Order/Roll Call

The virtual meeting was called to order at 6:31 p.m. via Zoom.

The following Trustees were present: Amy Snell-Johnson, Debby Farreau, Josie Cockrell, Lori Finch, Pam Thompson, and Mayor Jones. A quorum was present.

Appointment of Deputy Town Clerk/Treasurer

Mayor Jones moved to approve the appointment of Randi Gallivan as Deputy Town Clerk/Treasurer retroactive to December 9, 2021. Following a second by Trustee Snell-Johnson, the motion passed by unanimous roll call vote.

Audience Participation

Vanessa Guzman, 18149 E. Hinsdale Avenue, reported that she has seen a Deputy Sheriff let people through the gate at least twice.

Consent Agenda

Mayor Jones moved, seconded by Trustee Cockrell, to approve the following item on the Consent Agenda:

- a. Approval of Minutes – December 9, 2021

The motion passed by unanimous roll call vote.

For Possible Action

Resolution 2022-01 Designating Public Places for the Posting of Meeting Notices as Required by the Colorado Open Meetings Law

Mayor Jones moved to approve Resolution 2022-01 Designating Public Places for the Posting of Meeting Notices as Required by the Colorado Open Meetings Law. Following a second by Trustee Farreau, the motion passed by unanimous roll call vote.

2022 Addendum to SEH Contract

Trustee Thompson suggested an RFP for engineering services since it has been eight years since SEH was selected. Town Administrator Proctor will work on that process. Mayor Jones moved to approve the 2022 Addendum to the SEH Contract. Following a second by Trustee Finch, the motion passed by unanimous roll call vote.

For Discussion

Draft Ordinance Allowing Cannabis Delivery

The Board discussed the necessity of a permit for this delivery service and would like to know how other jurisdictions handle this. Deputy Town Clerk Gallivan will research the issue.

Audience Participation

Due to a technical glitch that made it difficult for attendees to log into the meeting in a timely fashion, the Board agreed to an additional Audience Participation segment.

Ryan Oliver, 17726 E. Jamison Avenue, is a Chenango resident. He understands why Foxfield installed the gates but said they make it difficult for him to drive his kids to their three different schools. He asked if the Board would consider an annual fee for Chenango and Chapparral residents to have access to the gates.

Reid Allred, 18058 E. Hinsdale Avenue, suggested the gates are down too many hours, that fewer hours would still limit cut-through traffic, which was the initial rationale for the gates. He would like a way for residents to get extra gate tags to allow caretakers and other service providers, such as piano teachers, access.

Rick and Jane White, 7276 S. Chapparral Circle East, in Chapparral, wondered if there could be a quid pro quo wherein Chapparral would trade pool access for gate tags. He would like to see some kind of agreement between Foxfield, Chapparral and Chenango for gate access.

Bob Estes, 7150 S. España Way, in Chapparral, said he carools with Foxfield families to get kids to school and the gates have made that a cumbersome process. He asked the Board to please consider passes for Chapparral and Chenango.

Musetta Dean, 18057 E. Hinsdale Avenue, said the gates have done a great job in curtailing cut-through traffic but they are also very inconvenient to neighbors. She noted that Foxfield residents drive through Chapparral and Chenango on a daily basis. She does daycare for her granddaughter who comes up from Parker and having to drive all the way around is very time-consuming for her daughter. She would like to see the Board allow gate tags for people who have a legitimate reason to be in Foxfield.

Kelly and Willie Mullin, 7286 S. Chapparral Circle East, in Chapparral, carpool with Foxfield residents and the gates are very inconvenient for that. Their children have friends in all three neighborhoods and so they have to drive all the way around for visits and carpooling. They also think that lowering the gates at 3:00 pm is too early.

Vanessa Guzman, 18149 E. Hinsdale Avenue, suggested the Board could survey the neighbors in Chenango and Chapparral to see how many would want gate tags. She also thinks a survey of Foxfield residents to determine how many would be in favor of allowing access to Chenango and Chapparral residents.

Reports

Mayor

Mayor Jones spoke about installing fencing south of the Richfield gate to help prevent people from turning around in a Chenango resident's field. She said fencing and other potential solutions will be researched.

Members of the Town Board

Trustee Farreau noted that ACSO deputies should not be opening the gates for others.

Trustee Finch reported she has received several positive comments about the Board of Trustees and all the work that has been done for the Town.

Trustee Thompson commented on the following topics:

- She attended an CACNR meeting and there were fewer operations from Centennial Airport last month so fewer complaints. She said there are few complaints from Foxfield, perhaps 2 or 3 a year.
- A calendar should be started to schedule projects and events.
- Dairy Queen has closed its doors permanently.
- The speed radar signs should be moved to Buckley then Easter for reports from those locations.
- The Town Clerk should request the loan of a traffic counter from ACSO.

Town Staff

Town Administrator Proctor reported:

- Terracare has done winter watering of the Ring Road trees twice already in 2021.
- She received additional information regarding how ARP funds can be spent and the new rules could be beneficial to the Town. She is researching the topic.
- She is working on information regarding cameras at the gates.
- A request was submitted for an additional dog station at Fremont and Easter Way. The Board agreed that is a good idea.
- Hiring a few residents to help with gate maintenance turned out to be more complicated than anticipated. The best course of action might be to hire one Gatekeeper and put that person on the payroll.
- The topic of emergency communications to residents has been raised by a few residents, given the destructive Marshall Fire in a suburban setting. She will check further into this when discussing a cell phone for the Town Clerk.

Deputy Town Clerk Gallivan reminded the Board about the election in April and reported she has reserved the Community Room at the fire station, but its use will depend upon whether or not it will be open to the public at that time. Trustee Cockrell brought up the idea of a mail ballot election, but there are logistical issues that would need to be addressed before Foxfield could make that switch. Given rapidly approaching election deadlines, it is not a practical choice for this year.

Future Agenda Items

- Cannabis delivery
- American Rescue Plan expenditures
- Gate cameras

Adjournment

Mayor Jones adjourned the meeting at 8:06 p.m.

Randi Gallivan, Deputy Town Clerk

Lisa Jones, Mayor

**Treasurer's Report
December 2021**

| | Credit | Debit | Balance |
|---|------------------|------------------|------------------|
| | | | |
| | | | |
| 1st Bank Checkbook Beginning Balance | | | -5,096.96 |
| | | | |
| <u>Deposits</u> | | | |
| M. Newton - gate tag | 8.00 | | |
| ColoTrust - transfer | 37,000.00 | | |
| Colo Interac - building permit | 4,215.32 | | |
| Colo Interac - gate tags | 40.00 | | |
| | 41,263.32 | | |
| | | | |
| <u>Disbursements</u> | | | |
| Comcast - clerk internet/phone | | 163.16 | |
| IREA - 6805 S. Lewiston Way lights | | 46.11 | |
| IREA - 6773 S. Lewiston Cir SP | | 21.60 | |
| IREA - Fremont gate electricity | | 29.73 | |
| IREA - Richfield gate electricity | | 29.58 | |
| Microsoft Online - email hosting | | 41.50 | |
| Kevin Sidel - municipal judge | | 250.00 | |
| EFTPS - payroll tax deposit | | 2,581.02 | |
| Forever Flowers - M. Easton service | | 129.65 | |
| CBI Online - background check | | 5.00 | |
| DF Supply - gate hardware | | 66.75 | |
| ACWWA - irrigation | | 73.62 | |
| Terracare Assoc - public works | | 7,907.83 | |
| SEH - engineering | | 2,463.25 | |
| Safebuilt - building, code enforcement and planning | | 2,074.44 | |
| HPWC, PC - legal services | | 216.00 | |
| DGO Access - gates | | 87.06 | |
| CCBIT, Inc. - Laserfiche annual | | 540.00 | |
| Arapahoe County - Open Space tax transmittal | | 65.00 | |
| Caselle - monthly support | | 150.00 | |
| IREA/CORE - 6806 S Parker Road lights | | 76.30 | |
| Terracare Assoc | | 5,757.83 | |
| Kevin Sidel - Dec compensation | | 250.00 | |
| SEH - engineering | | 1,304.00 | |
| McDermott Printing | | 378.00 | |
| Josie Cockrell - Q4 compensation | | 277.05 | |
| Debra Farreau - Q4 compensation | | 277.05 | |
| Lori Finch - Q4 compensation | | 277.05 | |
| Amy Snell-Johnson - Q4 compensation | | 277.05 | |
| Scott Freas - Q4 compensation | | 277.05 | |
| Pam Thompson - Q4 compensation | | 277.05 | |
| Lisa Jones - Q4 compensation | | 277.05 | |
| Jeff Briar - Dec salary | | 300.14 | |
| M. Gallivan - Dec salary | | 3,226.04 | |
| K. Proctor - Dec salary | | 4,762.94 | |
| Comcast - clerk internet/phone | | 163.16 | |
| First Bank - CC fee | | 2.00 | |
| Total Disbursements | | 35,101.06 | |
| | | | |
| 1st Bank Checkbook Ending Balance | | | 19,148.76 |
| | | | |

**Treasurer's Report
December 2021**

| | Credit | Debit | Balance |
|---|------------------|------------------|----------------------|
| | | | |
| ColoTrust General Fund Beginning Balance | | | \$ 928,127.41 |
| | | | |
| Deposits | | | |
| Cigarette Tax | 175.01 | | |
| Sales Tax | 51,219.03 | | |
| Arapahoe County | 1,033.04 | | |
| Mineral Lease Distribution | 0.00 | | |
| Severance Tax | 0.00 | | |
| HUTF | 3,003.99 | | |
| Public Service | 800.43 | | |
| Interest Income | 38.77 | | |
| Total Deposits | 56,270.27 | | |
| | | | |
| Disbursements | | | |
| Transfer to CTF | | 2,884.60 | |
| Transfer to First Bank | | 27,000.00 | |
| Total Disbursements | | 29,884.60 | |
| | | | |
| ColoTrust General Fund Ending Balance | | | \$ 954,513.08 |
| | | | |
| | | | |
| ColoTrust CTF Fund Beginning Balance (Lottery Money) | | | \$ 37,050.16 |
| | | | |
| Deposits | | | |
| CTF Funds | 2,375.96 | | |
| Transfer from General Fund | 2,884.60 | | |
| Interest Income | 1.62 | | |
| Total CTF Deposits | 5,262.18 | | |
| | | | |
| Disbursements | | | |
| Transfer to General Fund | | 0.00 | |
| Total CTF Disbursements | | 0.00 | |
| | | | |
| ColoTrust CTF Fund Ending Balance | | | \$ 42,312.34 |
| | | | |
| | | | |
| ColoTrust Open Space - Beginning Balance | | | \$ 186,900.68 |
| | | | |
| Deposits | | | |
| Arapahoe County Shareback | 0.00 | | |
| Interest Income | 7.58 | | |
| Total Deposits | 7.58 | | |
| | | | |
| Disbursements | | | |
| Transfer to General Fund | | 0.00 | |
| Total Disbursements | | 0.00 | |
| | | | |
| ColoTrust Open Space Ending Balance | | | \$ 186,908.26 |

**Treasurer's Report
December 2021**

| | | | |
|---|---------------|--------------|---------------------|
| | | | |
| | | | |
| | Credit | Debit | Balance |
| | | | |
| | | | |
| ColoTrust Amer Rescue Plan - Beginning Balance | | | \$ 98,287.82 |
| | | | |
| Deposits | | | |
| State of Colorado | 0.00 | | |
| Interest Income | 4.00 | | |
| Total Deposits | 4.00 | | |
| | | | |
| Disbursements | | | |
| Transfer to General Fund | | 0.00 | |
| Total Disbursements | | 0.00 | |
| | | | |
| ColoTrust Amer Rescue Plan Ending Balance | | | \$ 98,291.82 |
| | | | |
| | | | |

TOWN OF FOXFIELD
BALANCE SHEET
DECEMBER 31, 2021

GENERAL FUND

ASSETS

| | | | |
|----------|--------------------------------|---|------------|
| 10-10220 | CASH ON DEPOSIT - 1ST BANK | (| 1,968.75) |
| 10-10310 | CASH - COUNTY TREASURER | (| 200.96) |
| 10-10410 | INVESTMENT ACCOUNT - COLOTRUST | | 954,513.08 |
| 10-11500 | PROPERTY TAX RECEIVABLE | | 96.11 |
| 10-13110 | DUE FROM CTF | | 14,719.18 |
| 10-13180 | DUE FROM OPEN SPACE FUND | | 4,612.00 |
| 10-13190 | DUE FROM ARP FUNDS | | 13,252.72 |

TOTAL ASSETS

985,023.38

LIABILITIES AND EQUITY

LIABILITIES

| | | | |
|----------|--------------------------------|---|----------|
| 10-20100 | ACCOUNTS PAYABLE | (| 70.91) |
| 10-21100 | PAYROLL PAYABLES | (| .05) |
| 10-21110 | PAYROLL TAXES PAYABLE | | 1,301.84 |
| 10-22000 | A.C. USE TAX PAYABLE | | 434.35 |
| 10-22210 | DEFERRED PROPERTY TAX | | 96.11 |
| 10-22420 | LAND USE ESCROW - WORSHAM GRAD | | 61.87 |
| 10-22470 | LAND USE ESCROW - OLOL | | 191.84 |
| 10-22590 | LAND USE ESCROW - MILLER | | 260.19 |
| 10-22700 | LAND USE ESCROW - GARRETT | | 198.43 |
| 10-22720 | LAND USE ESCROW - B. JOHNSON | (| 403.50) |
| 10-22730 | LAND USE ESCROW - JIN PAK | | 3,500.00 |
| 10-22765 | LAND USE ESCROW - SEEVERS | | 441.76 |
| 10-22770 | LAND USE ESCROW - JACKSON | | 2,537.00 |
| 10-22780 | LAND USE ESCROW - NORDELL | | 977.45 |
| 10-22785 | LAND USE ESCROW - VAUTIER | | 373.39 |
| 10-22800 | LAND USE ESCROW - HEARTLAND | (| 287.94) |
| 10-22815 | LAND USE ESCROW - QDOBA | | 226.87 |
| 10-22820 | LAND USE ESCROW - SANITKHUM | (| 460.86) |
| 10-22830 | LAND USE ESCROW - MILLER LOT C | | 187.09 |
| 10-22840 | LAND USE ESCROW - MILLER GUEST | | 196.06 |
| 10-22850 | LAND USE ESCROW - GONZALES | | 2,718.63 |
| 10-22860 | LAND USE ESCROW - MOR/FURBERG | | 50.85 |
| 10-22870 | LAND USE ESCROW - WAMBSGANSS | (| 177.50) |
| 10-22880 | LAND USE ESCROW- C. JONES | | 717.77 |
| 10-22890 | LAND USE ESCROW - KAPPA CONSUL | | 195.65 |
| 10-22900 | LAND USE ESCROW - BEHR | | 255.50 |
| 10-22910 | LAND USE ESCROW-WAMBSGANSS NEW | | 883.38 |
| 10-22920 | LAND USE ESCROW - KUBALA | (| 590.15) |
| 10-22930 | LAND USE ESCROW - MONTANO | | 200.00 |
| 10-22940 | LAND USE ESCROW - ALKAYALI | | 109.75 |

TOTAL LIABILITIES

14,124.87

FUND EQUITY

TOWN OF FOXFIELD
BALANCE SHEET
DECEMBER 31, 2021

GENERAL FUND

| | | | | |
|----------|---------------------------------|--------------|------------|------------|
| 10-28970 | FUND BAL RESRVD-LAW ENFORCEMNT | | 21,000.00 | |
| | UNAPPROPRIATED FUND BALANCE: | | | |
| 10-29800 | FUND BALANCE - UNRESTRICTED | 1,042,262.89 | | |
| | REVENUE OVER EXPENDITURES - YTD | (92,364.38) | | |
| | | | | |
| | BALANCE - CURRENT DATE | | 949,898.51 | |
| | | | | |
| | TOTAL FUND EQUITY | | | 970,898.51 |
| | | | | |
| | TOTAL LIABILITIES AND EQUITY | | | 985,023.38 |

