

# American Rescue Plan Act (ARPA) Strategic Recommendations

A report for the Town of Ranlo

Elizabeth Harry

Katie Jones

Zack Kier

Christian Malcolm

Robin Mikeal

Misty Santiago

Mindi White

Jaclyn Piatak, Ph.D.

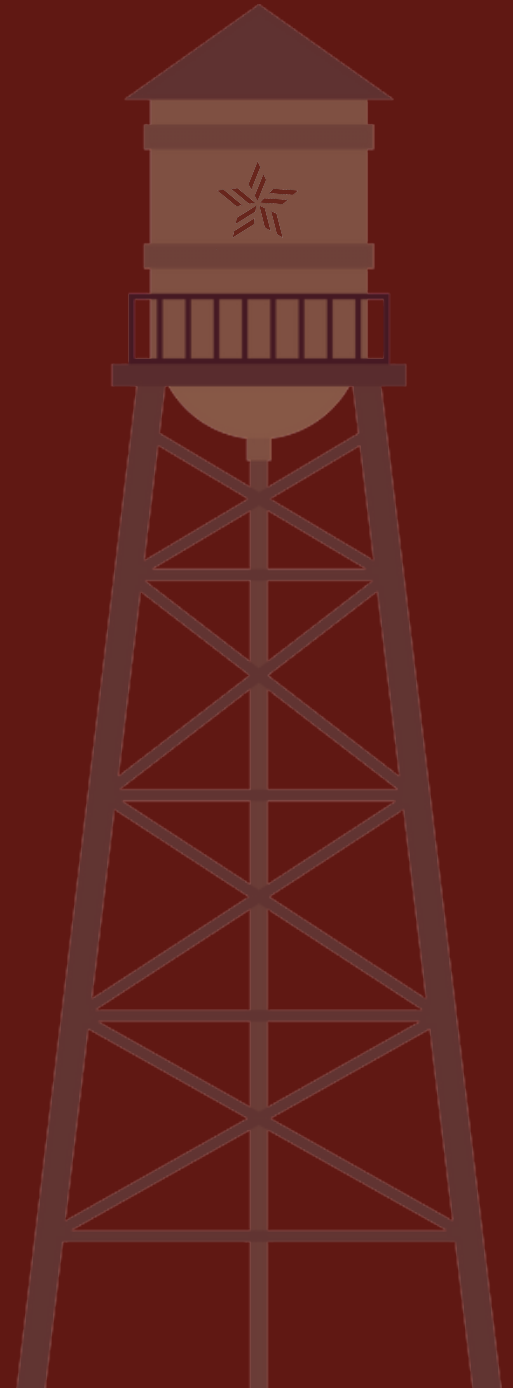
*Associate Professor,*

*Department of Political Science and Public Administration*

Curt Walton

*Founder and Principal*

*Walton and Hall LLC*



# Executive Summary

The Town of Ranlo tasked the Gerald G. Fox Master of Public Administration (MPA) program's capstone class to provide recommendations of potential uses of the town's American Rescue Plan Act (ARPA) grant funding based on eligibility, regional trends, town needs, and stakeholder priorities. As laid out in the Scope of Work (Appendix A), this report is structured around four goals:

1. Identify eligible uses of Ranlo's local fiscal recovery funds (LFRF);
2. Review peer municipalities' intentions for LFRF allocations;
3. Understand the priorities of stakeholders and community members from the Town of Ranlo; and
4. Recommend projects that are eligible, feasible, and responsive to community priorities.

To develop informed recommendations, the MPA team analyzed potential projects through regulatory, regional, and local lenses.

## **Regulatory Lens**

First, the MPA team sought to understand the spirit of the American Rescue Plan Act, including the federal government's guidelines for project eligibility and reporting requirements. The team reviewed all ARPA-related informational materials released by the United States Department of the Treasury, including the Interim Final Rule, frequently asked question (FAQ) documents, and the Compliance and Reporting Guidance. The team then researched how the federal guidance interacts with North Carolina state law. Projects must not only be eligible under federal ARPA legislation, but also authorized by the state general statutes. The team attended intensive webinars hosted by the University of North Carolina at Chapel Hill's School of Government (SOG). Other state-wide guidance review included blogs, presentations, and documents published by the North Carolina League of Municipalities (NCLM), the North Carolina Pandemic Recovery Office (NC PRO), and the North Carolina State Treasurer's Office.

## **Regional Lens**

The second level of analysis compared how other local governments in North Carolina are planning to utilize their LFRF. The MPA team performed comparative research through an online survey, interviews, and data analysis. The survey was shared with the North Carolina Local Government Budget Association. In-depth interviews with select local government employees gave context to survey findings and highlighted common uncertainties and priorities among other local governments. Through this research, the team examined ideas for possible projects, funding trends among Ranlo's peers, and insights into other governments' decision-making processes.

---

## **Local Lens**

Last, the MPA team gathered information about the priorities of stakeholders and community members of the Town of Ranlo. To understand historic funding priorities and the town’s strategic vision, the team reviewed guiding documents such as its Capital Improvement Plan (CIP), Board of Commissioners meeting minutes, recent grant applications, Independent Auditor’s Reports and Basic Financial Statements, and its Downtown Strategic Master Plan. The team also held a focus group with the town’s Community Advisory Master Planning Board (CAMPers) and performed staff member interviews to gain additional insight into how the pandemic affected Ranlo residents and government operations. These discussions revealed some of the town’s most pressing needs and biggest challenges. The town distributed a funding preference poll on the back of a water utility bill and a second survey was released by the MPA team through social media with the goal of identifying how Ranlo residents may prioritize various ARPA-eligible projects.

## **Recommendations**

The team compiled a comprehensive list of ideas for potential projects from the regulatory, regional, and local lenses. Next, the team developed guiding principles to guide project selection, ensuring that Ranlo’s use of its LFRF is both impactful to the community and a cost-effective use of one-time funding. The team determined that all recommended projects should prioritize social equity, promote public health, and help stabilize Ranlo’s operating budget.

The comprehensive list of projects was then reviewed to identify projects in line with the guiding principles and eligible for ARPA funding. These steps ensured that recommended projects in this report are compliant with state and federal regulations, informed by regional trends, and responsive to the Town of Ranlo’s local priorities.

Last, the final portfolio of eligible projects were sorted into a Project Prioritization Matrix, which prioritizes projects based on community impact and project cost.

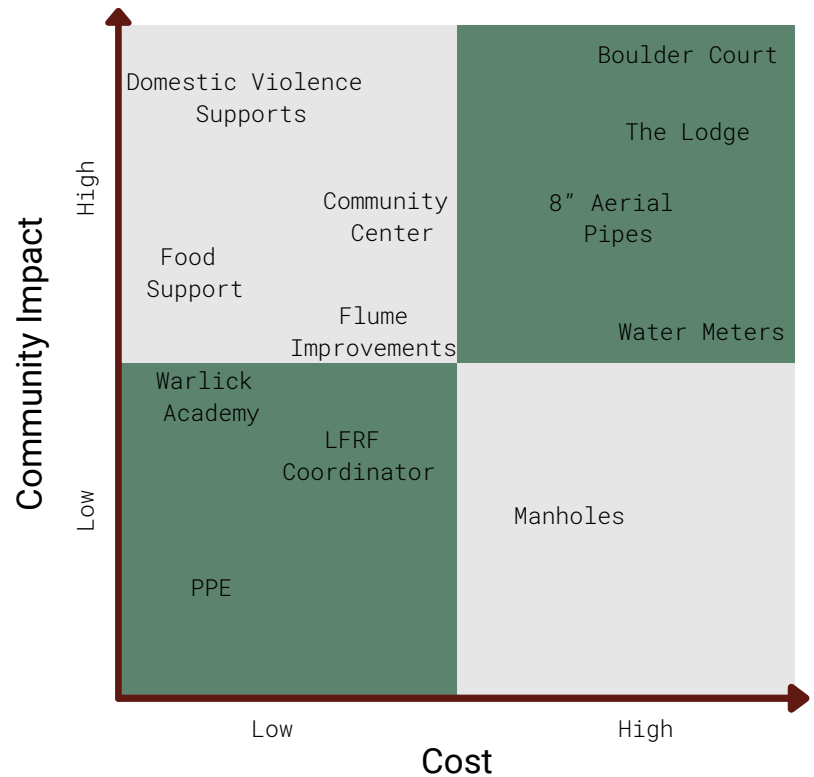


## Recommendations (Continued)

The MPA team recommends that the Town of Ranlo consider funding the following projects:

- Offer food support to Ranlo Residents
- Renovate the community center to accommodate social distancing
- Fund flume improvements
- Fund domestic violence training for first responders
- Purchase personal protective equipment for town employees
- Pay for the administrative costs of implementing ARPA-funded projects
- Offer higher education support to Warlick Academy graduates
- Replace manholes
- Begin a ten-year water meter replacement schedule
- Fund replacement of the Burlington Avenue eight-inch aerial crossing
- Renovate the Lodge to allow for social distancing
- Make improvements to Boulder Court stormwater drainage

## Project Prioritization Matrix





# Table of Contents

<b>1.1-Overview of Report.....</b>	<b>2</b>
1.2-COVID-19 and The American Rescue Plan Act of 2021.....	3
1.3-Background Information on the Town of Ranlo.....	5
1.4-Guiding Principles.....	7
<b>2.1-Methods.....</b>	<b>9</b>
2.2-Authority to Expend Funds Under ARPA Guidance & State Law.....	10
2.3-Ineligible Project Categories.....	11
2.4-Eligible Project Categories.....	13
2.5-Priority Populations.....	15
2.6-Guidance from the North Carolina Pandemic Recovery Office.....	16
2.7-Summary of the Regulatory Lens.....	17
<b>3-Regional.....</b>	<b>18</b>
3.1-Methods.....	19
3.2-ICMA Survey.....	20
3.3-Municipality Survey.....	21
3.4-Municipality Interviews.....	23
3.5-Summary of the Regional Lens.....	24
<b>4-Local.....</b>	<b>25</b>
4.1-Methods.....	26
4.2-Document Review.....	27
4.3-Social Media Review.....	30
4.4-Stakeholder Interviews.....	31
4.5-Community Preference Evaluations.....	33
4.6-Summary of the Local Lens.....	38
<b>5-Recommendations.....</b>	<b>39</b>
5.1-Project Prioritization.....	40
<b>5.2-High-Impact, Low-Cost Project Recommendations.....</b>	<b>41</b>
5.2.1-Offer Food Support to Ranlo Residents.....	42
5.2.2-Renovate the Community Center to Accommodate Social Distancing.....	44
5.2.3-Fund Flume Improvements.....	45
5.2.4-Fund Domestic Violence Training for First Responders.....	46
<b>5.3-Low-Impact, Low-Cost Project Recommendations.....</b>	<b>47</b>
5.3.1-Purchase Personal Protective Equipment for Town Employees.....	48
5.3.2-Pay for the Administrative Costs of Implementing ARPA-Funded Projects.....	49
5.3.3-Offer Higher Education Support to Warlick Academy Graduates.....	51
<b>5.4-Low-Impact, High-Cost Recommendations.....</b>	<b>53</b>
5.4.1-Manhole Replacements.....	54
<b>5.5-High-Impact, High-Cost Project Recommendations.....</b>	<b>55</b>
5.5.1-Begin a Ten-Year Water Meter Replacement Schedule.....	56
5.5.2-Fund Replacement of the Burlington Avenue Eight-Inch Aerial Crossing.....	57
5.5.3-Renovate The Lodge to Allow For Social Distancing.....	58
5.5.4-Make Improvements to Boulder Court Stormwater Drainage.....	59
<b>6 - Discussion &amp; Conclusion.....</b>	<b>60</b>
6.1 - Cost of all Recommendations Table and Discussion.....	61
6.2- Limitations of Recommendation.....	62
6.3 - Compliance and Reporting Guidance.....	64
6.4 - Other Local, State, and Federal Pandemic Relief and Welfare Resources.....	66
6.5 Conclusion.....	67
<b>7 - Acknowledgments.....</b>	<b>68</b>
<b>8 - References.....</b>	<b>70</b>

# Appendices Table of Contents

<b>Appendices.....</b>	<b>76</b>
A. Scope of Work.....	77
B. Timeline of Important Dates.....	81
C. City versus County Responsibility per North Carolina General Statutes.....	82
D. FY20 Revenue Replacement Calculation.....	83
E. Examples of "Safe Harbor" Projects.....	88
F. Premium Pay Policy Checklist.....	89
G. List of CRSRF and DWSRF Projects.....	90
H. Project Ideas for Priority Population and Map of Qualified Census Tracts.....	91
I. Municipality Survey.....	93
J. Combination of Projects Breakdown (from Municipality Survey).....	98
K. Facebook Community Survey.....	99
L. Community Demographics Comparison with Survey Responses.....	102
M. CAMPers Focus Group Interview Guide.....	103
N. List of All Project Ideas Considered.....	104
O. Expenditure Categories.....	105
P. Water Meter Replacement Schedule.....	107



# Introduction

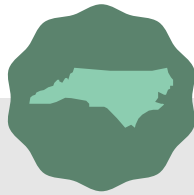
# 1.1 Overview of Report

Strategic recommendations are built upon three lenses of analysis. First, federal and state regulations regarding the American Rescue Plan Act of 2021 were reviewed. Second, regional trends were analyzed to determine how Ranlo's peers plan to spend LFRF allocations. Last, the MPA team sought to gain an understanding of the Town of Ranlo's local priorities. The report begins with an overview of the major findings from each of these three lenses. Recommendations are sorted into a Prioritization Matrix, which ranks projects by community impact and cost. The report concludes with a discussion on the recommendations.



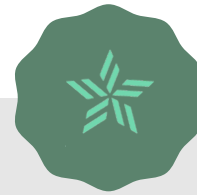
## REGULATORY

- Reviewed federal government's guidelines for project eligibility and reporting requirements.
- Researched how the federal guidance interacts with North Carolina state law.



## REGIONAL

- Analysis of how other local governments in North Carolina are planning to utilize their LFRF through comparative research using online surveys, interviews, and data analysis.
- Examined outcomes for projects, funding trends among and insights into other governments' decision-making processes.



## LOCAL

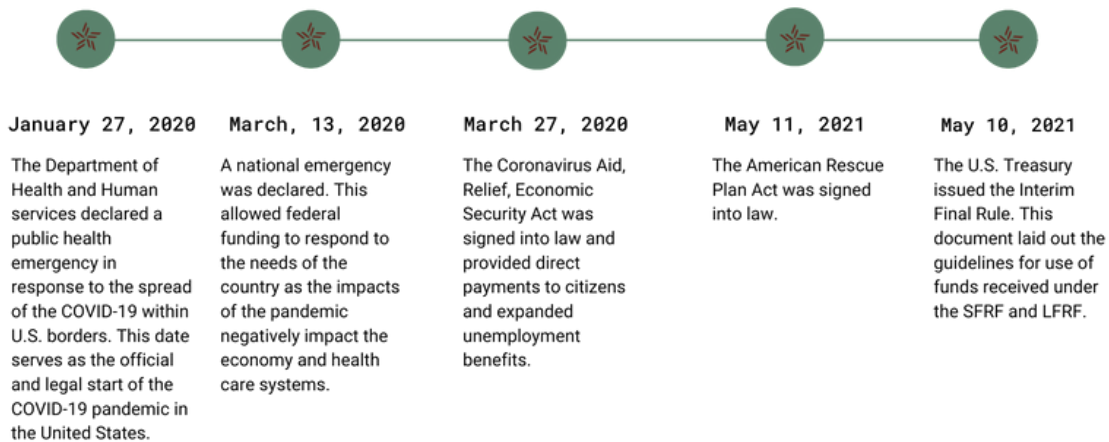
- Determined priorities and needs of the Ranlo's community members and other key stakeholders through document reviews and stakeholder interviews.

# 1.2 COVID-19 & The American Rescue Plan Act of 2021

COVID-19 appeared late in 2019 and quickly spread around the globe with the World Health Organization declaring it a global pandemic on March 11th, 2020. The government implemented a mandatory shut down as cases, hospitalizations, and deaths skyrocketed. At the time of this writing, over 770,000 Americans have died of COVID-19, with millions more contracting the virus (Center for Disease Control, 2021). In addition to the severe strain on the public health system, COVID-19 severely disrupted the U.S. economy as economic shutdowns diminished both demand and the ability to supply. The U.S. economy experienced two consecutive quarters of decline in gross domestic product output, with a decline of over 9% in the second quarter of 2020; the largest decline in recorded history (Bauer, Broady, Edleberg, & O'Donnell, 2020). Additionally, U.S. unemployment spiked to roughly 13% in 2020 as the pandemic hurled the economy into a recession (U.S. Bureau of Labor Statistics, November 5, 2021).

H.R. 1319, or the American Rescue Plan Act of 2021 (ARPA) was signed into law by President Biden on March 11, 2021. The law provided “a substantial infusion of resources to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery” (U.S. Department of the Treasury, n.d.). ARPA provides states and local governments with economic support through the establishment of the Coronavirus State and Local Recovery Funds. The Town of Ranlo has already received \$584,491.11 (Total Amount of Local Fiscal Recovery Funds Disbursed to Non-Entitlement Units, 2021), and will receive an equal amount 12 months after the first tranche for a total of \$1,168,982.44. Using provisions established by the U.S. Treasury, state and local governments have been permitted to determine how to best allocate funds to best serve their communities.

The following timeline of events represent significant points in the past two years that have contributed to the passage of the ARPA and the establishment of the LFRF.



---

COVID-19 created challenges for the Town of Ranlo similar to localities across the country. Since the beginning of the pandemic, Ranlo experienced labor shortages and had to cancel or postpone signature events such as its Fall Festival. The Town Council and management continued to serve the residents of Ranlo and took action to address the impacts of the pandemic, including:

- Offered Town of Ranlo residents assistance with water utility bills,
- Rewarded the town’s full-time employees with a premium pay bonus,
- Applied for grants and sought other sources of fiscal relief from COVID-19, and
- Initiated several important non-pandemic related projects such as the CIP, Downtown Strategic Master Planning, and new utility billing rate schedule.

### **1.2.1 Guidance from The United States Department of the Treasury**

Guidelines for obligating funds received through the LFRF are outlined in the Interim Final Rule on the Local Coronavirus Relief Fund as issued by the U.S. Department of the Treasury on May 17, 2021. While a final rule has not yet been issued, local governments were permitted to obligate and expend funds in accordance with the current Interim Final Rule without penalty, should the final rule vary from current guidance.

Four broad categories of spending were outlined within the Interim Final Rule: (1) responding to the health emergency and negative economic impacts, (2) premium pay for essential workers, (3) lost revenue recovery for local governments, (4) investments in water, sewer, and broadband infrastructure.

#### **1.1.2.2 Timeline**

The long-term impacts of the COVID-19 pandemic on local communities have yet to be seen. ARPA was written to give local governments long-term flexibility to obligate and expend funds. Local governments are expected to incur and obligate funds by December 31, 2024, while all funds should be expended and all work completed by December 31, 2026. A list of important dates including reporting deadlines is included in Appendix B.

### **1.2.3 Procurement of Funds**

The Town of Ranlo is designated as a Non-Entitlement Unit (NEU) by the U.S. Department of the Treasury. NEU’s are governments that serve less than 50,000 citizens. As outlined in the Interim Final Rule, Ranlo’s funds were disbursed to the North Carolina State Treasury. The State Treasury then disperses funds to the Town in two installments. The Town received its first installment of \$584,491.11 and is expected to receive a second and equal installment in 2022.

The Town of Ranlo qualified for funding through the establishment of the Local Coronavirus Recovery Fund by the ARPA. The U.S. Department of the Treasury allocated \$705 billion for Non-Entitlement Units in North Carolina, with \$1,168,982.44 allocated to Ranlo. This funding is non-renewable in nature and the town is not expected to receive any additional funds under LCRF.

# 1.3 Background Information on the Town of Ranlo

Incorporated in 1963, the Town of Ranlo is located about 4 miles northeast of Gastonia in Gaston County. The town began as a collection of small villages that grew around the textile mills established in the area during the late 19th and early 20th centuries. At 1.81 square miles, Ranlo has experienced consistent population growth in the past 20 years. Due to its location outside of Gastonia and proximity to the expanding Charlotte area suburbs, the population has doubled, with Census data suggesting the town currently has 4,525 residents (Orr, 2020). In March 2020, the town government unanimously approved a vote to transition to a council-manager form of government and hired Ranlo’s first professional manager. The Town operates its own police department and has one school within its border, Warlick Academy, which is operated by the Gaston County School District.

