

RESOLUTION OF AMERICAN RESCUE PLAN ACT LOST REVENUE STANDARD ALLOWANCE

Resolution # 22-002

WHEREAS, The American Rescue Plan Act provides for State and Local Fiscal Recovery Funds, a definition which includes the City of Monmouth, Illinois, and

WHEREAS, The United States Treasury Department was tasked with administration of the American Rescue Plan Act and In July 2021 issued instructions, criteria, and limitations for the use of funds provided by the American Rescue Plan Act compiled titled U.S. TREASURY INTERIM FINAL RULE & GUIDANCE FOR STATE AND LOCAL FISCAL RECOVERY FUNDS (31 CFR Part 35/RIN 1505-AC77) henceforth U.S. TREASURY INTERIM FINAL RULE, and

WHEREAS, guidance in the U.S. TREASURY INTERIM FINAL RULE, defined multiple expense categories including formulas to demonstrate the impact of the public health emergency COVID 19 had the City of Monmouth revenues, and

WHEREAS, in January 2022, the U.S. TREASURY issued U.S. TREASURY FINAL RULE AND GUIDANCE FOR STATE AND LOCAL FISCAL RECOVERY FUNDS (31 CFR Part 35/RIN 1505-AC77) henceforth U.S. TREASURY INTERIM FINAL RULE, with further clarification of rules, processes, reporting and tracking requirements and significant changes to the process for determining recipient Lost Revenue, and

WHEREAS, U.S. TREASURY FINAL RULE provides the continued use of the aforementioned formula or provides for the City of Monmouth to claim a Standard Allowance consisting of the lesser of ten million dollars (\$10,000,000) or the total full funds provided to the City of Monmouth by the U.S. TREASURY in both tranches, and

WHEREAS, funds claimed by the City of Monmouth as Lost Revenue may be used for all purposes under Government Services as defined by the U.S. TREASURY INTERIM FINAL RULE and as expanded by the U.S. TREASURY FINAL RULE, and

WHEREAS, recovered Lost Revenue funds may not be used to establish reserve funds, resolve debt incurred prior to March 3, 2021, offset changes in taxes levied, make bulk payment to pension funds, or make payment on court directed settlements and must be accounted in the periodic reports required by the U.S. TREASURY INTERIM FINAL REPORT.

NOW THEREFORE, BE IT RESOLVED as follows:

1. The City of Monmouth elects the Standard Allowance method of calculating Lost Revenue for the City of Monmouth and henceforth shall regard \$1,209,248.21 (total

amount of both tranches) as recovered Lost Revenue subject to the rules, reporting and tracking requirements as defined in U.S. TREASURY FINAL RULE.

2. The City of Monmouth intends to utilize the funds for public water and sewer infrastructure as defined by the American Rescue Plan Act.
3. Further projects using Recovered Lost Revenue shall continue to be reviewed for eligibility by City Administration and approved by the City Council using the established processes.
4. The City Account Manager shall define accounting procedures to record uses of funds derived from Recovered Lost Revenue and shall provide City Administration with annual reports reflecting fund balance, obligations, and expenditures in order to properly prepare required reporting as defined by the U.S. TREASURY FINAL RULE.

Passed this 21st day of March, 2022

Mayor

ATTEST:

City Clerk