TOWN OF FOXFIELD
BALANCE SHEET
DECEMBER 31, 2021

OPEN SPACE FUND

ASSETS

| | | | |
|--------------|--------------------------------|-------------|------------|
| 22-10410 | INVESTMENT ACCOUNT - COLOTRUST | 186,908.26 | |
| 22-13120 | DUE TO GENERAL FUND | (4,612.00) | |
| TOTAL ASSETS | | | 182,296.26 |

LIABILITIES AND EQUITY

FUND EQUITY

| | | | |
|------------------------------|---------------------------------|------------|------------|
| UNAPPROPRIATED FUND BALANCE: | | | |
| 22-29800 | FUND BALANCE | 163,766.64 | |
| | REVENUE OVER EXPENDITURES - YTD | 18,529.62 | |
| BALANCE - CURRENT DATE | | 182,296.26 | |
| TOTAL FUND EQUITY | | | 182,296.26 |
| TOTAL LIABILITIES AND EQUITY | | | 182,296.26 |

TOWN OF FOXFIELD
BALANCE SHEET
DECEMBER 31, 2021

AMERICAN RESCUE PLAN FUND

ASSETS

| | | | |
|----------|--------------------------------|--------------|-----------|
| 23-10410 | INVESTMENT ACCOUNT - COLOTRUST | 98,291.82 | |
| 23-13120 | DUE TO GENERAL FUND | (13,252.72) | |
| | TOTAL ASSETS | | 85,039.10 |

LIABILITIES AND EQUITY

FUND EQUITY

| | | | |
|---------------------------------|-----------|-----------|-----------|
| UNAPPROPRIATED FUND BALANCE: | | | |
| REVENUE OVER EXPENDITURES - YTD | 85,039.10 | | |
| BALANCE - CURRENT DATE | | 85,039.10 | |
| TOTAL FUND EQUITY | | | 85,039.10 |
| TOTAL LIABILITIES AND EQUITY | | | 85,039.10 |

TOWN OF FOXFIELD
BALANCE SHEET
DECEMBER 31, 2021

CTF

ASSETS

| | | | | |
|----------|--------------------------------|--|-----------|-----------|
| 31-10410 | INVESTMENT ACCOUNT - COLOTRUST | | 42,312.34 | |
| | TOTAL ASSETS | | | 42,312.34 |

LIABILITIES AND EQUITY

LIABILITIES

| | | | | |
|----------|---------------------|--|----------|----------|
| 31-23110 | DUE TO GENERAL FUND | | 9,948.94 | |
| | TOTAL LIABILITIES | | | 9,948.94 |

FUND EQUITY

| | | | | |
|----------|---------------------------------|-----------|-----------|-----------|
| | UNAPPROPRIATED FUND BALANCE: | | | |
| 31-29800 | FUND BALANCE | 29,985.95 | | |
| | REVENUE OVER EXPENDITURES - YTD | 2,377.45 | | |
| | BALANCE - CURRENT DATE | | 32,363.40 | |
| | TOTAL FUND EQUITY | | | 32,363.40 |
| | TOTAL LIABILITIES AND EQUITY | | | 42,312.34 |

TOWN OF FOXFIELD
REVENUES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET | UNEARNED | PCNT |
|--|---------------|------------|------------|---------------|-------|
| <u>TAXES AND FRANCHISE FEES</u> | | | | | |
| 10-31-111 CURRENT PROPERTY TAX | 10.06 | 113,184.59 | 113,281.00 | 96.41 | 99.9 |
| 10-31-121 SPECIFIC OWNERSHIP TAX | 637.20 | 7,807.23 | 7,000.00 | (807.23) | 111.5 |
| 10-31-161 XCEL FRANCHISE FEE | 800.43 | 8,830.89 | 6,750.00 | (2,080.89) | 130.8 |
| 10-31-162 IREA FRANCHISE FEE | .00 | 17,884.87 | 22,000.00 | 4,115.13 | 81.3 |
| 10-31-163 CABLE TELEVISION FEES | .00 | 3,816.72 | 4,800.00 | 983.28 | 79.5 |
| 10-31-191 CURRENT PROPERTY TAX INTEREST | .00 | 127.53 | 100.00 | (27.53) | 127.5 |
| 10-31-192 DELINQUENT PROPERTY TAX | .00 | 2,100.54 | .00 | (2,100.54) | .0 |
| 10-31-193 DELINQUENT PROPERTY TAX INTRST | .00 | 512.45 | .00 | (512.45) | .0 |
| 10-31-311 SALES TAX | 51,219.03 | 518,090.04 | 400,000.00 | (118,090.04) | 129.5 |
| 10-31-312 USE TAX | .00 | 38,659.57 | 13,500.00 | (25,159.57) | 286.4 |
| TOTAL TAXES AND FRANCHISE FEES | 52,666.72 | 711,014.43 | 567,431.00 | (143,583.43) | 125.3 |
| <u>LICENSES AND PERMITS</u> | | | | | |
| 10-32-211 LIQUOR LICENSES | .00 | 895.00 | 298.00 | (597.00) | 300.3 |
| 10-32-215 BUSINESS LICENSES | .00 | 277.50 | 385.00 | 107.50 | 72.1 |
| 10-32-219 COMMUNIQUE ADS | .00 | .00 | 350.00 | 350.00 | .0 |
| 10-32-221 BUILDING PERMITS | 3,901.74 | 51,853.47 | 25,000.00 | (26,853.47) | 207.4 |
| 10-32-222 STREET CUT PERMITS/ROW | .00 | 1,636.20 | 300.00 | (1,336.20) | 545.4 |
| 10-32-223 GRADING PERMITS | .00 | .00 | 150.00 | 150.00 | .0 |
| 10-32-224 ZONING REVIEW REVENUE | .00 | 50.00 | 1,500.00 | 1,450.00 | 3.3 |
| 10-32-225 ENGINEERING REVIEW REVENUE | .00 | 618.25 | 500.00 | (118.25) | 123.7 |
| 10-32-226 DRIVEWAY PERMITS | .00 | 250.00 | 250.00 | .00 | 100.0 |
| TOTAL LICENSES AND PERMITS | 3,901.74 | 55,580.42 | 28,733.00 | (26,847.42) | 193.4 |

TOWN OF FOXFIELD
REVENUES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET | UNEARNED | PCNT |
|---|---------------|------------|------------|---------------|--------|
| <u>INTERGOVERNMENTAL</u> | | | | | |
| 10-33-321 MOTOR VEHICLE REGISTRATN FEES | 369.24 | 3,944.07 | 3,500.00 | (444.07) | 112.7 |
| 10-33-342 CIGARETTE TAX | 175.01 | 1,571.31 | 1,000.00 | (571.31) | 157.1 |
| 10-33-350 SEVERANCE TAX | .00 | 20.17 | 400.00 | 379.83 | 5.0 |
| 10-33-352 HIGHWAY USER TAX | 119.39 | 38,717.98 | 35,772.00 | (2,945.98) | 108.2 |
| 10-33-360 MINERAL LEASE | .00 | 156.79 | 133.00 | (23.79) | 117.9 |
| 10-33-371 COUNTY ROAD/BRIDGE LEVY | .00 | 5,173.46 | 6,367.00 | 1,193.54 | 81.3 |
| TOTAL INTERGOVERNMENTAL | 663.64 | 49,583.78 | 47,172.00 | (2,411.78) | 105.1 |
| <u>CHARGES FOR SERVICES</u> | | | | | |
| 10-35-510 TRAFFIC COURT REVENUES | .00 | .00 | 2,500.00 | 2,500.00 | .0 |
| 10-35-540 CHARGEBACK ADMINISTRATION FEE | .00 | 18.75 | 500.00 | 481.25 | 3.8 |
| TOTAL CHARGES FOR SERVICES | .00 | 18.75 | 3,000.00 | 2,981.25 | .6 |
| <u>MISCELLANEOUS</u> | | | | | |
| 10-36-611 INTEREST EARNINGS | 38.77 | 496.95 | 1,541.00 | 1,044.05 | 32.3 |
| 10-36-680 MISCELLANEOUS/OTHER INCOME | 48.00 | 8,262.88 | 500.00 | (7,762.88) | 1652.6 |
| TOTAL MISCELLANEOUS | 86.77 | 8,759.83 | 2,041.00 | (6,718.83) | 429.2 |
| TOTAL FUND REVENUE | 57,318.87 | 824,957.21 | 648,377.00 | (176,580.21) | 127.2 |

TOWN OF FOXFIELD
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET | UNEXPENDED | PCNT |
|--------------------------------------|---------------|------------|------------|-------------|--------|
| <u>ADMINISTRATION</u> | | | | | |
| 10-41-110 PERSONNEL EXPENSES | 12,664.76 | 131,916.10 | 134,246.00 | 2,329.90 | 98.3 |
| 10-41-116 PAYROLL TAXES | 968.85 | 10,091.60 | 10,270.00 | 178.40 | 98.3 |
| 10-41-118 WORKERS COMPENSATION INS. | .00 | 781.00 | 750.00 | (31.00) | 104.1 |
| 10-41-120 SUPPLIES/MATERIALS | .00 | 270.53 | 500.00 | 229.47 | 54.1 |
| 10-41-130 POSTAGE/BULK MAIL CHARGES | .00 | 494.70 | 400.00 | (94.70) | 123.7 |
| 10-41-140 PRINTING | .00 | .00 | 50.00 | 50.00 | .0 |
| 10-41-141 NEWSLETTER | .00 | .00 | 50.00 | 50.00 | .0 |
| 10-41-143 MUNICIPAL CODE SUPPLEMENTS | .00 | .00 | 1,500.00 | 1,500.00 | .0 |
| 10-41-145 LEGAL NOTICES | .00 | 296.16 | 250.00 | (46.16) | 118.5 |
| 10-41-148 RECORDING FEES | .00 | .00 | 50.00 | 50.00 | .0 |
| 10-41-151 AUDIT | .00 | 7,000.00 | 7,000.00 | .00 | 100.0 |
| 10-41-152 LEGAL | 216.00 | 10,957.06 | 25,000.00 | 14,042.94 | 43.8 |
| 10-41-160 COUNTY TREASURER FEES | .10 | 1,169.09 | 1,133.00 | (36.09) | 103.2 |
| 10-41-170 COMMUNICATIONS/IT | 690.00 | 2,584.41 | 2,800.00 | 215.59 | 92.3 |
| 10-41-171 TELEPHONE/INTERNET | 326.32 | 1,706.50 | 1,600.00 | (106.50) | 106.7 |
| 10-41-172 E-MAIL SERVER | 41.50 | 498.00 | 500.00 | 2.00 | 99.6 |
| 10-41-180 INSURANCE | .00 | 6,987.06 | 5,957.00 | (1,030.06) | 117.3 |
| 10-41-182 MEMBERSHIP/DUES/TRAINING | .00 | 2,021.12 | 3,000.00 | 978.88 | 67.4 |
| 10-41-190 MISCELLANEOUS EXPENSE | 134.65 | 7,864.97 | 150.00 | (7,714.97) | 5243.3 |
| 10-41-192 BANK SERVICE CHARGES | 2.00 | 24.00 | 24.00 | .00 | 100.0 |
| TOTAL ADMINISTRATION | 15,044.18 | 184,662.30 | 195,230.00 | 10,567.70 | 94.6 |
| <u>JUDICIAL</u> | | | | | |
| 10-44-211 MUNICIPAL JUDGE | 500.00 | 3,000.00 | 3,000.00 | .00 | 100.0 |
| 10-44-220 COURT RELATED EXPENSES | .00 | 2,301.25 | 6,000.00 | 3,698.75 | 38.4 |
| TOTAL JUDICIAL | 500.00 | 5,301.25 | 9,000.00 | 3,698.75 | 58.9 |

TOWN OF FOXFIELD
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET | UNEXPENDED | PCNT |
|--|---------------|-------------|------------|--------------|---------|
| <u>PUBLIC SAFETY</u> | | | | | |
| 10-46-311 LAW ENFORCEMENT | .00 | 112,934.60 | 113,281.00 | 346.40 | 99.7 |
| 10-46-314 OFF DUTY OFFICER PATROLS | .00 | 3,217.50 | 10,000.00 | 6,782.50 | 32.2 |
| 10-46-400 ANIMAL CONTROL | 65.00 | 455.00 | 325.00 | (130.00) | 140.0 |
| | | | | | |
| TOTAL PUBLIC SAFETY | 65.00 | 116,607.10 | 123,606.00 | 6,998.90 | 94.3 |
| <u>PUBLIC WORKS</u> | | | | | |
| 10-48-451 PLANNING | 177.00 | 3,777.00 | 5,000.00 | 1,223.00 | 75.5 |
| 10-48-452 ENGINEERING | 983.00 | 19,531.19 | 16,960.00 | (2,571.19) | 115.2 |
| 10-48-453 CODE ENFORCEMENT | 821.25 | 9,855.00 | 10,000.00 | 145.00 | 98.6 |
| 10-48-454 SNOW REMOVAL | .00 | 26,894.25 | 20,000.00 | (6,894.25) | 134.5 |
| 10-48-455 ROW AND ISLAND MAINTENANCE | 7,729.66 | 53,607.59 | 45,000.00 | (8,607.59) | 119.1 |
| 10-48-456 TRAFFIC CONTROL/SIGNAGE | 1,204.00 | 5,260.34 | 1,500.00 | (3,760.34) | 350.7 |
| 10-48-457 BUILDING PERMIT EXPENSES | 1,076.19 | 34,521.48 | 25,000.00 | (9,521.48) | 138.1 |
| 10-48-458 ST. CUT/ROW PERMIT EXPENSES | .00 | (1,107.00) | 300.00 | 1,407.00 | (369.0) |
| 10-48-459 STREET LIGHTS | 122.41 | 1,242.79 | 1,200.00 | (42.79) | 103.6 |
| 10-48-460 ENGINEERING ROAD MAINTENANCE | .00 | 9,453.95 | 6,000.00 | (3,453.95) | 157.6 |
| 10-48-461 GATE ELECTRICITY & MAINTENANCE | 1,537.12 | 7,721.05 | 5,000.00 | (2,721.05) | 154.4 |
| 10-48-500 COMM EVENTS (PARADE,DIRECTORY) | .00 | 7,100.37 | 5,000.00 | (2,100.37) | 142.0 |
| 10-48-600 STORAGE UNIT | .00 | 588.00 | 675.00 | 87.00 | 87.1 |
| | | | | | |
| TOTAL PUBLIC WORKS | 13,650.63 | 178,446.01 | 141,635.00 | (36,811.01) | 126.0 |

TOWN OF FOXFIELD
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

GENERAL FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET | UNEXPENDED | PCNT |
|------------------------------------|---------------|--------------|---------------|---------------|---------|
| <u>CAPITAL EXPENDITURES</u> | | | | | |
| 10-58-800 CAPITAL EXP > \$5,000.00 | 2,463.25 | 432,304.93 | 467,437.00 | 35,132.07 | 92.5 |
| TOTAL CAPITAL EXPENDITURES | 2,463.25 | 432,304.93 | 467,437.00 | 35,132.07 | 92.5 |
| TOTAL FUND EXPENDITURES | 31,723.06 | 917,321.59 | 936,908.00 | 19,586.41 | 97.9 |
| NET REVENUE OVER EXPENDITURES | 25,595.81 | (92,364.38) | (288,531.00) | (196,166.62) | (32.0) |

TOWN OF FOXFIELD
REVENUES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

OPEN SPACE FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET | UNEXPENDED | PCNT |
|--|---------------|------------|-----------|-------------|-------|
| <u>REVENUES</u> | | | | | |
| 22-30-130 ARAPAHOE CO OPEN SPACE DISTRIB | .00 | 23,058.52 | 19,000.00 | (4,058.52) | 121.4 |
| 22-30-611 INTEREST EARNINGS | 7.58 | 83.10 | 1,100.00 | 1,016.90 | 7.6 |
| TOTAL REVENUES | 7.58 | 23,141.62 | 20,100.00 | (3,041.62) | 115.1 |
| TOTAL FUND REVENUE | 7.58 | 23,141.62 | 20,100.00 | (3,041.62) | 115.1 |
| <u>EXPENDITURES</u> | | | | | |
| 22-40-511 MAINTENANCE | .00 | 4,612.00 | .00 | (4,612.00) | .0 |
| 22-40-620 IMPROVEMENTS | .00 | .00 | 4,612.00 | 4,612.00 | .0 |
| TOTAL EXPENDITURES | .00 | 4,612.00 | 4,612.00 | .00 | 100.0 |
| TOTAL FUND EXPENDITURES | .00 | 4,612.00 | 4,612.00 | .00 | 100.0 |
| NET REVENUE OVER EXPENDITURES | 7.58 | 18,529.62 | 15,488.00 | (3,041.62) | 119.6 |