At present, the town is on the State Treasury’s Unit Assistant List (UAL). Placement on the UAL subjects the Town to budget approvals and borrowing restrictions determined by the Local Government Commission (LGC). Additionally, placement on the UAL can impact Ranlo’s bond rating. The LGC has “direct concerns relating to overspending, and weaknesses within the town’s water and sewer fund” (Guerro, 2021). For FY 21-22, property, garbage, and water taxes were increased. The tax increases will assist the Town in remedying the issues identified by the LGC and seek to increase the town’s fund balance.

ARPA and its resulting funds have given Ranlo a rare opportunity to insulate the town from the impacts of COVID-19, while also giving the town the ability to respond to community needs and enhance capital. With a new professional manager in place, and active community engagement, Ranlo is likely to experience continued growth as Gaston County and the Charlotte area suburbs continue to expand.



Median Home Price

\$219,000



Annual Household Income

\$56,800



Median Age

35.4





The Town of Ranlo’s Board of Commissioners meets monthly, and meetings are live-streamed over Facebook. The MPA team reviewed meeting minutes from these monthly meetings beginning in January 2020.

### Review of Board Meetings

- Changed Ranlo’s form of government from Council-Mayor to Council-Manager
- Hired a Town Manager, Jonathan Blanton, Esq., MPA
- Adopted a payment plan for resident’s delinquent water and wastewater services, pursuant to Governor Cooper’s Executive Order 124
- Revised the town’s fee schedule
- Adopted a new personnel policy
- Increased water and wastewater billing rates
- Discussed the possibility of funding a higher education scholarship for graduates of Warlick Academy
- Responded to the impacts of COVID-19
- Drafted a Downtown Master Plan and Capital Improvement Plan



# 1.4 Guiding Principles

As stipulated in the ARPA guidelines, fund allocations must fall within one of four expenditure categories. These categories serve as the foundation for the MPA team recommendations. Additionally, the MPA team developed guiding principles to further refine the list of project ideas that met criteria for eligibility according to statutes and regulations. These guiding principles focused on meeting the needs and concerns of the town residents, business owners, and municipal administration, for both the short- and long-term.

## **1.4.1 Social Equity**

Public services often mirror social equity in a community. When decision making for public services are filtered through the lens of social equity, historically disenfranchised populations have the same opportunities to access public services (Wooldridge & Gooden, 2009). The Interim Final Rule directs that programs and services implemented using LFRF should be considered equitably and be seen as a priority (U.S. Department of the Treasury, 2021, Coronavirus State and Local Funds Interim Final Rule, p.11).



## **1.4.2 Public Health Compatibility (COVID-19 Adaptations)**

The COVID-19 pandemic has highlighted the need for consideration of public health by municipal administration. The specifics of the next public health crisis cannot be known; however, we can consider adaptations used to combat COVID-19 as mitigation measures. The Town of Ranlo classifies itself as a small, but active, community. Ensuring that public services are aligned with public health protocols, the town would be equipped to provide a high level of quality engagement for the community.

## **1.4.3 Budget Stabilization**

The LGC has placed the town on its UAL. Therefore, Ranlo's leadership team is actively managing the town's finances to ensure that all budgetary matters are handled in the most effective and efficient manner. Some projects may assist in stabilizing the town's financial position more than other project ideas. Further, the significant population growth seen in Ranlo in the past two decades has strained government services. Some projects may assist to generate revenue to maintain and expand service levels.



## 2. Regulatory

# 2.1 Methods

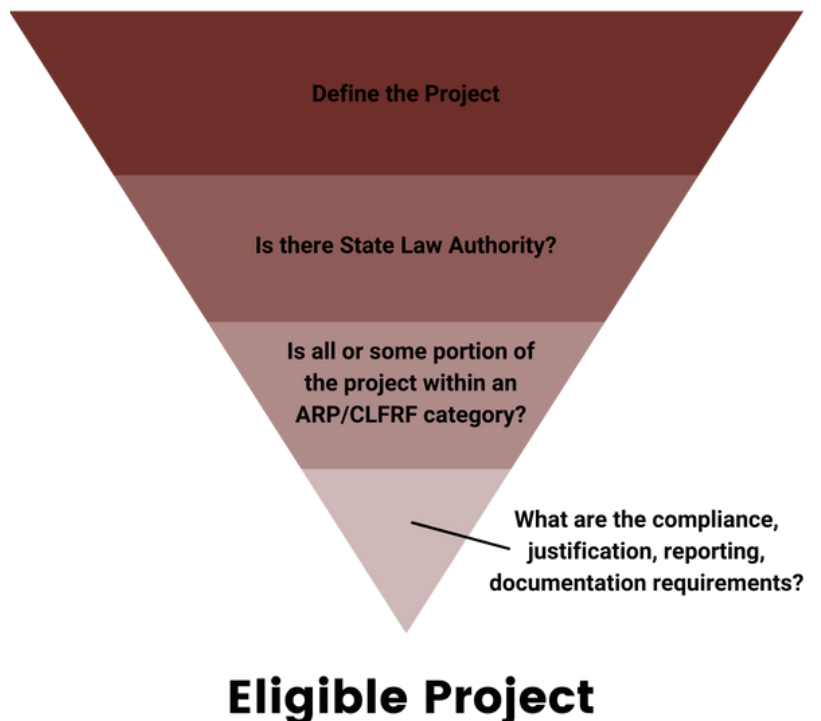
The MPA team reviewed all of the U.S. Department of the Treasury’s publications about the American Rescue Plan Act of 2021 (H.R.1319) such as the Interim Final Rule, FAQ documents, and the Compliance and Reporting Guidance (U.S. Department of the Treasury, 2021, May 17; U.S. Department of the Treasury, 2021, November 15a; U.S. Department of the Treasury, 2021, November 15b). Publications from professional and local governmental organizations such as the International City/County Managers Association (ICMA) and the Government Finance Officers Association (GFOA) were also reviewed. Special consideration was given to understanding the nuance of interpreting ARPA in terms of authority to expend funds under North Carolina state law. To gain a local understanding, the MPA team consulted with organizations including the North Carolina Pandemic Recovery Office (NC PRO), UNC Chapel Hill’s School of Government (UNC SOG), and the North Carolina League of Municipalities (NCLM).

The MPA team also participated in weekly online ARPA trainings through the UNC SOG. The team attended weekly “ARP Office Hour” sessions with the School of Government’s Kara Millonzi, and also attended a six-day course entitled “Basics of the American Rescue Plan Act” through UNC’s School of Government.

### **2.1.1 Framework for Determining Project Eligibility**

Ranlo’s use of its LFRF must comply not only with federal guidance, but also with North Carolina state law. Some usages that are eligible under the federal guidance may not be allowable for North Carolina governments, so care must be taken to ensure authority exists to expend funds on eligible projects. Figure 2.1.1 illustrates a framework for determining project eligibility.

Figure 2.1.1: Framework for Determining Project Eligibility



## 2.2 Authority to Expend Funds Under ARPA Guidance & State Law

In this report, any interpretations of authority to expend funds under North Carolina state law are primarily gathered from the UNC School of Government’s Coates’ Canons Government Law blog and the course “Basics of the American Rescue Plan Act,” also from the UNC School of Government (University of North Carolina at Chapel Hill, 2021).

### **2.2.1 Municipal and County Division of Responsibility**

In North Carolina, cities and counties have different responsibilities. There are some governmental functions that counties or cities must provide. Other functions are optional, and may be provided by cities, counties, or both. Gaston County provides the Town of Ranlo with social services, public health, and mental health services. Gaston County does not, however, provide county-wide water and sewer. A table of the division of city and county responsibilities per the North Carolina General Statutes is included in Appendix C.

This division of responsibilities affects Ranlo’s overall strategy for allocating LFRF to certain eligible projects. Even though public health projects are a primary target for LFRF, Ranlo may receive more benefit by focusing its funds on water and sewer infrastructure projects because it is the primary government responsible for ensuring its residents receive an adequate level of service. Ranlo should consider partnering with Gaston County to address issues of public health and other county-level tasks.



## 2.3 Ineligible Project Categories

### **2.3.1 Replacing Lost Revenue**

Ranlo is not eligible to claim lost revenue in FY20. The Interim Final Rule explains a formula to determine the amount of LFRF governmental units are allowed to claim under the “lost revenue” expenditure category (U.S. Department of the Treasury, May 17, pp. 58-59). To calculate Ranlo’s lost revenue per the Interim Final Rule guidance, the MPA team used the GFOA’s ARPA Revenue Replacement Calculator (Government Finance Officers Association, National Association of Counties, 2021). The GFOA calculator was chosen based on recommendations from the NCLM and the UNC SOG. The team referenced Ranlo’s Annual Audited Basic Financial Statements to gather budget details from FY16 through FY20, such as actual revenues by fund for a given fiscal year. To determine which revenue sources are eligible for inclusion in the calculation, the team consulted GFOA and the UNC SOG’s October 22, 2021 ARPA training course (University of North Carolina at Chapel Hill, 2021). Full documentation of the FY20 Revenue Replacement calculation is included in Appendix D.

Ranlo is instructed by the U.S. Department of the Treasury to perform a lost revenue calculation annually (at the close of each fiscal year through 2024) to check if revenue losses can be claimed in future years. Of all ARPA-eligible expenses, using LFRF to replace lost revenue offers the most flexible spending options for local governments. Ranlo may use lost revenue to pay for a wide variety of general government projects and programs. The federal restrictions on this expenditure category may be more restrictive than state law. G.S. 160A-17.1 allows North Carolina governments to accept grants in aid from the federal government. If Ranlo is able to claim a revenue loss in future years, it will be able to use that amount of LFRF towards most general government services.

Other than revenue replacement, there are two other ways Ranlo can fund a wider variety of general government services using LFRF. First, Ranlo may consider investment earnings from LFRF to be unrestricted, and eligible for use towards most general government services. Second, ARPA does not prohibit supplanting previously spent or regularly budgeted expenditures, as long as the expenditure meets the criteria set out by ARPA and the Interim Final Rule. This means that Ranlo can reimburse itself for certain eligible expenditures incurred between March 3, 2021 and December 31, 2024.

### **2.3.2 Building Broadband Infrastructure**

The authority for North Carolina governments to do broadband infrastructure is not clear. Based on the precedent set in *BellSouth Telecommunications, Inc. v. City of Laurinburg* (2005), municipalities in NC have authority to fund and construct broadband infrastructure as a public enterprise. However, before it undertakes such a project, it must satisfy all of the requirements of G.S. Ch. 160A, Art. 16A. This law significantly restricts eligibility to undertake broadband infrastructure projects. The School of Government advises local governments to wait for the legislature to clarify authority before pursuing broadband infrastructure projects. For this reason, broadband infrastructure projects were not considered for recommendation.

### **2.3.3 Other Explicitly Ineligible Uses**

Some uses of LFRF are explicitly prohibited. These include borrowing money or repaying loans; making contributions to rainy-day funds or other reserve funds; paying litigation costs; use as a non-federal match for other federal grants; promoting economic development in general; or making contributions to pensions (University of North Carolina at Chapel Hill, 2021).

## **Ineligible Uses of LFRF**

- Borrowing money
- Repaying loans
- Contributions to rainy-day funds
- Contributions to reserve funds
- Paying litigation costs
- Using non-federal match for other federal grants
- Projects that sole goal is to promote economic development
- Contributions to pensions



## 2.4 Eligible Project Categories

### **2.4.1 Responding to the Negative Economic and Public Health Impacts of the Pandemic**

Projects aimed at mitigating the negative economic and public health impacts of the pandemic must define a specific issue caused by COVID-19. Projects must offer clear and direct solutions to issues created by the pandemic. Projects that address public health impacts are programs that arose because of the pandemic, such as contact tracing; or, they are an adaptation of an existing function or asset to meet new demands, such as renovations to accommodate social distancing. The School of Government proposes several “safe harbor” projects that respond to the negative health and economic impacts of COVID-19 that help illustrate the intent of this funding category, a few of which are listed in Appendix E.

Ranlo has already taken steps to address negative economic and public health impacts of the pandemic, which may be eligible for reimbursement. For example, projects such as vaccine clinics are clearly eligible under the category “Responding to the Negative Economic and Public Health Impacts of the Pandemic.” As long as these projects were not already reimbursed by a different grant, Ranlo may consider paying these expenses with its LFRF.

### **2.4.2 Continue to Offer Premium Pay to Essential Employees**

Ranlo already offered bonus pay to its employees during the pandemic. In November 2019 and 2020, all town employees received a Christmas bonus within the range of \$250 to \$775 (Town of Ranlo, 2020, November 12). Neither of these payments are eligible to be reimbursed with LFRF. Looking forward, Ranlo may use LFRF to make premium payments to essential workers for any work performed after March 3, 2021.

Under ARPA, the Interim Final Rule specifies that premium pay may only be offered to essential workers, who are defined as employees who do not perform their job while teleworking from home; have regular, in-person interactions with the public; or, regularly handle items also handled by the public (U.S. Department of the Treasury, 2021, May 17, p. 132-133). Premium pay is meant to be offered as a bonus, in addition to an employee’s regular salary, and is not intended to replace an employee’s salary.

G.S. 160A-162 allows governments to pay compensation and fringe benefits to its employees. There is no clear statutory authority to grant aid to non-governmental organizations for the purpose of premium pay. The “aid to small businesses” aspect of premium pay under the federal guidance may not be authorized in North Carolina.

Ranlo will need to adopt a COVID-19 premium pay policy if it wishes to continue offering premium or bonus payments to its employees using LFRF. The School of Government’s premium pay checklist is included in Appendix F.

### **2.4.3 Water and Sewer Infrastructure**

Many North Carolina governments regularly undertake water and sewer infrastructure projects. G.S. 160A-313 enables North Carolina governments to carry out water and sewer infrastructure improvements. ARPA aligns project eligibility for water and sewer projects with the EPA’s Clean Water State Revolving Funds (CWSRF) and Drinking Water State Revolving Funds (DWSRF) (U.S. Environmental Protection Agency, 2021a; U.S. Environmental Protection Agency, 2021b). A full list of eligible CWSRF and DWSRF projects is included in Appendix G.

Projects may only address the needs of the current or near-term customer base, such as expansions to properties that use private wells, or updating aging infrastructure.



**Prospective projects that expand systems for the purpose of economic development are ineligible.**

Ranlo is already planning on undertaking many water and sewer projects, such as those listed in the town’s Water Distribution and Sanitary Sewer Capital Improvement Plans. Any of these projects could be eligible for LFRF as long as they

- Align with one of the CWSRF or DWSRF eligible project categories;
- Address the needs of the current or near-term customer base;
- Are not primarily intended for economic development or to expand service; and
- Are completed between March 3, 2021 through December 31, 2026.

### **2.4.4 Subawards and Interlocal Agreements**

The federal guidance allows grants of aid to private businesses or nonprofits. However, North Carolina law circumscribes local units’ authority to make direct grants of aid to private firms. G.S. 160A.20.1 allows municipalities to contract with a nonprofit or other private entity to carry out a program or function that the government would otherwise have authority to perform on its own. If the government enters into such a contractual agreement, it still has the responsibility of ensuring funds are spent for the agreed upon public purpose through oversight, auditing, and proper accounting of funds. Similarly, local units may wish to collaborate with other regional governments when expending LFRF. G.S. 160A, Art. 20 gives local governments authority to enter into interlocal agreements with other governments to perform programs or functions that the government itself would otherwise have the authority to do. Any such partnerships or contractual agreements with other private, nonprofit, or governmental entities would be considered subrecipients of LFRF, and therefore required to comply with all subrecipient reporting and documentation requirements as explained in the U.S. Department of the Treasury’s Compliance and Reporting Guidance (2021, November 15b).



## 2.5 Priority Populations

The Interim Final Rule places a special emphasis on using funds to aid the public health and economic impacts of communities which have been disproportionately impacted by the pandemic, especially for projects that increase access to social services, address housing insecurity and homelessness, address issues of equity in education, or promote healthy childhoods (U.S. Department of the Treasury, 2021, May 17, pp. 141-143).

Any project aimed at ameliorating the impact of the pandemic on disproportionately impacted communities that occurs within a Qualified Census Tract (QCT) is presumed eligible under ARPA (U.S. Department of the Treasury, 2021, May 17, p. 21). There are no QCTs that overlap with Ranlo's municipal boundaries, so Ranlo will not be able claim a presumption of eligibility. If Ranlo wishes to fund projects that aid disproportionately impacted communities, it will have to prove the project actually serves "disadvantaged communities." The official criteria for determining whether or not a project serves a disadvantaged community will be defined in the forthcoming Reporting Guidance and User Guide, to be released by the U.S. Department of the Treasury after the Fiscal Recovery Final Rule is issued. More information about projects for priority populations and qualified census tracts is included in Appendix H.



North Carolina governments have explicit authority to fund a broad array of programs for the particular benefit of Low- and Moderate-Income (LMI) residents and senior citizens. G.S. 160D-1311 authorizes "programs concerned with employment, ... crime prevention, child care, health, drug abuse, education, and welfare needs of persons of low and moderate income." G.S. 160A-497 gives authority for governments to "undertake programs for the assistance and care of its senior citizens [aged 60 years and older] including but not limited to programs for in-home services, food service, counseling, ... and transportation..." The project examples quoted here are all also eligible under ARPA.

## 2.6 Guidance from the North Carolina Pandemic Recovery Office

The North Carolina Pandemic Recovery Office (NC PRO) was established by Session Law 2020-4 of House Bill 1043 to manage the fiscal aspects of the state's response to the pandemic. The agency not only oversees the technical aspects of distributing funds to local governments, but also offers guidance on strategies for expending the funds. They have published guidance specifically geared towards NEUs and small towns, such as a list of potential uses, a fact sheet on the SLFRF for North Carolina, a series of educational videos, and links to external state and federal resources.

NCPRO suggests that even very small governmental units with limited staff capacity could make use of the LFRF with the following potential uses: offer loans to local small businesses to assist with payroll, purchasing PPE, or other COVID-19 mitigation efforts; adapt facilities to meet the operational needs of the pandemic; contract with local nonprofits, non-governmental organizations, or other local governments to deliver services; partner with the county on collaborative projects; offer direct aid to households via food assistance, utility, rent/mortgage, home repair, counseling, or legal aid; offer survivors benefits to widows, widowers, or dependents of people who have died from COVID-19; or, prevent the spread of COVID-19 via vaccination campaigns, contact tracing, testing, or medical care (N.C. Pandemic Recovery Office, 2021a).

NCPRO and the NC Office of Strategic Partnerships jointly published an ARPA Fact Sheet, specifically for North Carolina governments (2021, August). It reiterates the U.S. Department of the Treasury's broad guidance by outlining the four spending categories. It also points to resources such as the Interim Final Rule, the U.S. Department of the Treasury's FAQ documents, and notifies local units that NCPRO is available to offer personalized technical assistance upon request.

NCPRO produced a series of educational videos about ARPA called NCPRO Talks (2021b). The videos cover both technical topics (such as pre-contracting requirements) as well as general guidance. There is a series of videos made specifically for NEUs, including FAQs, eligible uses, and information about calculating lost revenue

# 2.7 Summary of the Regulatory Lens

## 2.8 Summary of the Regulatory Lens

Federal and state-wide guidance on eligible uses of LFRF provide a wide array of potential projects for consideration. Major project categories include: responding to the public health and negative economic impacts of the pandemic; providing premium pay for essential workers; replacing lost revenue; and investing in water, sewer, and broadband infrastructure.

There are some types of projects that are ineligible under either state law or the federal ARPA guidelines. Ranlo is not eligible to replace lost revenue in FY2020, but should perform the lost revenue calculation annually for the life of the grant. Broadband infrastructure projects are not ineligible, per se; but, the state legislation around municipal authority to undertake such projects is not clear. The School of Government advises governments in North Carolina to await clarification before proceeding with broadband infrastructure. Other expenditure types are explicitly ineligible, including: borrowing money or repaying loans; making contributions to rainy-day funds or other reserve funds; paying litigation costs; use as a non-federal match for other federal grants; promoting economic development in general; or making contributions to pensions.



**The School of Government advises governments in North Carolina to await clarification before proceeding with broadband infrastructure.**

Ranlo is eligible to undertake projects that respond to the public health and negative economic impacts of the pandemic; but, because Gaston County is primarily responsible for public health, Ranlo may be better off funding other types of projects. Projects that address the negative impacts of the pandemic, especially for disproportionately impacted communities, are eligible. Ranlo may also choose to pay for water and sewer infrastructure projects with its LFRF. Premium pay for the Town of Ranlo's essential employees is also an eligible use. There are no prohibitions against supplanting general operating expenses with LFRF, as long as the expenses are eligible under ARPA.



