

Manager's Report

- Meeting with landscape architects from the SE Group to discuss taking over the Pedestrian Bridge Project. They have been provided with all the preliminary information that Land Works completed and are meeting with their team to discuss whether or not they want to take the project on.
- I had a second interview with a Community Development Coordinator candidate to discuss projects in town. I have asked for references which I received today and will be following up in the days ahead.
- The Hardwick Neighbor to Neighbor group had a kick-off meeting for the planning of the "Meet the new Town Manager" community gatherings. The meeting went well and we plan on having a second planning meeting on May 9th.

DWU

04/07/2022

Town of Hardwick FY 2022 Budget Update Through 12-31-2022

Revenues:

Overall, most revenues in the General Fund are on track at this point, except for the COPS grant and the Greensboro contract. Water and sewer revenues are at 76% and 72% of budget respectively. Delinquencies total about \$31,000.

The tax revenue shows over 100% because we have not paid the school their portion yet. The budget is what would be the Town’s portion of the total collected and the actual that you see below is a “billed” amount.

We would expect revenues to be at about 75% at this point in the fiscal year. Office revenues are running slightly ahead primarily due to copier fees and licenses and fees being at 153% and 100% respectively. Highway revenues are above budget due to a one-time COVID relief payment of about \$8,200. We don’t generally budget for grant revenue, so the Downtown Commission grant of \$3,575 makes it appear significantly over budget.

If we assume that the Town will collect all the tax revenues we are budgeting for (making the \$5,385,318 figure \$2,777,172), the overall percentage would be 90%.

Town of Hardwick Revenue Summary			
Department	Budget	Actual	% Collected
Tax Revenues	\$2,777,172	\$5,385,318	193.91%
Office Revenues [Licenses, Recordings, etc.]	\$39,100	\$39,902	102.05%
Highway Revenues	\$146,863	\$144,670	98.51%
Police Revenues [Tickets, Grants, etc.]	\$274,763	\$8,920	3.25%
Grant Revenue - Other	\$400	\$3,575	893.75%
Other Revenue [Misc, Interest, W/S Transfers]	\$326,092	\$220,153	67.51%
	\$3,564,390.00	\$5,802,537.06	162.79%

Expenses:

Overall, total expenses are at 65.96% when we would typically expect them to be at about 75%, so we are slightly under budget for expenses. They would be at roughly 71% factoring in the Greensboro revenue loss. All VLCT insurances (worker's comp, PACIF and unemployment) have been paid *for the remainder of the fiscal year*. County taxes have also been paid in full for the year and appropriations are being paid as people submit their requests.

Town of Hardwick Expense Summary

Department	Budget	Actual	\$ (Remaining) or Over Budget	% Used
Office [Clerk/Manager/Supplies, Etc.]	\$448,209	\$333,522	(\$114,688)	74.41%
Other Payroll [Stipend employees, etc.]	\$73,002	\$30,536	(\$42,466)	41.83%
Buildings	\$65,248	\$44,390	(\$20,858)	68.03%
Police Department	\$981,803	\$536,243	(\$445,560)	54.62%
Fire Department	\$59,417	\$42,730	(\$16,687)	71.92%
Highway Department	\$947,720	\$655,125	(\$292,595)	69.13%
Rescue Squad	\$45,502	\$0	(\$45,502)	0.00%
Appropriations	\$38,761	\$25,661	(\$13,100)	66.20%
County Taxes	\$22,750	\$23,030	\$280	101.23%
Line Items	\$846,928	\$642,174	(\$204,754)	75.82%
Recreation	\$26,251	\$11,588	(\$14,663)	44.14%
Trails	\$8,547	\$5,857	(\$2,690)	68.52%
	\$3,564,138.00	\$2,350,855.05	-\$1,213,282.95	65.96%

What is the "\$10 million standard allowance" for revenue loss?

On January 6, 2022, Treasury issued its long-awaited Final Rule (overview found [HERE](#)) which guides the use of ARPA funds. It contains many changes, among them the treatment of revenue loss.

"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." (Overview page 4)

This would be "a **one-time, irrevocable** election to utilize either the revenue loss formula or the standard allowance." (Final Rule page 240) **This election must be made during the April 30, 2022 reporting period.**

What does the "provision of government services" mean and what is restricted?

Recipients can use ARPA funds on government services up to the revenue loss amount (in most cases in Vermont, the entire ARPA award), 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)

*Restrictions:

- ✓ No deposits into pension funds
- ✓ No debt service or replenishing financial reserves
- ✓ No satisfaction of settlements and judgments
- ✓ No project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute (e.g., uses of funds that 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).

Should we make the decision to elect the Standard Allowance during a regular meeting of our legislative body?

It is a best practice. Here is sample language for a motion:

"I move that the Town of Hardwick make the one-time irrevocable decision to elect the "Standard Allowance" approach for our ARPA award in the amount of \$855,227.40 to spend on the provision of government services throughout the period of performance of the grant."