



Pursuing the profession while promoting the public good®  
[www.md-cpas.com](http://www.md-cpas.com)

# The American Rescue Plan Act of 2021 What it Means for the City of Butler

---

PRESENTED BY TIM MORGUS, PARTNER, MAHER DUESSEL

April 13, 2021

# Summary of the American Rescue Plan

---

- ❑ March 11, 2021 signed the act (H.R.1319) into law
- ❑ A \$1.9 trillion package intended to combat the COVID-19 pandemic
- ❑ Provides \$362 billion in federal fiscal recovery aid for state and local governments

# Coronavirus Local Fiscal Recovery Fund (FRF) – \$130.2 billion

---

- ❑ \$130.2 billion divided evenly between counties, municipalities, and metropolitan cities
  - \$65.1 billion to all counties
  - \$45.57 billion to metropolitan cities
  - \$19.53 billion to nonentitlement units or municipalities
- ❑ Can be used to cover eligible expenditures through December 31, 2024

# Coronavirus Local Fiscal Recovery Fund – Nonentitlement

---

- ❑ Populations below 50,000 will receive \$19.53 billion
- ❑ Considered non-CDBG entitlement communities typically municipalities
- ❑ Funding based on each jurisdiction's percentage of State population
- ❑ Amounts distributed through the States
- ❑ No provision in Act permitting States to impose additional requirements or restrictions

# Estimated Amounts for Butler County

Adams township	1,382,174.39			Concord township	142,765.37
Allegheny township	61,495.88			Connoquenessing borough	67,131.36
Brady township	122,299.69			Connoquenessing township	383,805.51
Bruin borough	48,544.18			Cranberry township	3,127,392.00
Buffalo township	731,524.20			Donegal township	177,171.42
Butler city	1,273,913.95			East Butler borough	67,625.70
Butler township	1,628,256.79			Eau Claire borough	29,264.92
Callery borough	37,470.97			Evans City borough	169,064.25
Center township	750,803.45			Fairview borough	18,191.71
Cherry Valley borough	6,129.81			Fairview township	198,823.51
Cherry township	105,788.74			Forward township	281,971.48
Chicora borough	94,616.66			Franklin township	273,271.10
Clay township	253,794.11			Harmony borough	83,049.10
Clearfield township	252,311.09			Harrisville borough	84,828.73
Clinton township	273,567.71			Jackson township	420,979.87

# Estimated Amounts for Butler County

Jefferson township	518,265.96			Saxonburg borough	142,172.16
Karns City borough	20,169.07			Seven Fields borough	270,502.80
Lancaster township	274,259.78			Slippery Rock borough	349,102.84
Marion township	118,641.58			Slippery Rock township	623,066.02
Mars borough	159,375.19			Summit township	460,428.19
Mercer township	104,898.93			Valencia borough	134,658.19
Middlesex township	572,742.22			Venango township	81,763.82
Muddy Creek township	213,159.37			Washington township	121,805.35
Oakland township	280,587.33			West Liberty borough	32,626.43
Parker township	60,111.73			West Sunbury borough	17,895.10
Penn township	482,376.88			Winfield township	335,063.59
Petrolia borough	19,575.86			Worth township	143,358.57
Portersville borough	22,146.43			Zelienople borough	356,221.34
Prospect borough	109,644.59				

## Timing of Funding

---

- ❑ Money will be provided in two payments or “tranches”
- ❑ First payment, 50% of distribution, will be received in 2021.
- ❑ For direct recipients within 60 days of enactment
- ❑ Chief Executive will be required to submit a Certification of Need with the U.S. Treasury before funds will be dispersed for direct recipients

# Allowable Uses for Funds – 4 Categories

---

1. Respond to or mitigate the public health emergency or its negative impacts;
2. Provide government services to the extent of the reduction in revenue;
3. Provide “premium pay” to workers performing essential work during COVID-19;
4. Make necessary investments in water, sewer, or broadband infrastructure

# Respond to or Mitigate the Public Health Emergency

---

- ❑ Some examples include assistance to the following
  - Small businesses
  - Nonprofits
  - Households
  - Impacted industries such as tourism, travel & hospitality
- ❑ Above examples are not all inclusive
- ❑ U.S. Treasury will provide guidance regarding its interpretation of these terms.

# Unallowable Activities

---

- ❑ Cannot be used for pension plan obligations
- ❑ As discussed above, states have an additional restriction that they can't use the money to offset a net tax reduction
- ❑ Monies not spend correctly will be required to be returned to the U.S. Treasury

## Department of Treasury

---

- ❑ The U.S. Treasury Department is responsible for the oversight of this funding
- ❑ Other than the few statutory examples of responses to negative economic impacts (assistance to households, small businesses, and nonprofits, or aid to impacted industries), the statute contains little specific guidance.
- ❑ The U.S. Treasury will provide guidance regarding its interpretation of these terms.

# Single Audit Requirements

---

- ☐ Federal funding is being provided under this Act
- ☐ A CFDA number has not been assigned yet to this funding source
- ☐ Reporting required based upon when the expenditures were incurred not when cash has been received
- ☐ Single Audit will need to be completed if total federal funds (including Coronavirus Local Fiscal Recovery Funds) are over the \$750,000 threshold

# Questions or Assistance Needed Contact Us Below



Maher Duessel  
Timothy J. Morgus  
Vice President  
[tmorgus@md-cpas.com](mailto:tmorgus@md-cpas.com)  
(412) 535-5502