



A Brief Overview of ARPA Funding

4/13/22



Timeline of Payments to NEUs

Payments to Municipalities:

- Local ARPA \$ – 2 equal payments
 - 1st Payment - August 2021
 - 2nd Payment - August 2022
- County ARPA \$ - 2 equal payments
 - 1st Payment - September 2021
 - 2nd Payment - September 2022

Total allocation for Norwich: \$1,019,038.83



Additional Notes on Timing

- Can cover eligible costs incurred since March 3, 2021
- All funds must be **obligated** by December 31, 2024
- All funds must be **expended** by December 31, 2026
- Any funds not spent by December 31, 2026 must be returned to Treasury



Treasury Guidance

What You CAN Spend \$ On

1. **Lost Revenue**: For the provision of any service traditionally provided by government
2. **Pandemic Response**: To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
3. **Premium Pay to Essential Workers**: To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
4. **Water, Sewer, and Broadband Infrastructure**: To make necessary investments in water, sewer, stormwater, or broadband infrastructure.

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Some Notes on Revenue Replacement

- Easiest and most flexible approach to using local ARPA dollars
- Standard allowance of \$10 million
- Use funds for “any service traditionally provided by a government,” excluding restricted uses
 - Not limited to existing/past services
 - Can cover projects eligible under other categories
 - Can cover administrative expenses
 - Possible strategy: free up operating budget funds



Treasury Guidance

What You CAN NOT Spend \$ On

- Pensions
- Replenishing Rainy Day Funds or other financial reserves
- Debt Service
- Projects that undermine efforts to stop the spread of Covid-19
- Satisfaction of court, administrative, or regulatory settlements/judgments (certain exceptions apply)
- Projects that do not comply with the regulations referenced in the award documentation, or other federal, state, or local laws



Notes on Reporting

- Annual Reporting
- First report covers March 2021-March 2022. **Due April 30th**
 - Required even if no funds have been spent yet
 - Elect whether your Town will use the standard allowance
- Your Town's designated Authorized Representative **must** start the process
- Get started as soon as possible



Questions?