



TOWN COUNCIL – AGENDA REQUEST FORM

THIS FORM WILL BECOME PART OF THE BACKGROUND INFORMATION USED BY THE COUNCIL AND PUBLIC

Please submit Agenda Request Form, including back up information, 8 days prior to the requested meeting date. **Public Hearing requests must be submitted 20 days prior to the requested meeting date to meet publication deadlines** (exceptions may be authorized by the Town Manager, Chairman/Vice Chair).

MEETING INFORMATION

Date Submitted: June 30, 2021

Date of Meeting: July 15, 2021

Submitted by: Thomas Boland

Time Required:

Department: Finance

Background Info. Supplied: Yes No

Speakers:

CATEGORY OF BUSINESS (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Appointment:	<input type="checkbox"/>	Recognition/Resignation/Retirement:	<input type="checkbox"/>
Public Hearing:	<input checked="" type="checkbox"/>	Old Business:	<input type="checkbox"/>
New Business:	<input type="checkbox"/>	Consent Agenda:	<input type="checkbox"/>
Nonpublic:	<input type="checkbox"/>	Other:	<input type="checkbox"/>

TITLE OF ITEM

Acceptance of American Rescue Plan Act of 2021 Funds

DESCRIPTION OF ITEM

The Town Council will hold a public hearing to consider the acceptance and expenditure of up to \$2,773,229 from the Local Fiscal Recovery Funds distributed by the State of NH through the American Rescue Plan Act of 2021, pursuant to RSA 31:95-b and Charter Article 8-15. The funds will be expended in accordance to the guidelines set forth in the ARPA.

REFERENCE (IF KNOWN)

RSA:	31:95-b	Warrant Article:
Charter Article:	8-15	Town Meeting:
Other:		N/A:

EQUIPMENT REQUIRED (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Projector:	<input type="checkbox"/>	Grant Requirements:	<input type="checkbox"/>
Easel:	<input type="checkbox"/>	Joint Meeting:	<input type="checkbox"/>
Special Seating:	<input type="checkbox"/>	Other:	<input type="checkbox"/>
Laptop:	<input type="checkbox"/>	None:	<input checked="" type="checkbox"/>

CONTACT INFORMATION

Name:	Thomas Boland	Address:	8 Baboosic Lake Road
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APPROVAL

Town Manager: Yes No Chair/Vice Chair: Yes No

LEGAL NOTICE
Town of Merrimack
Public Hearing

Residents of Merrimack are hereby advised that the Town Council will hold a public hearing to authorize the acceptance and expenditure of up to \$2,773,229 from the Local Fiscal Recovery Funds distributed by the State of NH through the American Rescue Plan Act of 2021 (ARPA). The funds will be expended pursuant to the guidelines set forth in ARPA. In accordance with RSA 31:95-b and Charter Article 8-15, a public hearing shall be held on **Thursday, July 15, 2021 at 7:00 p.m.** in the Matthew Thornton Room located at 8 Baboosic Lake Road in Merrimack.

For Town of Merrimack Use:

Posted: July 6, 2021

To Be Published: July 6, 2021 (*Union Leader*)

To Be Published: July 9, 2021 (*Sunday Select – Merrimack Edition*)

Memo



TO: Town Council

FROM: Town Manager Paul T. Micali

DATE: July 7, 2021

RE: **American Rescue Plan Act 2021**

In March of 2021 President Biden signed into law the American Rescue Plan Act. This act provides relief to local Municipalities. The United States Treasury had 60 days to come up with guidance and a plan on how to implement the funding to States. The guidance and a plan was released at the end of May beginning of June:

LOCAL FISCAL RECOVERY FUNDS OVERVIEW

Under ARPA, the State will receive a total of \$112 million in Local Fiscal Recovery Funds to distribute to New Hampshire non-metropolitan cities and towns (so-called NonEntitlement Units or NEUs), this includes all New Hampshire municipalities except for Dover, Manchester, Nashua, Portsmouth and Rochester – these five cities receive separate LFRF allocations directly from U.S. Treasury as metropolitan cities.

USE OF LOCAL FISCAL RECOVERY FUNDS

According to the U.S. Treasury, the Coronavirus State and Local Fiscal Recovery Funds provide eligible local governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, and more equitable economy as the country recovers. Recipients may use these funds to:

- **Support public health expenditures**, by, for example, funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff
- **Address negative economic impacts caused by the public health emergency**, including economic harms to workers, households, small businesses, impacted industries, and the public sector
- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic
- **Provide premium pay for essential workers**, offering additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet

Within these overall categories, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities.

Local governments that receive LFRF funding are considered prime recipients of Treasury and will report directly to Treasury regarding their use of the funds. For more information and guidance about allowable uses of Local Fiscal Recovery Funds and reporting requirements, please see U.S. Treasury's [website](#).