TOWN OF FOXFIELD
REVENUES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

AMERICAN RESCUE PLAN FUND

| | | PERIOD ACTUAL | YTD ACTUAL | BUDGET | UNEXPENDED | PCNT |
|-----------|-------------------------------|---------------|------------|--------------|---------------|-------|
| | <u>REVENUE</u> | | | | | |
| 23-30-150 | AMERICAN RESCUE PLAN FUNDS | .00 | 85,025.03 | .00 | (85,025.03) | .0 |
| 23-30-611 | INTEREST INCOME | 4.00 | 14.07 | .00 | (14.07) | .0 |
| | TOTAL REVENUE | 4.00 | 85,039.10 | .00 | (85,039.10) | .0 |
| | TOTAL FUND REVENUE | 4.00 | 85,039.10 | .00 | (85,039.10) | .0 |
| | <u>EXPENDITURE</u> | | | | | |
| 23-48-451 | WATER SEWER BROADBAND INF EXP | .00 | .00 | 15,683.00 | 15,683.00 | .0 |
| | TOTAL EXPENDITURE | .00 | .00 | 15,683.00 | 15,683.00 | .0 |
| | TOTAL FUND EXPENDITURES | .00 | .00 | 15,683.00 | 15,683.00 | .0 |
| | NET REVENUE OVER EXPENDITURES | 4.00 | 85,039.10 | (15,683.00) | (100,722.10) | 542.2 |

TOWN OF FOXFIELD
REVENUES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2021

| | | CTF | | | | |
|---------------------|-------------------------------|---------------|------------|-------------|-------------|-------|
| | | PERIOD ACTUAL | YTD ACTUAL | BUDGET | UNEXPENDED | PCNT |
| <u>REVENUES</u> | | | | | | |
| 31-30-611 | INTEREST EARNINGS | 1.62 | 16.89 | 280.00 | 263.11 | 6.0 |
| 31-30-634 | CTF DISTRIBUTION | 5,260.56 | 12,309.50 | 7,800.00 | (4,509.50) | 157.8 |
| | TOTAL REVENUES | 5,262.18 | 12,326.39 | 8,080.00 | (4,246.39) | 152.6 |
| | TOTAL FUND REVENUE | 5,262.18 | 12,326.39 | 8,080.00 | (4,246.39) | 152.6 |
| <u>EXPENDITURES</u> | | | | | | |
| 31-40-550 | MAINTENANCE | 95.22 | 9,948.94 | 13,000.00 | 3,051.06 | 76.5 |
| | TOTAL EXPENDITURES | 95.22 | 9,948.94 | 13,000.00 | 3,051.06 | 76.5 |
| | TOTAL FUND EXPENDITURES | 95.22 | 9,948.94 | 13,000.00 | 3,051.06 | 76.5 |
| | NET REVENUE OVER EXPENDITURES | 5,166.96 | 2,377.45 | (4,920.00) | (7,297.45) | 48.3 |



MEMORANDUM

TO: Mayor Jones and Members of the Board

FROM: Karen Proctor, Town Administrator

DATE: January 20, 2022

RE: Draft Ordinance Adding a New Article 6 of Chapter 6 Regarding Marijuana Delivery Within the Town

DISCUSSION:

Attached for Board discussion is a draft Ordinance to add a new Article 6 to Chapter 6 of the Foxfield Municipal Code regarding Marijuana delivery within the Town of Foxfield.

Under a law passed in 2019, and effective January 1, 2020, if the Town would like to allow medical and recreational marijuana businesses to deliver their products to customers in the Town, the best practice is to enact an Ordinance specifically allowing such practice. If the Town does allow it, we will receive the sales tax paid on deliveries within the Town.

As discussed at the last meeting, The State of Colorado has Revised Statutes regarding both medical marijuana delivery (C.R.S. § 44-10-501(11)), and retail marijuana delivery (C.R.S. § 44-10-601(13)). In addition, the Marijuana Enforcement Division (MED) has adopted rules regarding delivery.

This Ordinance simply is to allow the service within the Town. The State would collect any sales tax as with any other business. The Clerk will set up the permitting process and renewing the permits will be no more difficult than annual renewal of business licenses.

Below is feedback received from other Cities that have adopted Ordinances to allow Marijuana delivery.

CITY OF AURORA: "Our sense is that the delivery is not as popular as some thought and probably not a substantial factor. Given Aurora's size, we probably have impacts from

deliveries in and deliveries out that may be having more of a net effect on the revenues. We have issued 22 permits, mostly to Aurora stores. So, most of them did get the delivery permit.”

CENTRAL CITY: “Yes we passed to allow delivery for medical marijuana only and no takers. Not surprising since we only have one with a medical license here.”

ATTACHMENT:

Exhibit A: Draft Ordinance 2022-01

Trustee Bill No.
Series of 2022
Town of Foxfield

Introduced by

**A BILL FOR AN ORDINANCE ADDING A NEW ARTICLE 6 OF CHAPTER 6
REGARDING MARIJUANA DELIVERY WITHIN THE TOWN**

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF
FOXFIELD, COLORADO:

Section 1. The Town of Foxfield Municipal Code is amended by the addition thereto of a new Article 6 of Chapter 6 to read as follows:

ARTICLE 6

Marijuana Delivery

Sec. 6-6-10. Delivery of Medical Marijuana.

(a) The Board of Trustees hereby authorizes the Town Clerk to administratively approve the issuance of a medical marijuana delivery permit to any licensed medical marijuana business. The permitting procedure shall comply with C.R.S. § 44-10-501(11).

(b) All deliveries made within the Town shall comply with C.R.S. § 44-10-501(11) and 1 CCR 212-3.

(c) All medical marijuana and medical marijuana infused products delivered to an address within the Town are subject to Town sales tax.

Sec. 6-6-20. Delivery of Retail Marijuana.

(a) The Board of Trustees hereby authorizes the Town Clerk to administratively approve the issuance of a retail marijuana delivery permit to any licensed retail marijuana store and licensed retail marijuana transporter. The permitting procedure shall comply with C.R.S. § 44-10-601(13).

(b) All deliveries made within the Town shall comply with C.R.S. § 44-10-601(13) and 1 CCR 212-3.

(c) All retail marijuana and retail marijuana infused products delivered to an address within the Town are subject to Town sales tax.

Section 2. The Town Board of Trustees hereby finds, determines, and declares that this Ordinance is promulgated under the general police powers of the Town of Foxfield, that it is promulgated for the health, safety, and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare.

Section 3. If any clause, sentence, paragraph, or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

Section 4. This ordinance shall become effective thirty (30) days after final publication.

Adopted as Ordinance No. 02 Series of 2022, by the Board of Trustees of Foxfield, Colorado, and signed and approved by its Mayor or presiding officers this ____ day of _____, 2022.

Lisa Jones, Mayor

ATTEST:

Julie St-Pierre, Town Clerk

Town Seal

Corey Y. Hoffmann, Town Attorney
(Approved as to Form)



MEMORANDUM

TO: Mayor Jones and Members of the Board

FROM: Karen Proctor, Town Administrator

DATE: January 20, 2022

RE: American Rescue Plan (ARP) Funding

DISCUSSION:

On May 10th, 2021, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan (ARP) Act of 2021. These funds provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments to help with their response to the COVID-19 emergency and its economic impacts.

The Town of Foxfield was allocated a total of \$196,555.51 of American Rescue Plan funds. These allocations will occur in two tranches of \$98,277.75 each. The Town received the first allocation on June 28th, 2021, and the second tranche will be distributed no earlier than one year from the receipt of the first tranche. \$13,253 of these funds have been spent for the water infrastructure and remote meeting equipment (the OWL and a laptop), therefore approximately \$85,024 remains from the first tranche with the second tranche to be received by June 28th, 2022.

The Treasury released a final rule on the use of the ARP funds on January 6th, 2022. An overview on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments, and support the communities and populations hardest-hit by the COVID-19 crisis is attached for your review.

The most significant change in the Final Rule is regarding using the funds based on revenue loss. The Final Rule allows recipients to use a standard allowance of up to \$10 million in aggregate, not to exceed their award amount, during the program to fund any "government services" (see page 9-11 in overview of Final Rule). Road maintenance is specifically listed as an allowed use. Therefore, The Town of Foxfield may choose to use all the remaining funds for our annual road maintenance and/or other suggested possible uses such as:

- 1) Grants to our small businesses (see pages 21-22 in overview of Final Rule).
- 2) Assistance to households facing food, housing, or other financial insecurity (see pages 17-18 in overview of Final Rule).

Staff is seeking the Board's input on these suggestions.

ATTACHMENT:

Exhibit A: Overview of the Final Rule



Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule

U.S. DEPARTMENT OF THE TREASURY

January 2022



The Overview of the Final Rule provides a summary of major provisions of the final rule for informational purposes and is intended as a brief, simplified user guide to the final rule provisions.

The descriptions provided in this document summarize key provisions of the final rule but are non-exhaustive, do not describe all terms and conditions associated with the use of SLFRF, and do not describe all requirements that may apply to this funding. Any SLFRF funds received are also subject to the terms and conditions of the agreement entered into by Treasury and the respective jurisdiction, which incorporate the provisions of the final rule and the guidance that implements this program.



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Introduction

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan, delivers \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The program ensures that governments have the resources needed to:

- Fight the pandemic and support families and businesses struggling with its public health and economic impacts,
- Maintain vital public services, even amid declines in revenue, and
- Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.

EARLY PROGRAM IMPLEMENTATION

In May 2021, Treasury published the Interim final rule (IFR) describing eligible and ineligible uses of funds (as well as other program provisions), sought feedback from the public on these program rules, and began to distribute funds. The IFR went immediately into effect in May, and since then, governments have used SLFRF funds to meet their immediate pandemic response needs and begin building a strong and equitable recovery, such as through providing vaccine incentives, development of affordable housing, and construction of infrastructure to deliver safe and reliable water.

As governments began to deploy this funding in their communities, Treasury carefully considered the feedback provided through its public comment process and other forums. Treasury received over 1,500 comments, participated in hundreds of meetings, and received correspondence from a wide range of governments and other stakeholders.

KEY CHANGES AND CLARIFICATIONS IN THE FINAL RULE

The final rule delivers broader flexibility and greater simplicity in the program, responsive to feedback in the comment process. Among other clarifications and changes, the final rule provides the features below.

Replacing Lost Public Sector Revenue

The final rule offers a standard allowance for revenue loss of \$10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation. Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.

Public Health and Economic Impacts

In addition to programs and services, the final rule clarifies that recipients can use funds for capital expenditures that support an eligible COVID-19 public health or economic response. For example, recipients may build certain affordable housing, childcare facilities, schools, hospitals, and other projects consistent with final rule requirements.



In addition, the final rule provides an expanded set of households and communities that are presumed to be “impacted” and “disproportionately impacted” by the pandemic, thereby allowing recipients to provide responses to a broad set of households and entities without requiring additional analysis. Further, the final rule provides a broader set of uses available for these communities as part of COVID-19 public health and economic response, including making affordable housing, childcare, early learning, and services to address learning loss during the pandemic eligible in all impacted communities and making certain community development and neighborhood revitalization activities eligible for disproportionately impacted communities.

Further, the final rule allows for a broader set of uses to restore and support government employment, including hiring above a recipient’s pre-pandemic baseline, providing funds to employees that experienced pay cuts or furloughs, avoiding layoffs, and providing retention incentives.

Premium Pay

The final rule delivers more streamlined options to provide premium pay, by broadening the share of eligible workers who can receive premium pay without a written justification while maintaining a focus on lower-income and frontline workers performing essential work.

Water, Sewer & Broadband Infrastructure

The final rule significantly broadens eligible broadband infrastructure investments to address challenges with broadband access, affordability, and reliability, and adds additional eligible water and sewer infrastructure investments, including a broader range of lead remediation and stormwater management projects.

FINAL RULE EFFECTIVE DATE

The final rule takes effect on April 1, 2022. Until that time, the interim final rule remains in effect; funds used consistently with the IFR while it is in effect are in compliance with the SLFRF program.

However, recipients can choose to take advantage of the final rule’s flexibilities and simplifications now, even ahead of the effective date. Treasury will not take action to enforce the interim final rule to the extent that a use of funds is consistent with the terms of the final rule, regardless of when the SLFRF funds were used. Recipients may consult the *Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule*, which can be found on Treasury’s website, for more information on compliance with the interim final rule and the final rule.



Overview of the Program

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program provides substantial flexibility for each jurisdiction to meet local needs within the four separate eligible use categories. This Overview of the Final Rule addresses the four eligible use categories ordered from the broadest and most flexible to the most specific.

Recipients may use SLFRF funds to:

- **Replace lost public sector revenue**, using this funding to provide government services up to the amount of revenue loss due to the pandemic.
 - Recipients may determine their revenue loss by choosing between two options:
 - A standard allowance of up to \$10 million in aggregate, not to exceed their award amount, during the program;
 - Calculating their jurisdiction's specific revenue loss each year using Treasury's formula, which compares actual revenue to a counterfactual trend.
 - Recipients may use funds up to the amount of revenue loss for government services; generally, services traditionally provided by recipient governments are government services, unless Treasury has stated otherwise.
- **Support the COVID-19 public health and economic response** by addressing COVID-19 and its impact on public health as well as addressing economic harms to households, small businesses, nonprofits, impacted industries, and the public sector.
 - Recipients can use funds for programs, services, or capital expenditures that respond to the public health and negative economic impacts of the pandemic.
 - To provide simple and clear eligible uses of funds, Treasury provides a list of enumerated uses that recipients can provide to households, populations, or classes (i.e., groups) that experienced pandemic impacts.
 - Public health eligible uses include COVID-19 mitigation and prevention, medical expenses, behavioral healthcare, and preventing and responding to violence.
 - Eligible uses to respond to negative economic impacts are organized by the type of beneficiary: assistance to households, small businesses, and nonprofits.
 - Each category includes assistance for "impacted" and "disproportionately impacted" classes: impacted classes experienced the general, broad-based impacts of the pandemic, while disproportionately impacted classes faced meaningfully more severe impacts, often due to preexisting disparities.
 - To simplify administration, the final rule presumes that some populations and groups were impacted or disproportionately impacted and are eligible for responsive services.



- Eligible uses for assistance to impacted households include aid for re-employment, job training, food, rent, mortgages, utilities, affordable housing development, childcare, early education, addressing learning loss, and many more uses.
- Eligible uses for assistance to impacted small businesses or nonprofits include loans or grants to mitigate financial hardship, technical assistance for small businesses, and many more uses.
- Recipients can also provide assistance to impacted industries like travel, tourism, and hospitality that faced substantial pandemic impacts, or address impacts to the public sector, for example by re-hiring public sector workers cut during the crisis.
- Recipients providing funds for enumerated uses to populations and groups that Treasury has presumed eligible are clearly operating consistently with the final rule. Recipients can also identify (1) other populations or groups, beyond those presumed eligible, that experienced pandemic impacts or disproportionate impacts and (2) other programs, services, or capital expenditures, beyond those enumerated, to respond to those impacts.
- **Provide premium pay for eligible workers performing essential work**, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors.
 - Recipients may provide premium pay to eligible workers – generally those working in-person in key economic sectors – who are below a wage threshold or non-exempt from the Fair Labor Standards Act overtime provisions, or if the recipient submits justification that the premium pay is responsive to workers performing essential work.
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet.
 - Recipients may fund a broad range of water and sewer projects, including those eligible under the EPA’s Clean Water State Revolving Fund, EPA’s Drinking Water State Revolving Fund, and certain additional projects, including a wide set of lead remediation, stormwater infrastructure, and aid for private wells and septic units.
 - Recipients may fund high-speed broadband infrastructure in areas of need that the recipient identifies, such as areas without access to adequate speeds, affordable options, or where connections are inconsistent or unreliable; completed projects must participate in a low-income subsidy program.

