

Where Did Iowa's Local COVID Relief Funds Go?



By Sarah Curry, DBA

ITR Foundation Research Director



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A Letter from Our President

Iowans for Tax Relief Foundation (ITRF) has been a consistent voice against the unnecessary and often harmful stimulus money that has flowed to state and local governments across the country since 2020. We use the term, “harmful,” because forcing so many dollars into our economy not only adds to the national debt, which is at record levels, but also has a huge inflationary effect. Inflation in America has now reached highs this country hasn’t experienced since 1982.

Iowa cities and counties are flush with federal dollars from the American Rescue Plan Act (ARPA), with local governments in our state collectively [receiving](#) \$1.162 billion. While elected officials have been presented with countless ideas about how to spend ARPA funds, prioritizing the interests of the taxpayer should be at the top of their minds. In addition to direct property tax relief, investments in permanent infrastructure projects and fulfillment of deferred maintenance obligations would be prudent uses of these funds. Putting the taxpayer on the hook for future spending by hiring new employees, in contrast, is an example of windfall spending that should be avoided.

ITRF has surveyed a selection of cities and counties using Freedom of Information Act (FOIA) requests to determine how ARPA funds are being utilized; we present those findings in this report. As you consider how local governments are spending these dollars, take note that, as of June 2022, more than two years after the pandemic first spread across the country, greater than 85% of these federal rescue dollars remain unspent, with a second tranche of payments still scheduled to be distributed in late-2022. Assistance paid out this long after the onset of the pandemic, when everyday life has, in so many ways, returned to normal, is arguably too late to do any good and will only further contribute to painfully high inflation.

ITRF believes citizens should be empowered with opportunity and financial freedom, not made dependent on stimulus checks, rescue funds, and other programs from Washington, D.C. As long as these programs exist, however, local officials must navigate the influx of federal dollars in such a way as to position Iowans for future successes, not larger tax bills.

This is the lens through which we invite you to view the decisions of local governments described in the following pages.

Chris Ingstad
President, ITR Foundation

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About the Author

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Sarah earned a Doctor of Business Administration in Finance, with her dissertation focusing on municipal debt. Before entering the policy world, she worked in state government and the private banking sector.



FOUNDATION

Executive Summary

Iowa local governments received \$1.162 billion to spend on a range of categories as part of the American Rescue Plan Act (ARPA). Iowa's largest cities combined to receive nearly \$335 million, while counties collectively took in \$612 million, and smaller governments received \$216 million in payments.

Iowans for Tax Relief Foundation (ITRF) submitted open records requests to a selection of eleven cities and eight counties across the state of Iowa. Each responded with a different level of detail, resulting in inconsistent data. Among the 19 local governments surveyed, total COVID relief from the U.S. Treasury amounted to \$538 million, of which half has already been received. The remaining \$270 million is expected in late summer or early fall 2022.

According to the data they provided ITRF, these local governments have approximately \$465 million (86%) of their ARPA allocation unspent.¹ Among the communities surveyed, Des Moines and the city of Marion alone had not obligated or spent any of their ARPA funds at the time of their responses.

The rest of the surveyed Iowa communities allocated most of their ARPA funds to revenue replacement. The next-largest spending category was infrastructure (primarily water and sewer), followed by negative economic impacts and public health. All the communities surveyed claimed revenue loss from the pandemic except Sioux City, Scott County, and Muscatine County.

All local governments surveyed complied with the request, with Davenport providing the most comprehensive information.

Many Iowans were hoping the aid would produce property tax reductions, and while the federal government would have permitted it, none of the communities directly obligated ARPA funds towards tax relief. Council Bluffs and Polk County went so far as to report erroneously that the funds could not be used for this purpose. That said, 10 of the 19 surveyed communities reduced their property tax levies between fiscal year 2022 and 2023, while two left their levy rates the same.

Overall, most communities across the state did not commit to future obligations while spending these funds, but instead put them toward one-time expenses and capital projects. Iowa communities have thus been fiscally responsible, and many have prioritized due diligence in transparency.

Introduction

In March 2021, the United States was in the midst of the COVID-19 pandemic. In addition to previous large-scale stimulus measures, Congress passed the American Rescue Plan Act (ARPA)² on a party-line vote. Relief for state and local governments was among the most thoroughly debated provisions of the legislation, ultimately sending \$130.2 billion to state, local, tribal, and territorial governments.

