



CITY OF BLACK DIAMOND
September 30, 2021 Special Meeting Agenda

THIS IS OFFERED AS A ZOOM MEETING ONLY.
CALL IN AND JOINING INFORMATION FOLLOWS:

Zoom link to join meeting:

<https://zoom.us/j/4454477047?pwd=eGxRY3ZEeU14SVM2cGRBcUxCSjdmZz09>

(Note: You do not need a web cam to join the meeting, but you will need audio to hear the proceedings.)

Meeting ID: 445 447 7047

Password: Council

Telephone dial in options:

+1 253 215 8782 US (Tacoma)

+1 206 337 9723 US (Seattle)

Meeting ID: 445 447 7047

Password: 426953 (phone in only)

6::00 P.M. – CALL TO ORDER, FLAG SALUTE, ROLL CALL

NEW BUSINESS:

- 1) AB21-060** – Resolution Regarding Agreement with Black Diamond Community Center for Disbursement of ARPA Funds for Rent and Utility Assistance

Ms. Miller

WORK SESSION:

- 2)** Review of Current Year Revenues and Expenditures as Adopted in the 2021 Budget
- 3)** Review of 2022 Preliminary Budget Summary for all Funds Including Debt Service and Possible Increase for Property Tax

Ms. Miller

Ms. Miller

ADJOURNMENT

CITY COUNCIL AGENDA BILL

City of Black Diamond
Post Office Box 599
Black Diamond, WA 98010

ITEM INFORMATION		
SUBJECT: Resolution allocating funding and approving a grant administration agreement with Black Diamond Community Center to administer an ARPA COVID-19 Economic Hardship Assistance Grant Program for Black Diamond residents.	Agenda Date: Sept 30, 2021 AB21-060	
	Mayor Carol Benson	
	City Administrator	
	City Attorney David Linehan	
	City Clerk – Brenda L. Martinez	
	Com Dev – Barb Kincaid	
	Finance – May Miller	X
	MDRT/Ec Dev – Andy Williamson	
	Police – Chief Kiblinger	
	Public Works – Seth Boettcher	
Cost Impact (see also Fiscal Note): \$100,000	Court – Stephanie Metcalf	
Fund Source: ARPA COVID Federal Funds		
Timeline: Oct 4, 2021-Dec. 31, 2022		
Agenda Placement: ☒ Mayor ☒ Two Councilmembers ☐ Committee Chair ☐ City Administrator		
Attachments: Resolution; Agreement; Exhibits A,B, and C		
SUMMARY STATEMENT: On September 16, 2021 , Council approved the allocation of funds to create an economic hardship grant program to be administered by the Black Diamond Community Center. The City Council requested that a Resolution and Contract be brought to the Council’s Special Meeting scheduled for September 30, 2021, to authorize the payment of \$100,000 in Coronavirus Local Fiscal Recovery Funds to the Black Diamond Community Center, which will administer the grant program. Council also indicated a desire to reserve up to an additional \$65,000 that may be added to the grant program upon further Council approval, once the initial \$100,000 has been fully obligated through grant awards. This resolution allocates the initial \$100,000 in ARPA COVID-19 funding to cover the period of October 4, 2021, to December 31, 2022. This grant is focused on assisting Black Diamond residents who have been economically impacted by the COVID-19 pandemic and have past due rent or utility payments. The Black Diamond Community center has experience with assisting residents of our community, and its Board of Directors approved an agreement for the Community Center to administer this economic hardship grant program for the City. The Community Center will receive and review grant applications for eligibility and will determine the amounts of any grants awarded. Grants shall be between \$1.00 and \$2,500 per applicant to assist with a rent and/or utility bill payments. The economic hardship must have been caused or made worse by the COVID pandemic in some way. Per Treasury Department guidance, negative economic impacts resulting from the pandemic may be presumed for households that experienced unemployment or increased food or housing insecurity or is of low or moderate income. The Community Center administered a similar grant program for Black Diamond last year (with funding provided under the CARES Act) and also a PSE grant. The ARPA COVID-19 Grant Program will include an administrative fee for the Community Center for each application processed to cover its costs of administration, processing, and verification of eligibility, and of issuing payments to landlords or utility providers and providing required documentation to the City.		

FISCAL NOTE (Finance Department): The ARPA COVID Grant for the Black Diamond Community Center to administer for \$100,000 is covered by the ARPA Grant Funds received by the city in 2021.		
COUNCIL COMMITTEE REVIEW AND RECOMMENDATION: The Finance Committee met on September 23, 2021 and recommended sending this Resolution and Contract with the Black Diamond Community Center to assist residents with past due Rent and Utility payments.		
RECOMMENDED ACTION: MOTION to approve Resolution No. 21-1443, allocating \$100,000 in funding for an economic hardship grant program for Black Diamond residents to assist with rent and/or utility bills, and authorizing the Mayor to sign an Agreement with the Black Diamond Community Center to administer the grant program.		
RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
September 30, 2021		

RESOLUTION NO. 21-1443

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON ALLOCATING FUNDING FOR, AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH, THE BLACK DIAMOND COMMUNITY CENTER FOR ADMINISTRATION OF ARPA COVID-19 ECONOMIC HARDSHIP GRANTS TO BLACK DIAMOND RESIDENTS.

WHEREAS, United States Secretary of Health and Human Services Alex Azar declared a public emergency for the novel coronavirus (COVID-19) beginning on January 27, 2020; and

WHEREAS, the Centers for Disease Control (CDC) has identified the public health threat posed by the novel coronavirus pandemic as “high”; and

WHEREAS, the COVID-19 pandemic has affected the entire City in many different ways, with low-income residents having incurred some of the most severe negative economic effects of the pandemic; and

WHEREAS, the City Council finds, consistent with Treasury Department data, that job losses have been particularly steep among low wage workers, with these workers remaining furthest from economic recovery, and that concentrated economic impacts among low-income workers have amplified food and housing insecurity, with an estimated nearly 17 million adults living in households where there is sometimes or often not enough food to eat and an estimated 10.7 million adults living in households that were not current on rent; and

WHEREAS, the City Council further finds that as the economy recovers, the effects of the pandemic-related recession may continue to impact Black Diamond households, including a risk of longer-term effects on employment, household earnings, and economic potential, particularly among members of marginalized and vulnerable communities; and

WHEREAS, the City Council further finds that, in addition to the labor market consequences for unemployed workers, recessions can also cause longer-term economic challenges through, among other factors, damaged consumer credit scores and reduced familial and childhood wellbeing, and that these potential long-term economic consequences underscore the continued need for robust support from the City; and

WHEREAS, the health, safety, and welfare of City residents continues to be of the utmost importance to the City and the City Council; and

WHEREAS, the United States Congress passed, and the President signed, federal legislation known as American Rescue Plan Act of 2021 (“ARPA”), which among

other things provides for direct federal payments to local government entities to be used in support of efforts to recover from the effects of the COVID-19 pandemic; and

WHEREAS, the APRA funds allocated to local governments can help to provide resources to not only respond to the immediate harms of the pandemic but also to mitigate its longer-term impact in compounding the public health and economic challenges of disproportionately impacted populations;

WHEREAS, the ARPA funding is available for use by the City at least until December 31, 2024; and

WHEREAS, ARPA provides broad discretion to local government entities to determine how best to deploy the federal Coronavirus Local Fiscal Recovery Fund (“CLFRF”) payments within four broad categories of eligible expenditures; and

WHEREAS, the four categories of eligible expenditures for CLFRF payments includes financial “assistance to households” that have experienced negative economic impacts from the ongoing COVID-19 pandemic, 42 U.S.C. § 803(A); and

WHEREAS, the City Council has determined that it would be in the best interest of the community to distribute a portion of its CLFRF payments (“Funding”) to Black Diamond residents who are financially suffering due to the COVID-19 emergency, through establishment a new ARPA COVID-19 Economic Hardship Assistance grant program (“Grant Program”); and

WHEREAS, the City Council finds that the Grant Program should initially be funded with \$100,000 of the City’s CLFRF payments under ARPA, with the possibility of an additional \$65,000 being made available upon demonstration of continuing economic need and an additional authorizing resolution of the Council;

WHEREAS, the City Council finds that providing economic grants to Black Diamond residents to assist with rent and utility payments will fulfill the intent of ARPA that federal CLFRF funds may be used to assist households experiencing negative economic impacts from the COVID-19 pandemic;

WHEREAS, the City does not have the staffing resources or expertise necessary to administer the Grant Program; and

WHEREAS, the Black Diamond Community Center is experienced in grant administration and has agreed to administer the Grant Program on behalf of the City, including the responsibility for receiving grant applications for rent and utility payments, reviewing applications for eligibility, approving applicants to receive grants, determining the amount of grant awards, processing necessary documentation, and maintaining necessary records to support the City’s reporting, oversight, and audit obligations under ARPA and related Treasury Department regulations; and

WHEREAS, the Community Center has indicated its willingness to provide grant administration services consistent with the terms of the contract attached hereto as Exhibit 1; and

WHEREAS, the proposed contract with the Community Center for grant administration provides specific guidance for determining which applicants are eligible and should be awarded grants under the Grant Program;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City Council hereby allocates an initial funding amount of \$100,000 to establish an ARPA COVID-19 Economic Hardship Grant Program to be administered by the Black Diamond Community Center for purposes of awarding economic grants to Black Diamond residents who have been impacted by the COVID-19 pandemic and who have a demonstrated need for assistance with past-due rent or utility payments. An additional sum of \$65,000 in ARPA funding shall be reserved for potential allocation to the Grant Program, which may be distributed upon request by the Community Center after exhaustion of the initial \$100,000 and upon a further resolution of the Council authorizing the increased sum.

Section 2. The Mayor is hereby authorized to execute the Consultant Services Contract Between the City of Black Diamond and the Black Diamond Community Center for ARPA COVID-19 Grant Administration, attached hereto as Exhibit A or in substantially similar form. Upon execution of said Contract, the Black Diamond Community Center shall be responsible for administration of the Grant Program as set forth in the Contract and the exhibits thereto, and in accordance with all ARPA/CLFRF requirements.

PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A SPECIAL MEETING THEREOF, THIS 30TH DAY OF SEPTEMBER, 2021.

CITY OF BLACK DIAMOND:

Carol Benson, Mayor

Attest:

Brenda L. Martinez, City Clerk

**CONSULTANT SERVICES CONTRACT
BETWEEN THE CITY OF BLACK DIAMOND AND
THE BLACK DIAMOND COMMUNITY CENTER FOR
ARPA COVID-19 GRANT ADMINISTRATION**

THIS AGREEMENT is made effective as of October 1, 2021, by and between the City of Black Diamond, a Washington municipal corporation (hereinafter the "City"), and The Black Diamond Community Center (hereinafter the "Consultant"), a nonprofit corporation organized under the laws of the State of Washington, located and doing business at 31605 Third Avenue, Black Diamond, WA 98010.

RECITALS

WHEREAS, the City is a recipient of Coronavirus Local Fiscal Recovery Fund payments ("Funding"), distributed to the City as a non-entitlement unit of local government pursuant to the American Rescue Plan Act of 2021 ("ARPA"); and

WHEREAS, the Funding is available for use at least until December 31, 2024, and may be used by the City to directly respond to the COVID-19 emergency, as well as to provide economic support to individuals and households in the community who have been negatively impacted financially as a result of the ongoing pandemic; and

WHEREAS, the City Council has determined that it would be in the best interest of the community to share its federal ARPA Funding with Black Diamond residents who are suffering negative economic impacts due to the COVID-19 emergency, with particular emphasis on helping residents with rent and utility payments; and

WHEREAS, the City does not have the staffing or expertise necessary to establish and administer such a grant program to residents; and

WHEREAS, the Consultant is experienced in grant administration and has agreed to provide such services to the City upon the terms and conditions provided in this Agreement, including providing such records as are necessary for the City to meet its administrative oversight, reporting, and audit requirements for use of the Funding;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

TERMS

I. Description of Work.

Consultant shall administer an ARPA COVID-19 Economic Hardship Assistance Grant Program ("Grant Program") on behalf of the City. Grants shall be made in the amount of \$1.00 to \$2,500 per resident in the discretion of the Consultant. An overview of and eligibility requirements for the Grant Program and a copy of the grant application are as set forth respectively as Exhibits A and B attached hereto. Administration of the Grant Program shall include the following work by Consultant:

1. Screening applicants for eligibility for the Grant Program.
 - a. For applicants requesting rental assistance, this will include Consultant contacting applicants' landlords to verify the late rental amount owing.
 - b. For applicants requesting assistance with past due City of Black Diamond utility bills, this will include contacting the City's Finance Department to verify the late amount owing and to coordinate payment to the appropriate account.
2. Issuing rent checks to the landlord(s) of eligible residents who are behind on rent. Consultant shall keep an itemized report of all rental Grant payments made, which shall be provided to the City Finance Department as set forth herein.
3. Tracking all approved utility Grants, as set forth herein. Consultant shall confirm the past-due Black Diamond Utility amount for each request and if meeting the ARPA COVID19 Grant requirements, issue a check to the City for the amount of the approved past-due amount.
4. There will be two accounting periods under this Agreement. The first accounting period shall run from October 1, 2021 through December 31, 2021 The second accounting period shall run from January 1, 2022 through December 31, 2022. Such report(s) shall include:
 - a. Denotation of the three types of expenses under this Agreement, which are Rent, Utilities, and Administrative Fee for the number of applications processed.
 - b. A reporting of how many Grants have been issued, what they were for, and the amount of each Grant. The report(s) shall list each approved applicant by name, the amount of the Grant received and what it was for (utilities or rent), the landlord's name (if a rent Grant) and City utility account number and billing name (if a utility Grant).
 - c. The reporting must also show the administrative fees earned during each accounting period, by showing the number of applications processed at \$100 each, as well as the total number of approved Grants and total number unapproved and denied Grant applications.
 - d. For each approved Grant during the reporting period, Consultant shall provide copies of the grant application and any supporting documentation accompanying the application or relied on by Consultant in awarding the Grant.

After completion of the services rendered by Consultant under this Agreement, Consultant shall provide one final summary report, as set forth in Section II of this Agreement.

The Consultant represents and warrants that it and any staff member assigned to the work will have the requisite training, skill, and experience necessary to provide the services required by this Agreement and if required, are appropriately accredited and licensed by all applicable agencies and governmental entities. Services provided by Consultant and its subconsultant(s) under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing in similar circumstances. The Consultant shall not subcontract with any subconsultant for the performance of any work under this Agreement without prior written permission of the City. The Consultant shall comply with eligibility and reporting requirements for Coronavirus Local Fiscal Recovery Fund moneys awarded under APRA, including the reporting and record-keeping requirements for subrecipient contractors set forth in Parts 1.D and 1.E and Part 2.B.3.e of the Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds issued by the Department of Treasury and attached hereto as Exhibit C.

Consultant certifies, by signing this Agreement that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State department or agency.

II. Payment

A. The City shall transfer to Consultant a total of \$100,000 (One Hundred Thousand Dollars) in ARPA COVID-19 grant Funding over the duration of this Agreement. This amount represents the maximum amount of all Grants that may be approved by the Consultant pursuant to this Agreement, including any applicable administrative fees for which Consultant is eligible to be paid. This amount shall not be exceeded without the prior written authorization of the City in the form of a negotiated and executed amendment to this Agreement. PROVIDED, HOWEVER, the City reserves the right to suspend or terminate the Consultant's compensated services under the time frame set forth in Section IV herein before reaching the maximum amount.

B. A first installment of \$50,000 (Fifty Thousand Dollars) will be paid to the Consultant upon execution of this Agreement. These funds will be used by the Consultant to provide the Grants contemplated under this Agreement, as well as to compensate Consultant for its administrative costs of \$100 (One Hundred Dollars) per application. Additional installments will be paid quarterly, upon request by Consultant and approval by the Finance Director, until the maximum \$100,000 amount has been reached.

C. The Consultant will not undertake any work or otherwise financially obligate the City in excess of the not-to-exceed amount in Section II(A) above, without a duly authorized amendment to this Agreement.