## 3. Regional

## 3.1 Methods

The MPA team sought to collect data from other jurisdictions from across the state to identify what other jurisdictions were doing with their LFRF. First, the MPA team analyzed a national survey from the International City/County Managers Association to identify LFRF spending trends across the country. Second, the MPA team surveyed the North Carolina Local Government Budget Association (NCLGBA) listserv to identify trends across the state. Third, the MPA team conducted qualitative interviews with municipal employees.



# 3.2 ICMA Survey

In September 2021, the International City/County Managers Association (ICMA) conducted a survey of its members regarding ARPA funding and received feedback from various Chief Executive Officers around the country (Goddeeris, 2021).

## 3.1.1 Major Investment Priorities

Infrastructure was the top investment priority for all communities, regardless of size. Specifically, governments highlighted a desire to invest in water, sewer, and broadband infrastructure. Water/sewer infrastructure was identified as the highest priority for 74% of governments. The next highest priorities were replacing lost public sector revenue and addressing negative economic impacts associated with the pandemic. The least popular choices were supporting public health expenditures and providing premium pay for essential workers.

## 3.1.2 Management & Coordination

Nearly half of those surveyed indicated that their governments are anticipating the hiring or designation of someone to coordinate and manage the ARPA funds. Local governments are more likely to hire or designate a coordinator internally, but nearly a fourth of those surveyed stated that they are considering hiring consultants.

## 3.1.3 Planning for ARPA

A government's Capital Improvement Plan (CIP) seems to be a driving factor in planning. Three out of four respondents indicated that their CIP is helping to set priorities in their spending. However, many governments are now using plans that have been developed in the post-pandemic era. A quarter of governments reported that they have conducted community engagement activities to guide ARPA spending.

## 3.1.4 Outstanding Questions

Respondents indicated that they are still awaiting final guidance from the U.S. Department of the Treasury and some governing bodies are hesitant to spend money in the absence of the Final Rule.

# 3.3 Municipality Survey

The MPA team conducted an anonymous survey about LFRF spending intentions that was posted on the NCLGBA listserv of roughly 120 organizations. A total of 54 responses were received with each response representing a separate jurisdiction. The survey opened on October 11, 2021 and remained active for two weeks. While the survey is not representative of municipalities across the state, the responses provide insights on LFRF spending intentions for different types of municipalities in North Carolina. Since large municipalities may be over-represented, spending intentions are examined by population size. A full list of the questions asked in this survey are listed in Appendix I.

Table 3.2 below shows spending intentions by population size. When respondents were asked “what do you intend to spend your LFRF on?” most municipalities selected a “combination of [projects].” A project combination breakdown by jurisdiction size is listed in Appendix J.

LFRF Spending Trends	Frequency	Percentage
<b>Municipal Population 10,000+</b>		
Combination of LFRF Projects	7	64%
Investments Strictly in Infrastructure	4	36%
<b>Municipal Population 5,000 - 10,000</b>		
Combination of LFRF Projects	4	67%
Investments Strictly in Infrastructure	2	33%
<b>Municipal Population 2,501-5,000</b>		
Combination of LFRF Projects	4	40%
Investments Strictly in Infrastructure	6	60%
<b>Municipal Population 0 - 2,500</b>		
Combination of LFRF Projects	4	40%
Investments Strictly in Infrastructure	5	50%
Investments Strictly in COVID-19 Response	1	10%

**Table 3.2**  
LFRF Spending Intentions  
by Population



---

### **3.2.1 Municipalities with Populations Over 10,000**

Over two-thirds of large municipalities, which also have budgets over \$10 million dollars, indicated they were going to engage in a plethora of projects with their LFRF. The remaining municipalities indicated that they were investing solely in infrastructure. Large municipalities also indicated that they were going to engage in more community assistance initiatives as compared to smaller units of governments. However, COVID-19 response and revenue replacement were the two most common combinations of projects according to respondents.

### **3.2.2 Municipalities with Populations between 5,001-10,000**

Respondents who represented municipalities with a population between 5,001 and 10,000 people were also more likely to engage in a combination of projects instead of solely infrastructure. A deeper analysis revealed that half of these municipalities intended to use LFRF to offset revenue losses. Additionally, these municipalities also indicated revenue replacement and infrastructure were the two most common combinations of LFRF projects.

### **3.2.3 Municipalities with Populations between 2,501 - 5,000**

This portion of respondents represent municipalities that most closely compare to the Town of Ranlo. Sixty percent of these municipalities responded that they intended to engage strictly in infrastructure projects. However, 40% responded that they intended to engage in a combination of LFRF projects. COVID-19 response and adaptation and infrastructure were the most frequently reported combination of LFRF projects.

### **3.2.4 Municipalities with Populations Less than 2,500**

Respondents who represented municipalities of less than 2,500 people also indicated that investments solely in infrastructure were the most likely expenditure for their LFRF. Only one respondent indicated that they intended to invest the money solely in COVID-19 response and adaptation. A combination of infrastructure and COVID-19 response was the most common combination of LFRF projects.



## 3.4 Municipality Interviews

The MPA team conducted interviews with the ARPA Coordinator of the City of Winston-Salem and the Deputy County Manager of Cabarrus County to discuss whether their municipalities had decided on how they were going to spend their funds and if so in what capacity. On October 18, 2021 an interview was conducted with Tiffany Olivia, City of Winston-Salem ARPA Coordinator. On October 27, 2021 an interview was conducted with Rodney Harris, Deputy County Manager of Cabarrus County. The prevailing theme of these interviews were that larger jurisdictions with stronger financial resources were dedicating more LFRF to direct financial assistance rather than solely infrastructure or COVID-19 response projects.

## 3.5 Summary of the Regional Lens

A majority of respondents intend to engage in infrastructure or a combination of eligible projects with their LFRF. Within a combination of LFRF projects, water and sewer infrastructure continued to be the most selected LFRF expenditure category. This finding is consistent with the ICMA's findings that 74% of governments recognized water and sewer projects as their highest priority. However, the smaller the jurisdiction was, the more likely they were to indicate that they would engage solely in eligible infrastructure projects.

Few jurisdictions were planning to pursue broadband infrastructure, which could be because of the lack of definitive authority to engage in such projects under North Carolina State Law. Larger municipalities and counties with stronger financial resources were more likely to engage in more community initiatives compared to smaller municipalities. Finally, jurisdictions of all sizes are still hesitant to expand their LFRF, perhaps waiting for the U.S. Department of the Treasury's Final Rule.



## 4. Local

# 4.1 Methods

The MPA team implemented a variety of information-gathering methods to learn about the Town of Ranlo’s overarching needs, priorities, and assets. First, guiding documents and the town’s social media presence were analyzed. Town public documents offered insight into Ranlo’s historic funding priorities and strategic future planning. Next, the MPA team conducted interviews with several key stakeholders. These include the Town Manager, Mr. Jonathan Blanton, Citizen Advisory Master Planning Board (CAMPers), and town staff. The MPA team also reviewed the town’s primary social media platform, the Facebook group Ranlo Chatter. To survey community members, a LFRF survey was launched through the Ranlo Chatter page and a funding preference poll was distributed to residents of the Town of Ranlo on the back of a water bill.

# 4.2 Document Review

The MPA team reviewed public documents from the Town of Ranlo including the Capital Improvement Plan (CIP), annual financial statements, Downtown Strategic Master Plan, Board of Commissioners meeting minutes, grant applications, geographic information systems (GIS) data, feasibility studies, and ordinances to gain an understanding of historical funding priorities, opportunities, and strategic vision of the Town.

## 4.2.1 Capital Improvement Plans

The Town of Ranlo completed three capital improvement plans (CIP) in FY 2021 for its sanitary sewer, water distribution system, and roadway improvements. Of these three CIPs, only projects related to sanitary sewer and water distribution are likely to be eligible for funding through LFRF. Roadway improvements are ineligible for LFRF. Select projects from each of the two eligible CIPs were flagged as high-priority. The extent to which these projects are eligible under the ARPA is considered in table 4.2.1 and 4.2.2.

Table 4.2.1 Water Distribution CIP

WATER DISTRIBUTION CIP		
Project	Eligibility	Description
<b>Monterey Park Water Distribution Interconnect with Gastonia</b>	<i>This project is not eligible for funding with LFRF because it would be a new capital project.</i>	
<b>Water Booster Pump Station</b>	<i>This project is likely eligible for funding with LFRF.</i>	<ul style="list-style-type: none"> <li>• The construction of a new booster pump station will improve transmission, pressure, and flow.</li> <li>• Planning, engineering, and permitting is scheduled for FY25, and construction would begin in FY26.</li> <li>• <i>Estimated Cost: \$1,502,400.</i></li> </ul>
<b>Waterline Replacements along Spencer Mountain Road</b>	<i>This project is likely eligible for funding with LFRF.</i>	<ul style="list-style-type: none"> <li>• <i>Most projects along Spencer Mountain Road are listed as high priority.</i></li> <li>• <i>The projects would improve transmission, pressure, and fire flow.</i></li> <li>• <i>Estimated Cost: \$5,437,900.</i></li> </ul>

Table 4.2.2 Sanitary Sewer CIP

## SANITARY SEWER CIP

Project	Eligibility	Description
<b>Duff Station Pump Station Improvements</b>	<i>This project is not eligible for funding with LFRF because it would be a new capital project.</i>	
<b>Burlington Avenue Eight-Inch Aerial Crossing Replacement</b>	<i>This project is likely eligible for funding with LFRF.</i>	<ul style="list-style-type: none"> <li>• Replacements will improve the reliability of the existing program and decrease maintenance and operating costs.</li> <li>• Engineering, planning, and permitting to be completed in FY24, with construction to begin in FY25.</li> <li>• <i>Estimated Cost: \$348,100.</i></li> </ul>
<b>Flume Improvements</b>	<i>This project is likely eligible for funding with LFRF.</i>	<ul style="list-style-type: none"> <li>• Improvements will improve transmission, fire flow, and pressure and decrease maintenance and operating costs.</li> <li>• Engineering, planning, and permitting to be completed in FY25, with construction to begin in FY26.</li> <li>• <i>Estimated Cost: \$85,300.</i></li> </ul>
<b>Manhole Replacement</b>	<i>This project is likely eligible for funding with LFRF.</i>	<ul style="list-style-type: none"> <li>• Replace ten concrete manholes in FY22.</li> <li>• <i>Estimated Cost: \$100,100.</i></li> </ul>
<b>Sewer Line Investigation and Evaluation</b>	<i>Portions of this project <b>may</b> be eligible.</i>	<ul style="list-style-type: none"> <li>• Routine cleaning of sewer lines is not an eligible use of LFRF, however planning and assessment is eligible under CWSRF.</li> <li>• Expected completion in FY24</li> <li>• <i>Estimated Cost: \$72,900.</i></li> </ul>

---

#### **4.2.2 Downtown Strategic Master Plan**

In December 2020, Creech and Associates developed a Downtown Strategic Master Plan for the Town of Ranlo. It recommended re-zoning certain parcels of land along Spencer Mountain Road to require design standards, as well as encourage new commercial and mixed-use development. It projected the future space needs of Public Works, Parks and Recreation, Town Hall, and the Police Department. Overall, Ranlo is expected to grow over the next decade, and will need to expand the footprint of its existing infrastructure to keep pace with its population growth.

The Lodge was also identified as a key rental facility owned by the Town of Ranlo. Creech and Associates project that the space will eventually need to triple its size to meet demand. The plan also proposed that the Lodge could eventually connect with Poston Park through the neighborhood directly east.

#### **4.2.3 Annual Independent Auditor's Reports and Basic Financial Statements**

Ranlo's annual Independent Audit and Basic Financial Statements were reviewed to gain insight into historic funding trends. Information from these reports was used to calculate Ranlo's lost revenue due to the pandemic by the formula described in the Interim Final Rule and GFOA's calculator, as described in section 2.3.1 of this report.

Related to Ranlo's annual audit and financial statements, Davenport Public Finance's presentation on Ranlo's general fund and fund balance trends offered additional insight into the town's top financial challenges. Rebuilding the unassigned fund balance as well as restoring a balance of revenues and expenses in the town's Water/Sewer Fund were outlined as top priorities. This concept was retained as part of the guiding principles outlined in section 1.4.

## 4.3 Social Media Review

Additionally, the team reviewed Ranlo Chatter Facebook Group and NextDoor activity to gain an understanding of stakeholder views. In early September members of the MPA team joined the Facebook group. The team monitored the page and its content for the duration of the semester. Some common themes discovered during the social media review included general infrastructure issues, including water drainage, specific roads where attention was needed, and water lines. The town officials also promoted vaccination clinics sponsored by Ranlo, upcoming elections, and other community related content. The social media review allowed the team to be a part of the community conversation without being community members.



## 4.4 Stakeholder Interviews

Several local stakeholders were interviewed to gather information about potential projects and community concerns. Interviews were conducted with the town manager, department heads, and the CAMPers. The interviews were conducted using virtual platforms (i.e Microsoft Teams and Zoom) or by phone at the request of the participants in place of the virtual meeting. Sentiment and perception of equitable priorities were retained as part of the guiding principles (section 1.4) used to select final project recommendations.

### **4.4.1 Town Manager Interview**

On August 25, 2021, the team met with Ranlo Town Manager Jonathan Blanton. Mr. Blanton provided background information on the town and basic information pertaining to the town's anticipated LFRF allocation. Mr. Blanton later provided a list of stakeholders and arranged for the team to meet the CAMPers.

### **4.4.2 Citizen Advisory Master Planning Board Meeting**

On September 27, 2021, MPA team members met with the Town of Ranlo's CAMPers over Zoom to understand broad community priorities. In addition to members of the planning board, the focus group also included Town Manager Jonathon Blanton and Town Commissioner Katie Cordell.

Common themes arose during group discussion. Infrastructure improvements were an area of major concern, specifically replacing the town's water meters. Water meter replacement was considered a top priority for the town because of the impact on town finances due to inaccurate billing. Also of notable importance are water, sewer, and stormwater infrastructure improvements, such as projects along Spencer Mountain Road and Boulder Court. Other infrastructure project ideas included park upgrades and converting old textile mill buildings into mixed-use developments.

A second common theme was community interest projects. The group underscored the importance of events such as the Fall Festival, which was canceled because of public health concerns during the pandemic. The group recommended several projects including park renovations, splash pad upgrades, instating a farmers' market, and starting a community garden.

Last, the group described the local impact of COVID-19. Other than canceling its Fall Festival, the Town of Ranlo had to make other changes to its operations to accommodate social distancing. It also offered its employees one-time hazard pay bonuses, as well as Christmas bonuses.

### **4.4.3 Department Head Interviews**

From October 9-12, 2021, MPA team members met virtually with Town of Ranlo department heads, including Jason Green from Public Works, Jimmy Lunsford of the Police Department, and Town Clerk Sarah Rowan to gain insight on needs and to review relevant past work including feasibility studies, internal cost estimates, and institutional knowledge on potential funding areas. Three main ideas for LFRF-eligible projects emerged. See insights from town personnel in Table 4.4.3.

Table 4.4.3 - Main Ideas from Department Head Interviews

<b>Infrastructure</b>
<ul style="list-style-type: none"><li>• Staff felt that water meters are outdated, which results in lost revenue and inaccurate readings for residents.</li><li>• Current infrastructure cannot accommodate the needs of the town.</li><li>• Fire hydrants in specific areas lack the adequate capacity to serve the residents.</li><li>• Multiple leaks in the water lines that occupy much of the maintenance workers time.</li></ul>
<b>First Responders</b>
<ul style="list-style-type: none"><li>• Severely impacted by pandemic.</li><li>• Need to continuously resupply stock of PPE in order to minimize transmission of COVID-19.</li><li>• Similar to national trends, police calls related to domestic violence have increased since the pandemic.</li></ul>
<b>Community Events</b>
<ul style="list-style-type: none"><li>• Citizens are eager to resume community events, such as the Fall Festival.</li><li>• Need for repairs and upgrades to the lodge and the community center to support public health and ADA access.</li></ul>

# 4.5 Community Preference Evaluations

The MPA team administered two community level surveys, distributed through Facebook and on utility bills. On October 5, 2021, the MPA team published a Qualtrics survey on the Ranlo Chatter Facebook Page. This survey was open for approximately two weeks during the last week of September and first week of October 2021.

The utility preference poll and the Facebook Community survey were jointly developed to try to reach as many members of the Ranlo community as possible. See Appendix K for the Facebook Community survey questions.

The MPA team compiled the data and evaluated each survey for valid entries. A response was considered valid if one most preferred category was selected. If the response was not completed such that a most preferred selection could be identified (i.e more than one category was selected as most preferred), then the response was marked as invalid and was no longer used for that question.

## **4.5.1 Utility Bill Preference Poll**

A simple preference poll was provided by the Town of Ranlo on the back of the September 2021 Ranlo water bill statements. The preference poll (Utility Bill Survey) had 56 responses. This poll was designed to best understand how the community felt about spending preferences in specific areas of eligibility. It is important to note that as a preferential ranking poll, these categories were ranked against each other to understand the general prioritization of the categories by customers.

Table 4.5.1 displays the results of the most preferred categories by the 50 valid responses. Table 4.5.1 indicates that of the respondents, most customers most preferred the idea of using LFRF for water meter and/or sewer line replacements more than the other listed categories (22.2%). This was followed by closely by road repairs (21.7%). Further, the frequency of most preferred spending category has been provided. This statistic reveals that the water meter and/or sewer line replacements were most frequently selected as most preferred (26 responses), followed closely by road repairs (18 responses).

Table 4.5.1 illustrates that of the 47 valid responses, most customers (18.2%) least preferred the idea of using LFRF for upgrades to the Lodge and Community Building more than the other listed categories. This was followed closely by splash pad extension and park upgrades (18.4%). The frequency of the least preferred spending category has been provided in Table 4.5.1. This statistic reveals that the splash pad extension/park upgrades were most frequently was selected as least preferred (19 responses), followed closely by upgrades to the Lodge and Community Building (17 responses).

Table 4.5.1 Utility Preference Poll Summary

Utility Bill Poll Preferences of Valid Responses	Frequency of Valid Responses	Ranked Percentage
<b>Most Preferred by the Community</b>		
Water/Sewer Line/Meter Replacements	26	22%
Road Repairs/Resurfacing	18	22%
Hazard Pay for Town Employees	4	20%
Splash-Pad Extension/Park Upgrades	1	18%
Upgrades to the Lodge and Comm. Building	1	18%
<b>Least Preferred by the Community</b>		
Water/Sewer Line/Meter Replacements	0	22%
Road Repairs/Resurfacing	0	22%
Hazard Pay for Town Employees	11	19%
Splash-Pad Extension/Park Upgrades	19	18%
Upgrades to the Lodge and Comm. Building	17	18%

---

#### **4.5.2 Facebook Community Survey**

The Facebook Community Survey had 45 total respondents where answers from this survey were used to gauge community perception on quality of life as well as opinions on LFRF spending. Basic demographics were also collected from respondents. The full survey question list is provided in Appendix K. A table with side by side comparisons of survey respondents' demographics and Ranlo's demographics is provided in Appendix L.

Demographic data indicates that most respondents claim association with US postal zip code 28054. The majority of respondents (73%) were female, which is not likely representative of the overall town gender distribution, as both Gaston County and Gastonia have gender populations closer to an equal distribution (Appendix L). The average age distribution was more equally distributed among the age categories provided. All respondents indicated that English was their primary language. The majority of the respondents identified with a "white or caucasian" race/ethnicity. Most respondents owned their place of residence. Lastly, most respondents lived or lived and worked within the Town of Ranlo.

The survey also solicited information regarding the resident's physical, mental, and economic health. The majority responses to each question are briefly outlined below. Appendix K contains the full results of the community Facebook survey.

- Respondents reported overall physical health as "Good" (55%)
- Respondents reported emotional and social health as "Good" (45%)
- Respondents reported mental health as "Good" (47%)

Although these responses indicate that little to no need for funding related to physical, emotional, and mental health services, it is important to reiterate that this sample is not suitable to infer conclusions about the health of the entire town, rather is only representative for making inferences about the active Ranlo Chatter Facebook community.