While recipients have considerable flexibility to use funds to address the diverse needs of their communities, some restrictions on use apply across all eligible use categories. These include:

- **For states and territories:** No offsets of a reduction in net tax revenue resulting from a change in state or territory law.

Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule



- **For all recipients except for Tribal governments:** No extraordinary contributions to a pension fund for the purpose of reducing an accrued, unfunded liability.
- **For all recipients:** No payments for debt service and replenishments of rainy day funds; no satisfaction of settlements and judgments; no uses that contravene or violate the American Rescue Plan Act, Uniform Guidance conflicts of interest requirements, and other federal, state, and local laws and regulations.

Under the SLFRF program, funds must be used for costs incurred on or after March 3, 2021. Further, funds must be obligated by December 31, 2024, and expended by December 31, 2026. This time period, during which recipients can expend SLFRF funds, is the “period of performance.”

In addition to SLFRF, the American Rescue Plan includes other sources of funding for state and local governments, including the [Coronavirus Capital Projects Fund](#) to fund critical capital investments including broadband infrastructure; the [Homeowner Assistance Fund](#) to provide relief for our country’s most vulnerable homeowners; the [Emergency Rental Assistance Program](#) to assist households that are unable to pay rent or utilities; and the [State Small Business Credit Initiative](#) to fund small business credit expansion initiatives. Eligible recipients are encouraged to visit the Treasury website for more information.



Replacing Lost Public Sector Revenue

The Coronavirus State and Local Fiscal Recovery Funds provide needed fiscal relief for recipients that have experienced revenue loss due to the onset of the COVID-19 public health emergency. Specifically, SLFRF funding may be used to pay for “government services” in an amount equal to the revenue loss experienced by the recipient due to the COVID-19 public health emergency.

Government services generally include any service traditionally provided by a government, including construction of roads and other infrastructure, provision of public safety and other services, and health and educational services. Funds spent under government services are subject to streamlined reporting and compliance requirements.

In order to use funds under government services, recipients should first determine revenue loss. They may, then, spend up to that amount on general government services.

DETERMINING REVENUE LOSS

Recipients have two options for how to determine their amount of revenue loss. Recipients must choose one of the two options and cannot switch between these approaches after an election is made.

- 1. Recipients may elect a “standard allowance” of \$10 million to spend on government services through the period of performance.**

Under this option, which is newly offered in the final rule Treasury presumes that up to \$10 million in revenue has been lost due to the public health emergency and recipients are permitted to use that amount (not to exceed the award amount) to fund “government services.” The standard allowance provides an estimate of revenue loss that is based on an extensive analysis of average revenue loss across states and localities, and offers a simple, convenient way to determine revenue loss, particularly for SLFRF’s smallest recipients.

All recipients may elect to use this standard allowance instead of calculating lost revenue using the formula below, including those with total allocations of \$10 million or less. Electing the standard allowance does not increase or decrease a recipient’s total allocation.

- 2. Recipients may calculate their actual revenue loss according to the formula articulated in the final rule.**

Under this option, recipients calculate revenue loss at four distinct points in time, either at the end of each calendar year (e.g., December 31 for years 2020, 2021, 2022, and 2023) or the end of each fiscal year of the recipient. Under the flexibility provided in the final rule, recipients can choose whether to use calendar or fiscal year dates but must be consistent throughout the period of performance. Treasury has also provided several adjustments to the definition of general revenue in the final rule.

To calculate revenue loss at each of these dates, recipients must follow a four-step process:



- a. Calculate revenues collected in the most recent full fiscal year prior to the public health emergency (i.e., last full fiscal year before January 27, 2020), called the *base year revenue*.
- b. Estimate *counterfactual revenue*, which is equal to the following formula, where n is the number of months elapsed since the end of the base year to the calculation date:

$$\text{base year revenue} \times (1 + \text{growth adjustment})^{\frac{n}{12}}$$

The *growth adjustment* is the greater of either a standard growth rate—5.2 percent—or the recipient’s average annual revenue growth in the last full three fiscal years prior to the COVID-19 public health emergency.

- c. Identify *actual revenue*, which equals revenues collected over the twelve months immediately preceding the calculation date.

Under the final rule, recipients must adjust actual revenue totals for the effect of tax cuts and tax increases that are adopted after the date of adoption of the final rule (January 6, 2022). Specifically, the estimated fiscal impact of tax cuts and tax increases adopted after January 6, 2022, must be added or subtracted to the calculation of actual revenue for purposes of calculation dates that occur on or after April 1, 2022.

Recipients may subtract from their calculation of actual revenue the effect of tax increases enacted prior to the adoption of the final rule. Note that recipients that elect to remove the effect of tax increases enacted before the adoption of the final rule must also remove the effect of tax decreases enacted before the adoption of the final rule, such that they are accurately removing the effect of tax policy changes on revenue.

- d. Revenue loss for the calculation date is equal to *counterfactual revenue* minus *actual revenue* (adjusted for tax changes) for the twelve-month period. If actual revenue exceeds counterfactual revenue, the loss is set to zero for that twelve-month period. Revenue loss for the period of performance is the sum of the revenue loss on for each calculation date.

The supplementary information in the final rule provides an example of this calculation, which recipients may find helpful, in the Revenue Loss section.



SPENDING ON GOVERNMENT SERVICES

Recipients can use SLFRF funds on government services up to the revenue loss amount, whether that be the standard allowance amount or the amount calculated using the above approach. **Government services generally include *any service traditionally provided by a government***, unless Treasury has stated otherwise. Here are some common examples, although this list is not exhaustive:

- ✓ Construction of schools and hospitals
- ✓ Road building and maintenance, and other infrastructure
- ✓ Health services
- ✓ General government administration, staff, and administrative facilities
- ✓ Environmental remediation
- ✓ Provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles)

Government services is the most flexible eligible use category under the SLFRF program, and funds are subject to streamlined reporting and compliance requirements. Recipients should be mindful that certain restrictions, which are detailed further in the Restrictions on Use section and apply to all uses of funds, apply to government services as well.



Responding to Public Health and Economic Impacts of COVID-19

The Coronavirus State and Local Fiscal Recovery Funds provide resources for governments to meet the public health and economic needs of those impacted by the pandemic in their communities, as well as address longstanding health and economic disparities, which amplified the impact of the pandemic in disproportionately impacted communities, resulting in more severe pandemic impacts.

The eligible use category to respond to public health and negative economic impacts is organized around the types of assistance a recipient may provide and includes several sub-categories:

- public health,
- assistance to households,
- assistance to small businesses,
- assistance to nonprofits,
- aid to impacted industries, and
- public sector capacity.

In general, to identify eligible uses of funds in this category, recipients should (1) identify a COVID-19 public health or economic impact on an individual or class (i.e., a group) and (2) design a program that responds to that impact. Responses should be related and reasonably proportional to the harm identified and reasonably designed to benefit those impacted.

To provide simple, clear eligible uses of funds that meet this standard, Treasury provides a non-exhaustive list of enumerated uses that respond to pandemic impacts. Treasury also presumes that some populations experienced pandemic impacts and are eligible for responsive services. In other words, recipients providing enumerated uses of funds to populations presumed eligible are clearly operating consistently with the final rule.¹

Recipients also have broad flexibility to (1) identify and respond to other pandemic impacts and (2) serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients can also identify groups or “classes” of beneficiaries that experienced pandemic impacts and provide services to those classes.

¹ However, please note that use of funds for enumerated uses may not be grossly disproportionate to the harm. Further, recipients should consult the Capital Expenditures section for more information about pursuing a capital expenditure; please note that enumerated capital expenditures are not presumed to be reasonably proportional responses to an identified harm except as provided in the Capital Expenditures section.



| Step | 1. Identify COVID-19 public health or economic impact | 2. Design a response that addresses or responds to the impact |
|--------------------------|---|--|
| Analysis | <ul style="list-style-type: none">• Can identify impact to a specific household, business or nonprofit or to a class of households, businesses, or nonprofits (i.e., group)• Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class | <ul style="list-style-type: none">• Types of responses can include a program, service, or capital expenditure• Response should be related and reasonably proportional to the harm• Response should also be reasonably designed to benefit impacted individual or class |
| Simplifying Presumptions | <ul style="list-style-type: none">• Final Rule presumes certain populations and classes are impacted and disproportionately impacted | <ul style="list-style-type: none">• Final Rule provides non-exhaustive list of enumerated eligible uses that respond to pandemic impacts and disproportionate impacts |

To assess eligibility of uses of funds, recipients should first determine the sub-category where their use of funds may fit (e.g., public health, assistance to households, assistance to small businesses), based on the entity that experienced the health or economic impact.² Then, recipients should refer to the relevant section for more details on each sub-category.

While the same overall eligibility standard applies to all uses of funds to respond to the public health and negative economic impacts of the pandemic, each sub-category has specific nuances on its application. In addition:

- Recipients interested in using funds for capital expenditures (i.e., investments in property, facilities, or equipment) should review the Capital Expenditures section in addition to the eligible use sub-category.
- Recipients interested in other uses of funds, beyond the enumerated uses, should refer to the section on “Framework for Eligible Uses Beyond Those Enumerated.”

² For example, a recipient interested in providing aid to unemployed individuals is addressing a negative economic impact experienced by a household and should refer to the section on assistance to households. Recipients should also be aware of the difference between “beneficiaries” and “sub-recipients.” Beneficiaries are households, small businesses, or nonprofits that can receive assistance based on impacts of the pandemic that they experienced. On the other hand, sub-recipients are organizations that carry out eligible uses on behalf of a government, often through grants or contracts. Sub-recipients do not need to have experienced a negative economic impact of the pandemic; rather, they are providing services to beneficiaries that experienced an impact.



RESPONDING TO THE PUBLIC HEALTH EMERGENCY

While the country has made tremendous progress in the fight against COVID-19, including a historic vaccination campaign, the disease still poses a grave threat to Americans' health and the economy. Providing state, local, and Tribal governments the resources needed to fight the COVID-19 pandemic is a core goal of the Coronavirus State and Local Fiscal Recovery Funds, as well as addressing the other ways that the pandemic has impacted public health. Treasury has identified several public health impacts of the pandemic and enumerated uses of funds to respond to impacted populations.

- **COVID-19 mitigation and prevention.** The pandemic has broadly impacted Americans and recipients can provide services to prevent and mitigate COVID-19 to the general public or to small businesses, nonprofits, and impacted industries in general. Enumerated eligible uses include:
 - ✓ Vaccination programs, including vaccine incentives and vaccine sites
 - ✓ Testing programs, equipment and sites
 - ✓ Monitoring, contact tracing & public health surveillance (e.g., monitoring for variants)
 - ✓ Public communication efforts
 - ✓ Public health data systems
 - ✓ COVID-19 prevention and treatment equipment, such as ventilators and ambulances
 - ✓ Medical and PPE/protective supplies
 - ✓ Support for isolation or quarantine
 - ✓ Ventilation system installation and improvement
 - ✓ Technical assistance on mitigation of COVID-19 threats to public health and safety
 - ✓ Transportation to reach vaccination or testing sites, or other prevention and mitigation services for vulnerable populations
 - ✓ Support for prevention, mitigation, or other services in congregate living facilities, public facilities, and schools
 - ✓ Support for prevention and mitigation strategies in small businesses, nonprofits, and impacted industries
 - ✓ Medical facilities generally dedicated to COVID-19 treatment and mitigation (e.g., ICUs, emergency rooms)
 - ✓ Temporary medical facilities and other measures to increase COVID-19 treatment capacity
 - ✓ Emergency operations centers & emergency response equipment (e.g., emergency response radio systems)
 - ✓ Public telemedicine capabilities for COVID-19 related treatment



- **Medical expenses.** Funds may be used for expenses to households, medical providers, or others that incurred medical costs due to the pandemic, including:
 - ✓ Unreimbursed expenses for medical care for COVID-19 testing or treatment, such as uncompensated care costs for medical providers or out-of-pocket costs for individuals
 - ✓ Paid family and medical leave for public employees to enable compliance with COVID-19 public health precautions
 - ✓ Emergency medical response expenses
 - ✓ Treatment of long-term symptoms or effects of COVID-19
- **Behavioral health care, such as mental health treatment, substance use treatment, and other behavioral health services.** Treasury recognizes that the pandemic has broadly impacted Americans' behavioral health and recipients can provide these services to the general public to respond. Enumerated eligible uses include:
 - ✓ Prevention, outpatient treatment, inpatient treatment, crisis care, diversion programs, outreach to individuals not yet engaged in treatment, harm reduction & long-term recovery support
 - ✓ Enhanced behavioral health services in schools
 - ✓ Services for pregnant women or infants born with neonatal abstinence syndrome
 - ✓ Support for equitable access to reduce disparities in access to high-quality treatment
 - ✓ Peer support groups, costs for residence in supportive housing or recovery housing, and the 988 National Suicide Prevention Lifeline or other hotline services
 - ✓ Expansion of access to evidence-based services for opioid use disorder prevention, treatment, harm reduction, and recovery
 - ✓ Behavioral health facilities & equipment
- **Preventing and responding to violence.** Recognizing that violence – and especially gun violence – has increased in some communities due to the pandemic, recipients may use funds to respond in these communities through:
 - ✓ Referrals to trauma recovery services for victims of crime
 - ✓ Community violence intervention programs, including:
 - Evidence-based practices like focused deterrence, with wraparound services such as behavioral therapy, trauma recovery, job training, education, housing and relocation services, and financial assistance
 - ✓ In communities experiencing increased gun violence due to the pandemic:
 - Law enforcement officers focused on advancing community policing
 - Enforcement efforts to reduce gun violence, including prosecution
 - Technology & equipment to support law enforcement response



RESPONDING TO NEGATIVE ECONOMIC IMPACTS

The pandemic caused severe economic damage and, while the economy is on track to a strong recovery, much work remains to continue building a robust, resilient, and equitable economy in the wake of the crisis and to ensure that the benefits of this recovery reach all Americans. While the pandemic impacted millions of American households and businesses, some of its most severe impacts fell on low-income and underserved communities, where pre-existing disparities amplified the impact of the pandemic and where the most work remains to reach a full recovery.

The final rule recognizes that the pandemic caused broad-based impacts that affected many communities, households, and small businesses across the country; for example, many workers faced unemployment and many small businesses saw declines in revenue. The final rule describes these as “impacted” households, communities, small businesses, and nonprofits.

At the same time, the pandemic caused disproportionate impacts, or more severe impacts, in certain communities. For example, low-income and underserved communities have faced more severe health and economic outcomes like higher rates of COVID-19 mortality and unemployment, often because pre-existing disparities exacerbated the impact of the pandemic. The final rule describes these as “disproportionately impacted” households, communities, small businesses, and nonprofits.

To simplify administration of the program, the final rule presumes that certain populations were “impacted” and “disproportionately impacted” by the pandemic; these populations are presumed to be eligible for services that respond to the impact they experienced. The final rule also enumerates a non-exhaustive list of eligible uses that are recognized as responsive to the impacts or disproportionate impacts of COVID-19. Recipients providing enumerated uses to populations presumed eligible are clearly operating consistently with the final rule.

As discussed further in the section Framework for Eligible Uses Beyond Those Enumerated, recipients can also identify other pandemic impacts, impacted or disproportionately impacted populations or classes, and responses.