D. Any Funding issued to the Consultant under this Agreement that has not been obligated through Grants for rent and/or utility payments or the Consultant's administrative costs on or before December 31, 2022, shall be returned to the City, to be used for other ARPA-eligible expenditures. By no later than December 31, 2022,

Consultant shall provide a final report to the City, covering both reporting periods, that details:

1. The total amount provided to Consultant by the City under this Agreement (\$100,000);
2. The total amount of Grants issued by Consultant pursuant to this Agreement, both by category (rent or utilities) and all related administrative costs for each such Grant;
3. The amount and summary of all administrative fees earned by Consultant under this Agreement; and
4. The amount of any Grant Funding that Consultant has not obligated to Grant recipients, less all administrative fees earned by Consultant, shall be returned to the City no later than December 31, 2022.

These deadlines may be extended by mutual agreement of the parties without further City Council approval. Any additional Funding amount beyond the initial \$100,000 must be approved by Council.

III. Relationship of Parties

The parties intend that an independent contractor-client relationship will be created by this Agreement. As the Consultant is customarily engaged in an independently established trade which encompasses the specific service provided to the City hereunder, no agent, employee, representative or sub-consultant of the Consultant shall be or shall be deemed to be the employee, agent, representative or sub-consultant of the City. In the performance of the work, the Consultant is an independent contractor with the ability to control and direct the performance and details of the work, the City being interested only in the results obtained under this Agreement. None of the benefits provided by the City to its employees including, but not limited to, compensation, insurance, and unemployment insurance are available from the City to the employees, agents, representatives, or sub-consultants of the Consultant. The Consultant may use sub-consultants but will be solely and entirely responsible for its acts and for the acts of its agents, employees, representatives and sub-consultants during the performance of this Agreement. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Consultant performs hereunder.

IV. Duration of Work

This Agreement is effective as of October 1, 2021, and shall remain effective through December 31, 2022, unless terminated by written notice in accordance with Section V, below. The term of this Agreement may be extended by written Agreement of the parties and without further City Council approval in the event that the term of the ARPA COVID-19 period for incurring eligible expenses is extended by federal law or regulation.

V. Termination

A. Termination of Agreement. The City may terminate this Agreement for public convenience, the Consultant's default, the Consultant's insolvency or bankruptcy, or the Consultant's assignment for the benefit of creditors, at any time prior to completion of the work described in Section I. Termination shall be effective immediately upon posting or transmission of written notice by the City, or on such date as stated in the City's notice, whichever is later.

B. Rights Upon Termination. In the event of termination, the City shall pay for all services satisfactorily performed by the Consultant to the effective date of termination, as described on a final invoice submitted to the City. Said amount shall not exceed the amount in Section II above. After termination, the City may take possession of all records and data within the Consultant's possession pertaining to this Agreement, which records and data may be used by the City without restriction. Upon termination, the City may take over the work and prosecute the same to completion, by contract or otherwise.

VI. Discrimination

In the hiring of employees for the performance of work under this Agreement or any sub-contract hereunder, the Consultant, its Subcontractors, or any person acting on behalf of such Consultant or sub-consultant shall not by reason of race, religion, color, sex, national origin, or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.

VII. Indemnification

The Consultant shall defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorneys' fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. The City's inspection or acceptance of any of the Consultant's work when completed shall not be grounds to avoid any of these covenants of indemnification.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, agents and Volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence.

IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE CONSULTANT'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY

FOR THE PURPOSES OF THIS INDEMNIFICATION. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE MUTUALLY NEGOTIATED THIS WAIVER. THE CONSULTANT'S WAIVER OF IMMUNITY UNDER THE PROVISIONS OF THIS SECTION DOES NOT INCLUDE OR EXTEND TO ANY CLAIMS BY THE CONSULTANT'S EMPLOYEES DIRECTLY AGAINST THE CONSULTANT.

The provisions of this section shall survive the expiration or termination of this Agreement.

VIII. Exchange of Information

The City warrants the accuracy of any information supplied by it to the Consultant for the purpose of completion of the work under this Agreement. The parties agree that the Consultant will notify the City of any inaccuracies in the information provided by the City as may be discovered in the process of performing the work, and that the City is entitled to rely upon any information supplied by the Consultant which results as a product of this Agreement.

IX. Ownership and Use of Records and Documents

Original documents, drawings, designs, reports, and other work products developed under this Agreement shall belong to and become the joint property of the City and the Consultant. The City and Consultant each shall have the nonexclusive right to do or authorize any of the acts enumerated in 17 U.S.C. § 106, including without limitation reproduction, distribution, performance, or display of the work. The parties agree that there shall be no liability or accounting for profits or revenues made on account of the exercise of any of the aforementioned rights. Each party will retain exclusive interest in and ownership of its intellectual property that was developed before this Agreement takes effect or that was developed outside the scope of this Agreement. All written information submitted by the City to the Consultant in connection with the services performed by the Consultant under this Agreement will be safeguarded by the Consultant to at least the same extent as the Consultant safeguards like information relating to its own business. If such information is publicly available or is already in Consultant's possession or known to it or is rightfully obtained by the Consultant from third parties, the Consultant shall bear no responsibility for its disclosure, inadvertent or otherwise.

X. City's Right of Inspection

Even though the Consultant is an independent contractor with the authority to control and direct the performance, and details of the work authorized under this Agreement, the work must meet the applicable deadlines established by the City for completion, the work must meet the approval of the City, and shall be subject to the City's general right of inspection to secure the satisfactory completion thereof. The Consultant agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or become applicable within the terms of this Agreement to the

Consultant's business, equipment, and personnel engaged in operations covered hereby or accruing out of the performance of such operations.

XI. Consultant to Maintain Records to Support Independent Contractor Status

On the effective date of this Agreement (or shortly thereafter), the Consultant shall comply with all federal and state laws applicable to independent contractors including, but not limited to the maintenance of a separate set of books and records that reflect all Items of income and expenses of the Consultant's business, pursuant to the Revised Code of Washington (RCW) Section 51.08.195, as required to show that the services performed by the Consultant under this Agreement shall not give rise to an employer-employee relationship between the parties which is subject to RCW Title 51, Industrial Insurance.

XII. Work Performed at the Consultant's Risk

The Consultant shall take all precautions necessary and shall be responsible for the safety of its employees, agents, and sub-consultants in the performance of the work hereunder and shall utilize all protection necessary for that purpose. All work shall be done at the Consultant's own risk, and the Consultant shall be responsible for any loss of or damage to materials, tools, or other articles used or held by the Consultant for use in connection with the work.

XIII. Non-Waiver of Breach

The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances, shall not be construed to be a waiver or relinquishment of said covenants, agreements, or options and the same shall be and remain in full force and effect.

XIV. Resolution of Disputes and Governing Law

Should any dispute, misunderstanding, or conflict arise as to the terms and conditions contained in this Agreement, the matter shall first be referred to the Mayor of the City of Black Diamond, who shall determine the term or provision's true intent or meaning. The Mayor of the City of Black Diamond shall also decide all questions that may arise between the parties relative to the actual services provided or to the sufficiency of the performance hereunder.

If any dispute arises between the City and the Consultant under any of the provisions of this Agreement that cannot be resolved by the Mayor's determination in a reasonable time, or if the Consultant does not agree with the City's decision on the disputed matter, then any resulting litigation must be filed in King County Superior Court, King County, Washington, which shall be the exclusive venue for disputes relating to the interpretation, performance, or enforcement of this Agreement. This Agreement is governed by and shall be construed in accordance with the laws of the State of Washington, exclusive of its choice-of-law rules. The non-prevailing party in any action brought to enforce this Agreement shall pay the other party's expenses and reasonable attorney's fees.

XV. Written Notice

Unless otherwise specified, any written notice required by this Agreement shall become effective upon the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated below:

CONSULTANT:

Attn: Cheryl Hanson, Executive Director
Black Diamond Community Center
31605 Third Avenue
Black Diamond, WA 98010

CITY:

Attn: May Miller, Finance Director
City of Black Diamond
P.O. Box 599
24301 Roberts Drive
Black Diamond, WA 98010

With a copy to the "City Clerk" at the same address.

XVI. Assignment

Any assignment of this Agreement by the Consultant without the written consent of the City is void. If the City gives its consent to any assignment, this paragraph shall continue in full force and effect and no further assignment may be made without the City's consent.

XVII. Modification and Severability

No waiver, alteration, or modification of any of the provisions of this Agreement is binding unless in writing and signed by the duly authorized representatives of the City and the Consultant.

The provisions of this Agreement are declared to be severable. If any provision of this Agreement is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other provision.

XVIII. Entire Agreement

The written provisions and terms of this Agreement, together with any Exhibits attached hereto, supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner whatsoever this Agreement. The entire agreement between the parties with respect to the subject matter hereunder is contained in this Agreement and any Exhibits attached hereto, which may or may not have been executed prior to the execution of this Agreement. All of the above documents are hereby made a part of this Agreement and form the Agreement as fully as if the same

were set forth herein. Should any language in any of the Exhibits to this Agreement conflict with any language contained herein, then this Agreement controls.

AGREED TO AND EXECUTED BY:

CONSULTANT

By: _____
Cheryl Hanson, Executive Director
Black Diamond Community Center
31605 Third Avenue
Black Diamond, WA 98010

CITY OF BLACK DIAMOND

By: _____
Carol Benson, Mayor

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

EXHIBIT A

City of Black Diamond ARPA COVID-19 Economic Hardship Assistance Grant Program Overview and Eligibility Requirements

Consultant shall administer a ARPA COVID-19 Economic Hardship Assistance Grant Program ("Grant Program") on behalf of the City. The Grant Program will provide economic hardship assistance grants ("Grants") of up to \$2,500 per household to residents who are struggling financially due to the COVID-19 emergency. The Grants may be used for payment of rent and/or utility bills that are past due at the time of application.

To be eligible, applicant must complete a signed application and must be a Black Diamond resident, with proof of residence in the form of either the residence's utility account number or a signed statement from their landlord evidencing that the applicant rents a residence in Black Diamond.

Grants are available for demonstrated economic hardships due to the COVID-19 emergency and are available for one-time use through December 2022 (unless this deadline is extended by the city of Black Diamond). The COVID-related economic hardship must be disclosed by the applicant and documented to the greatest extent possible under the circumstances. Applicants may only apply for one ARPA COVID-19 hardship grant during the period between October 4, 2021 and December 31, 2022, unless an extreme hardship is documented and grant funds remain reasonably available to serve other applicants who are likely eligible but have not yet been selected to receive an ARPA COVID-19 economic hardship grant.

Consultant agrees to screen grant applicants for eligibility for the Grant Program prior to distribution of an approved grant award, using the applicant form provided by the City. For applicants requesting rental assistance, this will include Consultant contacting applicants' landlord to verify the late rental amount owing. For applicants requesting assistance with past due City of Black Diamond utility bills, this will include contacting the City's Finance Department to verify the late amount owing and to coordinate payment to the appropriate landlord or to the appropriate City of Black Diamond utility account.

Consistent with the Treasury Department's Interim Final Rule concerning eligible uses of CLFRF funds, in evaluating an applicant's eligibility to receive a Grant, Consultant shall (1) first identify the need or negative impact of the COVID-19 public health emergency on the applicant and, (2) second, identify how a Grant award would address the identified need or impact. While the COVID-19 public health emergency affected many aspects of American life, eligible uses under this category must be in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID-19 public health emergency. Consultant should consider whether an economic harm was caused or made worse by the COVID-19 public health emergency. While economic impacts may either be immediate or delayed, assistance or aid to individuals that did not experience a negative economic impact from the pandemic would not be an eligible use under this Grant Program.

Consultant is encouraged to provide Grants to those households most disproportionately impacted by the pandemic. This is in recognition that job losses have been particularly steep among low wage workers, with these workers remaining furthest from economic recovery. Concentrated economic impacts among low-income workers has amplified food and housing insecurity, with an estimated nearly 17 million adults living in households where there is sometimes or often not enough food to eat and an estimated 10.7 million adults living in households that were not current on rent. As the economy recovers, the effects of the pandemic-related recession may continue to impact households, including a risk of longer-term effects on earnings and economic potential. In addition to the labor market consequences for unemployed workers, recessions can also cause longer-term economic challenges through, among other factors, damaged consumer credit scores and reduced familial and childhood wellbeing. These potential long-term economic consequences underscore the continued need for robust policy support. Evidence suggests that adverse conditions in early childhood, including exposure to poverty, food insecurity, housing insecurity, or other economic hardships, are particularly impactful. The APRA Funds provide resources to not only respond to the immediate harms of the pandemic but also to mitigate its longer-term impact in compounding the systemic public health and economic challenges of disproportionately impacted populations.

Per Department of Treasury guidance, Consultant may presume that a household that (a) experienced unemployment or increased food or housing insecurity, or (b) is low- or moderate-income, has experienced negative economic impacts resulting from the pandemic and thus would be eligible for a Grant, as such populations have faced disproportionate economic harms due to the pandemic.

**EXHIBIT B**

Date: _____

THE CITY OF BLACK DIAMOND

In Conjunction With

Black Diamond Community Center 31605 Third Ave

PO Box 480 Black Diamond, WA 98010 - Phone (360) 886-1011 * Fax (360) 886-8947

ARPA COVID-19 ECONOMIC HARDSHIP ASSISTANCE

Last Name _____ First Name _____

Physical Address _____

Mailing Address (if different): _____ City _____ State _____ Zip Code _____

Do you reside inside or outside Black Diamond city limits? In ___ Out ___ Phone Number _____

Please indicate housing status: Home Owner ___ Renter* ___ Monthly Payment / Rent \$ _____

* If Renter You must also complete Residential Rental Verification Form

Number of people in household: Adults _____ Children under 18 _____ Seniors _____ Total _____

Number of people in your household considered disabled? _____ Number of Veterans in the household? _____

Current Employment Status: Full-time ___ Part-time ___ Unemployment ___ Other _____

Please list current information for yourself and all those residing with you:

Name	Age	Gender	Total Monthly Income	Source/Employer

If additional space needed, please list on separate sheet and attach

Total All Current Monthly Household Income \$ _____

Please describe the nature of the COVID economic hardship _____

Please attach any documentation you have in support of your COVID-related economic hardship.

Please indicate type and dollar amount of assistance being requested:

Black Diamond Utility Bill \$ _____ City Utility Bill Acct # _____

Rental Assistance \$ _____ Landlord Name/Rental Agency _____ Unit # _____

I attest the information given on this form is true and accurate _____

Signature of Requestor

OFFICIAL USE ONLY

Assistance type and dollar amount provided: **Date Provided**_____

Black Diamond Utility Bill \$_____ **Black Diamond Utility Account Number**_____

Rent \$_____ **Name of Landlord or rental agency**_____

Signed_____

Compliance and Reporting Guidance

State and Local Fiscal Recovery Funds



June 24, 2021

Version: 1.1



Coronavirus State and Local Fiscal Recovery Funds Guidance on Recipient Compliance and Reporting Responsibilities

On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Funds, which together make up the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses.

This guidance provides additional detail and clarification for each recipient’s compliance and reporting responsibilities under the SLFRF program, and should be read in concert with the Award Terms and Conditions, the authorizing statute, the [SLFRF implementing regulation](#), and other regulatory and statutory requirements, including regulatory requirements under [the Uniform Guidance \(2 CFR Part 200\)](#). Please see the [Assistance Listing](#) in SAM.gov under assistance listing number (formerly known as CFDA number), 21.027 for more information.

Please Note: This guidance document applies to the SLFRF program only and does not change nor impact reporting and compliance requirements for the Coronavirus Relief Fund (“CRF”) established by the CARES Act.

This guidance includes two parts:

Part 1: General Guidance

This section provides an orientation to recipients’ compliance responsibilities and the U.S. Department of the Treasury’s (“Treasury”) expectations and recommends best practices where appropriate under the SLFRF Program.

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Part 2: Reporting Requirements

This section provides information on the reporting requirements for the SLFRF program.

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Part 1: General Guidance

This section provides an orientation on recipients' compliance responsibilities and Treasury's expectations and recommended best practices where appropriate under the SLFRF program.