DISTRIBUTION OF LOCAL FISCAL RECOVERY FUNDS

On June 1, New Hampshire received payment of \$56,104,386.50 designated as the first tranche of LFRF funding. This is equal to half the total amount that has been allocated for NH local governments. The State will receive a second tranche in the same amount to distribute to local governments no sooner than 12 months after June 1, 2021.

Each NEU's share of the funding is calculated as the amount that bears the same proportion to the amount of aggregate payment as the population of the NEU bears to the population of all NEUs in the State but may not exceed 75% of the most recent budget for the NEU as of January 27, 2020. The "most recent budget" is the "most recent annual total operating budget including its general fund and other funds." Each NEUs allocated share of total funding and the amount that is payable in the first tranche may be accessed at [Local Fiscal Recovery Program](#).

The LFRF does not separately include funding for village districts or precincts. Such districts and precincts, however, are included in the population calculations for awards to localities specified by the federal government.

The Town is to receive two payments of \$1,386,614 for a total of \$2,773,229. We ask the Town Council to grant acceptance of the funds and allow us to expend these funds as prescribed in the Treasury Department's guidelines.

Name	County	State	Population Est. 2019	Total Award Est.	2019 Approved Budget	Est. % of Budget	First Tranche Award Est.
Lyndeborough	Hillsborough County	NH	1732	\$181,322	\$ 2,140,986	8%	\$ 90,661.24
Madbury	Strafford County	NH	1883	\$197,131	\$ 1,986,503	10%	\$ 98,565.30
Madison	Carroll County	NH	2606	\$272,821	\$ 2,713,541	10%	\$ 136,410.61
Marlborough	Cheshire County	NH	2076	\$217,336	\$ 2,164,909	10%	\$ 108,667.86
Marlow	Cheshire County	NH	730	\$76,423	\$ 691,364	11%	\$ 38,211.72
Mason	Hillsborough County	NH	1433	\$150,020	\$ 1,854,064	8%	\$ 75,010.13
Meredith	Belknap County	NH	6456	\$675,876	\$ 14,533,958	5%	\$ 337,938.18
Merrimack	Hillsborough County	NH	26490	\$2,773,229	\$ 32,776,693	8%	\$ 1,386,614.39
Middleton	Strafford County	NH	1838	\$192,420	\$ 1,870,487	10%	\$ 96,209.79
Milan	Coos County	NH	1235	\$129,292	\$ 1,023,418	13%	\$ 64,645.86
Milford	Hillsborough County	NH	16411	\$1,718,062	\$ 18,404,610	9%	\$ 859,030.91
Milton	Strafford County	NH	4624	\$484,085	\$ 4,563,423	11%	\$ 242,042.47
Monroe	Grafton County	NH	802	\$83,961	\$ 996,334	8%	\$ 41,980.55
Mont Vernon	Hillsborough County	NH	2659	\$278,370	\$ 2,505,365	11%	\$ 139,184.89
Moultonborough	Carroll County	NH	4184	\$438,021	\$ 7,961,663	6%	\$ 219,010.74
Nelson	Cheshire County	NH	734	\$76,842	\$ 920,917	8%	\$ 38,421.10
New Boston	Hillsborough County	NH	5899	\$617,564	\$ 5,292,657	12%	\$ 308,782.12
New Castle	Rockingham County	NH	979	\$102,491	\$ 3,279,374	3%	\$ 51,245.58
New Durham	Strafford County	NH	2706	\$283,290	\$ 3,057,148	9%	\$ 141,645.09
New Hampton	Belknap County	NH	2221	\$232,516	\$ 2,935,349	8%	\$ 116,257.85
New Ipswich	Hillsborough County	NH	5393	\$564,591	\$ 2,444,030	23%	\$ 282,295.64
New London	Merrimack County	NH	4308	\$451,003	\$ 7,624,900	6%	\$ 225,501.50
Newbury	Merrimack County	NH	2228	\$233,249	\$ 4,153,630	6%	\$ 116,624.27
Newfields	Rockingham County	NH	1736	\$181,741	\$ 1,630,846	11%	\$ 90,870.61
Newington	Rockingham County	NH	813	\$85,113	\$ 7,893,453	1%	\$ 42,556.34
Newmarket	Rockingham County	NH	9156	\$958,538	\$ 12,194,371	8%	\$ 479,269.21
Newport	Sullivan County	NH	6358	\$665,617	\$ 9,693,694	7%	\$ 332,808.39
Newton	Rockingham County	NH	4928	\$515,911	\$ 3,341,078	15%	\$ 257,955.29