- In regards to economic health, respondents reported household economic health as "Fair" (39%) to "Good" (40%).
- Respondents were asked to indicate whether or not job loss was impacting their household. Twenty-five respondents answered "Not at all" (57%).
- Respondents were asked to indicate whether or not reduced household income/hours for the respondents of this survey. Nineteen answered "not at all" (42%).
- Respondents were also asked to consider whether technology impacted their ability to communicate, work, or complete education from home. For general communication, 71% respondents answered that they have not experienced trouble with lack of communication by answering "Not at all". For education/work, 64% answered "Not at All."

---

In order to evaluate the potential need and use of select social support services, respondents were also asked “Have you had access to any of the following due to COVID-19 or the ensuing recession?” Only 19 of 51 respondents answered this question. Of the 19 responses, the distribution follows:

- Twelve percent answered that “Food Assistance” had been accessed.
- Twelve percent also answered that “Unemployment Benefits” had been accessed.
- Eight percent answered “Mortgage Deferral or Assistance” had been used.
- Six percent answered “Utility Assistance” had been accessed.

The Facebook survey was also developed to solicit information regarding the preferences of the community relative to spending within areas of LFRF funding eligible groups.

Table 4.5.2 illustrates that the distribution of responses was nearly even across the five categories. Of the valid 34 responses, most respondents preferred the idea of using LFRF for infrastructure more than the other listed eligible categories. This was followed closely by the other categories. It is important to note that as a preferential ranking poll, these categories were ranked against each other to understand the general prioritization of the categories by customers. Therefore the frequency of the most preferred LFRF category is provided in Table 4.5.2. This statistic reveals that infrastructure was also the most frequently selected as most preferred (18 responses).

Table 4.5.2 also displays the results of the least preferred categories. Table 4.5.2 illustrates that the distribution of responses was nearly even across the five categories. Of the valid 23 responses, respondents least preferred the COVID-19 response category more than the other listed eligible categories. This was followed closely by the other categories.

Further, the frequency of least preferred spending category has been provided in Table 4.5.2. This statistic reveals that the infrastructure category was also most frequently selected as least preferred (10 responses), followed by COVID-19 response (6 responses). This indicates that the preference toward infrastructure projects appears polarized based on this group of responses. However, more respondents preferred infrastructure projects as their most preferred (18 responses) than the frequency of those that selected infrastructure projects as least preferred (10 responses).

Table 4.5.2 Facebook Community Survey Preferences

Facebook Survey Preferences of Valid Responses	Frequency of Valid Responses	Percentage
<b>Most Preferred by the Community</b>		
Infrastructure Improvements	18	25%
Premium Pay	4	20%
Revenue Replacement	2	20%
Public Health & Assistance	4	19%
COVID-19 Response	6	18%
<b>Least Preferred by the Community</b>		
COVID-19 Response	6	19%
Public Health & Assistance	2	20%
Premium Pay	2	20%
Infrastructure Improvements	10	20%
Revenue Replacement	3	21%

# 4.6 Summary of the Local Lens

The information gathered from community sources revealed a variety of infrastructure and social desires for projects. The entire project list compiled from regional project ideas, municipal document review, and community feedback are presented in Appendix M.

## **Most Commonly Mentioned Projects**

- Water/Sewer Infrastructure Projects
- Personal Protective Equipment
- Community Center Renovations
- The Lodge Renovations
- Domestic Violence Support
- Utility Assistance
- Administrative Costs and Support

Overall, the highest priority project ideas drawn from the local lens aligned with conclusions from both the regulatory and the regional reviews. The community surveys resulted in key takeaways that were similar to the other lens' findings. Although the utility bill preference poll did not indicate a community preference to repair water line infrastructure, the Ranlo Chatter Facebook Group did demonstrate support for this type of project. The most preferred project from the utility bill preference poll included the Lodge, community center, and park upgrades. The community also expressed the desire to improve general town buildings that include ADA accessibility upgrades to areas frequently used by community members. Overall infrastructure improvements ranked high across the community survey results. The age and conditions of the water lines is a project that both Ranlo officials and the community members identified as a problem. In addition to the water lines, water meter replacement was identified as an eligible project that would result in positive budget stability by properly tracking usage and reallocating lost revenue that is used to supplement inaccurate water meter readings.





## 5. RECOMMENDATIONS

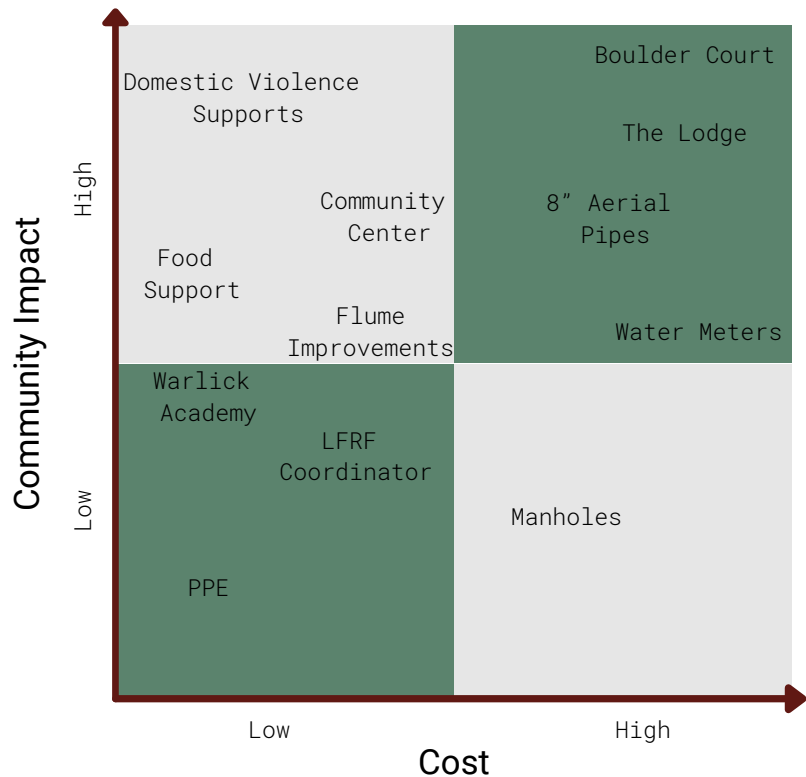
# 5.1 Project Prioritization

To assist in the organization and prioritization of recommendations, the MPA team has developed a matrix that plots projects according to their community impact and estimated cost of implementation. These projects were selected as likely eligible, pertinent to stakeholders, and equitable, while also reinforcing the guiding principles. This results in four categories of recommendations: low impact-low cost, high impact-low cost, high cost-high impact, and high cost-low impact. Within each category, projects are ranked in the order the team believes recommendations should be implemented.

Figure 5.1

## Project Prioritization Matrix

Each recommendation is broken into five parts that are meant to provide a big-picture view of the recommendation. This includes national and local background information pertinent to the project, eligibility categories and reporting requirements, the primary source of the project recommendation and how other comparable units are allocating funds for similar projects, how the recommendation fits in the prioritization matrix, and an estimated cost for implementing the recommendation.



All recommendations have suggested Expenditure Categories (EC), per the U.S. Department of the Treasury's Compliance and Reporting Guidance (2021, November 15b, pp. 30-31). The full list of ECs is included in Appendix O. As Ranlo begins to make decisions about which projects to fund, the town should decide which EC best fits the implementation of the project and the town's ability to fulfill documentation and reporting requirements for that EC. Each EC has specific requirements and details about these requirements can be found in the Compliance and Reporting Guidance section of this report.



## 5.2 High-Impact, Low-Cost Project Recommendations

## 5.2.1 Offer Food Support to Ranlo Residents

### Background

Data from the U.S. Bureau of Labor Statistics shows that “food expenditures are the third-largest consumer spending category” (USDA, 2021). The COVID-19 pandemic has caused a significant number of households to experience food insecurity (U.S. Department of the Treasury, 2021, May 17, p. 2). Nationally, it is estimated that 17 million adults are living in a household that experience occasional and frequent food insecurity, while in the state of North Carolina 1,503,050 people, 461,630 which are children, struggle with hunger (Feed NC, 2021). North Carolina has the 8th highest rate of food insecurity in the nation with a conservative estimate that 14% of the population is significantly impacted by food insecurity (Feed NC, 2021).

According to the USDA, the consumer price index (CPI) has increased 2.5% for at-home foods since January 2021, while the CPI for this category of foods is 4.5% higher than in August 2020 (USDA, 2021). Supply chain instability and rising inflation will continue to exacerbate food security issues across the country and within the Ranlo community.

Strains on the supply chain coupled with the increase of food goods could lead to an increase in food insecurity with the Ranlo community. In order to evaluate the potential need and use of select social support services, the Ranlo Chatter Facebook survey asked “Have you had access to any of the following due to Covid-19 or the ensuing recession?” Twelve percent answered that “Food Assistance” had been accessed. Only 19 of 51 respondents answered this question, so no conclusions should be made relative to the precise need. However, this response should serve as a line of evidence that support is needed at some level.

### Eligibility

- Expenditure Category 2.1 Household Assistance: Food Programs
  - Required documentation of total amount of funds used for evidence-based interventions.
  - Requires documentation on whether projects are primarily serving disadvantaged communities.
  - Local governments can provide food assistance programs to both low- and moderate-income citizens or to senior citizens who were negatively impacted by the pandemic. These assistance programs are not limited to the disproportionately impacted subcategory (SOG, 2021).
- Expenditure Category 2.10 Aid to Nonprofit Organizations
  - Required documentation of total amount of funds used for evidence-based interventions.
- Expenditure Category 7.3 Transfers to Other Units of Government.

---

## Source

- Community Survey.
- Other comparable units are considering community initiatives.

## Category Discussion

Food support is categorized as a high-impact, low cost project. Food support programs are easy to implement for a relatively low cost. However, these types of programs significantly impact individuals and communities by ensuring everyone's basic needs are met.

## Estimated Cost: \$92,000

The United Way of North Carolina estimates that it would cost a Gaston County family of four (2 adults, 2 school-aged children) \$732 a month to meet minimum nutritional standards as defined by the USDA Low-Cost Food Plan (United Way Our Money Needs Calculator, 2021). With a population of 4,525 individuals, it is estimated that 504 residents (or 126 families) in Ranlo are experiencing food insecurity. At a rate of \$732 monthly rate per family, it would cost \$92,000 to support a community food program for one month.

Ranlo has choices in how they support the community through food support programs. Ranlo could make direct payments to households, provide funds to a nonprofit organization that specializes in food support, or transfer funds to another government agency that has an established food assistance program. Partnering with a nonprofit organization or another government agency might be more cost effective as it would mitigate the need for Ranlo to expend overhead costs to implement the project.

See section 6.4 for more information on local organizations that can assist in implementing food security programming.

# 5.2.2 Renovate the Community Center to Accommodate Social Distancing

## Background

The Community Center is a space that accommodates up to 25 people. The space is typically used for kids' parties due to its proximity to the park. The rental fee for the building is \$65 for Ranlo residents and \$100 for non-residents, making it an area to consider when looking at revenue generating projects. The Community Center has two specific renovation projects that the team has considered to include as a recommendation. With replacing or expanding the existing deck the Town of Ranlo must consider replacing the existing entry ramp to meet ADA standards. The deck cannot be adequately supported if the entry way is not ADA compliant. In order for the community center to be functionally available to all individuals and populations the accessibility of the community center has to be addressed. The expansion of the deck is needed from a public health compatibility approach in order to protect the health of the community by providing an outdoor, socially-distanced area for community member gathering. This could be a good way to generate revenue for the town while providing the community with an affordable, socially-distanced, and accessible event space.

## Eligibility

- Expenditure Category 1.4 Public Health--Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.).
  - Required documentation of total amount of funds used for evidence-based interventions.
- Expenditure Category 1.7 Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency.

## Source

- North Carolina Community Development Block Grant (November 2020).
- Department Head Interviews.
- Research suggests that comparable units are using LFRF funds to renovate buildings in an effort to make facilities COVID-19 friendly.

## Category Discussion

Renovations to the community center would have a high impact on the community because of its use as a gathering point but represents a low-cost of implementation compared to other projects.

## Estimated Cost: \$30,000

- Replacement of existing ramp to meet ADA requirements is \$15,000
- Replacement and expansion of existing deck to accommodate social distancing is \$15,000

## 5.2.3 Fund Flume Improvements

### Background

A flume is an open channel flow metering device that was developed to measure the flow of surface water and irrigation flows. It is used to measure volumetric flow rate in industrial discharge, municipal sewer line, and influent/effluent flows in wastewater treatment. Flumes improvements will help the town to have a more efficient flow of wastewater, and improve water pressure to residents. This recommendation falls under the guiding principles of public health compatibility and budget stabilization. Improvements to the flumes will provide needed treatment to the town's wastewater which can improve the health of current and future citizens. The project will cut down on town maintenance and operation costs.

### Eligibility

- Expenditure Category 5.11 Drinking Water- Transmission and Distribution.
  - As defined in the EPA's handbook for clean water and drinking water.

### Source

- Department Head Interviews.
- Community Input.
- Comparable units are investing in major water and sewer infrastructure projects.
- Town of Ranlo's CIP for FY 2021.

### Category Discussion

Flume improvements are considered a high priority project from the town and are classified as a high-impact, low cost project. Upgrades to these flumes will help the town to have a more efficient flow of wastewater, and improve upon deteriorating sewer lines.

### Estimated Cost: \$85,300

Estimates were gathered from the FY-21 capital improvement sanitary sewer project list.

# 5.2.4 Fund Domestic Violence Training for First Responders

## Background

Most victims of domestic violence do not seek help (Evans et al., 2021). In the wake of stay at home orders implemented in March of 2020, many domestic violence hotlines saw a significant decrease in service use, while rates of domestic violence calls to police increased nationally. Work-from-home practices and virtual schooling removed victims from traditional social-supports that intervene and connect victims with services.

In the Town of Ranlo, the police department are first responders to domestic violence in the community. This gives officers the opportunity to serve as stewards of victim support. Ensuring that domestic violence incidents are managed appropriately is critical to maintaining community public health and safety.

## Eligibility

- Expenditure Category 1.12 Other Public Health Services
- Expenditure Category 3.16 Social Determinants of Health: Community Violence Interventions
  - Required documentation of total amount of funds used for evidence-based interventions.
  - Requires documentation on whether projects are primarily serving disadvantaged communities.

## Source

- Other comparable units are considering community initiatives.
- Department Head Interviews.

## Category Discussion

Domestic violence training for first responders is considered a high-impact, low-cost project. As calls to law enforcement increase, outcomes for community members should be at the forefront of training. This type of speciality training will allow the Ranlo police to effectively respond to domestic violence calls for minimal cost.

## Estimated Cost: \$4,900

Currently, the National Sheriff's Association offers a two-day "Domestic Violence Intervention and Investigation" course for law enforcement officers and a one-and-a-half day Domestic Violence Training for Communications Professionals (Dispatchers/Call Takers). The fee for these courses are \$200 per attendee with 25 or more attendees or a flat fee of \$4,900 for classes of 25 or less. There is potential to partner with neighboring police departments to mitigate the total cost of the program.





## **5.3 Low-Impact, Low-Cost Project Recommendations**

# 5.3.1 Purchase Personal Protective Equipment for Town Employees

## Background

PPE needs have increased due to the effect of COVID-19. Providing PPE for public sector workers would be a low-impact, low-cost project for the LFRF funds. Providing PPE for public sector workers falls under the guiding principles of public health compatibility and social equity. PPE for public sector workers will help to reduce the spread of COVID-19 to citizens while allowing them to continue to perform their jobs.

## Eligibility

- Expenditure category 1.5 Personal Protective Equipment

## Source

- Research suggests the comparable units will be utilizing LFRF funds to provide for public health needs in their community.
- Department Head Interviews.

## Category Discussion

This project is categorized as low-impact, low-cost. This investment is to help protect all public sector employees and the community they serve on a daily basis. When police or other public sector employees get sick, that is one less person available to provide for the needs of the community.

## Estimated Cost: \$15,000

This amount reflects all public sector employees who serve the community on a daily basis. During an interview with chief of police, Jimmy Lunsford, he provided an annual cost of \$7500 per year spend on PPE. This cost would cover two departments (police department and department of public works) for one year.

# 5.3.2 Pay for the Administrative Costs of Implementing ARPA-Funded Projects

## Background

The administrative requirements associated with Ranlo’s LFRF include a host of documentation, compliance, reporting, and monitoring responsibilities. Performing these administrative tasks and learning the intricacies of the legislation takes staff time and resources. Many local governments are looking for ways to defray the administrative burden of their ARPA grant by hiring an ARPA Coordinator position, or assigning an existing staff member to oversee the grant. At least a portion of these operating costs are able to be reimbursed by LFRF.

This recommendation aligns with the budget stabilization building principle. Ranlo should not carry an undue administrative burden as a result of the ARPA grant, and should seek to offset or supplant funds in any way possible.

## Eligibility

- Expenditure Category 7.1 Administrative Expenses
  - Allowable costs include the costs of consultants, contract support, materials and supplies related to eligible projects, and general overhead costs.

## Source

- Comparable units have hired an Analyst or Project Manager whose primary focus is the fiscal and administrative management of the unit’s ARPA funds as Table 5.3.2 shows

Table 5.3.2.

ARPA Coordinator Positions Posted to NCLGBA Job Board since July 2021

Unit	Position	Annual Salary	Fully or Partially Devoted to ARPA
Town of Apex	Financial Analyst	\$57,151 – \$94,300	Fully
City of Raleigh	ARPA Grant Manager	\$59,595 – \$78,500	Fully
City of Asheville	Interdepartmental Funding Project Manager (ARPA Grant Manager)	\$64,105 – \$96,158	Fully

---

### **Category Discussion**

Implementing this recommendation will have minimal impact on the Town of Ranlo's residents, and is a relatively small expense. However, this recommendation is potentially budget-relieving. Even though assistance with grant overhead was not mentioned by Ranlo's key stakeholders as a priority, taking advantage of LFRF to decrease the administrative burden may be advisable. Supplanting eligible costs with LFRF can free up funds in Ranlo's general fund, enabling it to build fund balance or use the money towards other essential services.

### **Estimated Cost: \$116,898**

- Dependent on Ranlo's personnel needs.
- This breaks down to about \$29,224 per year between FY 22-24.
- If Ranlo has a current Negotiated Indirect Costs Rate Agreement (NICRA) with a federal agency, it may use its NICRA to determine its indirect costs. Otherwise, it may use the de minimus rate of 10 percent of total project costs, per 2 CFR 200.414(f)(Compliance and Reporting Guidance, p. 7).

# 5.3.3 Offer Higher Education Support to Warlick Academy Graduates

## Background

In February 2021, Town commissioners expressed interest in funding a scholarship for graduates of Warlick Academy, a Gaston County school located in Ranlo, who wanted to pursue higher education. The town was unable to implement this idea due to statutory limitations. If Ranlo partners with a nonprofit organization or the Gaston County School district to implement a scholarship, LFRF can be used to fund this recommendation.

Warlick Academy is Gaston's County School Districts alternative education site. The school serves students 6th-12th, who are unable to attend their home school due to suspension or expulsion or because the students would be better served by the alternative program due to individualized programs outside of a standard classroom setting. Additionally, the school is designated a Title I school and receives additional federal funding to ensure students meet academic standards (Dept. Of Education, 2021).

## Eligibility

- Expenditure Category 2.10 Aid to Nonprofit Organizations
  - Required documentation of total amount of funds used for evidence-based interventions.
- Expenditure Category 3.2 Education Assistance: Aid to High-Poverty Districts
  - Requires documentation on whether projects are primarily serving disadvantaged communities.
- Expenditure Category 3.3 Education Assistance: Academic Services
  - Required documentation of total amount of funds used for evidence-based interventions.
  - Requires documentation on whether projects are primarily serving disadvantaged communities.
- Expenditure Category 7.3 Transfers to Other Units of Government

## Source

- Town Meeting minutes from February 11, 2021.
- There was no clear evidence that comparable units are planning to allocate funds directly for post-secondary education assistance, but several intend to pursue community initiatives. However, the North Carolina Pandemic Recovery Office suggests that small NEUs partner with other constituent units of government (school districts) to implement projects.

## Category Discussion

This project is categorized as low-impact, low-cost; however, this project will have a significant impact in the lives of individuals identified as recipients. Because it would benefit a finite number of community members, it was rated low-impact. The overall cost of the recommendation is significantly lower compared to other recommendations.