Assistance to Households

Impacted Households and Communities

Treasury presumes the following households and communities are impacted by the pandemic:

- ✓ Low- or-moderate income households or communities
- ✓ Households that experienced unemployment
- ✓ Households that experienced increased food or housing insecurity
- ✓ Households that qualify for the Children's Health Insurance Program, Childcare Subsidies through the Child Care Development Fund (CCDF) Program, or Medicaid
- ✓ *When providing affordable housing programs:* households that qualify for the National Housing Trust Fund and Home Investment Partnerships Program
- ✓ *When providing services to address lost instructional time in K-12 schools:* any student that lost access to in-person instruction for a significant period of time

Low- or moderate-income households and communities are those with (i) income at or below 300 percent of the Federal Poverty Guidelines for the size of the household based on the most recently published poverty guidelines or (ii) income at or below 65 percent of the area median income for the county and size of household based on the most recently published data. For the vast majority of communities, the Federal Poverty Guidelines are higher than the area's median income and using the Federal Poverty Guidelines would result in more households and communities being presumed eligible. Treasury has provided an easy-to-use spreadsheet with Federal Poverty Guidelines and area median income levels on its website.

Recipients can measure income for a specific household or the median income for the community, depending on whether the response they plan to provide serves specific households or the general community. The income thresholds vary by household size; recipients should generally use income thresholds for the appropriate household size but can use a default household size of three when easier for administration or when measuring income for a general community.

The income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$65,880 per year.³ In other words, recipients can always presume that a household earning below this level, or a community with median income below this level, is impacted by the pandemic and eligible for services to respond. Additionally, by following the steps detailed in the section Framework for Eligible Uses Beyond Those Enumerated, recipients may designate additional households as impacted or disproportionately impacted beyond these presumptions, and may also pursue projects not listed below in response to these impacts consistent with Treasury's standards.

³ For recipients in Alaska, the income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$82,350 per year. For recipients in Hawaii, the income limit for 300 percent of the Federal Poverty Guidelines for a household of three is \$75,780 per year.



Treasury recognizes the enumerated projects below, which have been expanded under the final rule, as eligible to respond to impacts of the pandemic on households and communities:

- ✓ Food assistance & food banks
- ✓ Emergency housing assistance: rental assistance, mortgage assistance, utility assistance, assistance paying delinquent property taxes, counseling and legal aid to prevent eviction and homelessness & emergency programs or services for homeless individuals, including temporary residences for people experiencing homelessness
- ✓ Health insurance coverage expansion
- ✓ Benefits for surviving family members of individuals who have died from COVID-19
- ✓ Assistance to individuals who want and are available for work, including job training, public jobs programs and fairs, support for childcare and transportation to and from a jobsite or interview, incentives for newly-employed workers, subsidized employment, grants to hire underserved workers, assistance to unemployed individuals to start small businesses & development of job and workforce training centers
- ✓ Financial services for the unbanked and underbanked
- ✓ Burials, home repair & home weatherization
- ✓ Programs, devices & equipment for internet access and digital literacy, including subsidies for costs of access
- ✓ Cash assistance
- ✓ Paid sick, medical, and family leave programs
- ✓ Assistance in accessing and applying for public benefits or services
- ✓ Childcare and early learning services, home visiting programs, services for child welfare-involved families and foster youth & childcare facilities
- ✓ Assistance to address the impact of learning loss for K-12 students (e.g., high-quality tutoring, differentiated instruction)
- ✓ Programs or services to support long-term housing security: including development of affordable housing and permanent supportive housing
- ✓ Certain contributions to an Unemployment Insurance Trust Fund⁴

⁴ Recipients may only use SLFRF funds for contributions to unemployment insurance trust funds and repayment of the principal amount due on advances received under Title XII of the Social Security Act up to an amount equal to (i) the difference between the balance in the recipient's unemployment insurance trust fund as of January 27, 2020 and the balance of such account as of May 17, 2021, plus (ii) the principal amount outstanding as of May 17, 2021 on any advances received under Title XII of the Social Security Act between January 27, 2020 and May 17, 2021. Further, recipients may use SLFRF funds for the payment of any interest due on such Title XII advances. Additionally, a recipient that deposits SLFRF funds into its unemployment insurance trust fund to fully restore the pre-pandemic balance may not draw down that balance and deposit more SLFRF funds, back up to the pre-pandemic balance. Recipients that deposit SLFRF funds into an unemployment insurance trust fund, or use SLFRF funds to repay principal on Title XII advances, may not take action to reduce benefits available to unemployed workers by changing the computation method governing regular unemployment compensation in a way that results in a reduction of average weekly benefit amounts or the number of weeks of benefits payable (i.e., maximum benefit entitlement).



Disproportionately Impacted Households and Communities

Treasury presumes the following households and communities are disproportionately impacted by the pandemic:

- ✓ Low -income households and communities
- ✓ Households residing in Qualified Census Tracts
- ✓ Households that qualify for certain federal benefits⁵
- ✓ Households receiving services provided by Tribal governments
- ✓ Households residing in the U.S. territories or receiving services from these governments

Low-income households and communities are those with (i) income at or below 185 percent of the Federal Poverty Guidelines for the size of its household based on the most recently published poverty guidelines or (ii) income at or below 40 percent of area median income for its county and size of household based on the most recently published data. For the vast majority of communities, the Federal Poverty Guidelines level is higher than the area median income level and using this level would result in more households and communities being presumed eligible. Treasury has provided an easy-to-use spreadsheet with Federal Poverty Guidelines and area median income levels on its website.

Recipients can measure income for a specific household or the median income for the community, depending on whether the service they plan to provide serves specific households or the general community. The income thresholds vary by household size; recipients should generally use income thresholds for the appropriate household size but can use a default household size of three when easier for administration or when measuring income for a general community.

The income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$40,626 per year.⁶ In other words, recipients can always presume that a household earning below this level, or a community with median income below this level, is disproportionately impacted by the pandemic and eligible for services to respond.

⁵ These programs are Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Free- and Reduced-Price Lunch (NSLP) and/or School Breakfast (SBP) programs, Medicare Part D Low-Income Subsidies, Supplemental Security Income (SSI), Head Start and/or Early Head Start, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Section 8 Vouchers, Low-Income Home Energy Assistance Program (LIHEAP), and Pell Grants. For services to address educational disparities, Treasury will recognize Title I eligible schools as disproportionately impacted and responsive services that support the school generally or support the whole school as eligible.

⁶ For recipients in Alaska, the income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$50,783 per year. For recipients in Hawaii, the income limit for 185 percent of the Federal Poverty Guidelines for a household of three is \$46,731 per year



Treasury recognizes the enumerated projects below, which have been expanded under the final rule, as eligible to respond to disproportionate impacts of the pandemic on households and communities:

- ✓ Pay for community health workers to help households access health & social services
- ✓ Remediation of lead paint or other lead hazards
- ✓ Primary care clinics, hospitals, integration of health services into other settings, and other investments in medical equipment & facilities designed to address health disparities
- ✓ Housing vouchers & assistance relocating to neighborhoods with higher economic opportunity
- ✓ Investments in neighborhoods to promote improved health outcomes
- ✓ Improvements to vacant and abandoned properties, including rehabilitation or maintenance, renovation, removal and remediation of environmental contaminants, demolition or deconstruction, greening/vacant lot cleanup & conversion to affordable housing⁷
- ✓ Services to address educational disparities, including assistance to high-poverty school districts & educational and evidence-based services to address student academic, social, emotional, and mental health needs
- ✓ Schools and other educational equipment & facilities

⁷ Please see the final rule for further details and conditions applicable to this eligible use. This includes Treasury's presumption that demolition of vacant or abandoned residential properties that results in a net reduction in occupiable housing units for low- and moderate-income individuals in an area where the availability of such housing is lower than the need for such housing is ineligible for support with SLFRF funds.



Assistance to Small Businesses

Small businesses have faced widespread challenges due to the pandemic, including periods of shutdown, declines in revenue, or increased costs. The final rule provides many tools for recipients to respond to the impacts of the pandemic on small businesses, or disproportionate impacts on businesses where pre-existing disparities like lack of access to capital compounded the pandemic's effects.

Small businesses eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of "small business," specifically:

1. Have no more than 500 employees, or if applicable, the size standard in number of employees [established](#) by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates, and
2. Are a small business concern as defined in section 3 of the Small Business Act⁸ (which includes, among other requirements, that the business is independently owned and operated and is not dominant in its field of operation).

Impacted Small Businesses

Recipients can identify small businesses impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- | | |
|---------------------------------------|--|
| ✓ Decreased revenue or gross receipts | ✓ Capacity to weather financial hardship |
| ✓ Financial insecurity | ✓ Challenges covering payroll, rent or mortgage, and other operating costs |
| ✓ Increased costs | |

Assistance to small businesses that experienced negative economic impacts includes the following enumerated uses:

- | | |
|---|--|
| ✓ Loans or grants to mitigate financial hardship, such as by supporting payroll and benefits, costs to retain employees, and mortgage, rent, utility, and other operating costs | ✓ Technical assistance, counseling, or other services to support business planning |
|---|--|

Disproportionately Impacted Small Businesses

Treasury presumes that the following small businesses are disproportionately impacted by the pandemic:

⁸ 15 U.S.C. 632.



- ✓ Small businesses operating in Qualified Census Tracts
- ✓ Small businesses operated by Tribal governments or on Tribal lands
- ✓ Small businesses operating in the U.S. territories

Assistance to disproportionately impacted small businesses includes the following enumerated uses, which have been expanded under the final rule:

- ✓ Rehabilitation of commercial properties, storefront improvements & façade improvements
- ✓ Technical assistance, business incubators & grants for start-up or expansion costs for small businesses
- ✓ Support for microbusinesses, including financial, childcare, and transportation costs



Assistance to Nonprofits

Nonprofits have faced significant challenges due to the pandemic's increased demand for services and changing operational needs, as well as declines in revenue sources such as donations and fees.

Nonprofits eligible for assistance are those that experienced negative economic impacts or disproportionate impacts of the pandemic and meet the definition of "nonprofit"—specifically those that are 501(c)(3) or 501(c)(19) tax-exempt organizations.

Impacted Nonprofits

Recipients can identify nonprofits impacted by the pandemic, and measures to respond, in many ways; for example, recipients could consider:

- ✓ Decreased revenue (e.g., from donations and fees)
- ✓ Financial insecurity
- ✓ Increased costs (e.g., uncompensated increases in service need)
- ✓ Capacity to weather financial hardship
- ✓ Challenges covering payroll, rent or mortgage, and other operating costs

Assistance to nonprofits that experienced negative economic impacts includes the following enumerated uses:

- ✓ Loans or grants to mitigate financial hardship
- ✓ Technical or in-kind assistance or other services that mitigate negative economic impacts of the pandemic

Disproportionately Impacted Nonprofits

Treasury presumes that the following nonprofits are disproportionately impacted by the pandemic:

- ✓ Nonprofits operating in Qualified Census Tracts
- ✓ Nonprofits operated by Tribal governments or on Tribal lands
- ✓ Nonprofits operating in the U.S. territories

Recipients may identify appropriate responses that are related and reasonably proportional to addressing these disproportionate impacts.



Aid to Impacted Industries

Recipients may use SLFRF funding to provide aid to industries impacted by the COVID-19 pandemic. Recipients should first designate an impacted industry and then provide aid to address the impacted industry's negative economic impact.

This sub-category of eligible uses does not separately identify disproportionate impacts and corresponding responsive services.

1. Designating an impacted industry. There are two main ways an industry can be designated as "impacted."

1. If the industry is in the travel, tourism, or hospitality sectors (including Tribal development districts), the industry is impacted.
2. If the industry is outside the travel, tourism, or hospitality sectors, the industry is impacted if:
 - a. The industry experienced at least 8 percent employment loss from pre-pandemic levels,⁹ or
 - b. The industry is experiencing comparable or worse economic impacts as the national tourism, travel, and hospitality industries as of the date of the final rule, based on the totality of economic indicators or qualitative data (if quantitative data is unavailable), and if the impacts were generally due to the COVID-19 public health emergency.

Recipients have flexibility to define industries broadly or narrowly, but Treasury encourages recipients to define narrow and discrete industries eligible for aid. State and territory recipients also have flexibility to define the industries with greater geographic precision; for example, a state may identify a particular industry in a certain region of a state as impacted.

2. Providing eligible aid to the impacted industry. Aid may only be provided to support businesses, attractions, and Tribal development districts operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic. Further, aid should be generally broadly available to all businesses within the impacted industry to avoid potential conflicts of interest, and Treasury encourages aid to be first used for operational expenses, such as payroll, before being used on other types of costs.

⁹ Specifically, a recipient should compare the percent change in the number of employees of the recipient's identified industry and the national Leisure & Hospitality sector in the three months before the pandemic's most severe impacts began (a straight three-month average of seasonally-adjusted employment data from December 2019, January 2020, and February 2020) with the latest data as of the final rule (a straight three-month average of seasonally-adjusted employment data from September 2021, October 2021, and November 2021). For parity and simplicity, smaller recipients without employment data that measure industries in their specific jurisdiction may use data available for a broader unit of government for this calculation (e.g., a county may use data from the state in which it is located; a city may use data for the county, if available, or state in which it is located) solely for purposes of determining whether a particular industry is an impacted industry.



Treasury recognizes the enumerated projects below as eligible responses to impacted industries.

- ✓ Aid to mitigate financial hardship, such as supporting payroll costs, lost pay and benefits for returning employees, support of operations and maintenance of existing equipment and facilities
- ✓ Technical assistance, counseling, or other services to support business planning
- ✓ COVID-19 mitigation and infection prevention measures (see section Public Health)

As with all eligible uses, recipients may pursue a project not listed above by undergoing the steps outlined in the section Framework for Eligible Uses Beyond Those Enumerated.



PUBLIC SECTOR CAPACITY

Recipients may use SLFRF funding to restore and bolster public sector capacity, which supports government's ability to deliver critical COVID-19 services. There are three main categories of eligible uses to bolster public sector capacity and workforce: Public Safety, Public Health, and Human Services Staff; Government Employment and Rehiring Public Sector Staff; and Effective Service Delivery.

Public Safety, Public Health, and Human Services Staff

SLFRF funding may be used for payroll and covered benefits for public safety, public health, health care, human services and similar employees of a recipient government, for the portion of the employee's time spent responding to COVID-19. Recipients should follow the steps below.

1. **Identify eligible public safety, public health, and human services staff.** Public safety staff include:

- ✓ Police officers (including state police officers)
- ✓ Sheriffs and deputy sheriffs
- ✓ Firefighters
- ✓ Emergency medical responders
- ✓ Correctional and detention officers
- ✓ Dispatchers and supervisor personnel that directly support public safety staff

Public health staff include:

- ✓ Employees involved in providing medical and other physical or mental health services to patients and supervisory personnel, including medical staff assigned to schools, prisons, and other such institutions
- ✓ Laboratory technicians, medical examiners, morgue staff, and other support services essential for patient care
- ✓ Employees of public health departments directly engaged in public health matters and related supervisory personnel

Human services staff include:

- ✓ Employees providing or administering social services and public benefits
- ✓ Child welfare services employees
- ✓ Child, elder, or family care employees

2. **Assess portion of time spent on COVID-19 response for eligible staff.**

Recipients can use a variety of methods to assess the share of an employees' time spent responding to COVID-19, including using reasonable estimates—such as estimating the share of time based on discussions with staff and applying that share to all employees in that position.

For administrative convenience, recipients can consider public health and safety employees entirely devoted to responding to COVID-19 (and their payroll and benefits fully covered by SLFRF) if the



employee, or his or her operating unit or division, is “primarily dedicated” to responding to COVID-19. Primarily dedicated means that more than half of the employee, unit, or division’s time is dedicated to responding to COVID-19.

Recipients must periodically reassess their determination and maintain records to support their assessment, although recipients do not need to track staff hours.

3. **Use SLFRF funding for payroll and covered benefits for the portion of eligible staff time spent on COVID-19 response.** SLFRF funding may be used for payroll and covered benefits for the portion of the employees’ time spent on COVID-19 response, as calculated above, through the period of performance.

Government Employment and Rehiring Public Sector Staff

Under the increased flexibility of the final rule, SLFRF funding may be used to support a broader set of uses to restore and support public sector employment. Eligible uses include hiring up to a pre-pandemic baseline that is adjusted for historic underinvestment in the public sector, providing additional funds for employees who experienced pay cuts or were furloughed, avoiding layoffs, providing worker retention incentives, and paying for ancillary administrative costs related to hiring, support, and retention.