North Hampton	Rockingham County	NH	4486	\$469,638	\$ 7,161,370	7%	\$ 234,818.88
Northfield	Merrimack County	NH	4942	\$517,376	\$ 3,305,449	16%	\$ 258,688.12
Northumberland	Coos County	NH	2139	\$223,931	\$ 3,254,665	7%	\$ 111,965.58
Northwood	Rockingham County	NH	4309	\$451,108	\$ 3,616,815	12%	\$ 225,553.85
Nottingham	Rockingham County	NH	5136	\$537,686	\$ 3,877,280	14%	\$ 268,843.02
Orange	Grafton County	NH	309	\$32,349	\$ 217,896	15%	\$ 16,174.55
Orford	Grafton County	NH	1301	\$136,201	\$ 1,005,249	14%	\$ 68,100.62
Ossipee	Carroll County	NH	4384	\$458,959	\$ 6,133,578	7%	\$ 229,479.71
Pelham	Hillsborough County	NH	14220	\$1,488,687	\$ 16,421,227	9%	\$ 744,343.40
Pembroke	Merrimack County	NH	7203	\$754,080	\$ 8,318,667	9%	\$ 377,039.77
Peterborough	Hillsborough County	NH	6688	\$700,164	\$ 16,218,845	4%	\$ 350,082.18
Piermont	Grafton County	NH	808	\$84,589	\$ 961,718	9%	\$ 42,294.62
Pittsburg	Coos County	NH	820	\$85,846	\$ 1,728,356	5%	\$ 42,922.76
Pittsfield	Merrimack County	NH	4125	\$431,845	\$ 4,505,380	10%	\$ 215,922.40
Plainfield	Sullivan County	NH	2400	\$251,255	\$ 2,358,950	11%	\$ 125,627.58
Plaisow	Rockingham County	NH	7716	\$807,785	\$ 10,011,107	8%	\$ 403,892.66
Plymouth	Grafton County	NH	6862	\$718,380	\$ 8,138,657	9%	\$ 359,190.18
Randolph	Coos County	NH	286	\$29,941	\$ 425,803	7%	\$ 14,970.62
Raymond	Rockingham County	NH	10529	\$1,102,277	\$ 8,760,950	13%	\$ 551,138.65
Richmond	Cheshire County	NH	1124	\$117,671	\$ 820,033	14%	\$ 58,835.58
Rindge	Cheshire County	NH	6090	\$637,560	\$ 4,053,509	16%	\$ 318,779.98
Rollinsford	Strafford County	NH	2586	\$270,727	\$ 2,402,076	11%	\$ 135,363.72
Roxbury	Cheshire County	NH	220	\$23,032	\$ 270,785	9%	\$ 11,515.86
Rumney	Grafton County	NH	1567	\$164,049	\$ 1,462,339	11%	\$ 82,024.34
Rye	Rockingham County	NH	5470	\$572,652	\$ 9,718,146	6%	\$ 286,326.19
Salem	Rockingham County	NH	29791	\$3,118,809	\$ 48,820,114	6%	\$ 1,559,404.66
Salisbury	Merrimack County	NH	1446	\$151,381	\$ 1,278,494	12%	\$ 75,690.62
Sanbornton	Belknap County	NH	2994	\$313,441	\$ 4,213,516	7%	\$ 156,720.40
Sandown	Rockingham County	NH	6547	\$685,403	\$ 4,058,443	17%	\$ 342,701.56
Sandwich	Carroll County	NH	1358	\$142,169	\$ 1,883,198	8%	\$ 71,084.27
Seabrook	Rockingham County	NH	8842	\$925,666	\$ 23,523,145	4%	\$ 462,832.94
Sharon	Hillsborough County	NH	369	\$38,630	\$ 375,128	10%	\$ 19,315.24
Shelburne	Coos County	NH	345	\$36,118	\$ 461,567	8%	\$ 18,058.96
Somersworth	Strafford County	NH	11968	\$1,252,926	\$ 18,670,317	7%	\$ 626,462.86
South Hampton	Rockingham County	NH	827	\$86,578	\$ 929,869	9%	\$ 43,289.17
Springfield	Sullivan County	NH	1341	\$140,389	\$ 1,406,551	10%	\$ 70,194.41

Coronavirus State and Local Fiscal Recovery Funds for Non-entitlement Units of Local Government

The Coronavirus Local Fiscal Recovery Fund will provide \$19.53 billion to support tens of thousands of non-entitlement units of local government, which are local governments typically serving a population under 50,000.

The Coronavirus Local Fiscal Recovery Fund will provide a critical source of relief for these smaller local governments, many of which have not received direct fiscal assistance from the federal government since the onset of the COVID-19 pandemic.

FUNDING FOR NON-ENTITLEMENT UNITS OF LOCAL GOVERNMENT

Non-entitlement units of local government (NEUs), defined in section 603(g)(5) of the Social Security Act, as added by section 9901 of the American Rescue Plan Act of 2021, are local governments typically serving populations of less than 50,000. NEUs include cities, villages, towns, townships, or other types of local governments.

