

**Town of Farmington, CT  
Town Council- Ad-Hoc Committee  
American Rescue Plan Act (ARPA)  
Minutes- February 3, 2022**

**In attendance:**

C.J. Thomas, Town Council Chair  
Joe Capodiferro, Town Council Member  
Brian Connolly, Town Council Member  
Kathleen Blonski, Town Manager  
Kat Krajewski, Assistant Town Manager  
Rose Ponte, Economic Development Director  
Russ Arnold, Dir. of Public Works/Town Engineering  
Joe Swetcky, Finance Director

**A. Call to Order**

The meeting was called to order by Chairman Thomas at 12:30 PM.

**B. Public Comment**

**There was no public comment.**

**C. Reading of the minutes**

- a. A motion was made and seconded by (Capodiferro/Connolly) to accept the November 9, 2021, minutes. **Motion carried.**

**D. General Discussion**

Mr. Joe Swetcky reported the following information regarding the ARPA funds:

- That the Town is to receive \$7.5 million, half the money has already been received, the second half is scheduled to be received in June 2022.

On January 6, 2022, the US Treasury released their Final Rule for permitted use of ARPA funds by municipalities and towns. The final rule includes the spending category known as Replacement of Lost Revenue for government services. This final rule includes any service traditionally provided by local governments. In addition to calculating lost revenue using a revenue loss calculation formula, the US Treasury also included a standard allowance for lost revenue of \$10 million for the lifetime of the grant. Joe Swetcky reported that this enables the Town much more flexibility for the ARPA funds than originally reported. It is his understanding that the funds **can not be used** to pay down pension obligations or be placed in the Town's fund balance or to pay down debt.

- All funds must be obligated by 2024.

The committee discussed various scenarios and they reached consensus on the following:

1. Funds will not be used for general operating accounts because that will negatively impact future budgetary policy. If general operating funds are reduced by this one- time cash influx it would produce an annual funding gap in future budgets that would result in irregular tax increases.
2. The committee discussed specific requests that were delivered to the Town Manager's office as well as inquiries by businesses to the Economic Development Office. They determined that funding that benefits everyone in the community, rather than a select group, would be the best overall philosophy to implement.
3. Rather than funding specific requests, the committee found it more beneficial and equitable to fund large town wide capital projects. Using the funds to complete large capital expenditures will positively impact all taxpayers and allow the Town to fund projects that normally may not have been afforded.

#### **E. Next Steps**

It was decided that the Town Council members would update the entire Town Council on these preliminary discussions on this policy direction and ask for consensus that this ad-hoc committee is proceeding in the correct direction.

The Town staff will report back at the next meeting with various projects for consideration and will begin to work on a draft policy statement for Town Council approval.

#### **F. Adjournment**

- a. A motion was made and seconded (Capodiferro/Connolly ) to adjourn the meeting at 1:07 PM. **Motion Carried.**

**Respectfully Submitted,  
Kathleen Blonski  
Town Manager**