- **Restoring pre-pandemic employment.** Recipients have two options to restore pre-pandemic employment, depending on the recipient’s needs.
 - *If the recipient simply wants to hire back employees for pre-pandemic positions:* Recipients may use SLFRF funds to hire employees for the same positions that existed on January 27, 2020 but that were unfilled or eliminated as of March 3, 2021. Recipients may use SLFRF funds to cover payroll and covered benefits for such positions through the period of performance.
 - *If the recipient wants to hire above the pre-pandemic baseline and/or would like to have flexibility in positions:* Recipients may use SLFRF funds to pay for payroll and covered benefits associated with the recipient increasing its number of budgeted FTEs up to 7.5 percent above its pre-pandemic baseline. Specifically, recipients should undergo the following steps:
 - a. Identify the recipient’s budgeted FTE level on January 27, 2020. This includes all budgeted positions, filled and unfilled. This is called the *pre-pandemic baseline*.
 - b. Multiply the pre-pandemic baseline by 1.075. This is called the *adjusted pre-pandemic baseline*.
 - c. Identify the recipient’s budgeted FTE level on March 3, 2021, which is the beginning of the period of performance for SLFRF funds. Recipients may, but are not required to, exclude the number of FTEs dedicated to responding to the COVID-19 public health emergency. This is called the *actual number of FTEs*.
 - d. Subtract the *actual number of FTEs* from the *adjusted pre-pandemic baseline* to calculate the number of FTEs that can be covered by SLFRF funds. Recipients do not have to hire for the same roles that existed pre-pandemic.

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Recipients may use SLFRF funds to cover payroll and covered benefits through the period of performance; these employees must have begun their employment on or after March 3, 2021. Recipients may only use SLFRF funds for additional FTEs hired over the March 3, 2021 level (i.e., the *actual number of FTEs*).

- **Supporting and retaining public sector workers.** Recipients can also use funds in other ways that support the public sector workforce.¹⁰ These include:
 - **Providing additional funding for employees who experienced pay reductions or were furloughed** since the onset of the pandemic, up to the difference in the employee's pay, taking into account unemployment benefits received.
 - **Maintaining current compensation levels to prevent layoffs.** SLFRF funds may be used to maintain current compensation levels, with adjustments for inflation, in order to prevent layoffs that would otherwise be necessary.
 - **Providing worker retention incentives, including reasonable increases in compensation** to persuade employees to remain with the employer as compared to other employment options. Retention incentives must be entirely additive to an employee's regular compensation, narrowly tailored to need, and should not exceed incentives traditionally offered by the recipient or compensation that alternative employers may offer to compete for the employees. Treasury presumes that retention incentives that are less than 25 percent of the rate of base pay for an individual employee or 10 percent for a group or category of employees are reasonably proportional to the need to retain employees, as long as other requirements are met.
- **Covering administrative costs associated with administering the hiring, support, and retention programs above.**

Effective Service Delivery

SLFRF funding may be used to improve the efficacy of public health and economic programs through tools like program evaluation, data, and outreach, as well as to address administrative needs caused or exacerbated by the pandemic. Eligible uses include:

- **Supporting program evaluation, data, and outreach through:**

¹⁰ Recipients should be able to substantiate that these uses of funds are substantially due to the public health emergency or its negative economic impacts (e.g., fiscal pressures on state and local budgets) and respond to its impacts. See the final rule for details on these uses.



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- ✓ Program evaluation and evidence resources
 - ✓ Data analysis resources to gather, assess, share, and use data
 - ✓ Technology infrastructure to improve access to and the user experience of government IT systems, as well as technology improvements to increase public access and delivery of government programs and services
 - ✓ Community outreach and engagement activities
 - ✓ Capacity building resources to support using data and evidence, including hiring staff, consultants, or technical assistance support
- **Addressing administrative needs, including:**
 - ✓ Administrative costs for programs responding to the public health emergency and its economic impacts, including non-SLFRF and non-federally funded programs
 - ✓ Address administrative needs caused or exacerbated by the pandemic, including addressing backlogs caused by shutdowns, increased repair or maintenance needs, and technology infrastructure to adapt government operations to the pandemic (e.g., video-conferencing software, data and case management systems)

**CAPITAL EXPENDITURES**

As described above, the final rule clarifies that recipients may use funds for programs, services, and capital expenditures that respond to the public health and negative economic impacts of the pandemic. Any use of funds in this category for a capital expenditure must comply with the capital expenditure requirements, in addition to other standards for uses of funds.

Capital expenditures are subject to the same eligibility standard as other eligible uses to respond to the pandemic's public health and economic impacts; specifically, they must be related and reasonably proportional to the pandemic impact identified and reasonably designed to benefit the impacted population or class.

For ease of administration, the final rule identifies enumerated types of capital expenditures that Treasury has identified as responding to the pandemic's impacts; these are listed in the applicable sub-category of eligible uses (e.g., public health, assistance to households, etc.). Recipients may also identify other responsive capital expenditures. Similar to other eligible uses in the SLFRF program, no pre-approval is required for capital expenditures.

To guide recipients' analysis of whether a capital expenditure meets the eligibility standard, recipients (with the exception of Tribal governments) must complete and meet the requirements of a written justification for capital expenditures equal to or greater than \$1 million. For large-scale capital expenditures, which have high costs and may require an extended length of time to complete, as well as most capital expenditures for non-enumerated uses of funds, Treasury requires recipients to submit their written justification as part of regular reporting. Specifically:

| If a project has total capital expenditures of | and the use is enumerated by Treasury as eligible, then | and the use is beyond those enumerated by Treasury as eligible, then |
|--|---|--|
| Less than \$1 million | No Written Justification required | No Written Justification required |
| Greater than or equal to \$1 million, but less than \$10 million | Written Justification required but recipients are not required to submit as part of regular reporting to Treasury | Written Justification required and recipients must submit as part of regular reporting to Treasury |
| \$10 million or more | Written Justification required and recipients must submit as part of regular reporting to Treasury | |

A Written Justification includes:

- *Description of the harm or need to be addressed.* Recipients should provide a description of the specific harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipients may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.



- *Explanation of why a capital expenditure is appropriate.* For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate.
- *Comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior.* Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

Where relevant, recipients should consider the alternatives of improving existing capital assets already owned or leasing other capital assets.

Treasury presumes that the following capital projects are generally ineligible:

- | | |
|---|---|
| ✖ Construction of new correctional facilities as a response to an increase in rate of crime | ✖ Construction of convention centers, stadiums, or other large capital projects intended for general economic development or to aid impacted industries |
| ✖ Construction of new congregate facilities to decrease spread of COVID-19 in the facility | |

In undertaking capital expenditures, Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.

**FRAMEWORK FOR ELIGIBLE USES BEYOND THOSE ENUMERATED**

As described above, recipients have broad flexibility to identify and respond to other pandemic impacts and serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients should undergo the following steps to decide whether their project is eligible:

| Step | 1. Identify COVID-19 public health or economic impact | 2. Design a response that addresses or responds to the impact |
|----------|---|--|
| Analysis | <ul style="list-style-type: none"> Can identify impact to a specific household, business or nonprofit or to a class of households, businesses or nonprofits (i.e., group) Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class | <ul style="list-style-type: none"> Types of responses can include a program, service, or capital expenditure Response should be related and reasonably proportional to the harm Response should also be reasonably designed to benefit impacted individual or class |

1. Identify a COVID-19 public health or negative economic impact on an individual or a class.

Recipients should identify an individual or class that is “impacted” or “disproportionately impacted” by the COVID-19 public health emergency or its negative economic impacts as well as the specific impact itself.

- “Impacted” entities are those impacted by the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency. For example, an individual who lost their job or a small business that saw lower revenue during a period of closure would both have experienced impacts of the pandemic.
- “Disproportionately impacted” entities are those that experienced disproportionate public health or economic outcomes from the pandemic; Treasury recognizes that pre-existing disparities, in many cases, amplified the impacts of the pandemic, causing more severe impacts in underserved communities. For example, a household living in a neighborhood with limited access to medical care and healthy foods may have faced health disparities before the pandemic, like a higher rate of chronic health conditions, that contributed to more severe health outcomes during the COVID-19 pandemic.

The recipient may choose to identify these impacts at either the individual level or at a class level. If the recipient is identifying impacts at the individual level, they should retain documentation supporting the impact the individual experienced (e.g., documentation of lost revenues from a small business). Such documentation can be streamlined in many cases (e.g., self-attestation that a household requires food assistance).

Recipients also have broad flexibility to identify a “class” – or a group of households, small businesses, or nonprofits – that experienced an impact. In these cases, the recipients should



first identify the class and the impact that it faced. Then, recipients only need to document that the individuals served fall within that class; recipients do not need to document a specific impact to each individual served. For example, a recipient could identify that restaurants in the downtown area faced substantial declines in revenue due to decreased foot traffic from workers; the recipient could develop a program to respond to the impact on that class and only needs to document that the businesses being served are restaurants in the downtown area.

Recipients should keep the following considerations in mind when designating a class:

- **There should be a relationship between the definition of the class and the proposed response.** Larger and less-specific classes are less likely to have experienced similar harms, which may make it more difficult to design a response that appropriately responds to those harms.
- **Classes may be determined on a population basis or on a geographic basis,** and the response should be appropriately matched. For example, a response might be designed to provide childcare to single parents, regardless of which neighborhood they live in, or a response might provide a park to improve the health of a disproportionately impacted neighborhood.
- **Recipients may designate classes that experienced disproportionate impact,** by assessing the impacts of the pandemic and finding that some populations experienced meaningfully more severe impacts than the general public. To determine these disproportionate impacts, recipients:
 - May designate classes based on academic research or government research publications (such as the citations provided in the supplementary information in the final rule), through analysis of their own data, or through analysis of other existing data sources.
 - May also consider qualitative research and sources to augment their analysis, or when quantitative data is not readily available. Such sources might include resident interviews or feedback from relevant state and local agencies, such as public health departments or social services departments.
 - Should consider the quality of the research, data, and applicability of analysis to their determination in all cases.
- **Some of the enumerated uses may also be appropriate responses to the impacts experienced by other classes of beneficiaries.** It is permissible for recipients to provide these services to other classes, so long as the recipient determines that the response is also appropriate for those groups.
- **Recipients may designate a class based on income level, including at levels higher than the final rule definition of "low- and moderate-income."** For example, a recipient may identify that households in their community with incomes above the final rule threshold for low-income nevertheless experienced disproportionate impacts from the pandemic and provide responsive services.

2. **Design a response that addresses or responds to the impact.** Programs, services, and other interventions must be reasonably designed to benefit the individual or class that experienced



the impact. They must also be related and reasonably proportional to the extent and type of impact experienced. For example, uses that bear no relation or are grossly disproportionate to the type or extent of the impact would not be eligible.

“Reasonably proportional” refers to the scale of the response compared to the scale of the harm, as well as the targeting of the response to beneficiaries compared to the amount of harm they experienced; for example, it may not be reasonably proportional for a cash assistance program to provide a very small amount of aid to a group that experienced severe harm and a much larger amount to a group that experienced relatively little harm. Recipients should consider relevant factors about the harm identified and the response to evaluate whether the response is reasonably proportional. For example, recipients may consider the size of the population impacted and the severity, type, and duration of the impact. Recipients may also consider the efficacy, cost, cost-effectiveness, and time to delivery of the response.

For disproportionately impacted communities, recipients may design interventions that address broader pre-existing disparities that contributed to more severe health and economic outcomes during the pandemic, such as disproportionate gaps in access to health care or pre-existing disparities in educational outcomes that have been exacerbated by the pandemic.



Premium Pay

The Coronavirus State and Local Fiscal Recovery Funds may be used to provide premium pay to eligible workers performing essential work during the pandemic. Premium pay may be awarded to eligible workers up to \$13 per hour. Premium pay must be in addition to wages or remuneration (i.e., compensation) the eligible worker otherwise receives. Premium pay may not exceed \$25,000 for any single worker during the program.

Recipients should undergo the following steps to provide premium pay to eligible workers.

1. **Identify an “eligible” worker.** Eligible workers include workers “needed to maintain continuity of operations of essential critical infrastructure sectors.” These sectors and occupations are eligible:

- | | |
|--|---|
| ✓ Health care | ✓ State, local, or Tribal government workforce |
| ✓ Emergency response | ✓ Workers providing vital services to Tribes |
| ✓ Sanitation, disinfection & cleaning | ✓ Educational, school nutrition, and other work required to operate a school facility |
| ✓ Maintenance | ✓ Laundry |
| ✓ Grocery stores, restaurants, food production, and food delivery | ✓ Elections |
| ✓ Pharmacy | ✓ Solid waste or hazardous materials management, response, and cleanup |
| ✓ Biomedical research | ✓ Work requiring physical interaction with patients |
| ✓ Behavioral health | ✓ Dental care |
| ✓ Medical testing and diagnostics | ✓ Transportation and warehousing |
| ✓ Home and community-based health care or assistance with activities of daily living | ✓ Hotel and commercial lodging facilities that are used for COVID-19 mitigation and containment |
| ✓ Family or child care | |
| ✓ Social services | |
| ✓ Public health | |
| ✓ Mortuary | |
| ✓ Critical clinical research, development, and testing necessary for COVID-19 response | |

Beyond this list, the chief executive (or equivalent) of a recipient government may designate additional non-public sectors as critical so long as doing so is necessary to protecting the health and wellbeing of the residents of such jurisdictions.

2. **Verify that the eligible worker performs “essential work,”** meaning work that:

- Is not performed while teleworking from a residence; and
- Involves either:
 - a. regular, in-person interactions with patients, the public, or coworkers of the individual that is performing the work; or
 - b. regular physical handling of items that were handled by, or are to be handled by, patients, the public, or coworkers of the individual that is performing the work.



3. **Confirm that the premium pay “responds to” workers performing essential work during the COVID-19 public health emergency.** Under the final rule, which broadened the share of eligible workers who can receive premium pay without a written justification, recipients may meet this requirement in one of three ways:
- Eligible worker receiving premium pay is earning (with the premium included) at or below 150 percent of their residing state or county’s average annual wage for all occupations, as defined by the Bureau of Labor Statistics’ [Occupational Employment and Wage Statistics](#), whichever is higher, on an annual basis; or
 - Eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions; or
 - If a worker does not meet either of the above requirements, the recipient must submit written justification to Treasury detailing how the premium pay is otherwise responsive to workers performing essential work during the public health emergency. This may include a description of the essential worker’s duties, health, or financial risks faced due to COVID-19, and why the recipient determined that the premium pay was responsive. Treasury anticipates that recipients will easily be able to satisfy the justification requirement for front-line workers, like nurses and hospital staff.

Premium pay may be awarded in installments or lump sums (e.g., monthly, quarterly, etc.) and may be awarded to hourly, part-time, or salaried or non-hourly workers. Premium pay must be paid in addition to wages already received and may be paid retrospectively. A recipient may not use SLFRF to merely reimburse itself for premium pay or hazard pay already received by the worker, and premium pay may not be paid to volunteers.



Water & Sewer Infrastructure

The Coronavirus State and Local Fiscal Recovery Funds may be used to make necessary investments in water and sewer infrastructure. State, local, and Tribal governments have a tremendous need to address the consequences of deferred maintenance in drinking water systems and removal, management, and treatment of sewage and stormwater, along with additional resiliency measures needed to adapt to climate change.

Recipients may undertake the eligible projects below:

PROJECTS ELIGIBLE UNDER EPA'S CLEAN WATER STATE REVOLVING FUND (CWSRF)

Eligible projects under the CWSRF, and the final rule, include:

- ✓ Construction of publicly owned treatment works
- ✓ Projects pursuant to implementation of a nonpoint source pollution management program established under the Clean Water Act (CWA)
- ✓ Decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage
- ✓ Management and treatment of stormwater or subsurface drainage water
- ✓ Water conservation, efficiency, or reuse measures
- ✓ Development and implementation of a conservation and management plan under the CWA
- ✓ Watershed projects meeting the criteria set forth in the CWA
- ✓ Energy consumption reduction for publicly owned treatment works
- ✓ Reuse or recycling of wastewater, stormwater, or subsurface drainage water
- ✓ Security of publicly owned treatment works

Treasury encourages recipients to review the EPA handbook for the [CWSRF](#) for a full list of eligibilities.