---

**Estimated Cost: \$5,000**

- It is recommended that the Town partner with the Gaston County School District to implement a scholarship for Warlick Academy graduates.
- Each academic year one graduate with plans to pursue secondary education will receive a one-time \$1,000 scholarship based on financial need and merit.
- This amounts to a cost of \$1000 per year for five years.



## **5.4 Low-Impact, High-Cost Recommendations**

# 5.4.1 Manhole Replacement

## Background

Manhole covers protect the public by preventing the public and animals from accessing water and sewer infrastructure access points. They also provide the benefit of breaking sewer lines up into manageable sections and allow access for repair and maintenance of lines. Repair of manhole covers ensure better access and overall operational reliability in the event of needed maintenance or emergency repairs. This project ensures continuity of service and contributes to stabilizing the town's water enterprise fund.

## Eligibility

- Expenditure Category 5.5 Clean Water: Other Sewer Infrastructure
  - Manhole covers allow the completion of eligible projects such as sewer line replacement or repair.
  - As defined in the EPA's handbook for clean water and drinking water projects.

## Source

- Ranlo's FY 21 Sanitary Sewer Project List CIP.
- Water and sewer infrastructure was a common LFRF expenditure option according to both the MPA team's survey findings and findings by the ICMA.

## Category Discussion

This project does not directly affect service capability and is therefore not a high impact on the community, except for providing access to sewer lines in the event of repair or replacement. While this program facilitates access to water and sewer services which does contain a health benefit, it does not directly address issues of social equity or COVID-19 response.

## Estimated Cost: \$100,100

- The cost of the manhole replacements is sourced from the Capital Improvement Plan.





## **5.5 High-Impact, High-Cost Project Recommendations**

# 5.5.1 Begin a Ten-Year Water Meter Replacement Schedule

## Background

Water meters are needed to measure the amount of water used by buildings connected to the public water utility, Two Rivers Utility. Accurate meter readings are necessary for accurate billing of customers, as well as regular monitoring and maintenance of water/sewer infrastructure. The Town's current electronic water meter infrastructure is several years past its optimum performance period of 10-12 years, and is only capturing about 60% of actual water usage (3/12/20 Town BOC Meeting). Additionally, because the water meters were all purchased at one time, the Town would like to implement a replacement schedule. A sample replacement schedule can be found in Appendix P.

## Eligibility

- Expenditure Category 5.8 Clean Water: Water Conservation
  - Water and energy conservation project through reduced water consumption as defined in the EPA's CWSRF guidance.

## Source

- Town of Ranlo Meeting Minutes.
- Town of Ranlo personnel.
- List of eligible projects under both CWSRF and DWSRF

## Category Discussion

Older water meters tend to under-read water consumption. The new, tiered water billing rate structure adopted on June 11, 2020 will soften the cost increase for customers who use the least water. The new structure includes an overall rate increase, but is structured such that customers who use the least water are the least affected by a total percentage rate increase. The rate increase was necessary not only because of the need to correct a structural budget deficit in the Water/Sewer Fund, but also because the old rates were below the threshold needed for Ranlo to apply for certain grants (Town of Ranlo, 2020, May 8).

## Estimated Cost: \$481,274

- Based on a ten-year replacement schedule.
- It is recommended that Ranlo spend additional funds to replace a full one-tenth of its meters in FY22. Ranlo may reimburse the \$25,000 budgeted in FY22 to replace 100 meters.
- If possible, Ranlo is encouraged to incur water meter replacement costs by the end of FY24.
- As long as funds are obligated and incurred by the end of FY24, Ranlo may continue to expend the funds through December 31, 2026.

# 5.5.2 Fund Replacement of the Burlington Avenue Eight-Inch Aerial Crossing

## Background

The Burlington Ave 8" aerial crossing replacement project is designed to replace pipe supports and 8" aerial sewer lines. Constantly flowing sewer debris is creating damage to the roadway and decreasing sewage flow. This causes a potential safety hazard for citizens using the roadway, and affects citizens whose sewer lines are connected to the Burlington Ave pipes. Pursuing this project would alleviate the safety hazards and improve overall reliability, maintenance, and operating costs. This project relates to the guiding principles of social equity, budget stabilization, and public compatibility. Replacement of these pipes will relieve leaks onto the roadway, provide citizens with better flow rates, and eliminate public health concerns of sewage leakage into local streams.

## Eligibility

- Expenditure Category 5.6 Clean Water: Stormwater.

## Source

- The Town of Ranlo's FY21 CIP.
- Research suggests that comparable units are investing LFRF funds in Infrastructure, which includes stormwater projects, and sewer line repairs.

## Category Discussion

The 8" aerial pipes have been noted as a high priority project from the town and is classified as a high-impact, high cost project. Upgrades to these sewer lines will improve overall reliability, maintenance and operation costs.

## Estimated Cost: \$348,100

- Cost estimates were taken from the capital improvement sanitary sewer project list. The Town can supplant funds already budgeted for this project with LFRF funds and use the previously budgeted funds for other general government purposes (Millonzi, 2021).

# 5.5.3 Renovate the Lodge to Allow for Social Distancing

## Background

It is recommended that LFRF funds be used to renovate the Lodge. Not all parts of the Lodge project have clear eligibility under current guidance. It is recommended that LFRF funds be used on the clearly eligible parts of the project like the HVAC replacement and the outdoor shelter. The remaining projects could then be funded from other sources.

Located at 2000 Spencer Mountain Road, the Lodge is a rentable community center that features both indoor and outdoor shelters, a full sized kitchen and bathrooms. The Lodge is popular with the community and is regularly rented for events and parties. Due to its age and frequent use, the Lodge is currently in need of renovation. This project is recommended because it is partially allowed under LFRF guidelines, and is a defined need in the community, and can be funded with the funding Ranlo has received.

## Eligibility

- Expenditure Category 1.4 Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.) Required documentation of total amount of funds used for evidence-based interventions.
- Expenditure Category 1.7 Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency.

## Source

- Coronavirus Community Block Development Grant proposal.
- Community input.
- Comparable units to Ranlo are using LFRF funds to renovate buildings in an effort to make facilities COVID-19 friendly.

## Category Discussion

The Lodge has been noted as a high-priority project from both the community and town staff and is classified as a high-impact, high-cost project. Upgrades to a frequently used community building is seen as a town investment. The use of the Lodge as a public facility has a high impact on a small community where similar facilities are limited in availability and cost.

## Estimated Cost: \$147,500 - \$538,000

- The cost of Lodge renovations is variable, based on the specific renovations.

# 5.5.4 Make Improvements to Boulder Court Stormwater Drainage

## Background

The Boulder Court Roadway improvement project is designed to improve storm water drainage on Boulder Court. Due to the lack of drainage, water is creating damage to the roadway and is also causing sinkholes. This causes a potential safety hazard for citizens using the roadway and increases the potential for road flooding. Pursuing this project would alleviate the safety hazards and improve overall reliability, maintenance, and operating costs.

## Eligibility

- Expenditure Category 5.6 Clean Water and Stormwater
  - As defined in the EPA's handbook for clean water and drinking water projects.

## Source

- Ranlo's FY 21 Roadway Improvement Project List.
- Other comparable units are engaging in water infrastructure.

## Category Discussion

This project was listed as a high cost high impact project due to the project costing over a million dollars and the service impact it is creating to the community. This project was sourced from Ranlo's roadway improvement CIP.

## Estimated Cost: \$1,098,100

- Total project cost is reflected above. Storm water portion is less than total cost.
- Only the storm water portion of this project is eligible with LFRF.



## 6. Discussion & Conclusion

# 6.1 Discussion of Recommendations

The total projected costs for all the above projects is listed in Table 6.1

Table 6.1 Total Project Costs

Project	Estimated Cost
Warlick Scholarship	\$ 5,000
Domestic Violence Training	\$ 4,900
PPE	\$15,000
Admin. Costs for ARPA Projects	\$ 29,224
Community Center	\$30,000
Flume improvement	\$ 85,300
Food support	\$92,000
Manhole replacement	\$100,100
Burlington Ave Aerial Crossing	\$348,100
Water meter replacement	\$481,274
The Lodge Renovations	\$538,000
Boulder Court Stormwater	\$1,098,100
<b>Total Project Costs</b>	<b>\$2,826,998</b>
<b>Total LFRF</b>	<b>\$1,168,982</b>
<b>Amount over LFRF</b>	<b>\$1,658,016</b>

The total costs for completing all projects will exceed the amount of LFRF funds by over \$1.65 million dollars. Ranlo will need to make decisions on how to best fund the presented projects given the limitations of the financial resources available. There are some projects with lower costs such as the PPE support and the Warlick scholarships that can easily be funded with the LFRF money. However, larger projects such as replacing water meters and the Burlington Avenue aerial crossings likely cannot exclusively be funded with LFRF money. The town may wish to consider funding these more expensive projects with a combination of funds to best complete them. Certain infrastructure projects may also be eligible for other grants or awards, such as the recently awarded \$6.4 million for infrastructure projects.

Wherever possible, Ranlo should consider reimbursing any eligible expenditures made since March 3, 2020. Some of these could include the cost of vaccine clinics, any modifications made to town operations to accommodate social distancing, and even certain water/sewer projects. Supplanting eligible general fund expenditures with LFRF will offer Ranlo more flexibility to rebuild fund balance, for example.

# 6.2 Limitations of Recommendations

As with any project, there are several limitations that should be considered in considering which course to take. These limitations are as follows:

## **6.2.1 Eligibility**

At the time of writing this report, the U.S. Department of the Treasury's Interim Final Rule is the operational rulemaking document for use of funds issued through the American Rescue Plan Act. It establishes frameworks, definitions, and formulae for determining eligibility of projects. The Final Rule has yet to be issued, and may not be published for another year by some estimates. Projects determined eligible under the Interim Final Rule and funded before the Final Rule is released will not be made retroactively ineligible. Even so, Ranlo is advised to reassess project eligibility when the Final Rule is released. Projects funded after the issuance of the Final Rule must fully comply with the new guidance. Funds may be used to cover eligible costs incurred between March 3, 2021 through December 31, 2024, and must be expended by December 31, 2026.

The MPA team has taken great care to ensure all projects recommended in this report are eligible under both federal and state law. It should be noted, however, that the way certain projects are implemented can have a significant impact on their eligibility. The eligibility of the Lodge renovations, for example, heavily depends on Ranlo's ability to demonstrate that the need to renovate the space has arisen as a direct result of the pandemic, as well as its intentions for use of the renovated space. This is, in part, why the MPA team has recommended an Expenditure Category alongside each project—Ranlo is advised to ensure they are truly able to justify projects according to the specific requirements explained in the U.S. Department of the Treasury's Compliance and Reporting Guidance (2021, November 15b).

## **6.2.2 Survey Limitations**

The surveys are intended to be illustrative rather than representative. The regional survey suffered from incomplete responses and skewed data because a majority of respondents represented larger municipalities. The local survey also suffered from responses from a small select community members, suggesting an illustrative instead of a representative example.



---

### **6.2.3 Cost Estimations**

The stated costs are just estimations of the project. Many of these costs were derived from town documents such as the CIP. With the global supply chain crisis and rising inflation costs, it is likely that many of these projects are actually more expensive. The Town should seek updated cost estimates for many of the projects to ensure a balanced budget. The MPA team recommends using the Bureau of Labor Statistics Consumer Price Index percentage which was 6.2% as of October 2021, as a minimum gauge for the increase in goods and services (BLS, 2021).

### **6.2.4 Impact of the NC budget**

With the recent signing of the NC Budget (11/18/21), the Town of Ranlo is poised to receive approximately \$6.4 million from the State. The budget will likely result in funding some of the projects that we have recommended above. If the NC budget funds the requested projects, then LFRF money cannot be used and the town will need to reconsider how to spend the LFRF. If they do not budget the money by 2024 and spend it by 2026, Ranlo must return the LFRF money to the federal government.

# 6.3 Compliance and Reporting Guidance

This section offers an overview of federal and state compliance and reporting that accompanies the LFRF. The U.S. Treasury’s Compliance and Reporting Guidance outlines the basics of compliance and reporting requirements for governments in receipt of ARPA funds (2021, November 15b). Guidance on compliance and reporting for North Carolina governments was gathered from the Office of the North Carolina State Treasurer and the UNC School of Government. Common themes are summarized in the following sections (N.C. Department of the State Treasurer, 2021, May 28; University of North Carolina at Chapel Hill, 2021).

## Accounting Guidance

ARPA funds should not be commingled with Ranlo’s General Fund or with other grants such as the CARES Act funds. The federal guidance explicitly prohibits using LFRF to build rainy-day reserves, so consider placing unexpended funds in a Special Revenue Fund to avoid the perception of building reserves. At the end of each year, any unspent funds should be recorded as a liability, not a deferral.

## Budgeting Guidance

LFRF are public funds and are therefore subject to the Local Government Budget and Fiscal Control Act, G.S. Ch. 159, Art. 3. Before funds are obligated, they must be appropriated and have a budget in place. It is advisable to budget ARPA funds using a multi-year Grant Ordinance, which is authorized by G.S. 159-13.2.

## Compliance

Ranlo and all potential subrecipients are responsible for ensuring there is no fraud, waste, or abuse of LFRF awards. It is vital that robust documentation and compliance processes are in place, and that management of funds is both transparent and accountable. Equitable delivery of benefits and services is of primary importance to the U.S. Department of the Treasury and in the guidelines of ARPA.

Ranlo is responsible for complying with the Uniform Guidance (2 CFR Part 200), established by the federal Office of Management and Budget as standard rules and requirements for the management of federal grants. The Uniform Guidance sets standards for administrative requirements, cost standards, and audit requirements. Leading practices of internal controls include written policies and procedures, written standards of conduct, risk-based due diligence, risk-based compliance and monitoring, and record retention and maintenance.

Ranlo must have an active registration with the System for Award Management (SAM). Records and financial documents must be retained for five years after all funds have been expended or returned to the U.S. Department of the Treasury. If Ranlo expends more than \$750,000 in Federal awards during any given fiscal year, it 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. The U.S. Department of the Treasury will also collect and review information from Ranlo to ensure Civil Rights Compliance. If it is found that funds were spent on ineligible uses, Ranlo will be required to repay the LFRF. Any unspent funds will also need to be returned to the U.S. Department of the Treasury.

## Reporting Guidance

Ranlo is required to prepare an annual Project and Expenditure Report, the first of which is due April 30, 2022. The first report will cover the period from March 3, 2021 through March 31, 2022. All following annual reports will cover the time period April 1 through March 31 of each year. The final report will cover April 1, 2026 through December 31, 2026. Reports will be collected through April 30, 2027, based on the period of performance of the LFRF.



1st Report due April 30, 2022 - Covers period of March 03, 2021 through March 31, 2022  
2nd Report due April 01, 2023 - Covers period April 01, 2022 through March 31, 2023  
3rd Report due April 01, 2024 - Cover period April 01, 2020 through March 31, 2024  
4th Report due April 01, 2025 - Covers period April 01, 2024 through March 31, 2025  
5th Report due April 01, 2026 - Cover period April 01, 2025 through March 31, 2026  
**Final Report due April 30, 2027 - Covers period of April 01, 2026 through December 31, 2026**

The Project and Expenditure Report requires information on projects, expenditures, project status, project demographic distribution, civil rights compliance, required programmatic data based on Expenditure Categories, and NEU documentation.

The U.S. Department of the Treasury includes a table of eligible Expenditure Categories (EC) in Appendix 1 of its Compliance and Reporting Guidance (2021, November 16b, pp. 30-31). There are sixty-six ECs, which are separated into seven groups that align with eligible uses as described by the Interim Final Rule. These include Public Health, Negative Economic Impacts, Services to Disproportionately Impacted Communities, Premium Pay, Infrastructure, Revenue Replacement, and Administration. A full copy of the Expenditure Category Table is included in Appendix N of this report.

Each project funded with LFRF must be assigned a single expenditure category when Ranlo prepares its annual Project and Expenditure Report. In its October 22, 2021 course "Eligible Uses under CLFRF and State Law," the UNC School of Government faculty advised recipients of LFRF to "begin with the end in mind" when determining project eligibility, and referenced the list of ECs as the place to start. For this reason, all project recommendations included in this report contain a suggested Expenditure Category. The Compliance and Reporting Guidance provides lists of specific documentation requirements for each Category of expenditures.

# 6.4 Other Local, State, and Federal Pandemic Relief and Welfare Resources

Several of the eligible uses of the LFRF are already funded by other state or federal agencies. The following list identifies a few potential partners for projects Ranlo may choose to pursue in expending LFRF.

- Housing Opportunities and Prevention of Evictions Program ([HOPE](#)) is meant to prevent evictions and disconnection of utilities. To promote housing stability, it offers rent and utility assistance to low-income renters who are experiencing financial hardships as a result of the pandemic. This program is managed by the NC Office of Recovery and Resiliency.
- [The Restaurant Revitalization Fund](#) is a program of the US Small Business Administration that offers relief to certain restaurants, bars, and businesses impacted by the pandemic.
- [NC211](#) is a program of the United Way of North Carolina. It is an information and referral service for individuals in North Carolina in need of health and human services.
- The Low-Income Home Energy Assistance Program (LIHEAP) is a program offering one-time emergency payments to assist with heating bills, available from December 1 - March 31 of each year.
- [The Low-Income Household Water Assistance Program \(LIHWAP\)](#) is a federal program that assists low-income households to pay their water and wastewater bills.
- [Childcare Stabilization Grants](#) are offered by the NC Department of Health and Human Services that offers working families access to child care.
- [Emergency Broadband Benefit Program](#) is a program of the Federal Communications Commission that offers broadband utility assistance to families during COVID-19.
- [Gaston Saves](#) is Gaston County's hub for vaccination, COVID-19 testing and contact tracing, data dashboards, and economic relief. Other relief programs offered by the County include:
  - [Emergency Rental Assistance](#)
  - [Small Business Emergency Loan Program](#)
- [The Hope United Survivor Network](#) offers aid to survivors and victims of domestic violence, human trafficking, sexual assault, and elder abuse in Gaston County. It operates the Cathy Mabry Cloninger Center, the Lighthouse Child Advocacy Center, and the Family Justice Center.
- [The Gaston County Department of Health and Human Services](#) provides a host of social service and public health services to the entire County.

# 6.5 Conclusion

Discovering and examining projects through the regulatory, regional, and local lenses led the team to make twelve recommendations on potential projects for Ranlo's LFRF funds.

## **High Impact, Low Cost**

- Offer Food Support to Ranlo Residents
- Renovate the Community Center to Accommodate Social Distancing
- Fund Flume Improvements
- Fund Domestic Violence Training for First Responders

## **Low Impact, Low Cost**

- Purchase Personal Protective Equipment for Town Employees
- Pay for the Administrative Costs of Implementing ARPA-Funded Projects
- Offer Higher Education Support to Warlick Academy Graduates

## **Low Impact, High Cost**

- Manhole Replacement

## **High Impact, High Cost**

- Begin a Ten-Year Water Meter Replacement Schedule
- Fund Replacement of the Burlington Avenue Eight-Inch Aerial Crossing
- Renovate the Lodge to Allow for Social Distancing
- Make Improvements to Boulder Court Stormwater Drainage

These recommendations align with current guidance, spending intentions of other municipalities, and input from key stakeholders who will know that their voices were heard and acknowledged to not only benefit the town but the entire Ranlo community.



# Acknowledgments



---

First of all, we would like to express our deep gratitude for the support of MPAD 6187 Group Capstone professors Dr. Jaclyn Piatak and Mr. Curt Walton. This project would not have been possible without their feedback during class, review of draft reports, and overall guidance and encouragement.

We extend our gratitude to the entire Master of Public Administration Department at the University of North Carolina, Charlotte. Each student contributing to this report was prepared for the Group Capstone course during years of intensive scholarship, research, and training under the leadership of the MPA professors.

We would also like to thank our project partners at the Town of Ranlo. Staff, and community members have graciously shared their time with us. We too want to thank elected leaders for allowing our team to present at the monthly board meeting. This project depended on the participation of the Town of Ranlo community, and its success is in part due to the town's rich culture of civic engagement. We would specifically like to thank Mr. Jonathan Blanton, Esq., MPA, the Town of Ranlo's Town Manager, who helped us arrange town meetings, shared information freely, and stayed in communication with our group throughout the duration of the project.