Recipients under the SLFRF program are the eligible entities identified in sections 602 and 603 of the Social Security Act as added by section 9901 of the American Rescue Plan Act of 2021 (the "SLFRF statute") that receive a SLFRF award. Subrecipients under the SLFRF program are entities that receive a subaward from a recipient to carry out the purposes (program or project) of the SLFRF award on behalf of the recipient.

Recipients are accountable to Treasury for oversight of their subrecipients, including ensuring their subrecipients comply with the SLFRF statute, SLFRF Award Terms and Conditions, Treasury's Interim Final Rule, and reporting requirements, as applicable.

A. Key Principles

There are several guiding principles for developing your own effective compliance regimes:

- Recipients and subrecipients are the first line of defense, and responsible for ensuring the SLFRF award funds are not used for ineligible purposes, and there is no fraud, waste, and abuse associated with their SLFRF award;
- Many SLFRF-funded projects respond to the COVID-19 public health emergency and meet urgent community needs. Swift and effective implementation is vital, and recipients must balance facilitating simple and rapid program access widely across the community and maintaining a robust documentation and compliance regime;
- SLFRF-funded projects should advance shared interests and promote equitable delivery of government benefits and opportunities to underserved communities, as outlined in [Executive Order 13985, On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government](#); and
- Transparency and public accountability for SLFRF award funds and use of such funds are critical to upholding program integrity and trust in all levels of government, and SLFRF award funds should be managed consistent with Administration guidance per [Memorandum M-21-20](#) and [Memorandum M-20-21](#).

B. Statutory Eligible Uses

As a recipient of an SLFRF award, your organization has substantial discretion to use the award funds in the ways that best suit the needs of your constituents – as long as such use fits into one of the following four statutory categories:

1. To respond to the COVID-19 public health emergency or its negative economic impacts;
2. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to such eligible workers of the recipient, or by providing grants to eligible employers that have eligible workers who performed essential work;
3. For the provision of government services, to the extent of the reduction in revenue of such recipient due to the COVID-19 public health emergency, relative to revenues collected in the most recent full fiscal year of the recipient prior to the emergency; and
4. To make necessary investments in water, sewer, or broadband infrastructure.



Treasury adopted an [Interim Final Rule](#) to implement these eligible use categories and other restrictions on the use of funds under the SLFRF program.¹ It is the recipient's responsibility to ensure all SLFRF award funds are used in compliance with these requirements. In addition, recipients should be mindful of any additional compliance obligations that may apply – for example, additional restrictions imposed upon other sources of funds used in conjunction with SLFRF award funds, or statutes and regulations that may independently apply to water, broadband, and sewer infrastructure projects. Recipients should ensure they maintain proper documentation supporting determinations of costs and applicable compliance requirements, and how they have been satisfied as part of their award management, internal controls, and subrecipient oversight and management.

C. Treasury's Rule

Treasury's [Interim Final Rule](#) details recipients' compliance responsibilities and provides additional information on eligible and restricted uses of SLFRF award funds and reporting requirements. Your organization should review and comply with the information contained in Treasury's Interim Final Rule, and any subsequent final rule when building appropriate controls for SLFRF award funds.

- 1. Eligible and Restricted Uses of SLFRF Funds.** As described in the SLFRF statute and summarized above, there are four enumerated eligible uses of SLFRF award funds. As a recipient of an award under the SLFRF program, your organization is responsible for complying with requirements for the use of funds. In addition to determining a given project's eligibility, recipients are also responsible for determining subrecipient's or beneficiaries' eligibility and must monitor use of SLFRF award funds.

To help recipients build a greater understanding of eligible uses, Treasury's Interim Final Rule establishes a framework for determining whether a specific project would be eligible under the SLFRF program, including some helpful definitions. For example, Treasury's Interim Final Rule establishes:

- A framework for determining whether a project "responds to" a "negative economic impact" caused by the COVID-19 public health emergency;
- Definitions of "eligible employers", "essential work," "eligible workers", and "premium pay" for cases where premium pay is an eligible use;
- A definition of "general revenue" and a formula for calculating revenue lost due to the COVID-19 public health emergency;
- A framework for eligible water and sewer infrastructure projects that aligns eligible uses with projects that are eligible under the Environmental Protection Agency's Drinking Water and Clean Water State Revolving Funds; and
- A framework for eligible broadband projects designed to provide service to unserved or underserved households, or businesses at speeds sufficient to enable users to generally meet household needs, including the ability to support the simultaneous use of work, education, and health applications, and also sufficiently robust to meet increasing household demands for bandwidth.

Treasury's Interim Final Rule also provides more information on four important restrictions on use of SLFRF award funds: recipients may not deposit SLFRF funds into a pension fund; recipients that are States or territories may not use SLFRF funds to offset a reduction in net tax revenue caused by the recipient's change in law, regulation, or administrative

¹ Treasury's Interim Final Rule is effective as of May 17, 2021, and public comments are due July 16, 2021. This guidance may be clarified consistent with the final rule.
<https://www.govinfo.gov/content/pkg/FR-2021-05-17/pdf/2021-10283.pdf>



interpretation; and, recipients may not use SLFRF funds as non-Federal match where prohibited. In addition, the Interim Final Rule clarifies certain uses of SLFRF funds outside the scope of eligible uses, including that recipients generally may not use SLFRF funds directly to service debt, satisfy a judgment or settlement, or contribute to a “rainy day” fund. Recipients should refer to Treasury’s Interim Final Rule for more information on these restrictions.

- 2. Eligible Costs Timeframe.** Your organization, as a recipient of an SLFRF award, may use SLFRF funds to cover eligible costs that your organization incurred during the period that begins on March 3, 2021 and ends on December 31, 2024, as long as the award funds for the obligations incurred by December 31, 2024 are expended by December 31, 2026. Costs for projects incurred by the recipient State, territorial, local, or Tribal government prior to March 3, 2021 are not eligible, as provided for in Treasury’s Interim Final Rule.

Recipients may use SLFRF award funds to provide assistance to households, businesses, and individuals within the eligible use categories described in Treasury’s Interim Final Rule for costs that those households, businesses and individuals incurred prior to March 3, 2021. For example,

- a. Public Health/Negative Economic Impacts: Recipients may use SLFRF award funds to provide assistance to households – such as rent, mortgage, or utility assistance – for costs incurred by the household prior to March 3, 2021, provided that the recipient State, territorial, local or Tribal government did not incur the cost of providing such assistance prior to March 3, 2021.
- b. Premium Pay: Recipients may provide premium pay retrospectively for work performed at any time since the start of the COVID-19 public health emergency. Such premium pay must be “in addition to” wages and remuneration already received and the obligation to provide such pay must not have been incurred by the recipient prior to March 3, 2021.
- c. Revenue Loss: Treasury’s Interim Final Rule gives recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue. While calculation of lost revenue begins with the recipient’s revenue in the last full fiscal year prior to the COVID-19 public health emergency and includes the 12-month period ending December 31, 2020, use of funds for government services must be forward looking for costs incurred by the recipient after March 3, 2021.
- d. Investments in Water, Sewer, and Broadband: Recipients may use SLFRF award funds to make necessary investments in water, sewer, and broadband. Recipients may use SLFRF award funds to cover costs incurred for eligible projects planned or started prior to March 3, 2021, provided that the project costs covered by the SLFRF award funds were incurred after March 3, 2021.

Any funds not obligated or expended for eligible uses by the timelines above must be returned to Treasury, including any unobligated or unexpended funds that have been provided to subrecipients and contractors. For the purposes of determining expenditure eligibility, Treasury’s Interim Final Rule provides that “incurred” has the same meaning given to “financial obligation” in 2 CFR § 200.1.

- 3. Reporting.** Generally, recipients must submit one initial interim report, quarterly or annual Project and Expenditure reports which include subaward reporting, and in some cases annual Recovery Plan reports. Treasury’s Interim Final Rule and Part 2 of this guidance provide more detail around SLFRF reporting requirements.



Assistance Listing

The [Assistance Listing](#) for the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) was published May 28, 2021 on SAM.gov under Assistance Listing Number (“ALN”), formerly known as CFDA Number, **21.027**.

The assistance listing includes helpful information including program purpose, statutory authority, eligibility requirements, and compliance requirements for recipients. The ALN is the unique 5-digit number assigned to identify a federal assistance listing, and can be used to search for federal assistance program information, including funding opportunities, spending on USASpending.gov, or audit results through the Federal Audit Clearinghouse.

To expedite payments and meet statutory timelines Treasury issued initial payments under an existing ALN, 21.019, assigned to the CRF. If you have already received funds or captured the initial number in your records, please update your systems and reporting to reflect the new ALN 21.027 for the SLFRF program. **Recipients must use ALN 21.027 for all financial accounting, subawards, and associated program reporting requirements for the SLFRF awards.**

D. Uniform Administrative Requirements

The SLFRF awards are generally subject to the requirements set forth in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, [2 CFR Part 200](#) (the “Uniform Guidance”). In all instances, your organization should review the Uniform Guidance requirements applicable to your organization’s use of SLFRF funds, and SLFRF-funded projects. Recipients should consider how and whether certain aspects of the Uniform Guidance apply.

The following sections provide a general summary of your organization’s compliance responsibilities under applicable statutes and regulations, including the Uniform Guidance, as described in the [2020 OMB Compliance Supplement Part 3. Compliance Requirements \(issued August 18, 2020\)](#). Note that the descriptions below are only general summaries and all recipients and subrecipients are advised to carefully review the Uniform Guidance requirements and any additional regulatory and statutory requirements applicable to the program.

- 1. Allowable Activities.** Each recipient should review program requirements, including Treasury’s Interim Final Rule and the recipient’s Award Terms and Conditions, to determine and record eligible uses of SLFRF funds. Per 2 CFR 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitute eligible uses of funds, and document determinations.
- 2. Allowable Costs/Cost Principles.** As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a recipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Recipients must implement robust internal controls and effective monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.



SLFRF Funds may be, but are not required to be, used along with other funding sources for a given project. Note that SLFRF Funds may not be used for a non-Federal cost share or match where prohibited by other Federal programs, e.g., funds may not be used for the State share for Medicaid.²

Treasury's Interim Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed, or not in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

- a. **Administrative costs:** Recipients may use funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements.³ Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the SLFRF Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the SLFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the SLFRF award such as the cost of facilities or administrative functions like a director's office.⁴⁵ Each category of cost should be treated consistently in like circumstances as direct or indirect, and recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).
 - b. **Salaries and Expenses:** In general, certain employees' wages, salaries, and covered benefits are an eligible use of SLFRF award funds. Please see Treasury's Interim Final Rule for details.
3. **Cash Management.** SLFRF payments made to recipients are not subject to the requirements of the Cash Management Improvement Act and Treasury's implementing regulations at 31 CFR part 205 or 2 CFR 200.305(b)(8)-(9).

As such, recipients can place funds in interest-bearing accounts, do not need to remit interest to Treasury, and are not limited to using that interest for eligible uses under the SLFRF award.
4. **Eligibility.** Under this program, recipients are responsible for ensuring funds are used for eligible purposes. Generally, recipients must develop and implement policies and procedures, and record retention, to determine and monitor implementation of criteria for

² See 42 CFR 433.51 and 45 CFR 75.306.

³ Recipients also may use SLFRF funds directly for administrative costs to improve efficacy of programs that respond to the COVID-19 public health emergency. 31 CFR 35.6(b)(10).

⁴ 2 CFR 200.413 Direct Costs.

⁵ 2 CFR 200.414 Indirect Costs.



determining the eligibility of beneficiaries and/or subrecipients. Your organization, and if applicable, the subrecipient(s) administering a program on behalf of your organization, will need to maintain procedures for obtaining information evidencing a given beneficiary, subrecipient, or contractor's eligibility including a valid SAM.gov registration. Implementing risk-based due diligence for eligibility determinations is a best practice to augment your organization's existing controls.

- 5. Equipment and Real Property Management.** Any purchase of equipment or real property with SLFRF funds must be consistent with the Uniform Guidance at 2 CFR Part 200, Subpart D. Equipment and real property acquired under this program must be used for the originally authorized purpose. Consistent with 2 CFR 200.311 and 2 CFR 200.313, any equipment or real property acquired using SLFRF funds shall vest in the non-Federal entity. Any acquisition and maintenance of equipment or real property must also be in compliance with relevant laws and regulations.
- 6. Matching, Level of Effort, Earmarking.** There are no matching, level of effort, or earmarking compliance responsibilities associated with the SLFRF award. SLFRF funds may only be used for non-Federal match in other programs where costs are eligible under both SLFRF and the other program and use of such funds is not prohibited by the other program.
- 7. Period of Performance.** Your organization should also develop and implement internal controls related to activities occurring outside the period of performance. For example, each recipient should articulate each project's policy on allowability of costs incurred prior to award or start of the period of performance. All funds remain subject to statutory requirements that they must be used for costs incurred by the recipient during the period that begins on March 3, 2021, and ends on December 31, 2024, and that award funds for the financial obligations incurred by December 31, 2024 must be expended by December 31, 2026. Any funds not used must be returned to Treasury.
- 8. Procurement, Suspension & Debarment.** Recipients are responsible for ensuring that any procurement using SLFRF funds, or payments under procurement contracts using such funds are consistent with the procurement standards set forth in the Uniform Guidance at 2 CFR 200.317 through 2 CFR 200.327, as applicable. The Uniform Guidance establishes in 2 CFR 200.319 that all procurement transactions for property or services must be conducted in a manner providing full and open competition, consistent with standards outlined in 2 CFR 200.320, which allows for non-competitive procurements only in circumstances where at least one of the conditions below is true: the item is below the micro-purchase threshold; the item is only available from a single source; the public exigency or emergency will not permit a delay from publicizing a competitive solicitation; or after solicitation of a number of sources, competition is determined inadequate.⁶ Recipients must have and use documented procurement procedures that are consistent with the standards outlined in 2 CFR 200.317 through 2 CFR 200.320. The Uniform Guidance requires an infrastructure for competitive bidding and contractor oversight, including maintaining written standards of conduct and prohibitions on dealing with suspended or debarred parties. Your organization must ensure adherence to all applicable local, State, and federal procurement laws and regulations.
- 9. Program Income.** Generally, program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards and principal and interest on loans made with Federal award funds. Program income does not include interest earned on advances of Federal funds, rebates, credits, discounts, or interest on rebates, credits, or discounts. Recipients of SLFRF funds

⁶ 2 CFR 200.320(c)(1)-(3) and (5)



should calculate, document, and record the organization's program income. Additional controls that your organization should implement include written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records.

The Uniform Guidance outlines the requirements that pertain to program income at 2 CFR 200.307. Treasury intends to provide additional guidance regarding program income and the application of 2 CFR 200.307(e)(1), including with respect to lending programs.

- 10. Reporting.** All recipients of federal funds must complete financial, performance, and compliance reporting as required and outlined in Part 2 of this guidance. Expenditures may be reported on a cash or accrual basis, as long as the methodology is disclosed and consistently applied. Reporting must be consistent with the definition of expenditures pursuant to 2 CFR 200.1. Your organization should appropriately maintain accounting records for compiling and reporting accurate, compliant financial data, in accordance with appropriate accounting standards and principles.

In addition, where appropriate, your organization needs to establish controls to ensure completion and timely submission of all mandatory performance and/or compliance reporting. See Part 2 of this guidance for a full overview of recipient reporting responsibilities.

- 11. Subrecipient Monitoring.** SLFRF recipients that are pass-through entities as defined under 2 CFR 200.1 are required to manage and monitor their subrecipients to ensure compliance with requirements of the SLFRF award pursuant to 2 CFR 200.332 regarding requirements for pass-through entities.

First, your organization must clearly identify to the subrecipient: (1) that the award is a subaward of SLFRF funds; (2) any and all compliance requirements for use of SLFRF funds; and (3) any and all reporting requirements for expenditures of SLFRF funds.

Next, your organization will need to evaluate each subrecipient's risk of noncompliance based on a set of common factors. These risk assessments may include factors such as prior experience in managing Federal funds, previous audits, personnel, and policies or procedures for award execution and oversight. Ongoing monitoring of any given subrecipient should reflect its assessed risk and include monitoring, identification of deficiencies, and follow-up to ensure appropriate remediation.

Accordingly, your organization should develop written policies and procedures for subrecipient monitoring and risk assessment and maintain records of all award agreements identifying or otherwise documenting subrecipients' compliance obligations.