NEUs should expect to receive Coronavirus Local Fiscal Recovery Fund payments through their state governments. State governments will receive a specific allocation of these funds from Treasury for this purpose and are responsible for distributing these funds to NEUs within their state. Award amounts are based on the population of the NEU.

ALLOCATION INFORMATION

[Aggregate allocations to states for distribution to NEUs may be found here.](#) [The status of payments to states for distribution to NEUs may be found here.](#)

[Treasury's guidance on NEUs](#) provides further information on eligibility and a step-by-step guide for states to allocate and distribute funds to their NEUs. States should follow the guidance and calculate allocations based on the [list of local governments and their](#)

[respective populations](#) . The statute requires that all allocations to eligible governments be based on population. Treasury expects to make payments to states for distribution to NEUs in two equal tranches approximately twelve months apart.

For 42 states, the list of local governments on the Treasury website details all the local governments that are eligible for a distribution as an NEU. For the remaining eight states with minor civil divisions that typically perform less of a governmental role (Illinois, Indiana, Kansas, Missouri, Nebraska, North Dakota, Ohio, and South Dakota), in order to determine eligibility of their minor civil divisions, each state should undertake a facts-and-circumstances test to determine whether the minor civil division has the legal and operational capacity to accept ARPA funds and provides a broad range of services that would constitute eligible uses under ARPA.

Local governments that are not included on the lists of local governments should review the [Allocation for Metropolitan Cities table](#) to determine if they have instead received a metropolitan city allocation. Treasury has also published a [definitional and data methodology](#) for the lists of local governments.

INFORMATION FOR NON-ENTITLEMENT UNITS OF LOCAL GOVERNMENT

NEUs with further questions should review Treasury's [Interim Final Rule](#) and [FAQs](#) or, for questions on allocations and funding distribution, contact their respective state governments. Local governments that are NEUs are not eligible to receive this funding directly from Treasury and should not request funding through the Treasury Submission Portal.

While each state has its own process and requirements, Treasury has provided a [pre-submission checklist](#) with basic information that every NEU should expect to provide when requesting funding from their respective state.

INFORMATION FOR STATES

State governments that have made a request for their own funds in the Treasury Submission Portal will be considered by Treasury to have requested funding for their NEUs as well, and should expect to receive their first tranche of payments for distribution to their NEUs within a few days of submission. No further action is required on the state's part to receive these

payments from Treasury. State governments that have not submitted a request are encouraged to do so at their earliest convenience.

Following receipt of this funding from Treasury, ARPA requires each state to distribute these funds to its NEUs within 30 days unless granted an extension by Treasury. To request an extension form, states should email SLFRP@treasury.gov with the subject line "NEU Distribution - Extension Form".

Treasury has issued [guidance for states on distributions to NEUs](#), along with a [list of local governments](#) as referenced in the guidance. [Treasury's definitional and data methodology for the list can be found here](#). A brief overview of the guidance can be found in this [webinar deck for state governments](#). Answers to frequently asked questions on distribution of funds to NEUs can be found in this [FAQ supplement](#), which is regularly updated.

States can find required documents to distribute to NEUs, in accordance with the guidance, here:

- [Award Terms and Conditions for Non-entitlement Units of Local Government](#)
- [Assurances of Compliance with Title VI of the Civil Rights Act of 1964](#)

RECIPIENT COMPLIANCE AND REPORTING

Each non-entitlement unit of local government (NEU) is required to meet compliance and reporting responsibilities, as defined in the [Interim Final Rule](#) and further described in the [Compliance and Reporting Guidance](#). The Reporting Guidance requires program and performance reporting to build public awareness, increase accountability, and monitor compliance of eligible uses.

Each NEU must submit a Project Expenditure Report by October 31, 2021 and then annually thereafter.

Treasury will begin to accept reports in October 2021 and will issue a User Guide and other reference materials before that date. Please check back regularly for updates.

Additional information on Compliance and Reporting

KEY LINKS

- [Guidance on Distribution of Funds to Non-entitlement Units of Local Government](#)
- [List of Local Governments](#)
- [Non-entitlement Unit of Local Government Definitional and Data Methodology](#)
- [Overview of Guidance \(Webinar Deck for State Governments\)](#)
- [Interim Final Rule](#)
- [FAQs \(Main\)](#)
- [FAQs \(on Distribution of Funds to NEUs\)](#)
- [Non-entitlement Unit of Local Government Checklist for Requesting Initial Payment](#)
- [Award Terms and Conditions for Non-entitlement Units of Local Government](#)
- [Assurances of Compliance with Title VI of the Civil Rights Act of 1964](#)
- [Status of Payments to States for Distribution to Non-entitlement Units of Local Government](#)
- [Compliance and Reporting](#)
- [Update on Interpretation for the 75 Percent Budget Cap Calculation \(NEUs\) \(06/30/21\)](#)