We would also like to thank the Town of Ranlo's Citizen Advisory Master Planning Board members, Kara Bihorel, Dana Jones, Jessica Haley, Todd Kepler, Wade Morton, Diana Palmer, Kimberley Walker, and Nicole Zonin, who joined us for a focus group. We also would like to thank Town of Ranlo department heads Sarah Rowan, Jason Green, and Jimmy Lunsford, who all shared their time and expertise with us. Last, we would like to thank Tiffany Oliva from the City of Winston Salem and Rodney Harris from Cabarrus County, who both shared information about their governmental ARPA plans and helped give context to our research.



# References



---

American Rescue Plan Act of 2021 (ARP): Local Government expenditures of ARP funds for General Government purposes. *Coates' Canons*. (2021, June 30). <https://canons.sog.unc.edu/american-rescue-plan-act-of-2021-arp-local-government-expenditures-of-arp-funds-for-general-government-purposes/>.

Bauer, L., Broady, K., Edelberg, W., O'Donnell, J. (2020). Ten facts about COVID-19 and the US economy. *Brookings*. <https://www.brookings.edu/research/ten-facts-about-covid-19-and-the-u-s-economy/>

*BellSouth Telecommunications, Inc. v. City of Laurinburg*, 606 S.E.2d 721. (2005).

Carroll, D. A., & Johnson, T. (2010). Examining Small Town Revenues: To What Extent Are They Diversified? *Public Administration Review*, 70(2), 223–235. <http://www.jstor.org/stable/40606374>

Center for Disease Control and Prevention. (2021). COVID-19 Mortality Overview. *National Center for Health Statistics*. <https://www.cdc.gov/nchs/covid19/mortality-overview.htm>

Domestic violence training courses. (1970, December 1). Domestic Violence Training Courses | NATIONAL SHERIFFS' ASSOCIATION. <https://www.sheriffs.org/programs/domestic-violence-crime-victim-services/training>.

Environmental Protection Agency. (2021a). Learn about the Clean Water State Revolving Fund (CWSRF) <https://www.epa.gov/cwsrf/learn-about-clean-water-state-revolving-fund-cwsrf#eligibilities>

Environmental Protection Agency. (2021b). DWSRF Eligibilities <https://www.epa.gov/dwsrf/dwsrf-eligibilities>

Evans, M. (2020, December 10). A Pandemic within a Pandemic – Intimate Partner Violence during Covid-19, *N. Engl. J. Med.* 383:2302-04 <https://www.nejm.org/doi/full/10.1056/NEJMp2024046>.

Goddeeris, L. (2021, September 22). Local leaders identify top priorities and processes for rescue plan funds. *ICMA*. <https://icma.org/articles/article/local-leaders-identify-top-priorities-and-processes-rescue-plan-funds>.

Government Finance Officers Association, National Association of Counties. (2021). ARPA Revenue Replacement Calculator. <https://www.naco.org/resources/featured/understanding-eligible-expenses-fiscal-recovery-fund-what-counties-need-know-about-revenue>

---

Guerrero, B. (2021, June 30). Will spending plans for Gaston County's smaller cities cost taxpayers? *Gaston Gazette*. <https://www.gastongazette.com/story/news/2021/06/30/spending-plans-gaston-countys-smaller-cities-cost-taxpayers/5302878001/>

Granados, A. (2021, February 4). Towns, counties showing signs of economic distress. *EducationNC*. <https://www.ednc.org/2021-02-03-nc-towns-counties-showing-signs-of-economic-distress/>.

Goddeeris, L. (2021). Local Leaders Identify Top Priorities and Processes for Rescue Plan Funds. *International City/County Managers Association*. <https://icma.org/articles/article/local-leaders-identify-top-priorities-and-processes-rescue-plan-funds>

Medaugh, E. (2020). Town of Ranlo system development fee study (Memorandum). Gavel & Dorn Engineering, PLLC. <https://townofranlo.org/documents/>

Meridian Specialty Yarn Group breaks ground on new US Textile Plant. (n.d.) *Knitting Industry - Keeping You In The Loop*. <https://www.knittingindustry.com/meridian-specialty-yarn-group-breaks-ground-on-new-us-textile-plant/>.

N.C. Department of the State Treasurer. (2021, May 28). ARPA Funds Accounting, Auditing, and Budgeting Guidance. <https://www.nctreasurer.com/blog/2021/05/28/arpa-funds-accounting-auditing-and-budgeting-guidance>

N.C. Pandemic Recovery Office. (2021a). LFRF and Small Towns. *LFRF-and-small-towns\_final.pdf* (nc.gov)

N.C. Pandemic Recovery Office. (2021b). NCPRO Talks. *YouTube*. <https://www.youtube.com/playlist?list=PLKCn0aOjrEvEH8JGSaHKv4HH0aEsV9mV7>

N.C. Pandemic Recovery Office, N.C. Office of Strategic Partnerships. (2021, August). American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds <https://files.nc.gov/ncgov/documents/files/ncpro/ARP-Fact-Sheet-Text-Final-Draft-083021.pdf>

NC ranks 10th in hunger in the nation. (2019, February 25). *North Carolina Justice Center*. <https://www.ncjustice.org/publications/btc-brief-nc-ranks-10th-in-hunger-in-the-nation/>.

---

Morgan, W. (2013). Increase Utility Revenue without Increasing Rates. *Opflow*, 39(5), 24–26. <http://www.jstor.org/stable/opflow.39.5.24>

Orr, A. (2020, October 5). Ranlo betting on its future. *Gaston Gazette*. <https://www.gastongazette.com/story/news/politics/county/2020/10/05/ranlo-betting-on-its-future/115002192/>.

Orr, A. (2020, August 17). Ranlo's audits? missing no longer. *Gaston Gazette*. <https://www.gastongazette.com/story/special/2020/08/17/ranlorsquos-audits-missing-no-longer/43183151/>.

Orr, A. (2020, April 3). Ranlo names Blanton First City Manager. *Gaston Gazette*. <https://www.gastongazette.com/story/news/politics/county/2020/04/03/ranlo-names-blanton-first-city-manager/1411565007/>.

Orr, A. (2020, October 5). Ranlo betting on its future. *Gaston Gazette*. <https://www.gastongazette.com/story/news/politics/county/2020/10/05/ranlo-betting-on-its-future/115002192/>

Our money needs calculator. (n.d.). *United Way of North Carolina*. <https://www.unitedwaync.org/our-money-needs-calculator>.

Overton, M., & Bland, R. (2017). Revenue Volatility. In Exploring the Linkage between Economic Base, Revenue Growth, and Revenue Stability in Large Municipal Governments. *Lincoln Institute of Land Policy*. <http://www.jstor.org/stable/resrep18596.6>

Ranlo history • Town of Ranlo, NC. (n.d.) *Town of Ranlo, NC*. <https://townofranlo.org/ranlo-history/>.

Summary findings. (n.d.). *USDA ERS - Summary Findings*. <https://www.ers.usda.gov/data-products/food-price-outlook/summary-findings/>.

Svara, J. H., & Brunet, J. R. (2005). Social Equity Is a Pillar of Public Administration. *Journal of Public Affairs Education*, 11(3), 253–258. <http://www.jstor.org/stable/40215707>

---

Total Amount of Local Fiscal Recovery Funds Disbursed to Non-Entitlement Units (NEUs). (2021, October 20). *State of North Carolina*. [https://files.nc.gov/ncgov/documents/files/ncpro/Local-Fiscal-Recovery-Funds-Disbursed\\_Oct-20-2021.pdf](https://files.nc.gov/ncgov/documents/files/ncpro/Local-Fiscal-Recovery-Funds-Disbursed_Oct-20-2021.pdf)

Town of Ranlo. (2020). CDBG Infrastructure Application, South Ranlo Water System Improvements Project.

Town of Ranlo. (2020, November 12). Ranlo Board of Commissioners Regular November 2020 Meeting.

University of North Carolina at Chapel Hill. (2021). *Basics of the American Rescue Plan Act Course*. <https://vimeo.com/showcase/8992135>

U.S. Bureau of Labor Statistics. (2021, November 5). News Release: The Employment Situation-- October 2021. *The U.S. Bureau of Labor Statistics*. <https://www.bls.gov/news.release/pdf/empisit.pdf>

U.S. Bureau of Labor Statistics. (2021, November 10). Table 2. consumer price index for all urban consumers (CPI-U): U. S. city average, by detailed expenditure

U.S. Department of Agriculture. (n.d.). Food price environment: Interactive visualization. *Economic Research Service*. <https://www.ers.usda.gov/data-products/food-price-outlook/food-price-environment-interactive-visualization/>

U.S. Department of the Treasury. (n.d.). Coronavirus state and local fiscal recovery funds. *Policy Issues: COVID-19 Economic Relief*. <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

U.S. Department of the Treasury. (2021, May 17). Coronavirus State and Local Funds Interim Final Rule. <https://home.treasury.gov/system/files/136/FRF-Interim-Final-Rule.pdf>

U.S. Department of the Treasury. (2021, November 15a). Coronavirus Local State and Fiscal Recovery Funds Frequently Asked Questions. <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>

U.S. Department of the Treasury. (2021, November 15b). Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds. <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>

---

U.S. Bureau of Labor Statistics. (n.d.). Category - 2021 M10 results.  
<https://www.bls.gov/news.release/cpi.t02.htm>.

U.S. Department of Education (ED). (2018, November 7). Title I, part a program. Title I, Part A Program. <https://www2.ed.gov/programs/titleiparta/index.html>.

U.S. Department of Health and Human Services, Office of Disease Prevention and Health Promotion (n.d.). Healthy People 2030: Social Determinants of Health.  
<https://health.gov/healthypeople/objectives-and-data/social-determinants-health>

U.S. Environmental Protection Agency. (2021a) Learn about the Clean Water State Revolving Fund (CWSRF). <https://www.epa.gov/cwsrf/learn-about-clean-water-state-revolving-fund-cwsrf#eligibilities>

U.S. Environmental Protection Agency. (2021b) Drinking Water State Revolving Fund (DWSRF). <https://www.epa.gov/dwsrf>

Weinberg, N. (1983). Social Equity and the Physically Disabled. *Social Work*, 28(5), 365–369.  
<http://www.jstor.org/stable/23713698>

Wooldridge, B., & Gooden, S. (2009). The Epic of Social Equity: Evolution, Essence, and Emergence. *Administrative Theory & Praxis*, 31(2), 222–234. <http://www.jstor.org/stable/25610986>



# APPENDICES

# A. Scope of Work

## SCOPE OF WORK

**PROJECT:** American Rescue Plan Act (ARPA) Strategic Recommendation Report

**PREPARED FOR:** Mr. Jonathan D. Blanton, Esq./MPA, Town Manager of Ranlo

**PREPARED BY:** UNC Charlotte MPA Students Elizabeth Harry, Katie Jones, Zack Kier, Christian Malcolm, Robin Mikeal, Misty Santiago, and Mindi White

**SUBMITTED:** September 3, 2021

### BACKGROUND

The American Rescue Plan Act (ARPA) was signed into law by President Biden on March 11th, 2021. The Act provides \$350 billion in aid to state, local, territorial, and Tribal governments to combat the negative economic effects of COVID-19. North Carolina government entities are expected to receive approximately \$8.8 million; the Town of Ranlo will receive \$1,070,000. These Coronavirus State and Local Fiscal Recovery Funds (FRF) are directed for use to combat the negative economic impacts of COVID-19 in four broad categories. These include:

- COVID-19 response and adaptation
- Premium pay for essential workers
- Provision of government services through offsetting revenue loss
- Investments in water, sewer, and broadband infrastructure

The Town of Ranlo contracted with the Gerald G. Fox Master of Public Administration (MPA) capstone class of University of North Carolina Charlotte to provide recommendations on the Town's expenditure options based on spending eligibility, town necessity, stakeholder interest, and logistic feasibility.

The Town of Ranlo is located within Gaston County and is approximately 25 minutes west of the City of Charlotte. In 2019, the Town transitioned to a council-manager form of government under the guidance of Town Manager Jonathan Blanton. The Town's population is 4,511 residents as of the 2020 Census. The Town's fiscal year (FY) 2022 General Fund budget was \$2.3 million.

### EXTERNAL OPPORTUNITIES

ARPA is designed to directly address the demands of the COVID-19 pandemic. With careful planning, the funds may be leveraged to also address long-standing infrastructure needs and community revitalization efforts. Disbursement of Federal funds at this scale is unprecedented; Ranlo has never received a grant of Federal assistance such as the FRF. The path forward will require strategic thinking and comprehensive analysis to ensure funds are obligated to purposes that will position the Town for long-term success. The Strategic Recommendation Report will seek to answer the following questions:



1



# SCOPE OF WORK

American Rescue Plan Act (ARPA) Strategic Recommendation Report

- How can Ranlo maximize the Town's FRF allocation?
- How can Ranlo use FRF to alleviate the Town's most critical needs?
- How can Ranlo use FRF to ensure favorable outcomes for the Town's residents?

## ANALYTICAL FRAMEWORK AND GOALS

This project is structured around three broad goals: 1) identify eligible uses of the FRF, 2) review peer municipalities' intentions for FRF allocations, and 3) gather input from Town of Ranlo stakeholders and community members. To develop informed recommendations on the use of Ranlo's FRF, the MPA team will analyze potential uses via regulatory, regional, and local lenses. Recommendations will be bound by state and federal regulations, informed by regional trends, and responsive to the Town of Ranlo's local priorities. The following summarizes the work plan associated with each goal:



### 1. REGULATORY LENS: Identify eligible uses of the FRF for the Town of Ranlo

- A. Review official ARPA guidance (such as the Interim Final Rule and documents from the US Treasury Department) to learn the broad strokes of Federal eligibility and reporting requirements
- B. Review guidance from North Carolina-specific organizations (such as the North Carolina League of Municipalities, the North Carolina Local Government Budget Association, and the UNC School of Government) to understand how local law and policy interacts with Federal eligibility



### 2. REGIONAL LENS: Review peer municipalities' intentions for FRF allocations

- A. Review documents from peer municipalities (such as meeting minutes, financial reports, and/or published ARPA plans) to gather preliminary information
- B. Survey peer municipalities to determine common themes and identify candidates for step 2C
- C. Interview representatives of select peer municipalities to understand common challenges, barriers, and funding frameworks



### 3. LOCAL LENS: Gather input from Town of Ranlo stakeholders and community

- A. Review internal documents from the Town of Ranlo (such as grant applications, GIS data, feasibility studies, ordinances, meeting minutes, internal reports, or strategic plan) to gain an initial understanding of historical funding priorities, opportunities, and strategic vision
- B. Meet with Town of Ranlo's Citizen Advisory Master Planning Board to understand broad community priorities
- C. Administer an online Community Priority Survey to residents of the Town of Ranlo to solicit additional community input



2



# SCOPE OF WORK

American Rescue Plan Act (ARPA) Strategic Recommendation Report

- D. Meet with Town of Ranlo department heads to gain insight on needs and relevant past work (such as feasibility studies, internal cost estimates, and institutional knowledge on potential funding areas)

## DELIVERABLES

The MPA team will author an ARPA Strategic Recommendation Report for the Town of Ranlo, deliverable by December 7th, 2021. It will include recommendations of how the Town should obligate its FRF allocation, as well as a summary of information gathered in support of each recommendation. The MPA team prioritizes a data-informed and transparent approach to developing recommendations, which will be facilitated by the framework outlined in the previous section.

The report will be presented to Mr. Blanton in an online meeting at 6:30 PM on Tuesday, December 7th, 2021.

## BOUNDARIES

The aggressive project timeline set by the MPA team ensures the Town of Ranlo can begin to obligate FRF as soon as possible, maximizing the opportunity for successful project implementation. While rapid feedback is preferred in this situation, the MPA team may face uncertainty with official ARPA guidance as it continues to be updated and finalized by the US Treasury. The proposed timeline may also place limits on the depth of analysis in terms of project costs, timelines, and feasibility.

In addition, the MPA team will put forth best efforts to interpret the Federal ARPA requirements in the context of North Carolina's legislative and policy framework. Localized ARPA guidance for jurisdictions is also still evolving; therefore, the final Strategic Recommendation Report will be justified in terms of the guidance available at the time of submission (December 7th, 2021). This may be subject to change as both the Federal and State official guidance evolves over the lifetime of the ARPA funding period, so Ranlo is advised to continually monitor new guidance and reporting requirements as they are published.

## ADMINISTRATION

The following information is requested to be delivered to the MPA team liaison Misty Santiago at [mestroup@uncc.edu](mailto:mestroup@uncc.edu):

- ⇒ Strategic visioning documents, such as
  - Strategic plan



3

# SCOPE OF WORK

American Rescue Plan Act (ARPA) Strategic Recommendation Report

- Organizational chart
  - Logic Model
- ⇒ Project mapping and costing documents, such as
- Grant applications for infrastructure or community development projects submitted since July 1, 2018 (please indicate whether applications were approved or denied)
  - Feasibility studies, environmental assessments, or other high-level analysis of infrastructure or community development projects drafted since July 1, 2018
  - GIS-based information displaying City maintained infrastructure and associated metadata (age of assets) if available
  - List of current and pending capital projects (include projected costs, if available)
- ⇒ List of human resources with preferred contact information
- Town of Ranlo department directors
  - Town of Ranlo communications manager who can advise on community survey implementation
  - Primary contact for Citizen Advisory Master Planning Board
  - Primary intergovernmental contacts, such as Gaston County water/sewer administration
- ⇒ Branding guidelines such as logo, fonts, and messaging, if available

## SIGNATURES

By signing this document, signatories agree the proposed Scope of Work is acceptable as the direction for the project during the fall 2021 semester (August 24, 2021-December 14, 2021), and that permission is granted to contact Town of Ranlo staff and committees.

X 

Mr. Jonathan D. Blanton, Esq./MPA  
Town Manager of Ranlo

09-07/2021  
Date

X *Misty Santiago*

Ms. Misty Santiago  
UNC Charlotte MPA Team Liaison

9/3/2021  
Date



## B. Timeline of Important Dates

The following timeline explains when Ranlo received (or is expected to receive) funding, as well as reporting milestones.

- Summer 2021: First tranche of funds received
- Summer 2022: Second tranche of funds received
- April 30, 2022: Project and Expenditure Report Due (Covering March 3, 2021 - March 31, 2022)
- April 30, 2023: Project and Expenditure Report Due (Covering April 1, 2022 - March 31, 2023)
- April 30, 2024: Project and Expenditure Report Due (Covering April 1, 2023 - March 31, 2024)
- December 31, 2024: Deadline to incur and obligate funds
- April 30, 2025: Project and Expenditure Report Due (Covering April 1, 2024 - March 31, 2025)
- April 30, 2026: Project and Expenditure Report Due (Covering April 1, 2025 - December 31, 2026)
- December 31, 2026: Deadline to expend funds, and deadline for completion of work

# C. City versus County Responsibility per North Carolina General Statutes

Function	Counties		Cities	
	May	Must	May	Must
Law Enforcement		<b>X</b>	<b>X</b>	
Jails		<b>X</b>	<b>X</b>	
Medical Examiner		<b>X</b>	<b>X</b>	
Courts		<b>X</b>		
Fire Protection	<b>X</b>		<b>X</b>	
Streets			<b>X</b>	
Water	<b>X</b>		<b>X</b>	
Sewer	<b>X</b>		<b>X</b>	
Solid Waste Collection	<b>X</b>		<b>X</b>	
Solid Waste Disposal	<b>X</b>		<b>X</b>	
Land Use Regulation	<b>X</b>		<b>X</b>	
Building Code Enforcement		<b>X</b>		<b>X</b>
Public Schools		<b>X</b>	<b>X</b>	
Community Colleges	<b>X</b>			
Libraries	<b>X</b>			
Social Services		<b>X</b>	<b>X</b>	
Public Health		<b>X</b>	<b>X</b>	
Mental Health		<b>X</b>	<b>X</b>	
Hospitals	<b>X</b>			<b>X</b>
Deed Registration		<b>X</b>		
Election Administration		<b>X</b>		
Parks and Recreation	<b>X</b>		<b>X</b>	
Tax Assessment		<b>X</b>		
Tax Collection	<b>X</b>		<b>X</b>	

## D. FY20 Revenue Replacement Calculation

The process for calculating Ranlo's lost revenue is explained in the box below. The first step of the calculation adds all eligible revenues from the last full fiscal year before the pandemic (FY19), yielding a base revenue total of \$3,116,797. Next, the U.S. Department of the Treasury's suggested growth rate of 4.1% is applied to the FY19 base revenue, resulting in a counterfactual FY20 revenue projection of \$3,310,432. The U.S. Department of the U.S. Department of the Treasury projects Ranlo's revenue in FY20 might have been \$3,310,432 if the pandemic had never happened. Since the counterfactual is less than the \$3,339,032 in actual revenue during FY20, Ranlo is unable to claim a revenue loss.