- 12. Special Tests and Provisions.** Treasury has set a deadline of July 16, 2021, for receipt of public comment on its Interim Final Rule and will adopt a final rule responding to these comments. In addition, Treasury may add clarifications to the implementing guidance.

Across each of the compliance requirements above, Treasury described some best practices for development of internal controls. The table below provides a brief description and example of each best practice.

**Table 1: Internal controls best practices**

Best Practice	Description	Example
Written policies and procedures	Formal documentation of recipient policies and procedures	Documented procedure for determining worker eligibility for premium pay
Written standards of conduct	Formal statement of mission, values, principles, and professional standards	Documented code of conduct / ethics for subcontractors
Risk-based due diligence	Pre-payment validations conducted according to an assessed level of risk	Enhanced eligibility review of subrecipient with imperfect performance history
Risk-based compliance monitoring	Ongoing validations conducted according to an assessed level of risk	Higher degree of monitoring for projects that have a higher risk of fraud, given program characteristics
Record maintenance and retention	Creation and storage of financial and non-financial records.	Storage of all subrecipient payment information.

E. Award Terms and Conditions

The Award Terms and Conditions of the SLFRF financial assistance agreement sets forth the compliance obligations for recipients pursuant to the SLFRF statute, the Uniform Guidance, and Treasury’s Interim Final Rule. Recipients should ensure they remain in compliance with all Award Terms and Conditions. These obligations include the following items in addition to those described above:

- 1. SAM.gov Requirements.** All eligible recipients are also required to have an active registration with the System for Award Management (SAM) (<https://www.sam.gov>). To ensure timely receipt of funding, Treasury has stated that Non-entitlement Units of Government (NEUs) who have not previously registered with SAM.gov may do so after receipt of the award, but before the submission of mandatory reporting.⁷
- 2. Recordkeeping Requirements.** Generally, your organization must maintain records and financial documents for five years after all funds have been expended or returned to Treasury, as outlined in paragraph 4.c. of the Award Terms and Conditions. Treasury may request transfer of records of long-term value at the end of such period. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

Your organization must agree to provide or make available such records to Treasury upon request, and to any authorized oversight body, including but not limited to the Government Accountability Office (“GAO”), Treasury’s Office of Inspector General (“OIG”), and the Pandemic Relief Accountability Committee (“PRAC”).
- 3. Single Audit Requirements.** Recipients and subrecipients that expend more than \$750,000 in Federal awards during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements.⁸ Recipients and subrecipients may also refer to the [Office of](#)

⁷ See flexibility provided in https://www.whitehouse.gov/wp-content/uploads/2021/03/M_21_20.pdf.

⁸ For-profit entities that receive SLFRF subawards are not subject to Single Audit requirements. However, they are subject to other audits as deemed necessary by authorized governmental entities, including Treasury, the GAO, the PRAC and the Treasury’s OIG.



[Management and Budget \(OMB\) Compliance Supplements for audits of federal funds and related guidance](#) and the [Federal Audit Clearinghouse](#) to see examples and single audit submissions.

4. **Civil Rights Compliance.** Recipients of Federal financial assistance from the Treasury are required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

In order to carry out its enforcement responsibilities under Title VI of the Civil Rights Act, Treasury will collect and review information from recipients to ascertain their compliance with the applicable requirements before and after providing financial assistance. Treasury's implementing regulations, 31 CFR part 22, and the Department of Justice (DOJ) regulations, [Coordination of Non-discrimination in Federally Assisted Programs, 28 CFR part 42](#), provide for the collection of data and information from recipients (see 28 CFR 42.406). Treasury may request that recipients submit data for post-award compliance reviews, including information such as a narrative describing their Title VI compliance status.



Part 2: Reporting Guidance

There are three types of reporting requirements for the SLFRF program.

- **Interim Report:** Provide initial overview of status and uses of funding. This is a one-time report. [See Section A, page 13.](#)
- **Project and Expenditure Report:** Report on projects funded, expenditures, and contracts and subawards over \$50,000, and other information. [See Section B, page 15.](#)
- **Recovery Plan Performance Report:** The Recovery Plan Performance Report (the “Recovery Plan”) will provide information on the projects that large recipients are undertaking with program funding and how they plan to ensure program outcomes are achieved in an effective, efficient, and equitable manner. It will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury. The Recovery Plan will be posted on the website of the recipient as well as provided to Treasury. [See Section C, page 23.](#)

Table 2: Reporting requirements by recipient type

Recipient	Interim Report	Project and Expenditure Report	Recovery Plan Performance Report
States, U.S. territories, metropolitan cities and counties with a population that exceeds 250,000 residents	By August 31, 2021, with expenditures by category	By October 31, 2021, and then 30 days after the end of each quarter thereafter ⁹	By August 31, 2021, and annually thereafter by July 31 ¹⁰
Metropolitan cities and counties with a population below 250,000 residents which received more than \$5 million in SLFRF funding			Not required
Tribal Governments			
Metropolitan cities and counties with a population below 250,000 residents which received less than \$5 million in SLFRF funding		By October 31, 2021, and then annually thereafter ¹¹	
NEUs	Not required		

The remainder of this document describes these reporting requirements. A users’ guide will be provided with additional information on how and where to submit required reports.

⁹ Interim Final Rule Page 111

¹⁰ Interim Final Rule page 112

¹¹ Interim Final Rule Page 111



Comparison to reporting for the CRF

This guidance does not change the reporting or compliance requirements pertaining to the CRF. Reporting and compliance requirements for the SLFRF are separate from CRF reporting requirements. Changes from CRF to SLFRF include:

- **Project, Expenditure, and Subaward Reporting:** The SLFRF reporting requirements leverage the existing reporting regime used for CRF to foster continuity and provide many recipients with a familiar reporting mechanism. The data elements for the Project and Expenditure Report will largely mirror those used for CRF, with some minor exceptions noted in this guidance. The users' guide will describe how reporting for CRF funds will relate to reporting for the SLFRF.
- **Timing of Reports:** CRF reports were due within 10 days of each calendar quarter. SLFRF quarterly reporting will be due 30 days from quarter end.
- **Program and Performance Reporting:** The CRF reporting did not include any program or performance reporting. To build public awareness and accountability and allow Treasury to monitor compliance with eligible uses, some program and performance reporting is required.

A. Interim Report

States, U.S. territories, metropolitan cities, counties, and Tribal governments are required to submit a one-time interim report with expenditures¹² by Expenditure Category from the date of award to July 31, 2021. The recipient will be required to enter obligations¹³ and expenditures and, for each, select the specific expenditure category from the available options. See Appendix 1 for Expenditure Categories (EC).

1. Required Programmatic Data

Recipients will also be required to provide the following information if they have or plan to have expenditures in the following Expenditure Categories.

- a. **Revenue replacement (EC 6.1¹⁴):** Key inputs into the revenue replacement formula in the Interim Final Rule and estimated revenue loss due to the Covid-19 public health emergency calculated using the formula in the Interim Final Rule as of December 31, 2020.
 - Base year general revenue (e.g., revenue in the last full fiscal year prior to the public health emergency)
 - Fiscal year end date
 - Growth adjustment used (either 4.1 percent or average annual general revenue growth over 3 years prior to pandemic)
 - Actual general revenue as of the twelve months ended December 31, 2020
 - Estimated revenue loss due to the Covid-19 public health emergency as of December 31, 2020
 - An explanation of how revenue replacement funds were allocated to government services (Note: additional instructions and/or template to be provided in users' guide)

¹² For purposes of reporting in the SLFRF portal, an expenditure is the amount that has been incurred as a liability of the entity (the service has been rendered or the good has been delivered to the entity).

¹³ For purposes of reporting in the SLFRF portal, an obligation is an order placed for property and services, contracts and subawards made, and similar transactions that require payment.

¹⁴ See Appendix 1 for the full Expenditure Category (EC) list. References to Expenditure Categories are identified by "EC" followed by numbers from the table in Appendix 1.



In calculating general revenue and the other items discussed above, recipients should use audited data if it is available. When audited data is not available, recipients are not required to obtain audited data if substantially accurate figures can be produced on an unaudited basis. Recipients should use their own data sources to calculate general revenue, and do not need to rely on revenue data published by the Census Bureau. Treasury acknowledges that due to differences in timing, data sources, and definitions, recipients' self-reported general revenue figures may differ from those published by the Census Bureau. Recipients may provide data on a cash, accrual, or modified accrual basis, provided that recipients are consistent in their choice of methodology throughout the covered period and until reporting is no longer required. Recipients' reporting should align with their own financial reporting.

In calculating general revenue, recipients should exclude all intergovernmental transfers from the federal government. This includes, but is not limited to, federal transfers made via a State to a locality pursuant to the CRF or SLFRF. To the extent federal funds are passed through States or other entities or intermingled with other funds, recipients should attempt to identify and exclude the federal portion of those funds from the calculation of general revenue on a best-efforts basis.

Consistent with the broad latitude provided to recipients to use funds for government services to the extent of reduction in revenue, recipients will be required to submit a description of services provided. This description may be in narrative or in another form, and recipients are encouraged to report based on their existing budget processes and to minimize administrative burden. For example, a recipient with \$100 in revenue replacement funds available could indicate that \$50 were used for law enforcement operating expenses and \$50 were used for pay-go building of sidewalk infrastructure. As discussed in the Interim Final Rule, these services can include a broad range of services but may not be used directly for pension deposits or debt service.

Reporting requirements will not require tracking the indirect effects of Fiscal Recovery Funds, apart from the restrictions on use of Fiscal Recovery Funds to offset a reduction in net tax revenue. In addition, recipients must indicate that Fiscal Recovery Funds were not used to make a deposit in a pension fund.

- b. Distributions to NEUs - States and territories only (EC 7.4): Information on SLFRF distributions to eligible NEUs. Each State and territory will be asked to provide an update on distributions to individual NEUs, including whether the NEU has (1) received funding; (2) declined funding and requested a transfer to the State under Section 603(c)(4) of the Act; or (3) not taken action on its funding. States and territories should be prepared to report on their information, including the following:
- NEU name
 - NEU DUNS number
 - NEU Taxpayer Identification Number (TIN)
 - NEU Recipient Number (a unique identification code for each NEU assigned by the State to the NEU as part of the request for funding)
 - NEU contact information (e.g., address, point of contact name, point of contact email address, and point of contact phone number)
 - NEU authorized representative name and email address
 - Initial allocation and, if applicable, subsequent allocation to the NEU (before application of the 75 percent cap)
 - Total NEU reference budget (as submitted by the NEU to the State as part of the request for funding)



- Amount of the initial and, if applicable, subsequent allocation above 75 percent of the NEU's reference budget which will be returned to Treasury
- Payment amount(s)
- Payment date(s)

For each eligible NEU that declined funding and requested a transfer to the State under Section 603(c)(4), the State must also attach a form signed by the NEU, as detailed in the [Guidance on Distributions of Funds to Non-Entitlement Units of Local Government](#).

States with "weak" minor civil divisions (i.e., Illinois, Indiana, Kansas, Missouri, Nebraska, North Dakota, Ohio, and South Dakota) should also list any minor civil divisions that the State deemed ineligible.

B. Project and Expenditure Report

All recipients are required to submit Project and Expenditure Reports.

1. Quarterly Reporting

The following recipients are required to submit quarterly Project and Expenditure Reports:

- States, U.S. territories, and Tribal governments
- Metropolitan cities and counties that received more than \$5 million in SLFRF funding

For these recipients, the initial quarterly Project and Expenditure Report will cover two calendar quarters from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent quarterly reports will cover one calendar quarter and must be submitted to Treasury within 30 calendar days after the end of each calendar quarter. Quarterly reports are not due concurrently with applicable annual reports. The table below summarizes the quarterly report timelines:

Report	Year	Quarter	Period Covered	Due Date
1	2021	2 and 3	Award Date – September 30	October 31, 2021
2	2021	4	October 1 – December 31	January 31, 2022
3	2022	1	January 1 – March 31	April 30, 2022
4	2022	2	April 1 – June 30	July 31, 2022
5	2022	3	July 1 – September 30	October 31, 2022
6	2022	4	October 1 – December 31	January 31, 2023
7	2023	1	January 1 – March 31	April 30, 2023
8	2023	2	April 1 – June 30	July 31, 2023
9	2023	3	July 1 – September 30	October 31, 2023
10	2023	4	October 1 – December 31	January 31, 2024
11	2024	1	January 1 – March 31	April 30, 2024
12	2024	2	April 1 – June 30	July 31, 2024
13	2024	3	July 1 – September 30	October 31, 2024
14	2024	4	October 1 – December 31	January 31, 2025
15	2025	1	January 1 – March 31	April 30, 2025
16	2025	2	April 1 – June 30	July 31, 2025
17	2025	3	July 1 – September 30	October 31, 2025
18	2025	4	October 1 – December 31	January 31, 2026
19	2026	1	January 1 – March 31	April 30, 2026
20	2026	2	April 1 – June 30	July 31, 2026



Report	Year	Quarter	Period Covered	Due Date
21	2026	3	July 1 – September 30	October 31, 2026
22	2026	4	October 1 – December 31	March 31, 2027

2. Annual Reporting

The following recipients are required to submit annual Project and Expenditure Reports:

- Metropolitan cities and counties that received less than \$5 million in SLFRF funding.
- NEUs. To facilitate reporting, each NEU will need a NEU Recipient Number. This is a unique identification code for each NEU assigned by the State to the NEU as part of its request for funding.

For these recipients, the initial Project and Expenditure Report will cover from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent annual reports will cover one calendar year and must be submitted to Treasury by October 31. The table below summarizes the report timelines:

Report	Period Covered	Due Date
1	Award Date – September 30, 2021	October 31, 2021
2	October 1, 2021 – September 30, 2022	October 31, 2022
3	October 1, 2022 – September 30, 2023	October 31, 2023
4	October 1, 2023 – September 30, 2024	October 31, 2024
5	October 1, 2024 – September 30, 2025	October 31, 2025
6	October 1, 2025 – September 30, 2026	October 31, 2026
7	October 1, 2026 – December 31, 2026	March 31, 2027

3. Required Information

The following information will be required in Project and Expenditure Reports:

- Projects:** Provide information on all SLFRF funded projects. Projects are new or existing eligible government services or investments funded in whole or in part by SLFRF funding. For each project, the recipient will be required to enter the project name, identification number (created by the recipient), project expenditure category (see Appendix 1), description, and status of completion. Project descriptions must describe the project in sufficient detail to provide understanding of the major activities that will occur, and will be required to be between 50 and 250 words. Projects should be defined to include only closely related activities directed toward a common purpose. In particular, recipients should review the Required Programmatic Data described below and define their projects at a sufficient level of granularity to report these metrics for a reasonably specific activity or set of activities in each project.

Note: For each project, the recipient will be asked to select the appropriate Expenditure Category based on the scope of the project (see Appendix 1). Projects should be scoped to align to a single Expenditure Category. For select Expenditure Categories, the recipient will also be asked to provide additional programmatic data (described further below).

- Expenditures:** Once a project is entered the recipient will be able to report on the project's obligations and expenditures. Recipients will be asked to report:
 - Current period obligation
 - Cumulative obligation
 - Current period expenditure
 - Cumulative expenditure



- c. **Project Status:** Once a project is entered the recipient will be asked to report on project status each reporting period, in four categories:
- Not Started
 - Completed less than 50 percent
 - Completed 50 percent or more
 - Completed
- d. **Project Demographic Distribution:** Recognizing the disproportionate impact of the pandemic-related recession on low-income communities, recipients must report whether certain types of projects¹⁵ are targeted to economically disadvantaged communities, as defined by HUD's [Qualified Census Tract](#).¹⁶ Recipients will be asked to identify whether or not the project is serving an economically disadvantaged community. To minimize the administrative burden on recipients while ensuring that this important aspect of program performance is tracked, recipients may assume that the funds for a project count as being targeted towards economically disadvantaged communities if the project funds are spent on:
- A program or service is provided at a physical location in a Qualified Census Tract (for multi-site projects, if a majority of sites are within Qualified Census Tracts);
 - A program or service where the primary intended beneficiaries live within a Qualified Census Tract;
 - A program or service for which the eligibility criteria are such that the primary intended beneficiaries earn less than 60 percent of the median income for the relevant jurisdiction (e.g., State, county, metropolitan area, or other jurisdiction); or
 - A program or service for which the eligibility criteria are such that over 25 percent of intended beneficiaries are below the federal poverty line.