PROJECTS ELIGIBLE UNDER EPA'S DRINKING WATER STATE REVOLVING FUND (DWSRF)

Eligible drinking water projects under the DWSRF, and the final rule, include:

- ✓ Facilities to improve drinking water quality
- ✓ Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements
- ✓ New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage
- ✓ Green infrastructure, including green roofs, rainwater harvesting collection, permeable pavement
- ✓ Storage of drinking water, such as to prevent contaminants or equalize water demands
- ✓ Purchase of water systems and interconnection of systems
- ✓ New community water systems

Treasury encourages recipients to review the EPA handbook for the [DWSRF](#) for a full list of eligibilities.



ADDITIONAL ELIGIBLE PROJECTS

With broadened eligibility under the final rule, SLFRF funds may be used to fund additional types of projects— such as additional stormwater infrastructure, residential wells, lead remediation, and certain rehabilitations of dams and reservoirs — beyond the CWSRF and DWSRF, if they are found to be “necessary” according to the definition provided in the final rule and outlined below.

- ✓ Culvert repair, resizing, and removal, replacement of storm sewers, and additional types of stormwater infrastructure
- ✓ Infrastructure to improve access to safe drinking water for individual served by residential wells, including testing initiatives, and treatment/remediation strategies that address contamination
- ✓ Dam and reservoir rehabilitation if primary purpose of dam or reservoir is for drinking water supply and project is necessary for provision of drinking water
- ✓ Broad set of lead remediation projects eligible under EPA grant programs authorized by the Water Infrastructure Improvements for the Nation (WIIN) Act, such as lead testing, installation of corrosion control treatment, lead service line replacement, as well as water quality testing, compliance monitoring, and remediation activities, including replacement of internal plumbing and faucets and fixtures in schools and childcare facilities

A “necessary” investment in infrastructure must be:

- (1) responsive to an identified need to achieve or maintain an adequate minimum level of service, which may include a reasonable projection of increased need, whether due to population growth or otherwise,
- (2) a cost-effective means for meeting that need, taking into account available alternatives, and
- (3) for investments in infrastructure that supply drinking water in order to meet projected population growth, projected to be sustainable over its estimated useful life.

Please note that DWSRF and CWSRF-eligible projects are generally presumed to be necessary investments. Additional eligible projects generally must be responsive to an identified need to achieve or maintain an adequate minimum level of service. Recipients are only required to assess cost-effectiveness of projects for the creation of new drinking water systems, dam and reservoir rehabilitation projects, or projects for the extension of drinking water service to meet population growth needs. Recipients should review the supplementary information to the final rule for more details on requirements applicable to each type of investment.

APPLICABLE STANDARDS & REQUIREMENTS

Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.



Broadband Infrastructure

The Coronavirus State and Local Fiscal Recovery Funds may be used to make necessary investments in broadband infrastructure, which has been shown to be critical for work, education, healthcare, and civic participation during the public health emergency. The final rule broadens the set of eligible broadband infrastructure investments that recipients may undertake.

Recipients may pursue investments in broadband infrastructure meeting technical standards detailed below, as well as an expanded set of cybersecurity investments.

BROADBAND INFRASTRUCTURE INVESTMENTS

Recipients should adhere to the following requirements when designing a broadband infrastructure project:

1. **Identify an eligible area for investment.** Recipients are encouraged to prioritize projects that are designed to serve locations without access to reliable wireline 100/20 Mbps broadband service (meaning service that reliably provides 100 Mbps download speed and 20 Mbps upload speed through a wireline connection), but are broadly able to invest in projects designed to provide service to locations with an identified need for additional broadband investment. Recipients have broad flexibility to define need in their community. Examples of need could include:

- ✓ Lack of access to a reliable high-speed broadband connection
- ✓ Lack of affordable broadband
- ✓ Lack of reliable service

If recipients are considering deploying broadband to locations where there are existing and enforceable federal or state funding commitments for reliable service of at least 100/20 Mbps, recipients must ensure that SLFRF funds are designed to address an identified need for additional broadband investment that is not met by existing federal or state funding commitments. Recipients must also ensure that SLFRF funds will not be used for costs that will be reimbursed by the other federal or state funding streams.

2. **Design project to meet high-speed technical standards.** Recipients are required to design projects to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds. In cases where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the project, eligible projects may be designed to reliably meet or exceed 100/20 Mbps and be scalable to a minimum of symmetrical 100 Mbps download and upload speeds.

Treasury encourages recipients to prioritize investments in fiber-optic infrastructure wherever feasible and to focus on projects that will achieve last-mile connections. Further, Treasury encourages recipients to prioritize support for broadband networks owned, operated by, or affiliated with local governments, nonprofits, and co-operatives.



3. **Require enrollment in a low-income subsidy program.** Recipients must require the service provider for a broadband project that provides service to households to either:

- ✓ Participate in the FCC's Affordable Connectivity Program (ACP)
- ✓ Provide access to a broad-based affordability program to low-income consumers that provides benefits commensurate to ACP

Treasury encourages broadband services to also include at least one low-cost option offered without data usage caps at speeds sufficient for a household with multiple users to simultaneously telework and engage in remote learning. Recipients are also encouraged to consult with the community on affordability needs.

CYBERSECURITY INVESTMENTS

SLFRF may be used for modernization of cybersecurity for existing and new broadband infrastructure, regardless of their speed delivery standards. This includes modernization of hardware and software.

APPLICABLE STANDARDS & REQUIREMENTS

Treasury encourages recipients to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages recipients to prioritize in their procurements employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws.



Restrictions on Use

While recipients have considerable flexibility to use Coronavirus State and Local Fiscal Recovery Funds to address the diverse needs of their communities, some restrictions on use of funds apply.

OFFSET A REDUCTION IN NET TAX REVENUE

- **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the funds provided have been spent.** If a state or territory cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than SLFRF, such as by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the Treasury.

DEPOSITS INTO PENSION FUNDS

- **No recipients except Tribal governments may use this funding to make a deposit to a pension fund.** Treasury defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions connected to an eligible use of funds (e.g., for public health and safety staff). Examples of extraordinary payments include ones that:
 - ✗ Reduce a liability incurred prior to the start of the COVID-19 public health emergency and occur outside the recipient's regular timing for making the payment
 - ✗ Occur at the regular time for pension contributions but is larger than a regular payment would have been

ADDITIONAL RESTRICTIONS AND REQUIREMENTS

Additional restrictions and requirements that apply across all eligible use categories include:

- **No debt service or replenishing financial reserves.** Since SLFRF funds are intended to be used prospectively, recipients may not use SLFRF funds for debt service or replenishing financial reserves (e.g., rainy day funds).
- **No satisfaction of settlements and judgments.** Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring in a judicial, administrative, or regulatory proceeding is itself not an eligible use. However, if a settlement requires the recipient to provide services or incur other costs that are an eligible use of SLFRF funds, SLFRF may be used for those costs.
- **Additional general restrictions.** SLFRF funds may not be used for a project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute (e.g., uses of funds that

Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule



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undermine COVID-19 mitigation practices in line with CDC guidance and recommendations) and may not be used in violation of the Award Terms and Conditions or conflict of interest requirements under the Uniform Guidance. Other applicable laws and regulations, outside of SLFRF program requirements, may also apply (e.g., laws around procurement, contracting, conflicts-of-interest, environmental standards, or civil rights).



Program Administration

The Coronavirus State and Local Fiscal Recovery Funds final rule details a number of administrative processes and requirements, including on distribution of funds, timeline for use of funds, transfer of funds, treatment of loans, use of funds to meet non-federal match or cost-share requirements, administrative expenses, reporting on use of funds, and remediation and recoupment of funds used for ineligible purposes. This section provides a summary for the most frequently asked questions.

TIMELINE FOR USE OF FUNDS

Under the SLFRF, funds must be used for costs incurred on or after March 3, 2021. Further, costs must be obligated by December 31, 2024, and expended by December 31, 2026.

TRANSFERS

Recipients may undertake projects on their own or through subrecipients, which carry out eligible uses on behalf of a recipient, including pooling funds with other recipients or blending and braiding SLFRF funds with other sources of funds. Localities may also transfer their funds to the state through section 603(c)(4), which will decrease the locality's award and increase the state award amounts.

LOANS

Recipients may generally use SLFRF funds to provide loans for uses that are otherwise eligible, although there are special rules about how recipients should track program income depending on the length of the loan. Recipients should consult the final rule if they seek to utilize these provisions.

NON-FEDERAL MATCH OR COST-SHARE REQUIREMENTS

Funds available under the "revenue loss" eligible use category (sections 602(c)(1)(C) and 603(c)(1)(C) of the Social Security Act) generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. However, note that SLFRF funds may not be used as the non-federal share for purposes of a state's Medicaid and CHIP programs because the Office of Management and Budget has approved a waiver as requested by the Centers for Medicare & Medicaid Services pursuant to 2 CFR 200.102 of the Uniform Guidance and related regulations.

SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. Recipients should consult the final rule for further details if they seek to utilize SLFRF funds as a match for these projects.

ADMINISTRATIVE EXPENSES

SLFRF funds may be used for direct and indirect administrative expenses involved in administering the program. For details on permissible direct and indirect administrative costs, recipients should refer to Treasury's [Compliance and Reporting Guidance](#). Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs.

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REPORTING, COMPLIANCE & RECOUPMENT

Recipients are required to comply with Treasury's [Compliance and Reporting Guidance](#), which includes submitting mandatory periodic reports to Treasury.

Funds used in violation of the final rule are subject to remediation and recoupment. As outlined in the final rule, Treasury may identify funds used in violation through reporting or other sources. Recipients will be provided with an initial written notice of recoupment with an opportunity to submit a request for reconsideration before Treasury provides a final notice of recoupment. If the recipient receives an initial notice of recoupment and does not submit a request for reconsideration, the initial notice will be deemed the final notice. Treasury may pursue other forms of remediation and monitoring in conjunction with, or as an alternative to, recoupment.



MEMORANDUM

TO: Mayor Jones and Members of the Board

FROM: Karen Proctor, Town Administrator

DATE: January 20, 2022

RE: 2021 Financial Forecast Update

DISCUSSION:

The Long-Range Financial Forecast through December 2021 is attached as Exhibit A. These are not final numbers as there are still some 2021 expenditures to be paid.

A breakout of sales tax revenue is included as Exhibit B.

ATTACHMENT:

Exhibit A – Long Range Financial Forecast

Exhibit B – Sales Tax Revenue

| LONG RANGE FINANCIAL FORECAST | | | | | | | | | | | | | |
|--------------------------------|---------------------------------|----------------|----------------|----------------|------------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|---|
| Account | Account Title | 2018 Actual | 2019 Actual | 2020 Actual | 2021 Estimate | 2022 Budget | 2023 Forecast | 2024 Forecast | 2025 Forecast | 2026 Forecast | 2027 Forecast | 2028 Forecast | Description |
| GENERAL FUND | | | | | | | | | | | | | |
| BEGINNING FUND BALANCE | | 572,989 | 737,240 | 929,820 | 855,904 | 903,031 | 895,562 | 909,833 | 924,583 | 946,531 | 969,088 | 994,109 | |
| Taxes and Franchise Fees | | | | | | | | | | | | | |
| | Assessed Value | 20,495,097 | 20,309,298 | 22,601,884 | 22,737,996 | 24,014,414 | 24,014,414 | 25,215,135 | 25,215,135 | 26,475,891 | 26,475,891 | 27,799,686 | |
| | Mill Levy | 4.982 | 4.982 | 4.982 | 4.982 | 4.982 | 4.982 | 4.982 | 4.982 | 4.982 | 4.982 | 4.982 | |
| 10-31-111 | Current Property Tax | 101,683 | 100,682 | 112,575 | 113,185 | 119,640 | 119,640 | 125,622 | 125,622 | 131,903 | 131,903 | 138,498 | Provided by the county |
| 10-31-121 | Specific Ownership Tax | 7,420 | 7,939 | 7,980 | 7,807 | 7,000 | 7,070 | 7,141 | 7,212 | 7,284 | 7,357 | 7,431 | County collected. Basically property tax on the type of vehicle. The year and taxable value determine these fees. Taxable value is determined by taking 85% of the suggested retail price. |
| 10-31-161 | Xcel Franchise Fee | 6,955 | 8,441 | 6,777 | 8,831 | 7,000 | 7,070 | 7,141 | 7,212 | 7,284 | 7,357 | 7,431 | |
| 10-31-162 | IREA Franchise Fee | 23,159 | 22,321 | 21,806 | 22,000 | 22,000 | 22,220 | 22,442 | 22,667 | 22,893 | 23,122 | 23,353 | |
| 10-31-163 | Cable Television Fees | 5,242 | 5,114 | 4,882 | 4,800 | 4,800 | 4,848 | 4,896 | 4,945 | 4,995 | 5,045 | 5,095 | Comcast |
| 10-31-191 | Current Property Tax Interest | 137 | 73 | 214 | 128 | 100 | 101 | 102 | 103 | 104 | 105 | 106 | Interest on property tax |
| 10-31-192 | Delinquent Property Tax | 4,164 | (1,170) | 1,329 | 2,101 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 10-31-193 | Delinquent Property Tax Intrst | 1,262 | (165) | 551 | 512 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 10-31-311 | Sales Tax | 292,566 | 338,428 | 262,046 | 350,314 | 250,000 | 254,008 | 257,694 | 260,271 | 262,873 | 265,502 | 268,157 | 3.75% on purchases made in the town or delivered into the town. ESTIP agreement ended 5/18. |
| 10-31-312 | Use Tax | 14,023 | 45,090 | 18,634 | 38,660 | 20,000 | 20,200 | 20,402 | 20,606 | 20,812 | 21,020 | 21,230 | Three percent (3%) imposed only for the privilege of storing, using or consuming within the Town any construction and building materials greater than twenty thousand dollars (\$20,000.00) |
| Total Taxes and Franchise Fees | | 456,611 | 526,754 | 436,793 | 548,337 | 430,540 | 435,156 | 445,439 | 448,638 | 458,149 | 461,411 | 471,303 | |
| Licenses and Permits | | | | | | | | | | | | | |
| 10-32-211 | Liquor Licenses | 475 | 398 | 298 | 895 | 300 | 400 | 400 | 400 | 400 | 400 | 400 | 3 licenses + special events |
| 10-32-215 | Business Licenses | 420 | 385 | 280 | 278 | 350 | 420 | 420 | 420 | 420 | 420 | 420 | \$35 annual fee |
| 10-32-218 | Sign Permits | 650 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | FVC and LOL |
| 10-32-219 | Communique Ads | 450 | 500 | 290 | 0 | 200 | 350 | 350 | 350 | 350 | 350 | 350 | Increase in the number of newsletters |
| 10-32-221 | Building Permits | 24,611 | 49,499 | 36,679 | 51,853 | 35,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | |
| 10-32-222 | Street Cut Permits/ROW | 1,054 | 300 | 450 | 1,636 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | |
| 10-32-223 | Grading Permits | 150 | 150 | 0 | 0 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | |
| 10-32-224 | Zoning Review | 2,848 | 1,914 | 2,668 | 50 | 100 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | Costs billed through building permit |
| 10-32-225 | Engineering Review | 2,600 | 807 | 3,488 | 618 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | Costs billed through building permit |
| 10-32-226 | Driveway Permits | 250 | 250 | 1,000 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | |
| Total Licenses and Permits | | 33,508 | 54,203 | 45,152 | 55,580 | 37,150 | 28,870 | 28,870 | 28,870 | 28,870 | 28,870 | 28,870 | |
| Intergovernmental | | | | | | | | | | | | | |
| 10-33-321 | Motor Vehicle Registration Fees | 4,021 | 4,224 | 3,782 | 3,944 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | County collected |
| 10-33-342 | Cigarette Tax | 1,125 | 1,222 | 1,576 | 1,571 | 1,200 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | State derived |
| 10-33-350 | Severance Tax | 0 | 0 | 399 | 20 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | |
| 10-33-352 | Highway User Tax | 47,492 | 52,434 | 36,143 | 38,718 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | Based on the # of vehicles and street miles in each community relative to the same statistics in other municipalities and the CO Dept of Transportation revenue estimates. |
| 10-33-360 | Mineral Lease | 0 | 0 | 133 | 157 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | |
| 10-33-371 | County Road/Bridge Levy | 5,810 | 5,691 | 5,436 | 6,367 | 6,724 | 6,724 | 7,060 | 7,060 | 7,413 | 7,413 | 7,784 | Shareback from Arapahoe County (.560 x Assessed Value X 50%) |
| Total Intergovernmental | | 58,448 | 63,572 | 47,469 | 50,777 | 41,957 | 41,757 | 42,093 | 42,093 | 42,446 | 42,446 | 42,817 | |
| Charges for Services | | | | | | | | | | | | | |
| 10-35-510 | Traffic Court Revenues | 8,861 | 6,310 | 2,090 | 0 | 500 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | |
| 10-35-540 | Chargeback Administration Fee | 1,549 | 684 | 190 | 19 | 100 | 500 | 500 | 500 | 500 | 500 | 500 | SafeBuilt & SEH |
| Total Charges for Services | | 10,410 | 6,994 | 2,280 | 19 | 600 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | |
| Miscellaneous | | | | | | | | | | | | | |
| 10-36-611 | Interest Earnings | 10,609 | 17,972 | 6,686 | 497 | 600 | 3,997 | 4,760 | 11,082 | 12,680 | 14,303 | 14,303 | -.2% 2021, .5% 2022-2024, 1% 2025-2027 |
| 10-36-680 | Miscellaneous/Other Income | 54,447 | 2,223 | 2,555 | 8,263 | 1,000 | 500 | 500 | 500 | 500 | 500 | 500 | |
| 10-36-682 | SIPA Grant | 0 | 4,250 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 10-36-690 | Transfer In | 70 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Miscellaneous | | 65,126 | 24,444 | 9,241 | 8,760 | 1,600 | 4,497 | 5,260 | 11,582 | 13,180 | 14,803 | 14,803 | |
| TOTAL REVENUES | | 624,103 | 675,967 | 540,936 | 663,473 | 511,847 | 513,780 | 525,163 | 534,683 | 546,145 | 551,031 | 561,292 | |