- Step 1. Sum of all eligible revenue sources in FY19  
= \$3.12M in base year (FY19) revenue
- Step 2. \$3.12M x 4.1% growth rate  
= \$3.31M counterfactual FY20 revenue
- Step 3. \$3.34M FY20 actual revenue > \$3.31M counterfactual FY20 revenue; therefore, Ranlo is not eligible to claim any lost revenue

The full documentation of Ranlo's lost revenue follows.

**Annual Audit, Statement of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual**

	Include in Calculation?	Actual FY16	Actual FY17	Actual FY18	Actual FY19	Actual FY20
<b>GENERAL FUND REVENUES</b>						
Ad valorem taxes (net of refunds)						
taxes	YES	\$ 809,131	\$ 868,983	\$ 892,743	\$ 1,018,125	\$ 1,143,523
penalties and interest	YES	\$ 3,309	\$ -	\$ -	\$ -	\$ -
Unrestricted intergov						
local option sales tax	YES	\$ 317,066	\$ 292,620	\$ 300,847	\$ 332,110	\$ 358,764
telecommunications sales tax	YES	\$ 15,161	\$ 15,035	\$ 13,583	\$ 12,394	\$ 11,343
utilities sales tax	YES	\$ 164,308	\$ 163,850	\$ 165,925	\$ 186,851	\$ 158,516
piped natural gas sales tax	YES	\$ 10,119	\$ 9,451	\$ 12,116	\$ 10,033	\$ 10,216
video franchise fee	YES	\$ 20,534	\$ 20,764	\$ 20,313	\$ 19,533	\$ 18,211
tax refunds	NO	\$ 10,203	\$ 6,562	\$ 11,864	\$ 5,383	\$ 11,831
Restricted intergov						
powell bill allocation	YES	\$ 97,920	\$ 96,892	\$ 96,907	\$ 96,171	\$ 95,434
grants	NO*	\$ -	\$ 122,172	\$ 21,828	\$ -	\$ -
solid waste disposal tax	YES	\$ 2,218	\$ 2,361	\$ 6,003	\$ 1,841	\$ 2,875
controlled substance tax	YES	\$ 15,361	\$ 15,905	\$ 15,372	\$ 15,477	\$ 15,441
Permits and Fees						
building permits	YES	\$ 3,927	\$ 11,000	\$ 13,325	\$ 8,150	\$ 3,100
Sales and services						
landfill fees	YES	\$ 148,915	\$ 150,184	\$ 159,906	\$ 171,442	\$ 175,645
recycling fees	YES	\$ 594	\$ 1,404	\$ 723	\$ 208	\$ 1,329
trash can sales	YES	\$ 165	\$ -	\$ 110	\$ 55	\$ 110
lodge rental fees	YES	\$ 9,971	\$ 9,720	\$ 12,200	\$ 9,270	\$ 5,205
recreation revenue	YES	\$ 8,988	\$ 7,336	\$ 15,032	\$ 6,900	\$ 3,266
Investment earnings	YES	\$ 3,428	\$ 6,884	\$ 18,756	\$ 54,480	\$ 34,660
Other Revenues						
court fees	YES	\$ 492	\$ 531	\$ 329	\$ 266	\$ 574
misc	YES	\$ 11,629	\$ 5,066	\$ 60,048	\$ 33,322	\$ 52,739
<b>TOTAL GENERAL FUND REVENUES</b>		<b>\$ 840,999</b>	<b>\$ 1,800,158</b>	<b>\$ 1,826,066</b>	<b>\$ 1,976,628</b>	<b>\$ 2,090,951</b>
<b>WATER AND SEWER FUND REVENUES</b>						
Water and sewer charges	YES	\$ 1,111,936	\$ 1,163,481	\$ 1,168,719	\$ 1,077,432	\$ 1,184,467
Storm water fees	YES	\$ 57,910	\$ 58,109	\$ 60,082	\$ 62,737	\$ 63,614
Connection fees	NO	\$ 37,754	\$ 194,982	\$ 235,932	\$ 149,390	\$ 40,063
System development fee	NO	\$ 9,750	\$ 318,750	\$ -	\$ -	\$ -
Other operating revenues	NO	\$ 30,937	\$ 58,577	\$ 66,663	\$ 60,152	\$ 30,988
<b>TOTAL WATER/SEWER FUND REVENUES</b>		<b>\$ 1,248,287</b>	<b>\$ 1,793,899</b>	<b>\$ 1,531,396</b>	<b>\$ 1,349,711</b>	<b>\$ 1,319,132</b>
<b>NET REVENUES</b>		<b>\$ 2,089,286</b>	<b>\$ 3,594,057</b>	<b>\$ 3,357,462</b>	<b>\$ 3,326,339</b>	<b>\$ 3,410,083</b>
<b>NET ELIGIBLE REVENUES</b>		<b>\$ 2,813,082</b>	<b>\$ 2,899,576</b>	<b>\$ 3,033,039</b>	<b>\$ 3,116,797</b>	<b>\$ 3,339,032</b>

\* Only state funds are eligible in this category, not federal. Because source is not differentiated, the whole category is assumed ineligible.



Calculating General Revenue	EXCLUDED FROM GENERAL REVENUES
	<ul style="list-style-type: none"> <li>Refunds and other correcting transactions</li> <li>Proceeds from the issuance of debt, loans, or the sale of investments</li> <li>Agency funds or private trust transactions</li> <li>Some public enterprise revenue               <ul style="list-style-type: none"> <li>Water fees, penalties, and other charges, including availability fees, system development fees, tap/connection fees, contractual charges, and bulk sale revenue</li> <li>Electric fees, penalties, and other charges</li> <li>Natural gas fees, penalties, and other charges</li> <li>Transit or bus system fees, penalties, and other charges</li> </ul> </li> <li>Intergovernmental transfers from the federal government, including federal transfers made via a state to a local government pursuant to a federal grant (including the CARES ACT/CRF and ARP funds)</li> </ul>

Calculating General Revenue	INCLUDED NC REVENUES		
	<ul style="list-style-type: none"> <li><b>Local Government Taxes</b> <ul style="list-style-type: none"> <li>Property taxes</li> <li>Service district taxes (special taxing districts)</li> <li>Local sales and use taxes</li> <li>Transportation sales and use taxes</li> <li>Motor vehicle licensing taxes</li> <li>Beer and wine licensing taxes</li> <li>Rental gross receipts taxes</li> <li>Animal taxes</li> <li>Local real estate transfer taxes</li> </ul> </li> <li><b>General government fees, charges, payments in lieu</b> <ul style="list-style-type: none"> <li>Recreation fees</li> <li>Cultural and arts fees</li> <li>Public health fees</li> <li>Cemetery fees</li> <li>Ambulance fees</li> <li>Parking fees</li> <li>Franchise fees</li> <li>Library fees</li> <li>Public record fees</li> <li>Port or marina fees</li> <li>Hospital revenues</li> <li>Register of Deeds fees</li> <li>Museum, auditorium, coliseum, convention center, stadium revenues</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Other fees for general government programs and services</li> <li><b>Licensing, inspection, permit, and other regulatory fees</b></li> <li><b>Intergovernmental transfers between the state and local government (except pass-through funds from the federal government)</b> <ul style="list-style-type: none"> <li>Powell Bill funds</li> <li>Beer and wine taxes</li> <li>Video programming services taxes</li> <li>Solid waste tipping tax</li> <li>911 charge</li> <li>Electric tax</li> <li>Telecommunications tax</li> <li>Piped natural gas tax</li> <li>Disposal taxes</li> <li>State real estate transfer tax</li> <li>Public School Building Capital Fund Distributions</li> <li>Social services funding</li> <li>Public health funding</li> <li>State agency grants to local governments (including only state funds, not federal funds)</li> <li>State direct appropriations for general government purposes</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Judicial system fees</b></li> <li><b>Some public enterprise revenues</b> <ul style="list-style-type: none"> <li>Wastewater revenues</li> <li>Airport revenues</li> <li>Off-street parking revenues</li> <li>Solid waste revenues</li> <li>Stormwater revenues</li> <li>Cable television/broadband revenues</li> </ul> </li> <li><b>Special assessments and critical infrastructure assessments</b></li> <li><b>Property rental and sale proceeds</b></li> <li><b>Donations</b></li> <li><b>Interest income</b></li> <li><b>ABC revenue transfers to local government</b></li> </ul>

Source: University of North Carolina at Chapel Hill (2021)

## ARPA Revenue Replacement Calculator

### Background Information

**Notes:**

1) Fiscal Year End   
**Base Year Revenue Period**  FY used for base year calculation

2) Calculation Date   
**Number of Months**  Months between Base Year and Calculation Date

### Estimate Revenue

3) Base Year Revenue  [Use Worksheet to Calculate](#)

4) Growth Rate  [Use Worksheet to Calculate](#)

**Counterfactual Revenue**  Estimated Revenue Without Pandemic

5) Actual Revenue  [Use Worksheet to Calculate](#)


### Reduction in Revenue

*Fiscal Year Ended* 12/31/2020

Revenue Reduction

Revenue Reduction %

### Base Year Revenue Worksheet

		Fiscal Year Ended	6/30/2019	
Revenue Source	Base Revenue (Y/N)	Amount		
<b>Taxes</b> <small>Amount of tax collections for all taxes imposed by the government.</small>				
<b>Property Tax</b>				
Property Tax	Y	\$	1,018,125	
<b>Sales and Gross Receipts Tax</b>				
General Sales and Use Tax	Y	\$	560,921	
<b>Licensing and Permit Taxes</b>				
Building/Construction Permits	Y	\$	8,150	
<b>Intergovernmental Revenue</b> <small>Amount of revenue in form of grants, share of taxes imposed by others, PILOTs, or</small>				
<b>Intergovernmental Revenue</b>				
From Other Local Governments	Y	\$	113,489	
<b>Other Revenue</b> <small>Amount of other revenue excluding any refunds or transfers between funds</small>				
<b>User Charges and Fees</b>				
Sewerage Charges	Y	\$	1,140,169	
Refuse Collection, Disposal, and Recycling Charges	Y	\$	171,705	
Parks and Recreation Charges	Y	\$	6,900	
Miscellaneous Commercial Activities Operated	Y	\$	9,270	
<b>Other Revenue</b>				
Interest Earnings	Y	\$	54,480	
Miscellaneous Other Revenue	Y	\$	33,588	
<b>Total</b>		<b>\$</b>	<b>3,116,797</b>	
<b>Total Included in Base Revenue</b>		<b>\$</b>	<b>3,116,797</b>	

Source: Government Finance Officers Association, National Association of Counties, 2021



Growth Rate Calculation



**NOTE: This form is only required if annual revenue growth prior to the pandemic exceeds 4.1%. If not, 4.1% rate of growth will be used**

Revenue Source	Base Revenue (Y/N)	FY Ended 6/30/2016	FY Ended 6/30/2017	FY Ended 6/30/2018	FY Ended 6/30/2019
<b>Taxes</b> Amount of tax collections for all taxes imposed by the government.					
<b>Property Tax</b>					
Property Tax	Y	\$ 812,440	\$ 868,983	\$ 892,743	\$ 1,018,125
<b>Sales and Gross Receipts Tax</b>					
General Sales and Use Tax	Y	\$ 527,188	\$ 501,720	\$ 512,784	\$ 560,921
<b>Licensing and Permit Taxes</b>					
Building/Construction Permits	Y	\$ 3,927	\$ 11,000	\$ 13,325	\$ 8,150
<b>Intergovernmental Revenue</b> Amount of revenue in form of grants, share of taxes imposed by others, PILOTs, or reimbursement for services					
<b>Intergovernmental Revenue</b>					
From Other Local Governments	Y	\$ 115,499	\$ 115,158	\$ 118,282	\$ 113,489
<b>Other Revenue</b> Amount of other revenue excluding any refunds or transfers between funds					
<b>User Charges and Fees</b>					
Sewerage Charges	Y	\$ 1,169,846	\$ 1,221,590	\$ 1,228,801	\$ 1,140,169
Refuse Collection, Disposal, and Recycling Charges	Y	\$ 149,674	\$ 151,588	\$ 160,739	\$ 171,705
Parks and Recreation Charges	Y	\$ 8,988	\$ 7,336	\$ 15,032	\$ 6,900
Miscellaneous Commercial Activities Operated	Y	\$ 9,971	\$ 9,720	\$ 12,200	\$ 9,270
<b>Other Revenue</b>					
Interest Earnings	Y	\$ 3,428	\$ 6,884	\$ 18,756	\$ 54,480
Miscellaneous Other Revenue	Y	\$ 12,121	\$ 5,597	\$ 60,377	\$ 33,588
<b>Total</b>		\$ 2,813,082	\$ 2,899,576	\$ 3,033,039	\$ 3,116,797
<b>Total Included in Base Revenue</b>		\$ 2,813,082	\$ 2,899,576	\$ 3,033,039	\$ 3,116,797
<b>Growth Rate</b>			3.1%	4.6%	2.8%
Average Growth Rate			3.5%		
Growth Rate Used for Calculation			4.1%		

**Actual Revenue Worksheet**

12 Months Period Prior to 12/31/2020

Revenue Source	Base Revenue (Y/N)	Amount
<b>Taxes</b> Amount of tax collections for all taxes imposed by the government.		
<b>Property Tax</b>		
Property Tax	Y	\$ 1,143,523
<b>Sales and Gross Receipts Tax</b>		
General Sales and Use Tax	Y	\$ 557,050
<b>Licensing and Permit Taxes</b>		
Building/Construction Permits	Y	\$ 3,100
<b>Intergovernmental Revenue</b> Amount of revenue in form of grants, share of taxes imposed by others, PILOTs, or		
<b>Intergovernmental Revenue</b>		
From Other Local Governments	Y	\$ 113,750
<b>Other Revenue</b> Amount of other revenue excluding any refunds or transfers between funds		
<b>User Charges and Fees</b>		
Sewerage Charges	Y	\$ 1,248,081
Refuse Collection, Disposal, and Recycling Charges	Y	\$ 177,084
Parks and Recreation Charges	Y	\$ 3,266
Miscellaneous Commercial Activities Operated	Y	\$ 5,205
<b>Other Revenue</b>		
Interest Earnings	Y	\$ 34,660
Miscellaneous Other Revenue	Y	\$ 53,313
<b>Total</b>		\$ 3,339,032
<b>Total Actual Base Revenue</b>		\$ 3,339,032

Source: Government Finance Officers Association, National Association of Counties, 2021

# E. Examples of “Safe Harbor” Projects

<b>Respond to negative public health impacts</b>	<b>Respond to negative economic impacts</b>
Provide personal protective equipment for local government staff or users of gov't facilities; as well as low- and moderate-income & senior citizens	Reimbursing increased maintenance or repair costs that are clearly due to the pandemic
Disinfection, cleaning, or air filtration in local government facilities	Increase level of service of existing governmental programs that experienced high demand due to the pandemic
Renovations of local government facilities that enable adequate social distancing, air circulation, optimize entrance/egress, or otherwise meet increased operational needs due to COVID-19	Employment assistance or job training programs for low- and moderate-income & senior citizens
Local government employee vaccination incentives	Public projects or programs that aid industries experiencing economic decline during the pandemic, such as tourism, travel, or hospitality
Local government programs offering behavioral health services, such as treatments for mental health or substance abuse	Replenish local government workforce to pre-pandemic levels
Whole or partial payment of salaries and benefits for personnel responding to COVID-19	Programs that address the social determinants of health for those disproportionately impacted by the pandemic, such as housing or food insecurity

Source: University of North Carolina at Chapel Hill (2021)

# F. Premium Pay Policy Checklist

## PREMIUM PAY PROGRAM CHECKLIST

- 1. Adopt a written policy defining premium pay program that does all the following:
  - Sets eligibility parameters for receiving premium pay
  - Specifies time-period for awarding premium pay
  - Indicates if different eligibility criteria will be used for retroactive payments vs. prospective payments
  - Specifies how payments will be calculated
  - Specifies how payments will be distributed
  - Sets document retention requirements
  - Documents procedures for determining eligibility based on parameters.
  - Assigns roles and responsibilities for implementing the program
  - Establishes periodic monitoring and other internal controls
- 2. Identify eligible employees and document number of workers to be served
- 3. Identify if any eligible employees exceed the 150% threshold, and articulate additional justification for their inclusion
- 4. Calculate estimated total costs of program
- 5. Implement premium pay program
- 6. Document number of workers that receive premium pay
- 7. Track total obligations and expenditures for premium pay
- 8. Implement monitoring and other internal controls
- 9. Report on program according to US Treasury guidelines

Essential Work

(1) Not teleworking

(2) Involves:

- Regular in-person interactions; OR
- Regular physical handling of items that were handled by others.

Note

US Treasury requires a local government to prioritize low- and moderate-income workers when awarding premium pay

Per-Person Maximums

(1) Up to \$13 per hour

(2) Overall (not yearly) total per employee payout is \$25,000

For more detailed information on developing a premium pay program, check out the [Coates' Cannon blog linked here!](#)

Source: University of North Carolina at Chapel Hill (2021)

# G. List of CWSRF and DWSRF Projects

<b>CWSRF Projects</b>	<b>DWSRF Projects</b>
Centralized Wastewater Treatment	Treatment
Energy Conservation	Transmission and Distribution
Water Conservation	Source
Stormwater	Storage
Agricultural Best Management Practices	Consolidation
Decentralized Wastewater Treatment	Creation of New Systems
Resource Extraction	
Contaminated Sites	
Landfills	
Habitat Protection and Restoration	
Silviculture	
Desalination	
Groundwater Protection and Restoration	
Surface Water Protection and Restoration	
Planning/Assessment	

Source: Environmental Protection Agency (2021a); Environmental Protection Agency (2021b)

# H. Project Ideas for Priority Populations and Map of Qualified Census Tracts

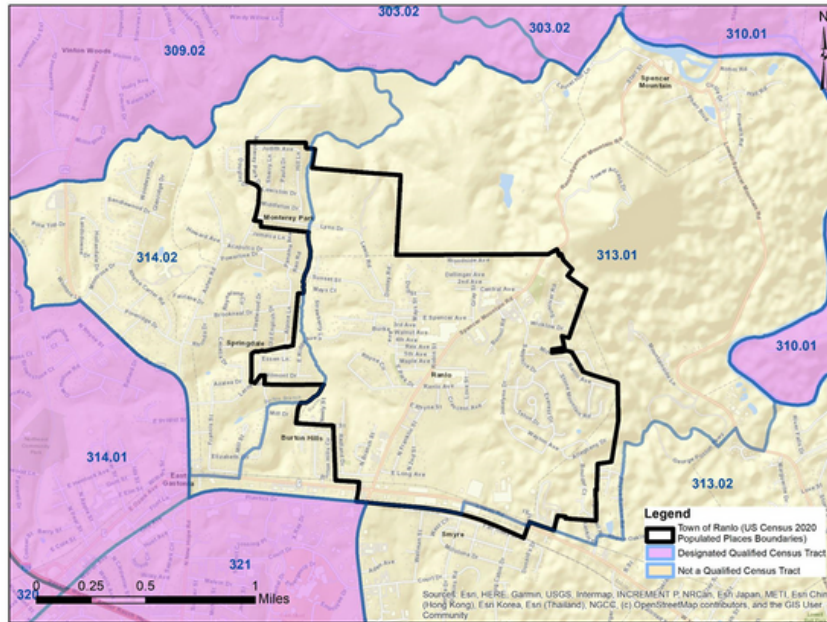
<p><b><u>Programs or services that facilitate access to health and social services</u></b></p>	<p><b><u>Programs or services that address housing insecurity, lack of affordable housing, or homelessness</u></b></p>
<p>Assistance accessing or applying for public benefits or services</p>	<p>Supportive housing or other programs or services to improve access to stable, affordable housing among individuals who are homeless</p>
<p>Remediation of lead paint or other lead hazards</p>	<p>Development of affordable housing to increase supply of affordable and high-quality living units</p>
<p>Community violence intervention programs</p>	<p>Housing vouchers and assistance relocating to neighborhoods with higher levels of economic opportunity and to reduce concentrated areas of low economic opportunity</p>
<p><b><u>Programs or services that address or mitigate the impacts of the COVID-19 public health emergency on education</u></b></p>	<p><b><u>Programs or services that address or mitigate the impacts of the COVID-19 public health emergency on childhood health or welfare</u></b></p>
<p>New or expanded early learning services;</p>	<p>New or expanded childcare</p>
<p>Assistance to high-poverty school districts to advance equitable funding across districts and geographies</p>	<p>Programs to provide home visits by health professionals, parent educators, and social service professionals to individuals with young children to provide education and assistance for economic support, health needs, or child development</p>
<p>Educational and evidence-based services to address the academic, social, emotional, and mental health needs of students;</p>	<p>Services for child welfare-involved families and foster youth to provide support and education on child development, positive parenting, coping skills, or recovery for mental health and substance use</p>

Source: U.S. Department of the Treasury (2021, May 17, p. 141-143)

Any project aimed at ameliorating the impact of the pandemic on disproportionately impacted communities that occurs within a Qualified Census Tract (QCT) is presumed eligible under ARPA (U.S. Department of the Treasury, 2021, May 17, p. 21). There are no QCTs that overlap with Ranlo’s municipal boundaries as seen in Figure 2.5-2. While Ranlo’s municipal boundaries lie mostly within the 313.01 tract, some boundaries extend into the 314.02, and 313.02 tracts. If Ranlo wishes to fund projects that aid disproportionately impacted communities, it will have to prove the project actually serves “disadvantaged communities.” Ranlo should seek guidance from the U.S. Department of the Treasury after the Fiscal Recovery Final Rule is issued.