Recipients may use reasonable estimates to determine if a project meets one of these criteria, including identifying the intended beneficiaries of a program or service in terms of income characteristics, geographic location, or otherwise estimating the beneficiaries of a program based on its eligibility criteria. Recipients do not need to track information on each individual beneficiary to make the determination of whether or not the project is serving an economically disadvantaged community. If a recipient is unable to measure economic characteristics of the primary intended beneficiaries of a program or service due to data limitations or for other reasons, that program or service may not be counted as targeted to economically disadvantaged communities. Treasury recognizes that in some circumstances, recipients may fund eligible programs or services that benefit economically disadvantaged communities but may lack adequate data to assess conclusively that such a program or service is targeted to economically disadvantaged communities based on the criteria described above.

- e. **Subawards:** Each recipient shall also provide detailed obligation and expenditure information for any contracts and grants awarded, loans issued, transfers made to other government entities, and direct payments made by the recipient that are greater than or equal to \$50,000.

¹⁵ Specifically recipients must report this information for projects in the Expenditure Categories that are marked with “^” in the expenditure category listing in Appendix 1 of this guidance

¹⁶ HUD defines as a QCT as having “50 percent of households with incomes below 60 percent of the Area Median Gross Income (AMGI) or have a poverty rate of 25 percent or more.” To view median income area for their jurisdiction, recipients may visit the U.S. Census [website](#) on median incomes and select the geography for their jurisdiction and relevant unit of measurement (household or individual) for the project.



Recipients do not also need to submit separate monthly subaward reports to FSRS.gov as required pursuant to the 2 CFR Part 170, Appendix A award term regarding reporting subaward and executive compensation, which is included in the SLFRF Award Terms and Conditions. Treasury will submit this reporting on behalf of recipients using the \$50,000 reporting threshold, timing, and data elements discussed in this guidance. If recipients choose to continue reporting to FSRS.gov in addition to reporting directly to Treasury on these funds, they may do so and will be asked to notify Treasury as part of their quarterly submission.

In general, recipients will be asked to provide the following information for each Contract, Grant, Loan, Transfer, or Direct Payment greater than or equal to \$50,000:

- Subrecipient identifying and demographic information (e.g., DUNS number and location)
- Award number (e.g., Award number, Contract number, Loan number)
- Award date, type, amount, and description
- Award payment method (reimbursable or lump sum payment(s))
- For loans, expiration date (date when loan expected to be paid in full)
- Primary place of performance
- Related project name(s)
- Related project identification number(s) (created by the recipient)
- Period of performance start date
- Period of performance end date
- Quarterly obligation amount
- Quarterly expenditure amount
- Project(s)
- Additional programmatic performance indicators for select Expenditure Categories (see below)

Aggregate reporting is required for contracts, grants, transfers made to other government entities, loans, direct payments, and payments to individuals that are below \$50,000. This information will be accounted for by expenditure category at the project level.

As required by the 2 CFR Part 170, Appendix A award term regarding reporting subaward and executive compensation, recipients must also report the names and total compensation of their five most highly compensated executives and their subrecipients' executives for the preceding completed fiscal year if (1) the recipient received 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards), and received \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act (and subawards), and (2) if the information is not otherwise public. In general, most SLFRF Recipients are governmental entities with executive salaries that are already disclosed, so no additional information must be reported. The recipient is responsible for the subrecipients' compliance with registering and maintaining an updated profile on SAM.gov.

- f. Civil Rights Compliance: Treasury will request information on recipients' compliance with Title VI of the Civil Rights Act of 1964 on an annual basis. This information may include a narrative describing the recipient's compliance with Title VI, along with other questions and assurances.



- g. Required Programmatic Data (other than infrastructure projects): For all projects listed under the following Expenditure Categories (see Appendix 1), the information listed must be provided in each report.
1. Payroll for Public Health and Safety Employees (EC 1.9):
 - Number of government FTEs responding to COVID-19 supported under this authority
 2. Household Assistance (EC 2.1-2.5):
 - Brief description of structure and objectives of assistance program(s) (e.g., nutrition assistance for low-income households)
 - Number of individuals served (by program if recipient establishes multiple separate household assistance programs)
 - Brief description of recipient's approach to ensuring that aid to households responds to a negative economic impact of Covid-19, as described in the Interim Final Rule
 3. Small Business Economic Assistance (EC 2.9):
 - Brief description of the structure and objectives of assistance program(s) (e.g., grants for additional costs related to Covid-19 mitigation)
 - Number of small businesses served (by program if recipient establishes multiple separate small businesses assistance programs)
 - Brief description of recipient's approach to ensuring that aid to small businesses responds to a negative economic impact of COVID-19, as described in the Interim Final Rule
 4. Aid to Travel, Tourism, and Hospitality or Other Impacted Industries (EC 2.11-2.12):
 - If aid is provided to industries other than travel, tourism, and hospitality (EC 2.12), a description of pandemic impact on the industry and rationale for providing aid to the industry
 - Brief narrative description of how the assistance provided responds to negative economic impacts of the COVID-19 pandemic
 - For each subaward:
 - Sector of employer (Note: additional detail, including list of sectors to be provided in a users' guide)
 - Purpose of funds (e.g., payroll support, safety measure implementation)
 5. Rehiring Public Sector Staff (EC 2.14):
 - Number of FTEs rehired by governments under this authority
 6. Education Assistance (EC 3.1-3.5):
 - The National Center for Education Statistics ("NCES") School ID or NCES District ID. List the School District if all schools within the school district received some funds. If not all schools within the school district received funds, list the School ID of the schools that received funds. These can allow evaluators to link data from the NCES to look at school-level demographics and, eventually, student performance.¹⁷

¹⁷ For more information on NCES identification numbers see <https://nces.ed.gov/ccd/districtsearch/> (districts) and <https://nces.ed.gov/ccd/schoolsearch/> (schools).



7. Premium Pay (both Public Sector EC 4.1 and Private Sector EC 4.2):

- List of sectors designated as critical to the health and well-being of residents by the chief executive of the jurisdiction, if beyond those included in the Interim Final Rule (Note: a list of sectors will be provided in the forthcoming users' guide).
- Number of workers to be served
- Employer sector for all subawards to third-party employers (i.e., employers other than the State, local, or Tribal government) (Note: a list of sectors will be provided in the forthcoming users' guide).
- For groups of workers (e.g., an operating unit, a classification of worker, etc.) or, to the extent applicable, individual workers, for whom premium pay would increase total pay above 150 percent of their residing State's average annual wage, or their residing county's¹⁸ average annual wage, whichever is higher, on an annual basis:
 - A brief written narrative justification of how the premium pay or grant is responsive to workers performing essential work during the public health emergency. This could include a description of the essential workers' duties, health or financial risks faced due to COVID-19, and why the recipient government determined that the premium pay was responsive to workers performing essential work during the pandemic. This description should not include personally identifiable information; when addressing individual workers, recipients should be careful not to include this information. Recipients may consider describing the workers' occupations and duties in a general manner as necessary to protect privacy.

8. Revenue replacement (EC 6.1):

Under the Interim Final Rule, recipients calculate revenue loss using data as of four discrete points during the program: December 31, 2020, December 31, 2021, December 31, 2022, and December 31, 2023. Revenue loss calculated as of December 31, 2020 will be reported in the Interim Report, as described above. For future calculation dates, revenue loss will be reported only in the Quarter 4 reports due January 31, 2022, January 31, 2023, and January 31, 2024. Reporting on revenue loss should include:

- General revenue collected over the past 12 months as of the most recent calculation date, as outlined in the Interim Final Rule (for example, for the January 31, 2022 report, recipients should provide 12 month general revenue as of December 31, 2021);
- Calculated revenue loss due to the Covid-19 public health emergency; and
- An explanation of how the revenue replacement funds were allocated to government services (note: additional instructions and/or template to be provided in user guide).

In calculating general revenue and the revenue loss due to the COVID-19 public health emergency, recipients should follow the same guidance as described above for the Interim Report.

- h. Required Programmatic Data for Infrastructure Projects (EC 5): For all projects listed under the Water, Sewer, and Broadband Expenditure Categories (see Appendix 1), more detailed project-level information is required. Each project will be required to report expenditure data as described above, but will also report the following information:

¹⁸ *County* means a county, parish, or other equivalent county division (as defined by the Census Bureau). See 31 CFR 35.3.



1. All infrastructure projects (EC 5):

- Projected/actual construction start date (month/year)
- Projected/actual initiation of operations date (month/year)
- Location (for broadband, geospatial location data)
- For projects over \$10 million:
 - a. A recipient may provide a certification that, for the relevant project, all laborers and mechanics employed by contractors and subcontractors in the performance of such project are paid wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate State entity pursuant to a corollary State prevailing-wage-in-construction law (commonly known as “baby Davis-Bacon Acts”). If such certification is not provided, a recipient must provide a project employment and local impact report detailing:
 - The number of employees of contractors and sub-contractors working on the project;
 - The number of employees on the project hired directly and hired through a third party;
 - The wages and benefits of workers on the project by classification; and
 - Whether those wages are at rates less than those prevailing.¹⁹Recipients must maintain sufficient records to substantiate this information upon request.
 - b. A recipient may provide a certification that a project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)). If the recipient does not provide such certification, the recipient must provide a project workforce continuity plan, detailing:
 - How the recipient will ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure high-quality construction throughout the life of the project;
 - How the recipient will minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the project; and
 - How the recipient will provide a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities;
 - Whether workers on the project will receive wages and benefits that will secure an appropriately skilled workforce in the context of the local or regional labor market; and
 - Whether the project has completed a project labor agreement.
 - c. Whether the project prioritizes local hires.
 - d. Whether the project has a Community Benefit Agreement, with a description of any such agreement.

¹⁹ As determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed.



2. Water and sewer projects (EC 5.1-5.15):

- National Pollutant Discharge Elimination System (NPDES) Permit Number (if applicable; for projects aligned with the Clean Water State Revolving Fund)
- Public Water System (PWS) ID number (if applicable; for projects aligned with the Drinking Water State Revolving Fund)

3. Broadband projects (EC 5.16-5.17):

- Speeds/pricing tiers to be offered, including the speed/pricing of its affordability offering
 - Technology to be deployed
 - Miles of fiber
 - Cost per mile
 - Cost per passing
 - Number of households (broken out by households on Tribal lands and those not on Tribal lands) projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload
 - Number of households with access to minimum speed standard of reliable 100 Mbps symmetrical upload and download
 - Number of households with access to minimum speed standard of reliable 100 Mbps download and 20 Mbps upload
 - Number of institutions and businesses (broken out by institutions on Tribal lands and those not on Tribal lands) projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, in each of the following categories: business, small business, elementary school, secondary school, higher education institution, library, healthcare facility, and public safety organization
 - Specify the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps symmetrical upload and download; and
 - Specify the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps download and 20 Mbps upload
- i. Distributions to NEUs - States and territories only (EC 7.4): Information on SLFRF distributions to eligible NEUs. Each State and territory will be asked to provide an update on distributions to individual NEUs, including whether the NEU has (1) received funding; (2) declined funding and requested a transfer to the State under Section 603(c)(4) of the Act; or (3) not taken action on its funding. States and territories should be prepared to report on their information, including the following:
- NEU name
 - NEU DUNS number
 - NEU Taxpayer Identification Number (TIN)
 - NEU Recipient Number (a unique identification code for each NEU assigned by the State to the NEU as part of the request for funding)
 - NEU contact information (e.g., address, point of contact name, point of contact email address, and point of contact phone number)
 - NEU authorized representative name and email address
 - Initial allocation and, if applicable, subsequent allocation to the NEU (before application of the 75 percent cap)
 - Total NEU reference budget (as submitted by the NEU to the State as part of the request for funding)
 - Amount of the initial and, if applicable, subsequent allocation above 75 percent of the NEU's reference budget which will be returned to Treasury
 - Payment amount(s)
 - Payment date(s)



For each eligible NEU that declined funding and requested a transfer to the State under Section 603(c)(4), the State must also attach a form signed by the NEU, as detailed in the [Guidance on Distributions of Funds to Non-Entitlement Units of Local Government](#).

States with “weak” minor civil divisions (i.e., Illinois, Indiana, Kansas, Missouri, Nebraska, North Dakota, Ohio, and South Dakota) should also list any minor civil divisions that the State deemed ineligible.

- j. **NEU Documentation (NEUs only):** Each NEU will also be asked to provide the following information with their first report submitted by October 31, 2021:
- Copy of the signed award terms and conditions agreement (which was signed and submitted to the State as part of the request for funding)
 - Copy of the signed assurances of compliance with Title VI of the Civil Rights Act of 1964 (which was signed and submitted to the State as part of the request for funding)
 - Copy of actual budget documents validating the top-line budget total provided to the State as part of the request for funding

C. Recovery Plan Performance Report

States, territories, metropolitan cities, and counties with a population that exceeds 250,000 residents will also be required to publish and submit to Treasury a Recovery Plan performance report (“Recovery Plan”). Each Recovery Plan must be posted on the public-facing website of the recipient by the same date the recipient submits the report to Treasury. This reporting requirement includes uploading a link to the publicly available document report along with providing data in the Treasury reporting portal.

The Recovery Plan will provide the public and Treasury information on the projects recipients are undertaking with program funding and how they are planning to ensure program outcomes are achieved in an effective, efficient, and equitable manner. While this guidance outlines some minimum requirements for the Recovery Plan, each recipient is encouraged to add information to the plan they feel is appropriate to provide information to their constituents on efforts they are taking to respond to the pandemic and promote economic recovery. Each jurisdiction may determine the general form and content of the Recovery Plan, as long as it includes the minimum information determined by Treasury. Treasury will provide a recommended template but recipients may modify this template as appropriate for their jurisdiction. The Recovery Plan will include key performance indicators identified by the recipient and some mandatory indicators identified by Treasury.

The initial Recovery Plan will cover the period from the date of award to July 31, 2021 and must be submitted to Treasury by August 31, 2021. Thereafter, the Recovery Plan will cover a 12-month period and recipients will be required to submit the report to Treasury within 30 days after the end of the 12-month period (by July 31). The table below summarizes the report timelines:

Annual Report	Period Covered	Due Date
1	Award Date – July 31, 2021	August 31, 2021
2	July 1, 2021 – June 30, 2022	July 31, 2022
3	July 1, 2022 – June 30, 2023	July 31, 2023
4	July 1, 2023 – June 30, 2024	July 31, 2024
5	July 1, 2024 – June 30, 2025	July 31, 2025
6	July 1, 2025 – June 30, 2026	July 31, 2026
7	July 1, 2026 – December 31, 2026	March 31, 2027



The Recovery Plan will include, at a minimum, the following information:

1. Executive Summary

Provide a high-level overview of the jurisdiction's intended and actual uses of funding including, but not limited to: the jurisdiction's plan for use of funds to promote a response to the pandemic and economic recovery, key outcome goals, progress to date on those outcomes, and any noteworthy challenges or opportunities identified during the reporting period.

2. Uses of Funds

Describe in further detail your jurisdiction's intended and actual uses of the funds, such as how your jurisdiction's approach would help support a strong and equitable recovery from the COVID-19 pandemic and economic downturn. Describe any strategies employed to maximize programmatic impact and effective, efficient, and equitable outcomes. Given the broad eligible uses of funds and the specific needs of the jurisdiction, please also explain how the funds would support the communities, populations, or individuals in your jurisdiction. Your description should address how you are promoting each of the following, to the extent they apply:

- a. Public Health (EC 1): As relevant, describe how funds are being used to respond to COVID-19 and the broader health impacts of COVID-19 and the COVID-19 public health emergency.
- b. Negative Economic Impacts (EC 2): As relevant, describe how funds are being used to respond to negative economic impacts of the COVID-19 public health emergency, including to households and small businesses.
- c. Services to Disproportionately Impacted Communities (EC 3): As relevant, describe how funds are being used to provide services to communities disproportionately impacted by the COVID-19 public health emergency.
- d. Premium Pay (EC 4): As relevant, describe the approach, goals, and sectors or occupations served in any premium pay program. Describe how your approach prioritizes low-income workers.
- e. Water, sewer, and broadband infrastructure (EC 5): Describe the approach, goals, and types of projects being pursued, if pursuing.
- f. Revenue Replacement (EC 6): Describe the loss in revenue due to the COVID-19 public health emergency and how funds have been used to provide government services.