| | | | | | | | | | | | | | |
|-----------------------|-----------------------------------|----------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|
| | | | | | | | | | | | | | |
| Administration | | | | | | | | | | | | | |
| 10-41-110 | Personnel Expenses | 115,284 | 127,008 | 130,262 | 131,916 | 138,273 | 141,038 | 143,859 | 146,736 | 149,671 | 152,665 | 155,718 | |
| 10-41-116 | Payroll Taxes (7.65%) | 8,819 | 9,716 | 9,965 | 10,092 | 10,578 | 10,789 | 11,005 | 11,225 | 11,450 | 11,679 | 11,912 | |
| 10-41-118 | Workers Compensation Ins. | 826 | 715 | 724 | 781 | 800 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | Pinnacol |
| 10-41-120 | Supplies/Materials | 1,445 | 461 | 470 | 271 | 700 | 500 | 500 | 500 | 500 | 500 | 500 | Server and equipment upgrades |
| 10-41-130 | Postage/Bulk Mail Charges | 537 | 330 | 336 | 495 | 450 | 400 | 400 | 400 | 400 | 400 | 400 | PO Box Rental |
| 10-41-140 | Printing | 1,044 | 0 | 0 | 0 | 50 | 100 | 100 | 100 | 100 | 100 | 100 | |
| 10-41-141 | Newsletter | 195 | 35 | 0 | 0 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | Hard copies of newsletter |
| 10-41-143 | Municipal Code Supplements | 2,056 | 211 | 646 | 1,929 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | |
| 10-41-145 | Legal Notices | 312 | 266 | 255 | 296 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | |
| 10-41-148 | Recording Fees | 26 | 26 | 0 | 0 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | |
| 10-41-151 | Audit | 7,500 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | John Cutler and Associates |
| 10-41-152 | Legal | 11,397 | 16,345 | 20,651 | 12,957 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | HPWC |
| 10-41-160 | County Treasurer Fees | 1,072 | 1,042 | 1,153 | 1,169 | 1,196 | 1,196 | 1,256 | 1,256 | 1,319 | 1,319 | 1,385 | 1% of current property tax revenue |
| 10-41-170 | Communications/IT | 2,155 | 11,861 | 2,689 | 2,584 | 2,800 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | Caselle (AP & Payroll added), Carbonite, Laserfiche |
| 10-41-171 | Telephone/Internet | 2,298 | 1,518 | 1,582 | 1,543 | 1,500 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | Clerk's office |
| 10-41-172 | E-mail Server | 521 | 498 | 505 | 498 | 500 | 540 | 540 | 540 | 540 | 540 | 540 | |
| 10-41-173 | Web Site Dev/Mgmt | 240 | 4,412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 10-41-180 | Insurance | 4,759 | 4,500 | 4,995 | 6,987 | 7,080 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | CIRSA Property/Casualty and volunteer medical |
| 10-41-182 | Membership/Dues/Training | 2,342 | 2,832 | 1,889 | 2,021 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | DRCOG, CGFOA, CMCA, CML, IIMC, Conferences and training |
| 10-41-190 | Miscellaneous Expense | 38 | 99 | 2,831 | 7,865 | 25,000 | 150 | 150 | 150 | 150 | 150 | 150 | \$25,000 grant matching funds for code book update |
| 10-41-192 | Bank Service Charges | 36 | 24 | 24 | 24 | 24 | 30 | 30 | 30 | 30 | 30 | 30 | |
| | Total Administration | 162,902 | 188,900 | 185,976 | 188,428 | 216,801 | 195,194 | 198,291 | 201,388 | 204,610 | 207,832 | 211,185 | |
| Elections | | | | | | | | | | | | | |
| 10-42-121 | Elections - Judges | 325 | 0 | 300 | 0 | 300 | 0 | 350 | 0 | 350 | 0 | 350 | |
| 10-42-131 | Election Expenses | 128 | 0 | 376 | 0 | 400 | 0 | 425 | 0 | 450 | 0 | 450 | |
| | Total Elections | 453 | 0 | 676 | 0 | 700 | 0 | 775 | 0 | 800 | 0 | 800 | |
| Judicial | | | | | | | | | | | | | |
| 10-44-211 | Judge | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | \$250/month |
| 10-44-220 | Court Related Expenses | 6,117 | 5,864 | 648 | 2,301 | 5,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | Approximately \$1250/qrt |
| | Total Judicial | 9,117 | 8,864 | 3,648 | 5,301 | 8,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | |
| Public Safety | | | | | | | | | | | | | |
| 10-46-311 | Law Enforcement | 102,056 | 101,181 | 112,830 | 112,935 | 119,640 | 119,640 | 125,622 | 125,622 | 131,903 | 131,903 | 138,498 | IGA with Arapahoe County Sherriff |
| 10-46-314 | Off Duty Officer Patrols | 14,152 | 5,138 | 1,935 | 3,218 | 5,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | |
| 10-46-400 | Animal Control | 390 | 260 | 195 | 455 | 500 | 325 | 325 | 325 | 325 | 325 | 325 | |
| | Total Public Safety | 116,598 | 106,579 | 114,960 | 116,607 | 125,140 | 132,965 | 138,947 | 138,947 | 145,228 | 145,228 | 151,823 | |
| Public Works | | | | | | | | | | | | | |
| 10-48-451 | Planning | 5,110 | 3,850 | 2,547 | 3,777 | 5,000 | 6,000 | 6,500 | 6,500 | 7,000 | 7,000 | 7,000 | SafeBuilt |
| 10-48-452 | Engineering | 15,739 | 16,934 | 27,155 | 19,531 | 17,000 | 17,000 | 17,500 | 17,500 | 17,500 | 17,500 | 17,500 | SEH |
| 10-48-453 | Code Enforcement | 7,939 | 9,308 | 10,129 | 9,855 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | SafeBuilt |
| 10-48-454 | Snow Removal | 8,036 | 26,244 | 18,328 | 26,894 | 25,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | Terracare |
| 10-48-455 | ROW and Island Maintenance | 37,827 | 37,421 | 44,811 | 53,608 | 52,000 | 52,000 | 52,000 | 52,000 | 52,000 | 52,000 | 52,000 | Terracare |
| 10-48-456 | Traffic Control/Signage | 2,759 | 2,468 | 687 | 5,260 | 1,500 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | Sign placement and repair, gates maintenance |
| 10-48-457 | Building Permit Expenses | 18,444 | 35,788 | 27,194 | 34,521 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | SafeBuilt |
| 10-48-458 | St. Cut/ROW Permit Expenses | 0 | 175 | 0 | 0 | 300 | 350 | 400 | 400 | 450 | 450 | 450 | |
| 10-48-459 | Street Lights | 1,272 | 1,279 | 1,311 | 1,243 | 1,200 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | Lewiston Way and Parker Road |
| 10-48-460 | Engineering Pavement Management | 9,022 | 6,800 | 9,369 | 9,454 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | Misc Terracare charges, SEH pavement management |
| 10-48-461 | Gates Electricity & Maintenance | 0 | 0 | 0 | 7,721 | 6,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | \$4,000 Maintenance, \$1,000 electricity |
| 10-48-500 | Comm Events (Parade,Directory) | 4,706 | 5,614 | 2,855 | 7,100 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 4th of July, Parade, Chili Fest, Trunk or Treat |
| 10-48-600 | Storage Unit | 637 | 529 | 529 | 588 | 675 | 700 | 700 | 700 | 700 | 700 | 700 | |
| | Total Public Works | 111,491 | 146,410 | 144,913 | 179,553 | 166,675 | 162,350 | 163,400 | 163,400 | 163,950 | 163,950 | 163,950 | |
| ESTIP | | | | | | | | | | | | | |
| 10-52-620 | ESTIP | 25,250 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Last payment made in May 2018 |
| | Total ESTIP | 25,250 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Capital | | | | | | | | | | | | | |
| 10-58-800 | Capital Exp > \$5,000.00 | 32,165 | 32,634 | 164,679 | 126,457 | 2,000 | 0 | 0 | 0 | 0 | 0 | 0 | Gates |
| 10-58-801 | Capital Exp < \$5,000.00 | 1,876 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Bulletin boards/dog waste stations/libraries |
| 10-58-804 | Improvements - Ring Road | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | Total Capital | 34,041 | 32,634 | 164,679 | 126,457 | 2,000 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL EXPENDITURES | 459,852 | 483,387 | 614,851 | 616,346 | 519,316 | 499,509 | 510,412 | 512,735 | 523,588 | 526,010 | 536,758 | |
| | REVENUES LESS EXPENDITURES | 164,251 | 192,579 | (73,916) | 47,127 | (7,469) | 14,271 | 14,750 | 21,948 | 22,557 | 25,020 | 24,534 | |

| | | | | | | | | | | | | | |
|-----------|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|--|
| | | | | | | | | | | | | | |
| | ENDING FUND BALANCE | 737,240 | 929,820 | 855,904 | 903,031 | 895,562 | 909,833 | 924,583 | 946,531 | 969,088 | 994,109 | 1,018,643 | |
| | | | | | | | | | | | | | |
| | ROAD MAINTENANCE FUND | | | | | | | | | | | | |
| | Beginning Fund Balance | 0 | 0 | 0 | 207,357 | 120,811 | 20,811 | 145,811 | 294,311 | 441,266 | 586,630 | 436,630 | |
| | | | | | | | | | | | | | |
| | Village Center Sales Tax | 0 | 0 | 207,357 | 227,334 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | |
| | TOTAL REVENUES | | | 207,357 | 227,334 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | |
| | | | | | | | | | | | | | |
| | Crack Seal/Chip Seal | 0 | 0 | 0 | 305,400 | 300,000 | 75,000 | 51,500 | 53,045 | 54,636 | 350,000 | 350,000 | |
| | Other Road Maintenance | 0 | 0 | 0 | 8,480 | | | | | | | | |
| | TOTAL EXPENDITURES | 0 | 0 | 0 | 313,880 | 300,000 | 75,000 | 51,500 | 53,045 | 54,636 | 350,000 | 350,000 | |
| | | | | | | | | | | | | | |
| | ENDING FUND BALANCE | 0 | 0 | 207,357 | 120,811 | 20,811 | 145,811 | 294,311 | 441,266 | 586,630 | 436,630 | 286,630 | |
| | | | | | | | | | | | | | |
| | OPEN SPACE FUND | | | | | | | | | | | | |
| | BEGINNING FUND BALANCE | 95,993 | 117,815 | 140,765 | 163,766 | 182,296 | 198,396 | 215,496 | 236,596 | 257,696 | 278,796 | 299,896 | |
| | | | | | | | | | | | | | |
| 22-30-130 | Arapahoe CO Open Space Distrib | 19,845 | 20,282 | 21,936 | 23,059 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | |
| 22-30-611 | Interest Earnings | 1,977 | 3,026 | 1,066 | 83 | 100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | |
| 22-30-680 | Miscellaneous/Other Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL REVENUES | 21,822 | 23,308 | 23,002 | 23,142 | 20,100 | 21,100 | 21,100 | 21,100 | 21,100 | 21,100 | 21,100 | |
| | | | | | | | | | | | | | |
| 22-40-511 | Maintenance | 0 | 0 | 0 | 4,612 | 4,000 | 4,000 | 0 | 0 | 0 | 0 | 0 | |
| 22-40-530 | Planning | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 22-40-620 | Improvements | 0 | 358 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 22-40-630 | Engineering and Design | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL EXPENDITURES | 0 | 358 | 0 | 4,612 | 4,000 | 4,000 | 0 | 0 | 0 | 0 | 0 | |
| | | | | | | | | | | | | | |
| | REVENUES LESS EXPENDITURES | 21,822 | 22,950 | 23,002 | 18,530 | 16,100 | 17,100 | 21,100 | 21,100 | 21,100 | 21,100 | 21,100 | |
| | | | | | | | | | | | | | |
| | ENDING FUND BALANCE | 117,815 | 140,765 | 163,766 | 182,296 | 198,396 | 215,496 | 236,596 | 257,696 | 278,796 | 299,896 | 320,996 | |
| | | | | | | | | | | | | | |
| | CONSERVATION TRUST FUND | | | | | | | | | | | | |
| | BEGINNING FUND BALANCE | 37,094 | 32,271 | 28,259 | 29,985 | 27,853 | 22,683 | 17,963 | 13,243 | 8,523 | 3,803 | (917) | |
| | | | | | | | | | | | | | |
| 31-30-611 | Interest Earnings | 757 | 809 | 274 | 17 | 30 | 280 | 280 | 280 | 280 | 280 | 280 | |
| 31-30-634 | CTF Distribution | 7,898 | 5,982 | 8,024 | 7,800 | 7,800 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | |
| 31-30-680 | Miscellaneous/Other Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | TOTAL REVENUES | 8,655 | 6,791 | 8,299 | 7,817 | 7,830 | 8,280 | 8,280 | 8,280 | 8,280 | 8,280 | 8,280 | |
| | | | | | | | | | | | | | |
| 31-40-520 | Improvements | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 31-40-525 | Legal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 31-40-530 | Planning & Engineering | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 31-40-550 | Maintenance | 13,478 | 10,803 | 6,572 | 9,949 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 15% of Terracare contract, ACWWA, IREA |
| | TOTAL EXPENDITURES | 13,478 | 10,803 | 6,572 | 9,949 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | |
| | | | | | | | | | | | | | |
| | REVENUES LESS EXPENDITURES | (4,823) | (4,012) | 1,726 | (2,132) | (5,170) | (4,720) | (4,720) | (4,720) | (4,720) | (4,720) | (4,720) | |
| | | | | | | | | | | | | | |
| | ENDING FUND BALANCE | 32,271 | 28,259 | 29,985 | 27,853 | 22,683 | 17,963 | 13,243 | 8,523 | 3,803 | (917) | (5,637) | |