If a project is “presumed eligible,” the Treasury allows governmental units to assume there is a need for the services listed above, thus lessening the documentation requirements for eligible projects. If the project does not primarily serve QCT residents, the project may still be eligible under ARPA; but, the unit must provide the appropriate documentation demonstrating a need for the project.



There are no QCTs that overlap with Ranlo’s municipal boundaries. Ranlo’s municipal boundaries are fully contained within census tract numbers 313.01, 314.02, and 313.02, which are not designated as QCTs, as the map above illustrates. Most of Ranlo is contained within census tract 313.01. If Ranlo wishes to fund projects that aid disproportionately impacted communities, it will have to prove the project actually serves “disadvantaged communities.” The official criteria for determining whether or not a project serves a disadvantaged community will be defined in the forthcoming Reporting Guidance and User Guide, to be released by the Treasury after the Fiscal Recovery Final Rule is issued. In the mean-time, the Treasury’s definition of a QCT offers a potential rule of thumb, as explained in the table below.

Criteria	Potential Benchmark
Projects that define its primary intended beneficiaries as having “an income which is less than 60 percent of [Ranlo’s] median gross income”	Ranlo’s Median Income: \$54,250* Ranlo’s 60% of Median Income: \$32,550
Projects for which at least 25% of its intended beneficiaries have a household income below the federal poverty line	2021 Federal poverty line for a four-person household: \$26,500**
* 2019 American Community Survey’s 5-Year Estimates ** Federal Register Poverty Update, February 1, 2021	

# I. Municipality Survey

What is the population of your municipality?

- 0-2500
- 2501-5000
- 5001-10,000
- 10,000+

Has your municipality currently accepted ARPA Funding?

- Yes
- No
- In Progress

Which expenditure category is your municipality considering using the funding for?

- Covid-19 Response/Adaptation
- Premium Pay
- Revenue Loss/Revenue Replacement
- Investments and Infrastructure
- Combination of the above

Select all expenditure categories your town is considering investing in:

- Covid-19 Response/Adaptation:
- PPE
- Vaccination and Testing Sites
- Community Education
- Contact Tracing and Data Analysis
- Community Healthcare Providers
- Upgrading Ventilation Systems
- Mental Health and/or Substance Abuse Assistance
- Direct Financial Assistance to Citizens
- Premium Pay
- Healthcare Workers
- Food Production and Facilities
- Drivers and Delivery Service
- Childcare Workers
- Public Safety Employees
- Sanitation/Janitorial Services
- Social Services
- Revenue Loss/Replacement: (Choose your growth rate)
- Your Average Growth Rate
- 4.1%
- Infrastructure
- Water
- Sewer
- Broadband

---

What municipality are you representing?

Which region of North Carolina do you represent?

- Mountains
- Coastal
- Piedmont

Under what organizational structure does your municipality operate?

- Mayor-Council
- Manager-Council

What is your general fund budget for FY 2021-2022?

- \$0M-\$2M
- \$2.1M-\$6M
- \$6.1-\$10M
- \$10M+

Has your municipality budgeted ARPA funds for use yet?

- Yes
- No
- In progress

When does your municipality expect to budget for these funds?

When does your municipality expect to expend these funds?

Are you looking to use these funds in conjunction with other grant opportunities?

- Yes
- No
- Unsure at this time



---

How comfortable are you with ARPA funding guidance and restrictions?

- Extremely uncomfortable
- Somewhat uncomfortable
- Neither comfortable nor uncomfortable
- Somewhat comfortable
- Extremely comfortable

Would you be willing to be contacted to further discuss your municipalities' APRA funding? If so, please provide your information below:

Which category of infrastructure would you most likely invest in?

- Water
- Sewer
- Broadband
- Combination of above

Combo Infrastructure

Select all Infrastructure categories your town is considering investing in:

- Water
- Transmission
- Treatment
- Payment Stations (meters)
- Information Technology Infrastructure
- Environmental Projects
- Sewer
- Treatment Plants
- storm Water
- Environmental Projects
- Transmission Infrastructure
- Broadband
- Fiber Optics/ Structured Cabling
- Hotspots
- Town Owned Facilities
- Schools and/or Libraries
- Financial Assistance to residents
- Cyber Security Investments

---

Which aspect of broadband are you most likely to invest in?

- Fiber optics/ structured cabling
- Hotspots
- Town owned facilities
- Schools and/or Libraries
- Financial Assistance to residents
- Cyber Security Investments

Which aspect of sewer infrastructure are you most likely to invest in?

- Treatment Plants
- Storm Water
- Environmental Projects
- Transmission Infrastructure
- Other

Which aspect of water infrastructure are you most likely to invest in?

- Transmission
- Treatment
- Payment Station (Meters)
- Information Technology Infrastructure
- Environmental Projects
- Other

Which growth rate is your municipality using to calculate your revenue loss?

- Your Average Growth Rate
- 4.1%

To which category of essential worker would you allocate funding?

- Healthcare Workers
- Food Production and Facilities
- Drivers and Delivery Service
- Childcare Workers
- Public Safety Employees
- Sanitation/Janitorial Services
- Social Services
- Other

---

Select all that your municipality is considering using ARPA funds for in regard to COVID-19 response and Adaptation:

- PPE
- Vaccination and Testing Sites
- Community Education
- Contact Tracing and Data Analysis
- Community Healthcare Providers
- Upgrading Ventilation Systems
- Mental Health and/or Substance Abuse assistance
- Direct Financial Assistance to Citizens
- Other

# J. Combination of Projects Breakdown (from Municipality Survey)

<b>Combination of Projects Breakdown Municipal Populations 10,000+</b>	
COVID-19 Response (PPE, Vaccination, Sanitation, Public Safety Employees)	6
Revenue Replacement	5
Infrastructure (Water, Sewer, Broadband)	3
Community Initiatives (Financial Assistance, Mental Health, Substance Abuse, Education)	4
Premium Pay	3
<i>Project Engagement Sum</i>	21
<b>Combination of Projects Breakdown Municipal Populations 5,000 - 10,000</b>	
COVID-19 Response (PPE, Vaccination, Sanitation, Public Safety Employees)	1
Revenue Replacement	3
Infrastructure (Water, Sewer, Broadband)	4
Community Initiatives (Financial Assistance, Mental Health, Substance Abuse, Education)	0
Premium Pay	0
<i>Project Engagement Sum</i>	8
<b>Combination of Projects Breakdown Municipal Populations 2,501 - 5000</b>	
COVID-19 Response (PPE, Vaccination, Sanitation, Public Safety Employees)	2
Revenue Replacement	1
Infrastructure (Water, Sewer, Broadband)	2
Community Initiatives (Financial Assistance, Mental Health, Substance Abuse, Education)	1
Premium Pay	1
<i>Project Engagement Sum</i>	7
<b>Combination of Projects Breakdown Municipal Populations 0-2500</b>	
COVID-19 Response (PPE, Vaccination, Sanitation, Public Safety Employees)	2
Revenue Replacement	0
Infrastructure (Water, Sewer, Broadband)	3
Community Initiatives (Financial Assistance, Mental Health, Substance Abuse, Education)	1
Premium Pay	1
<i>Project Engagement Sum</i>	7

# K. Facebook Community Survey

Out of these categories eligible for ARPA funding, please rank these from least preferred (1) to most preferred (5)?

	1	2	3	4	5
<b>COVID-19 Response &amp; Adaptation</b> Public health measures, economic help for small businesses, supporting disproportionately impacted populations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Premium Pay</b> For essential workers who are performing work that directly helps the impact of the coronavirus pandemic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Infrastructure Investments</b> Drinking water systems, wastewater systems, cyber security, broadband internet access to underserved businesses and households	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Revenue Loss</b> Revenue replacement to support core government services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

How would you rate your household on the following?

	Excellent	Good	Fair	Poor	Don't know
Overall physical health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall emotional/ social health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall mental health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall economic health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

How much of a problem, if at all, are the following in your household?

	Major	Moderate	Minor	Not at all	Don't know
Loss of Job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduced household income/ hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of technology to communicate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of technology to perform school/work from home tasks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of childcare or other supervision assistance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Have you had access to any of the following due to COVID-19 or the ensuing recession?

- Food Assistance
- Rental Assistance
- Mortgage Deferral or Assistance
- Unemployment Benefits
- Utility Assistance
- Emergency Childcare Services
- All of the Above
- Combination of the above
- None of the above

Do you own or rent your home?

- Own
- Rent
- Other

# L. Community Demographics Comparison with Survey Responses

Demographic	Frequency	Percentage	DEMOGRAPHIC COMPARISON		
<b>Zip Code</b>					
28054	38	90%	--	--	--
29710	1	2%	--	--	--
28954	2	5%	--	--	--
28055	1	2%	--	--	--
<i>Sum</i>	42	100%	--	--	--
<b>Gender</b>					
			<b>Gaston</b>	<b>Gastonia</b>	<b>Average</b>
Male	11	24%	48%	47%	48%
Female	33	73%	52%	53%	52%
Other	1	2%	--	--	--
<i>Sum</i>	45	100%	100%	100%	100%
<b>Age</b>					
			<b>Gaston</b>	<b>Gastonia</b>	<b>Average</b>
25-34	13	29%	14%	13%	13%
35-44	9	20%	12%	13%	13%
45-54	11	24%	14%	15%	15%
55 and over	12	27%	30%	26%	28%
<i>Sum</i>	45	100%	70%	67%	--
<b>Language</b>					
English	45	100%	--	--	--
<b>Race</b>					
			<b>Tract 313.01 *</b>	<b>Tract 314.01 *</b>	<b>Average</b>
White or Caucasian	38	84%	59%	50%	55%
Multiracial or Biracial	3	7%	7%	8%	8%
Hispanic or Latino	1	2%	12%	15%	14%
Native American or Alaskan Native	1	2%	1%	1%	1%
Black or African American	1	2%	24%	31%	27%
Race/Ethnicity not listed here	1	2%	7%	10%	8%
<i>Sum</i>	45	100%	--	--	--
<b>Race</b>					
Rent	5	11%	--	--	--
Own	39	89%	--	--	--
<i>Sum</i>	44	100%	--	--	--
<b>Relationship to Ranlo</b>					
Live	18	--	--	--	--
Own Property	4	--	--	--	--
Work	3	--	--	--	--
Combination of the above	17	--	--	--	--
All of the Above	3	--	--	--	--

\* Census Tract Average - 2020 DEC Redistricting Data (PL 94-171)

Since Ranlo is not > 5000, Quick Facts are not available. Gaston County and Gastonia Percentages Used

# M. CAMPers Focus Group Interview Guide

**Introduction:** We greatly appreciate you taking the time to speak with us regarding how you would like to see your organization's fiscal recovery funds (FRF) spent. At the conclusion of our research, we will provide you with the results and accompanying analysis. We hope that this will assist you with your decision-making in regards to expending ARPA funds. If at any time you have questions during this conversation, please feel free to interrupt and ask them at any time.

**Intros:** Name, Relationship to the Community

## **ARPA Background & Ground rules (Amounts, dates, restrictions)**

### **What's the pulse?**

- How involved are you with your unit's elected officials?
- Could you tell us about how comfortable you feel about interpreting these guidelines and restrictions and how confident you feel in your decision-making when it comes to expending these funds?
- Obviously the intent of this bill was to alleviate some of the negative economic impacts as a result of COVID-19. Could you elaborate a little bit on how COVID-19 has specifically impacted both your community?
- As we look to the future, what is the biggest challenge that your organization faces over the next five years?

### **Findings from Community Analysis (Share Project List, Things of Note from the Chatter page that can't be included)**

- Stormwater Drainage (Roads) (Spencer Mountain Road & Boulder Court)
- Mill Renovation
- Farmer's market & Community Garden
- Concession stand for splash pad
- Projects from recent grant applications: park & community center renovations, ADA upfits, and expansions

**Share the general Facebook Survey and Ask them not to participate on that one.**

**Next Steps:** Conversation with Department Heads and Launch Community Facebook Survey

**List of participants:** Kara Bihorel, Dana Jones, Jessica Haley, Todd Kepler, Wade Morton, Diana Palmer, Kimberley Walker, Nicole Zonin



# N. List of All Project Ideas Considered

Rating Ranges:		
Clear eligibility	\$ = <\$500K	Popular
Unclear eligibility	\$\$ = \$500K - \$1M	Neutral
Likely not eligible	\$\$\$ = >\$1M	Unpopular

Project Idea	Generalized ARPA Eligibility Rating	Generalized Cost (\$, \$\$, \$\$\$)	Community Favorability Level	Idea Source
<b>Expenditure Category 1: Public Health</b>				
Town of Ranlo employee vaccination incentive	Clear eligibility	\$		Peer municipality
Park Drive Park/Ranlo Park (15 Park Dr.) - ADA Access ramp to splash pad	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
Park Drive Park/Ranlo Park (15 Park Dr.) - Splash pad expansion for safe and increased due to COVID (expand to 50x90 ft)	Unclear eligibility	\$	Popular	CARES Act GO Grant
Park Drive Park/Ranlo Park (15 Park Dr.) - Renovate common area for social distancing	Unclear eligibility	\$	Popular	CARES Act GO Grant
PPE for public sector employees	Clear eligibility	\$		Peer municipality
Playground Renovation/Repair	Unclear eligibility	\$	Popular	Peer municipality
Community Center Renovations - Replace existing entry ramp to meet ADA	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
Community Center Renovations - Replace/expand existing deck for social distancing	Clear eligibility	\$	Popular	CDBG Coronavirus Grant
Park Drive Park/Ranlo Park (15 Park Dr.) - Hand Wash Station	Clear eligibility	\$	Popular	CDBG Coronavirus Grant
Park Drive Park/Ranlo Park (15 Park Dr.) - ADA Sidewalk Access	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - new shelter	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - Outdoor lighting	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - replace sidewalk for ADA code, access to building and new shelter	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - ADA parking and access to building/shelter	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - Hand washing station	Clear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - Replace HVAC	Clear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - ADA button on front door	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - security keypad	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
Community Center Renovations - Furnitures, Fixtures, and Equipment	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - Furnitures, Fixtures, and Equipment for 1 shelter	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - Furnitures, Fixtures, and Equipment	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
Park Drive Park/Ranlo Park (15 Park Dr.) - 40 yards of concrete pavement for accessibility/ADA	Unclear eligibility	\$	Popular	CARES Act GO Grant
Park Drive Park/Ranlo Park (15 Park Dr.) - One handicap accessible ramp and Rails for accessibility/ADA	Unclear eligibility	\$	Popular	CARES Act GO Grant
Gardin Park (1198 Redland Dr) - 20 yards of concrete for accessibility/ADA	Unclear eligibility	\$	Popular	CARES Act GO Grant
Police facility repairs	Likely not eligible	\$		Peer municipality
Police body cameras	Likely not eligible	\$		Peer municipality
Salary replacement for first responders	Unclear eligibility	\$		Peer municipality
<b>Expenditure Category 2: Negative Economic Impacts</b>				
The Lodge (2000 Spencer Mtn Rd) - Upfit kitchen, renovate bathrooms per ADA	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
Splash Pad Concession stand	Likely not eligible		Popular	Community Analysis
<b>Expenditure Category 3: Services to Disproportionately Impacted Communities</b>				
Mill Renovation (Affordable Housing Development Portion)	Unclear eligibility		Popular	Community Analysis
Domestic Violence Support	Clear eligibility			Peer municipality
Farmers Market	Unclear eligibility		Popular	Community Analysis
Resident Utility Assistance (direct payments)	Clear eligibility			Peer municipality
Community Garden	Unclear eligibility		Popular	Community Analysis
Community Center Renovations - Computer Equipment	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - Computer Equipment	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
The Lodge (2000 Spencer Mtn Rd) - Playground Equipment	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant
Fall Festival	Likely not eligible		Popular	Community, Ranlo Staff
<b>Expenditure Category 4: Premium Pay</b>				
Adopt and implement a premium pay policy for Town of Ranlo's essential employees	Clear eligibility	\$		Peer municipality
Reimburse eligible premium payment to essential employees	Clear eligibility	\$		Peer municipality
<b>Expenditure Category 5: Infrastructure</b>				
Duff Station Pump Station Improvements	Likely not eligible	\$	Popular	FY21 CIP Sanitary Sewer Project List
Burlington Ave 8-inch aerial Crossing Replacement	Unclear eligibility	\$	Popular	FY21 CIP Sanitary Sewer Project List FY21 CIP Water Distribution Project List
Water Booster Pump Station	Unclear eligibility	\$\$\$	Popular	List
South Ranlo Water System Improvements	Clear eligibility	\$\$\$	Popular	CDBG I Grant
Flume Improvements	Unclear eligibility	\$	Popular	FY21 CIP Sanitary Sewer Project List
Monterey Park - Water Distribution Interconnect with Gastonia	Unclear eligibility	\$\$	Popular	List
Sewer - Manhole Replacement (10/year)	Unclear eligibility	\$		FY21 CIP Sanitary Sewer Project List
Planning/Zoning software	Likely not eligible	\$		Peer municipality
Stormwater Drainage Roads (in general)	Unclear eligibility	\$\$\$	Popular	Ranlo Council Minutes
Spencer Mountain Road (Drainage)	Unclear eligibility	\$\$\$	Popular	Community Analysis Community Analysis, FY21 CIP
Boulder Court Stormwater	Clear eligibility	\$\$\$	Popular	Roadway Improvement Project List
Water Meter Replacement	Clear eligibility	\$\$		Jonathan Blanton
Sewerline CCTV Investigation and Evaluation - 500 LF/year	Unclear eligibility			FY21 CIP Sanitary Sewer Project List
<b>Expenditure Category 6: Revenue Replacement</b>				
Fund general government services	Likely not eligible			
<b>Expenditure Category 7: Administrative</b>				
Community Center Renovations - Design Services	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant (Denied)
Park Drive Park/Ranlo Park (15 Park Dr.) - Design services	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant (Denied)
The Lodge (2000 Spencer Mtn Rd) - Design Services	Unclear eligibility	\$	Popular	CDBG Coronavirus Grant (Denied)
Hire ARPA coordinator or grant administrator	Clear eligibility	\$\$		Peer municipality
Pay for overhead/administrative costs	Clear eligibility	\$		Peer municipality

# O. Expenditure Categories

<b>1: Public Health</b>	
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
<b>2: Negative Economic Impacts</b>	
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
<b>3: Services to Disproportionately Impacted Communities</b>	
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* ^
<b>4: Premium Pay</b>	
4.1	Public Sector Employees
4.2	Private Sector: Grants to Other Employers
<b>5: Infrastructure<sup>24</sup></b>	
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
<b>6: Revenue Replacement</b>	
6.1	Provision of Government Services
<b>7: Administrative</b>	
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)

# P. Water Meter Replacement Schedule

## Sample Water Meter Replacement Schedule

( \$851,812 quoted cost / 10 years) = \$85,181 per year x 13% increase = \$96,255 updated net yearly cost

	FY22	FY23	FY24	FY25**	FY26**
Cost	\$25,000* + \$71,255 = \$96,255	\$96,255	\$96,255	\$96,255	\$96,255
				<b>NET LFRF:</b>	<b>\$481,274</b>

\*\$25K already budgeted in general fund in FY22

\*\*Funds must be obligated by FY24, and spent by December 31, 2026