Where appropriate, recipients should also include information on your jurisdiction's use (or planned use) of other federal recovery funds including other programs under the American Rescue Plan such as the Emergency Rental Assistance, Housing Assistance, and so forth, to provide broader context on the overall approach for pandemic recovery.

3. Promoting equitable outcomes

Describe efforts to promote equitable outcomes, including how programs were designed with equity in mind. Please include in your description how your jurisdiction will consider and measure equity at the various stages of the program, including:

- a. Goals: Are there particular historically underserved, marginalized, or adversely affected groups that you intend to serve within your jurisdiction?
- b. Awareness: How equal and practical is the ability for residents or businesses to become aware of the services funded by the SLFRF?
- c. Access and Distribution: Are there differences in levels of access to benefits and services across groups? Are there administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria?



- d. **Outcomes:** Are intended outcomes focused on closing gaps, reaching universal levels of service, or disaggregating progress by race, ethnicity, and other equity dimensions where relevant for the policy objective?

Treasury encourages uses of funds that promote strong, equitable growth, including racial equity. Please describe how your jurisdiction's planned or current use of funds prioritizes economic and racial equity as a goal, names specific targets intended to produce meaningful equity results at scale, and articulates the strategies to achieve those targets. In addition, please explain how your jurisdiction's overall equity strategy translates into the specific services or programs offered by your jurisdiction in the following Expenditure Categories:

- a. **Negative Economic Impacts (EC 2):** assistance to households, small businesses, and non-profits to address impacts of the pandemic, which have been most severe among low-income populations. This includes assistance with food, housing, and other needs; employment programs for people with barriers to employment who faced negative economic impacts from the pandemic (such as residents of low-income neighborhoods, minorities, disconnected youth, the unemployed, formerly incarcerated people, veterans, and people with disabilities); and other strategies that provide disadvantaged groups with access to education, jobs, and opportunity.
- b. **Services to Disproportionately Impacted Communities (EC 3):** services to address health disparities and the social determinants of health, build stronger neighborhoods and communities (e.g., affordable housing), address educational disparities (e.g., evidence-based tutoring, community schools, and academic, social-emotional, and mental health supports for high poverty schools), and promote healthy childhood environments (e.g., home visiting, child care).

The initial report must describe efforts to date and intended outcomes to promote equity. Each annual report thereafter must provide an update, using qualitative and quantitative data, on how the recipients' approach achieved or promoted equitable outcomes or progressed against equity goals during the performance period. Please also describe any constraints or challenges that impacted project success in terms of increasing equity. In particular, this section must describe the geographic and demographic distribution of funding, including whether it is targeted toward traditionally marginalized communities.

For the purposes of the SLFRF, equity is defined in the [Executive Order 13985 On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government](#), as issued on January 20, 2021.

4. Community Engagement

Please describe how your jurisdiction's planned or current use of funds incorporates written, oral, and other forms of input that capture diverse feedback from constituents, community-based organizations, and the communities themselves. Where relevant, this description must include how funds will build the capacity of community organizations to serve people with significant barriers to services, including people of color, people with low incomes, limited English proficient populations, and other traditionally underserved groups.

5. Labor Practices

Describe workforce practices on any infrastructure projects being pursued (EC 5). How are projects using strong labor standards to promote effective and efficient delivery of high-quality infrastructure projects while also supporting the economic recovery through strong employment opportunities for workers? For example, report whether any of the following practices are being utilized: project labor agreements, community benefits agreements, prevailing wage requirements, and local hiring.



6. Use of Evidence

The Recovery Plan should identify whether SLFRF funds are being used for evidence-based interventions²⁰ and/or if projects are being evaluated through rigorous program evaluations that are designed to build evidence. Recipients must briefly describe the goals of the project, and the evidence base for the interventions funded by the project. Recipients must specifically identify the dollar amount of the total project spending that is allocated towards evidence-based interventions for each project in the Public Health (EC 1), Negative Economic Impacts (EC 2), and Services to Disproportionately Impacted Communities (EC 3) Expenditure Categories.²¹

Recipients are exempt from reporting on evidence-based interventions in cases where a program evaluation is being conducted. Recipients are encouraged to use relevant evidence Clearinghouses, among other sources, to assess the level of evidence for their interventions and identify evidence-based models that could be applied in their jurisdiction; such evidence clearinghouses include the U.S. Department of Education's [What Works Clearinghouse](#), the U.S. Department of Labor's [CLEAR](#), and the [Childcare & Early Education Research Connections and the Home Visiting Evidence of Effectiveness](#) clearinghouses from Administration for Children and Families, as well as other clearinghouses relevant to particular projects conducted by the recipient. In such cases where a recipient is conducting a program evaluation in lieu of reporting the amount of spending on evidence-based interventions, they must describe the evaluation design including whether it is a randomized or quasi-experimental design; the key research questions being evaluated; whether the study has sufficient statistical power to disaggregate outcomes by demographics; and the timeframe for the completion of the evaluation (including a link to completed evaluation if relevant).²² Once the evaluation has been completed, recipients must post the evaluation publicly and link to the completed evaluation in the Recovery Plan. Once an evaluation has been completed (or has sufficient interim findings to determine the efficacy of the intervention), recipients should determine whether the spending for the evaluated interventions should be counted towards the dollar amount categorized as evidence-based for the relevant project.

For all projects, recipients may be selected to participate in a national evaluation, which would study their project along with similar projects in other jurisdictions that are focused on the same set of outcomes. In such cases, recipients may be asked to share information and data that is needed for the national evaluation.

Recipients are encouraged to consider how a Learning Agenda, either narrowly focused on SLFRF or broadly focused on the recipient's broader policy agenda, could support their overarching evaluation efforts in order to create an evidence-building strategy for their jurisdiction.²³

Appendix 2 contains additional information on evidence-based interventions for the purposes of the Recovery Plan.

²⁰As noted in Appendix 2, evidence-based refers to interventions with strong or moderate levels of evidence.

²¹ Of note, recipients are only required to report the amount of the total funds that are allocated to evidence-based interventions in the areas of Public Health, Negative Economic Impacts, and Services to Disproportionately Impacted Communities that are marked by an asterisk in Appendix 1: Expenditure Categories.

²² For more information on the required standards for program evaluation, see [OMB M-20-12](#).

²³ For more information on learning agendas, please see [OMB M-19-23](#)



7. Table of Expenses by Expenditure Category

Please include a table listing the amount of funds used in each Expenditure Category (See Appendix 1). The table should include cumulative expenses to date within each category, and the additional amount spent within each category since the last annual Recovery Plan.

8. Project Inventory

List the name and provide a brief description of all SLFRF funded projects. Projects are new or existing eligible government services or investments funded in whole or in part by SLFRF funding. For each project, include the project name, funding amount, identification number (created by the recipient and used thereafter in the quarterly Program and Expenditure Report), project Expenditure Category (see Appendix 1), and a description of the project which includes an overview of the main activities of the project, the approximate timeline, primary delivery mechanisms and partners, if applicable, and intended outcomes. Include a link to the website of the project if available. This information will provide context and additional detail for the information reported quarterly in the Project and Expenditure Report.

For infrastructure investment projects (EC 5), project-level reporting will be more detailed, as described for the Project and Expenditure Report above. Projects in this area may be grouped by Expenditure Category if needed, with further detail (such as the specific project name and identification number) provided in the Project and Expenditure Report. For infrastructure projects, descriptions should note how the project contributes to addressing climate change.

9. Performance Report

The Recovery Plan must include key performance indicators for the major SLFRF funded projects undertaken by the recipient. The recipient has flexibility in terms of how this information is presented in the Recovery Plan, and may report key performance indicators for each project, or may group projects with substantially similar goals and the same outcome measures. In some cases, the recipient may choose to include some indicators for each individual project as well as crosscutting indicators.

Performance indicators should include both output and outcome measures. Output measures, such as number of students enrolled in an early learning program, provide valuable information about the early implementation stages of a project. Outcome measures, such as the percent of students reading on grade level, provide information about whether a project is achieving its overall goals. Recipients are encouraged to use logic models²⁴ to identify their output and outcome measures. While the initial report will focus heavily on early output goals, recipients must include the related outcome goal for each project and provide updated information on achieving these outcome goals in annual reports. In cases where recipients are conducting a program evaluation for a project (as described above), the outcome measures in the performance report should be aligned with those being evaluated in the program. To support their performance measurement and program improvement efforts, recipients are permitted to use funds to make improvements to data or technology infrastructure and data analytics, as well as program evaluations.

10. Required Performance Indicators and Programmatic Data

While recipients have discretion on the full suite of performance indicators to include, a number of mandatory performance indicators and programmatic data must be included. These are necessary to allow Treasury to conduct oversight as well as understand and aggregate program outcomes across recipients. This section provides an overview of the mandatory performance indicators and programmatic data. This information may be included in each recipient's Recovery Plan as they determine most appropriate, including combining with the

²⁴ A logic model is a tool that depicts the intended links between program investments and outcomes, specifically the relationships among the resources, activities, outputs, outcomes, and impact of a program.



section above, but this data will also need to be entered directly into the Treasury reporting portal. Below is a list of required data for each Expenditure Category:

- a. Household Assistance (EC 2.2 & 2.5) and Housing Support (EC 3.10-3.12):
 - Number of people or households receiving eviction prevention services (including legal representation)
 - Number of affordable housing units preserved or developed
- b. Negative Economic Impacts (EC 2):
 - Number of workers enrolled in sectoral job training programs
 - Number of workers completing sectoral job training programs
 - Number of people participating in summer youth employment programs
- c. Education Assistance (EC 3.1-3.5):
 - Number of students participating in evidence-based tutoring programs²⁵
- d. Healthy Childhood Environments (EC 3.6-3.9):
 - Number of children served by childcare and early learning (pre-school/pre-K/ages 3-5)
 - Number of families served by home visiting

The initial report should include the key indicators above. Each annual report thereafter should include updated data for the performance period as well as prior period data, and a brief narrative adding any additional context to help the reader interpret the results and understand the any changes in performance indicators over time. To the extent possible, Treasury also encourages recipients to provide data disaggregated by race, ethnicity, gender, income, and other relevant factors.

11. Ineligible Activities: Tax Offset Provision (States and territories only)

The following information is required for Treasury to ensure SLFRF funding is not used for ineligible activities.

In each reporting year, States and territories will report certain items related to the Tax Offset Provision 31 CFR 35.8, as detailed below. As indicated in the Interim Final Rule, Treasury is seeking comment on reporting requirements related to the Tax Offset Provision, including ways to better rely on information already produced by States and territories and to minimize burden.

The terms “reporting year,” “baseline,” “covered change,” “net reduction in total spending,” and “tax revenue” are defined in the Interim Final Rule, 31 CFR 35.3. For purposes of calculating a net reduction in total spending, total spending for the fiscal year ending 2019 should be reported on an inflation-adjusted basis, consistent with the Interim Final Rule, 31 CFR 35.3. Similarly, for purposes of calculating baseline, tax revenue for the fiscal year 2019 should be reported on an inflation-adjusted basis, consistent with the Interim Final Rule, 31 CFR 35.3.

For purposes of reporting actual tax revenue and calculating tax revenue for the fiscal year ending 2019,²⁶ (a) if available, recipients should report information using audited financials and (b) recipients may provide data on a cash, accrual, or modified accrual basis, but must be consistent in their approach across all reporting periods. Similarly, for purposes of calculating

²⁵ For more information on evidence-based tutoring programs, refer to the U.S. Department of Education’s [2021 ED COVID-19 Handbook \(Volume 2\)](#), which summarizes research on evidence-based tutoring programs (see the bottom of page 20).

²⁶ Tax revenue for fiscal year ending 2019 is relevant for calculating the recipient’s baseline.



a net reduction in total spending, recipients should report data using audited financials where available.

a. Revenue-reducing Covered Changes:

For each reporting year, a recipient must report the value of covered changes that the recipient predicts will have the effect of reducing tax revenue in a given reporting year (revenue-reducing covered changes), similar to the way it would in the ordinary course of its budgeting process. The value of these covered changes may be reported based on estimated values produced by a budget model, incorporating reasonable assumptions, that aligns with the recipient government's existing approach for measuring the effects of fiscal policies, and that measures relative to a current law baseline. The covered changes may also be reported based on actual values using a statistical methodology to isolate the change in year-over-year revenue attributable to the covered change(s), relative to the current law baseline prior to the change(s). Estimation approaches should not use dynamic methodologies that incorporate the projected effects of the policies on macroeconomic growth. In general and where possible, reported values should be produced by the agency of the recipient government responsible for estimating the costs and effects of fiscal policy changes. Recipients must maintain records regarding the identification and predicted effects of revenue-reducing covered changes.

b. Baseline Revenue:

Baseline has the meaning defined in the Interim Final Rule, 31 CFR 35.3.

Whether the revenue-reducing covered changes are in excess of the *de minimis*.

Recipients must determine whether the aggregate value of the revenue-reducing covered changes in the reporting year is less than one percent of baseline revenue.

c. Actual Tax Revenue:

Actual tax revenue means the actual tax revenue received by the recipient government in the reporting year. Tax revenue has the meaning defined in the Interim Final Rule, 31 CFR 35.3.

d. Reduction in Net Tax Revenue:

The reduction in net tax revenue is equal to baseline revenue minus actual tax revenue in each reporting year. If this value is zero or negative, there is no reduction in net tax revenue.

e. Any revenue-increasing covered changes:

A recipient must report the value of covered changes that have had or that the recipient predicts will have the effect of increasing tax revenue in a given reporting year (revenue-increasing covered changes), similar to the way it would in the ordinary course of its budgeting process. The value of these covered changes may be reported based on estimated values produced by a budget model, incorporating reasonable assumptions, that aligns with the recipient's existing approach for measuring the effects of fiscal policies, and that measures relative to a current law baseline. The covered changes may also be reported based on actual values using a statistical methodology to isolate the change in year-over-year revenue attributable to the covered change(s), relative to the current law baseline prior to the change(s). Estimation approaches should not use dynamic methodologies that incorporate the projected effects of the policies on macroeconomic growth. In general and where possible, reporting should be produced by the agency of the recipient responsible for estimating the costs and effects of fiscal policy changes.



Recipients should maintain records regarding revenue-reducing covered changes and estimates of such changes.

f. Net reduction in total spending, and tables of specific spending cuts:

Recipients must report on spending cuts. To calculate the amount of spending cuts that are available to offset a reduction in tax revenue, the recipient must first consider whether there has been a reduction in total net spending, excluding Fiscal Recovery Funds (net reduction in total spending). As in the Interim Final Rule, 35 CFR 35.3, net reduction in total spending is measured as the recipient government's total spending for a given reporting year excluding Fiscal Recovery Funds, subtracted from its total spending for its fiscal year ending in 2019, adjusted for inflation using the Bureau of Economic Analysis's Implicit Price Deflator for the gross domestic product of the United States. If that subtraction yields a positive value, there has been a net reduction; if it yields zero or a negative value, there has not been a net reduction. If there has been no net reduction in total spending, a recipient will have no spending cuts to offset a reduction in net tax revenue.

Next, a recipient must determine and aggregate the value of spending cuts in each "reporting unit," as defined below. For each reporting unit, the recipient must report (1) the amount of the reduction in spending in the reporting unit relative to its inflation-adjusted FY 2019 level, (2) the amount of any Fiscal Recovery Funds spent in the reporting unit, and (3) the amount by which the reduction in spending exceeds the Fiscal Recovery funds spent in the reporting unit. If a recipient has not spent amounts received from the Fiscal Recovery Funds in a reporting unit, the full amount of the reduction in spending counts as a covered spending cut and may be included in aggregate spending cuts. If the recipient has spent amounts received from the Fiscal Recovery Funds, such amounts generally would be deemed to have replaced the amount of spending cut, and only reductions in spending above the amount of Fiscal Recovery Funds spent on the reporting unit would be eligible to offset a reduction in net tax revenue. Only such amounts above the amount of Fiscal Recovery Funds spent on the reporting unit should be included in the aggregate of spending cuts.

To align with existing reporting and accounting, the Interim Final Rule considers the department, agency, or authority from which spending has been cut and whether the recipient government has spent amounts received from the Fiscal Recovery Funds on that same department, agency, or authority. Recipients may also choose to report at a more granular sub-department level. Recipients are encouraged to define and report spending in departments, sub-departments (e.g., bureaus), agencies, or authorities (each a "reporting unit") in a manner consistent with their existing budget process and should, to the extent possible, report using the same reporting unit in each reporting year. For example, if a State health department maintains separate budgets for different units (e.g., medical and public health units), those units may be reported and considered separately. Spending cuts must be reported relative to FY 2019 spending levels, adjusted for inflation, and excluding Fiscal Recovery Funds from reporting year spending levels.

Recipients should maintain records regarding spending cuts. As discussed in the Interim Final Rule, in order to help ensure governments use Fiscal Recovery Funds in a manner consistent with the prescribed eligible uses and do not use Fiscal Recovery Funds to indirectly offset a reduction in net tax revenue resulting from a covered change, Treasury will monitor changes in spending throughout the covered period. Evasions of the Tax Offset Provision may be subject to recoupment.



Appendix 1: Expenditure Categories

The Expenditure Categories (EC) listed below must be used to categorize each project as noted in Part 2 above. The term “Expenditure Category” refers to the detailed level (e.g., 1.1 COVID-10 Vaccination). When referred to as a category (e.g., EC 1) it includes all Expenditure Categories within that level.

1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services
2: Negative Economic Impacts	
2.1	Household Assistance: Food Programs* ^
2.2	Household Assistance: Rent, Mortgage, and Utility Aid* ^
2.3	Household Assistance: Cash Transfers* ^
2.4	Household Assistance: Internet Access Programs* ^
2.5	Household Assistance: Eviction Prevention* ^
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers*
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)* ^
2.8	Contributions to UI Trust Funds
2.9	Small Business Economic Assistance (General)* ^
2.10	Aid to Nonprofit Organizations*
2.11	Aid to Tourism, Travel, or Hospitality
2.12	Aid to Other Impacted Industries
2.13	Other Economic Support* ^
2.14	Rehiring Public Sector Staff
3: Services to Disproportionately Impacted Communities	
3.1	Education Assistance: Early Learning* ^
3.2	Education Assistance: Aid to High-Poverty Districts ^
3.3	Education Assistance: Academic Services* ^
3.4	Education Assistance: Social, Emotional, and Mental Health Services* ^
3.5	Education Assistance: Other* ^
3.6	Healthy Childhood Environments: Child Care* ^
3.7	Healthy Childhood Environments: Home Visiting* ^
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System* ^



3.9	Healthy Childhood Environments: Other* ^
3.10	Housing Support: Affordable Housing* ^
3.11	Housing Support: Services for Unhoused Persons* ^
3.12	Housing Support: Other Housing Assistance* ^
3.13	Social Determinants of Health: Other* ^
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators* ^
3.15	Social Determinants of Health: Lead Remediation ^
3.16	Social Determinants of Health: Community Violence Interventions* ^
4: Premium Pay	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
5: Infrastructure²⁷	
5.1	Clean Water: Centralized Wastewater Treatment
5.2	Clean Water: Centralized Wastewater Collection and Conveyance
5.3	Clean Water: Decentralized Wastewater
5.4	Clean Water: Combined Sewer Overflows
5.5	Clean Water: Other Sewer Infrastructure
5.6	Clean Water: Stormwater
5.7	Clean Water: Energy Conservation
5.8	Clean Water: Water Conservation
5.9	Clean Water: Nonpoint Source
5.10	Drinking water: Treatment
5.11	Drinking water: Transmission & Distribution
5.12	Drinking water: Transmission & Distribution: Lead Remediation
5.13	Drinking water: Source
5.14	Drinking water: Storage
5.15	Drinking water: Other water infrastructure
5.16	Broadband: “Last Mile” projects
5.17	Broadband: Other projects
6: Revenue Replacement	
6.1	Provision of Government Services
7: Administrative	
7.1	Administrative Expenses
7.2	Evaluation and Data Analysis
7.3	Transfers to Other Units of Government
7.4	Transfers to Non-entitlement Units (States and territories only)

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions (see Use of Evidence section above for details)

^Denotes areas where recipients must report on whether projects are primarily serving disadvantaged communities (see Project Demographic Distribution section above for details)

²⁷ Definitions for water and sewer Expenditure Categories can be found in the EPA’s handbooks. For “clean water” expenditure category definitions, please see: <https://www.epa.gov/sites/production/files/2018-03/documents/cwdefinitions.pdf>. For “drinking water” expenditure category definitions, please see: <https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-national-information-management-system-reports>.



Appendix 2: Evidenced-Based Intervention Additional Information

What is evidence-based?

For the purposes of the SLFRF, evidence-based refers to interventions with strong or moderate evidence as defined below:

Strong evidence means the evidence base that can support causal conclusions for the specific program proposed by the applicant with the highest level of confidence. This consists of one or more well-designed and well-implemented experimental studies conducted on the proposed program with positive findings on one or more intended outcomes.

Moderate evidence means that there is a reasonably developed evidence base that can support causal conclusions. The evidence base consists of one or more quasi-experimental studies with positive findings on one or more intended outcomes OR two or more non-experimental studies with positive findings on one or more intended outcomes. Examples of research that meet the standards include: well-designed and well-implemented quasi-experimental studies that compare outcomes between the group receiving the intervention and a matched comparison group (i.e., a similar population that does not receive the intervention).

Preliminary evidence means that the evidence base can support conclusions about the program's contribution to observed outcomes. The evidence base consists of at least one non-experimental study. A study that demonstrates improvement in program beneficiaries over time on one or more intended outcomes OR an implementation (process evaluation) study used to learn and improve program operations would constitute preliminary evidence. Examples of research that meet the standards include: (1) outcome studies that track program beneficiaries through a service pipeline and measure beneficiaries' responses at the end of the program; and (2) pre- and post-test research that determines whether beneficiaries have improved on an intended outcome.



Revision Log

Version	Date Published	Summary of changes
1.0	June 17, 2021	Initial publication
1.1	June 24, 2021	• Pg. 12, removed references to “summary” level with respect to reporting by Expenditure Categories in the Interim Report to avoid confusion. • Pg. 13, revised the coverage period end date for the Interim Report from June 30, 2021 to July 31, 2021 to align with the IFR. • Pg. 13, removed references to “summary” level with respect to reporting by Expenditure Categories in the Interim Report to avoid confusion. • Pg. 31, removed references to “summary level” with respect to Expenditure Categories in Appendix 1 to avoid confusion.



Black Diamond Preliminary Budget

2022

City Council Workshop
September 30, 2021



'Black Diamond's New Gateway Entrance Sign'

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Black Diamond Historical Museum
Courtesy of Craig Goodwin

General Fund Revenue Projection for 2021	2021			2022		
	Budget	Actuals Thru June	Estimated Year End	Budget	\$ Budget Change	% Budget Change
REVENUES						
1 Beginning Cash and Investments	4,334,539	6,022,284	6,022,285	6,984,754	2,650,215	61.1%
2 General Property Taxes	2,014,434	1,129,080	1,974,145	2,214,434	200,000	9.9%
3 Sales Taxes	898,960	731,271	1,539,115	1,406,200	507,240	56.4%
4 State Sales Tax Assistance	-	5,975	8,000	6,000	6,000	0.0%
5 Utility Tax and Gambling Tax	694,400	434,539	770,150	791,650	97,250	14.0%
6 Cable Franchise Fees	69,350	37,499	70,000	73,500	4,150	6.0%
7 Business License	29,450	17,900	29,450	30,300	850	2.9%
8 Liquor Profits & Excise Tax	63,600	38,484	69,800	72,310	8,710	13.7%
9 KC EMS Levy, Recycle Grants & Misc	81,100	6,341	75,100	16,000	(65,100)	-80.3%
10 Community Development Rev	2,000,000	1,557,125	2,450,000	2,035,750	35,750	1.8%
11 Police Department Revenue	336,200	207,489	347,400	338,600	2,400	0.7%
12 Municipal Court Revenue	130,000	67,928	128,000	128,350	(1,650)	-1.3%
13 Parks Revenue	32,200	30,069	49,800	54,000	21,800	67.7%
14 Cemetery Revenue	5,700	500	600	2,500	(3,200)	-56.1%
15 Charges for Services & Misc Rev.	33,000	39,240	70,300	72,200	39,200	118.8%
16 Funding Agreement - MDRT	958,814	357,616	945,800	993,871	35,057	3.7%
17 Total Operating Revenues	7,347,208	4,661,055	8,527,660	8,235,665	888,457	12.1%
18 COVID Grants	-	34,311	34,311	-		
19 AWC 2019 Acct Change	249,500	122,657	280,000	312,800	63,300	25.4%
20 Devel Reimb-MDRT Conslt	1,845,000	490,391	1,400,000	1,845,000	0	0.0%
21 TOTAL GENERAL FUND SOURCES	13,776,247	11,330,699	16,264,256	17,378,219	3,601,972	26.1%

General Fund Expenditure Projection for 2021	2021			2022		
	Budget	Actuals Thru June	Estimated Year End	Budget	\$ Budget Change	% Budget Change
EXPENDITURES						
1 Legislative - Council	23,972	8,175	24,500	24,419	447	1.9%
2 Executive - Mayor	15,761	6,812	13,960	15,768	7	0.0%
3 Administrative Services	624,847	294,708	655,292	780,552	155,705	24.9%
4 Legal Services	204,000	79,752	290,600	306,300	102,300	50.1%
5 Prosecuting Atty and Public Defender	100,850	39,400	109,700	130,300	29,450	29.2%
6 Municipal Court	348,334	140,349	325,400	391,261	42,927	12.3%
7 Police Department	2,824,483	1,219,817	2,589,900	2,966,138	141,655	5.0%
8 Fire Department	613,853	303,783	616,450	1,024,100	410,247	66.8%
9 EMS/Recyl/Anim Cont/Mental Health	44,400	37,672	54,400	59,700	15,300	34.5%
10 Master Development Review Team	958,814	410,837	945,800	1,007,298	48,484	5.1%
11 Community Development	1,587,184	362,616	1,346,900	1,837,626	250,442	15.8%
12 Facilities	230,305	62,958	172,800	289,212	58,907	25.6%
13 Parks Department	143,338	65,699	192,300	281,183	137,845	96.2%
14 Cemetery	29,507	8,542	26,500	39,002	9,495	32.2%
15 Total Operating Expenditures	7,749,648	3,041,121	7,364,502	9,152,858	1,403,210	18.1%
16 Covid Costs	50,000	19,899	65,000	90,000	40,000	80.0%
17 AWC Insurance 2020 Acct Pmt	249,500	1,150	280,000	308,000	58,500	23.4%
18 Transfer to Street Fund	170,000	100,000	170,000	170,000	0	0.0%
19 Developer MDRT Consultants	1,845,000	320,297	1,400,000	1,845,000	0	0.0%
20 Total Expenditures	10,064,148	3,482,466	9,279,502	11,565,858	1,501,710	14.9%
21 30% Reserved Cash and Investments	3,019,244		2,783,851	3,469,758	450,513	14.9%
22 Unreserved Cash and Investments	692,855	7,848,232	4,200,903	2,342,603	1,649,749	238.1%
23 Total Cash and Investments	3,712,099	7,848,232	6,984,754	5,812,361	2,100,262	56.6%
24 TOTAL GENERAL FUND USES	10,757,003	11,330,699	16,264,256	17,378,219	3,601,972	33.5%

Street Fund Preliminary Budget 2022		2 0 2 1			2 0 2 2		
		Budget	Actuals Thru June	Estimated Year End	Prelim Budget	\$ Budget Change	% Budget Change
REVENUE							
1	Beg Cash & Investment Reserved	106,343	188,158	188,158	192,358	86,015	80.9%
2	Street Gas Tax	75,500	45,291	86,500	95,150	19,650	26.0%
3	Right of Way Permit	16,000	7,259	14,000	14,000	(2,000)	-12.5%
4	Other Revenue	21,500	21,735	26,400	29,300	7,800	36.3%
5	Total Operating Revenue	113,000	74,285	126,900	138,450	25,450	22.5%
6	Transfer In REET II	70,000	0	70,000	70,000	0	0.0%
7	Transfer In General Fund	170,000	100,000	100,000	170,000	0	0.0%
8	Transfer In Car Tab Fees	100,000	0	100,000	100,000	0	0.0%
9	Total Revenue	453,000	174,285	396,900	478,450	25,450	5.6%
10	TOTAL STREET FUND SOURCES	559,343	362,444	585,058	670,808	111,465	19.9%
EXPENDITURES							
11	Employee Salaries and Benefits	225,760	106,975	210,500	260,190	34,430	15.3%
12	Supplies	5,168	4,679	6,500	12,124	6,956	134.6%
13	Services and Charges	149,561	74,182	165,700	187,309	37,748	25.2%
14	Total Operating Expenditures	380,489	185,837	382,700	459,623	79,134	20.8%
15	Transfer Out - Capital Equip Replace	10,000	10,000	10,000	11,000	1,000	10.0%
16	Total Other Expenditures	390,489	195,837	392,700	470,623	80,134	20.5%
17	Ending Cash and Invest Reserved	168,854	166,607	192,358	200,185	31,331	18.6%
18	TOTAL STREET FUND USES	559,343	362,444	585,058	670,808	111,465	19.9%

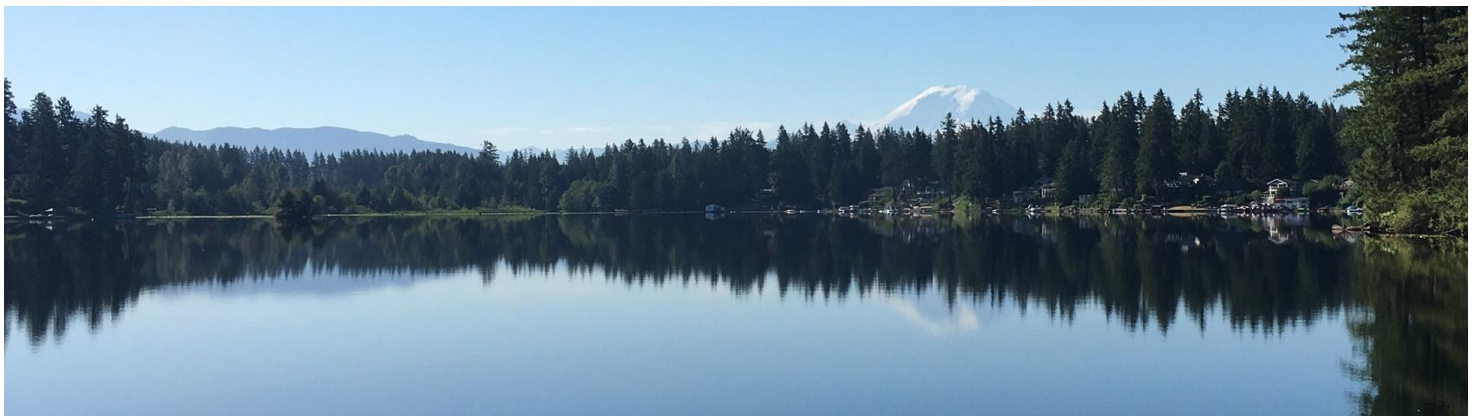


Rounabout with Mt. Rainier
Courtesy of Craig Goodwin

Water Fund Preliminary Budget 2022				2 0 2 2		
				Prelim Budget	\$ Budget Change	% Budget Change
2 0 2 1						
Budget						
Actuals Thru June						
Estimated Year End						
REVENUE						
1 Beg Cash & Investment Unreserved	571,357	660,141	660,141	467,677	(103,680)	-18.1%
2 Water Charges	985,400	531,735	1,200,000	1,272,000	286,600	29.1%
3 Hydrant and Irrigation Water Sales	75,000	29,517	120,000	110,000	35,000	46.7%
4 New Meters and Installations	109,000	89,275	130,000	120,000	11,000	10.1%
5 Water Permitting and Miscellaneous	95,000	71,359	110,000	95,000	0	0.0%
6 Total Operating Revenue	1,264,400	721,886	1,560,000	1,597,000	332,600	26.3%
7 Palmer Coking Coal -Payment (debt)	97,500	378,140	378,140	0	(97,500)	-100.0%
8 Water Permit Consulting-Deposits	60,000	9,057	9,057	60,000	0	
9 Total Revenue	157,500	387,197	1,947,197	1,657,000	1,499,500	952.1%
10 TOTAL WATER FUND SOURCES	1,993,257	1,769,224	2,607,338	2,124,677	131,420	6.6%
EXPENDITURES						
11 Employee Salaries	409,211	191,328	400,500	479,217	70,006	17.1%
12 Supplies	124,420	111,898	184,400	215,460	91,040	73.2%
13 Services and Charges	390,295	188,080	450,000	461,789	71,494	18.3%
14 Tacoma Franchise Mtc Cost	152,000	73,294	152,000	156,000	4,000	2.6%
15 Total Operating Expenditures	1,075,926	564,600	1,186,900	1,312,466	236,540	22.0%
16 Transfer Out - Water Capital & Res	175,000	175,000	600,000	0	(175,000)	-100.0%
17 Transfer Out - Capital Equip Reserve	10,000	10,000	10,000	10,000	0	0.0%
18 Total Transfers Out	185,000	185,000	610,000	10,000	(175,000)	-94.6%
19 Water Fund Debt Service	314,244	312,761	312,761	311,228	(3,016)	-1.0%
20 Water Permit Consulting	60,000	20,728	30,000	60,000	0	0.0%
21 Total Expenditures	1,635,170	1,083,088	2,139,661	1,693,694	58,524	3.6%
22 Ending Cash and Investments	358,087	686,136	467,677	430,983	72,896	20.4%
23 TOTAL WATER FUND USES	1,993,257	1,769,224	2,607,338	2,124,677	131,420	6.6%

Sewer Fund Preliminary Budget 2022		2021			2022		
		Budget	Actuals Thru June	Estimated Year End	Prelim Budget	\$ Budget Change	% Budget Change
REVENUE							
1	Beg Cash & Investment Unreserved	293,500	419,155	419,155	454,355	160,855	54.8%
2	King County Metro Sewer Charges	775,000	438,323	925,000	1,140,000	365,000	47.1%
3	Black Diamond Sewer Charges	411,000	234,826	485,000	515,000	104,000	25.3%
4	Miscellaneous	60,000	71,025	115,300	93,000	33,000	55.0%
5	Prior Year/KC Metro Refund	0	0	0	0	0	
6	Total Operating Revenue	1,246,000	744,175	1,525,300	1,748,000	502,000	127.4%
7	Transfer In from Sewer Reserves	0	0	0	0	0	0.0%
8	Total Revenue	1,246,000	744,175	1,525,300	1,748,000	1,164,855	93.5%
9	TOTAL SEWER FUND SOURCES	1,539,500	1,163,330	1,944,455	2,202,355	662,855	43.1%
EXPENDITURES							
10	Employee Salaries and Benefits	303,894	145,078	280,000	359,838	55,944	18.4%
11	Supplies	6,860	4,874	7,900	12,437	5,577	81.3%
12	Services and Charges	233,956	115,789	249,500	291,020	57,064	24.4%
13	KC Metro Sewer Payments	775,000	375,313	900,000	1,140,000	365,000	47.1%
14	Total Operating Expenditures	1,319,710	641,053	1,437,400	1,803,295	483,585	36.6%
15	Transfer Out - Capital Equip Replace	10,000	10,000	10,000	10,000	0	0.0%
16	Transfer Out - Capital Equip Replace			42,700		0	0.0%
17	Total Expenditures	1,329,710	651,053	1,490,100	1,813,295	483,585	36.4%
18	Ending Cash and Investments	209,790	93,122	454,355	389,060	179,270	85.5%
19	TOTAL SEWER FUND USES	1,539,500	744,175	1,944,455	2,202,355	662,855	43.1%

Stormwater Fund Preliminary Budget 2022				2 0 2 2		
				Prelim Budget	\$ Budget Change	% Budget Change
2 0 2 1						
REVENUE						
1 Beg Cash & Investment Unreserved	213,000	354,689	354,689	313,264	100,264	47.1%
2 Stormwater Charges	545,000	321,713	640,400	663,400	118,400	21.7%
3 Stormwater Inspection Fees & Misc	31,500	18,991	26,300	30,500	(1,000)	-3.2%
4 Total Operating Revenue	576,500	340,704	666,700	693,900	117,400	20.4%
5 Stormwater Grants	50,000	50,000	50,000	0	(50,000)	-100.0%
6 LGIP Investment Interest	2,500	178	275	500	(2,000)	-80.0%
7 Total Revenue	629,000	390,882	716,975	694,400	65,400	10.4%
8 TOTAL STORMWATER SOURCES	842,000	745,570	1,071,664	1,007,664	165,664	19.7%
EXPENDITURES						
9 Employee Salaries	301,983	146,365	290,900	362,329	60,346	20.0%
10 Supplies	10,360	3,759	7,000	12,448	2,088	20.2%
11 Services and Charges	290,336	133,706	250,500	321,397	31,061	10.7%
12 Services and Charges	602,679	283,829	548,400	696,174	93,495	15.5%
13 Transfer Out - Capital Equip Replace	10,000	10,000	10,000	11,000	1,000	
14 Transfer Out to Capital Projects	50,000	0	200,000	50,000	0	
15 Total Expenditures	662,679	293,829	758,400	757,174	94,495	14.3%
16 Ending Cash and Invest Unreserved	179,321	451,741	313,264	250,490	71,169	39.7%
17 TOTAL STORMWATER FUND USES	842,000	745,570	1,071,664	1,007,664	165,664	19.7%

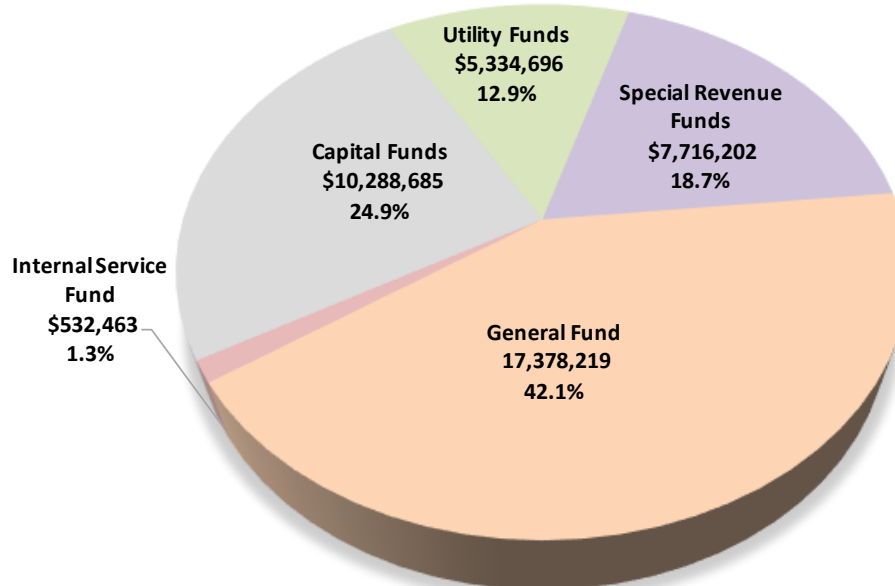


Lake Sawyer and Mt. Rainier
Courtesy of Craig Goodwin

Combined 2022 Preliminary Budget - All Funds

	Beginning Fund Balance	2022 Revenue	Total Sources	2022 Expenditures	Ending Fund Balance	Total Uses
1 General Fund 001	6,984,754	10,393,465	17,378,219	11,565,858	5,812,361	17,378,219
2 Special Revenue Funds						
3 101 Street Fund	192,358	478,450	670,808	470,623	200,185	670,808
4 107 Fire Impact Fees	1,792,527	656,636	2,449,163	2,449,163	-	2,449,163
5 108 Trans. Benefit District Fund	20,000	120,322	140,322	140,322	-	140,322
6 109 Traffic Mitigation Fees	170,522	181	170,703	170,703	-	170,703
7 110 ARPA Fiscal Recovery Funds	617,603	667,603	1,285,206	1,285,206	-	1,285,206
8 111 School Impact Fees	-	3,000,000	3,000,000		3,000,000	3,000,000
9 112 Transportation Impact Fees	-	2,000,000	2,000,000	2,000,000	-	2,000,000
10 Utility Operating Funds						
11 401 Water Fund	467,677	1,657,000	2,124,677	1,693,694	430,983	2,124,677
12 407 Sewer Fund	454,355	1,748,000	2,202,355	1,813,295	389,060	2,202,355
13 410 Stormwater Fund	313,264	694,400	1,007,664	757,174	250,490	1,007,664
14 Capital Funds						
15 310 Gen. Government CIP Fund	254,247	450,000	704,247	704,247	-	704,247
16 311 REET 1	450,000	453,000	903,000	470,000	433,000	903,000
17 320 Street CIP Fund	72,000	275,000	347,000	347,000	-	347,000
18 321 REET 2	465,000	453,000	918,000	602,850	315,150	918,000
19 322 Public Works Retainage	15,341	102,000	117,341	117,341	-	117,341
20 402 Water Supply and Facility Fund	-	4,370,000	4,370,000	4,370,000	-	4,370,000
21 404 Water Capital Fund	586,700	846,500	1,433,200	1,007,483	425,717	1,433,200
22 408 Sewer Capital Fund	271,200	-	271,200	35,000	236,200	271,200
23 410 Stormwater Capital Fund	-	1,224,697	1,224,697	545,697	679,000	1,224,697
24 Internal Service Fund 510	260,463	272,000	532,463	532,463	-	532,463
25 Grand Total All Funds	13,388,010	29,862,254	43,250,264	31,078,119	12,172,145	43,250,264

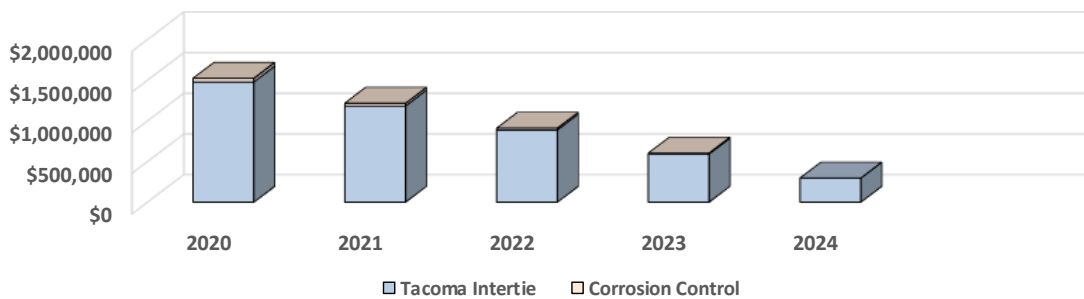
Total Black Diamond 2022 Preliminary Budget



City of Black Diamond - DEBT

Water Debt Service 2022											
Issue Date	Issue Amount	Type	Purpose	Maturity Date	12/31/2022 Debt Owed	2022 Principal	2022 Interest	2022 Total	2022 Debt Payment		
									Water Operating	Developer	Total 2022
2006	180,000	PWTF	Cor Contrl	2022	11,250	11,250	23	11,273	11,273		11,273
2005	3,407,063	PWTF	Tac 500mg	2024	630,298	197,070	2,956	200,026	200,026		200,026
	256,064	PWTF	Tac City 1st	2024							
	1,784,693	PWTF	Pump Fac, Res & Lines	2024	256,167	98,419	1,476	99,895	100,020		100,020
	5,447,820	PWTF			886,465	295,489	4,432	299,921	300,046	0	300,046
Totals	5,627,820				897,715.00	306,739	4,455	311,194	311,319	0	311,319
Less Developer Responsibility Palmer					0	311,319					
Net City Liability					897,715						

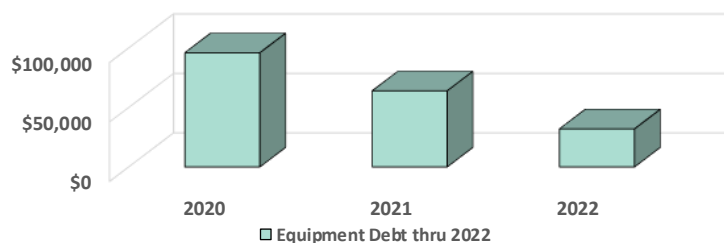
Water Debt thru 2024 (Principal Only)



Internal Loan: Equipment Replacement Debt Service to Sewer Reserves

Issue Date	Issue Amount	Type	Purpose	Maturity Date	Loan Balance	Principal	Payments Interest	Total Debt Service
					12/31/2018		2018	
2017	160,000	Internal	Police Vehilces	2022	160,000	32,000	800	32,800.00
					12/31/2019		2019	
					128,000	32,000	800	32,800.00
					12/31/2020		2020	
					96,000	32,000	800	32,800.00
					12/31/2021		2021	
					64,000	32,000	800	32,800.00
					12/31/2022		2022	
					32,000	32,000	800	32,800.00
Total Equipment Replacement Fund Service (2017 - 2022)								164,000.00

Police Equipment Debt thru 2022 (Principal Only)





CITY OF BLACK DIAMOND

2021 Calendar for 2022 Budget Meetings

As Passed by Resolution 21-1433

	Process	Work Study	City Council	State Law Limitations
1	Budget CALL: 2022 Budget requests and instructions go out to all departments			Sep 13
2	2022 Estimates to be filed with Finance/ City Clerk			Sep 27
3	<u>Special Meeting</u> Work study 6pm - CAO provides Council with current info on Revenue from all sources as adopted in 2021 Budget, provides the Clerk's proposed Prelim 2022 Budget for General Fund and 2022 Budget totals for all funds including debt service & possible Revenue for Property Taxes.	Sep 30		Oct 01
4	City Clerk Submits to CAO the proposed prelim 2022 budget setting forth the complete financial program			Oct 04
5	Work study- Special Meeting – 5:30 – General Fund Budget REV and EXP for Public Safety, Community Development, Parks etc. & possible Property Taxes increases.	Oct 21		Oct 15 – Nov 15
6	<u>Work study- Special Meeting</u> – 5:30 – Public Works 2022 Budgets for REV and EXP for Street, Water, Sewer, Stormwater, REET I&II and Gen Govt, Utilities, Capital Projects and Debt Service.	Oct 28		Oct 15 – Nov 15
7	Mayor prepares 2022 Preliminary Budget and message and files with Council and Clerk			Nov 02
8	City Clerk publishes notice of Public Hearing on 2022 Budget and filing of Preliminary Budget – once a week for two consecutive weeks			Nov 01 - Nov 18
9	Preliminary 2022 Budget Document made available to Public by November 3, 2021.			Nov 20
10	<u>Work study</u> 6:00- G/F 2022 Revenue Review and Possible Property Tax Increase & Ordinances	Nov 04		Nov 01 – Nov 30
11	1st Public Hearing on 2022 Revenue Sources including possible increases in Property Taxes, & two Property Tax Ordinances.		Nov 04	Nov 01 – Nov 30
12	Council adopts two 2022 Property Tax Ordinances & send to King County by Nov 30, 2021		Nov 18	Nov 30
13	City Council Holds 2 nd Public Hearing on 2022 Prelim Budget		Nov 18	Nov 01 – Nov 30
14	Special Meeting on Tuesday 7:00 -Council holds Final Budget Hearing on 2022 Budget		Nov 30	Dec 06
15	<u>Special Meeting</u> – City Council adopts Final 2022 Budget		Nov 30	Dec 31
16	Special Meeting- Council amends 2021 Budget		Nov 30	Dec 31