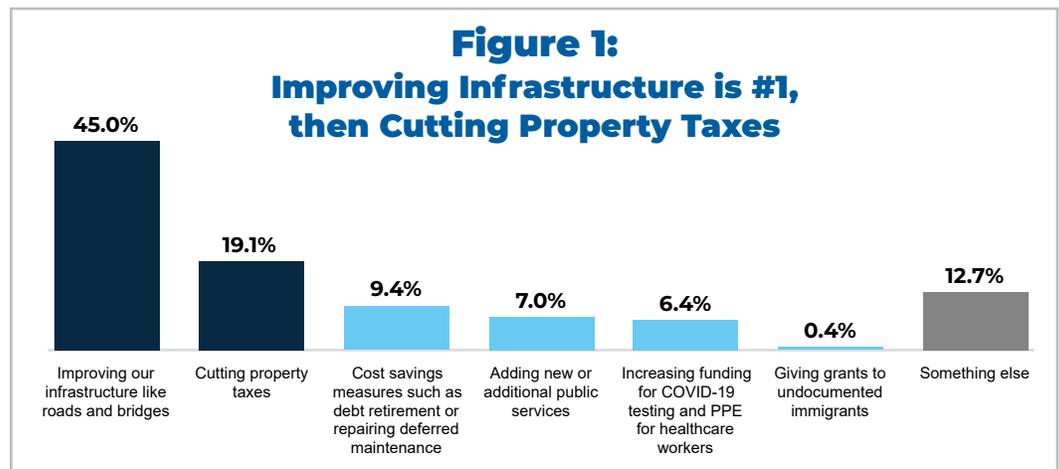
This portion of the \$1.9 trillion package is distinctly known as the Coronavirus Local Fiscal Recovery Fund (CLFRF).

In total, local governments in Iowa received \$1.162 billion to spend on a range of categories, including public health, negative economic impacts, infrastructure, and

“revenue replacement.”³ Across the state, 11 metropolitan (per Housing and Urban Development standards) cities received funds directly from the federal government, totaling nearly \$335 million. Counties received assistance totaling \$612 million, and the 932 non-entitlement units of government (NEUs), defined as cities with populations no greater than 50,000 or other types of local governments, are eligible for \$216 million in payments.

The U.S. Department of Treasury released guidance stating that all local governments would receive payments in two installments. The first tranche was sent out in late 2021. The second will be released after July 23, 2022.⁴ To access the CLFRF payments, local governments must complete a certification and submit project and expenditure reports to the U.S. Department of Treasury.^{5,6}

To discover how local governments were using these funds in Iowa, Iowans for Tax Relief Foundation (ITRF) conducted a survey of select communities across the state. Our intent was not only to report on what government officials have done, but also to discern the long-term effects for taxpayers. Did communities use this windfall in a way that restrains future spending? Or did communities put citizens on the hook for spending increases and future commitments that will result in higher property taxes?



Source: Iowans for Tax Relief Foundation. Survey of Likely General Election Voters Iowa Statewide. CYGNAL. 20-22 Feb. 2022.

According to a poll asking Iowans about their top priorities for local governments' use of ARPA funds,⁷ improving infrastructure was overwhelmingly the top response, with 45% of poll respondents identifying this as their preference. Next came property tax cuts.

In general, this money should be used strategically and with respect for sound spending principles that will keep Iowa's local governments solvent. Furthermore, ARPA funds should be spent transparently to promote public health, expand needed infrastructure, and assist businesses most affected by the pandemic. A major priority for local boards must be finding ways to use these funds for one-time expenses so their communities are not responsible for recurring expenses in future years, leading to property tax increases.

Audit of Select Local Governments

ITRF submitted open records requests to 11 cities and eight counties. In the terms of the ARPA program, all recipient cities are considered metropolitan, with the exceptions of Bettendorf, Marion, Mason City, and Muscatine, which are considered NEUs.

Methodology

ITRF made its information requests on April 21, 2022, to the various government clerks, administrators, legal departments, boards of supervisors, auditors, and treasurers. Most replied with the information within two weeks of the initial request; however, four cities and three counties required follow-up phone calls and emails. All the information was collected by June 10, 2022.

The request included four questions for every government:

1. How much money did your government receive from the federal government from the American Rescue Plan in total?
2. How much of this total amount has your government allocated?
 - a. What projects and/or spending items?
 - i. Please give a brief project overview.
3. How much of this total amount has your government spent?
 - a. What projects and/or items?
 - i. Please give a brief project overview.
4. How much of this total amount remains unspent and/or unallocated?

All data submitted by local governments were cross referenced with the U.S. Treasury's 2021

interim report along with the January 2022 quarterly reporting.⁸

Table 1

Communities Included In Survey	
Cities	Counties
Bettendorf	Black Hawk Co.
Cedar Falls	Cerro Gordo Co.
Cedar Rapids	Linn Co.
Council Bluffs	Muscatine Co.
Davenport	Polk Co.
Des Moines	Pottawattamie Co.
Marion	Scott Co.
Mason City	Woodbury Co.
Muscatine	
Sioux City	
Waterloo	

While none of the local governments had received their second payments when the request was made, many of them are already planning for those funds and included those plans in their totals. The entire dataset is available in Appendix 1, while data explanations are in Appendix 2.

Limitations

The data responses from Iowa's cities and counties were inconsistent in format and not uniform for analysis. As a result of the differing methodologies among the various local governments surveyed, sums do not add. For example, some governments have already obligated portions of the second tranche of money, making the unspent remainder lower. Others did not consider obligations as having been spent, and as a result, their amount unspent is higher.

How Was the Money Spent?

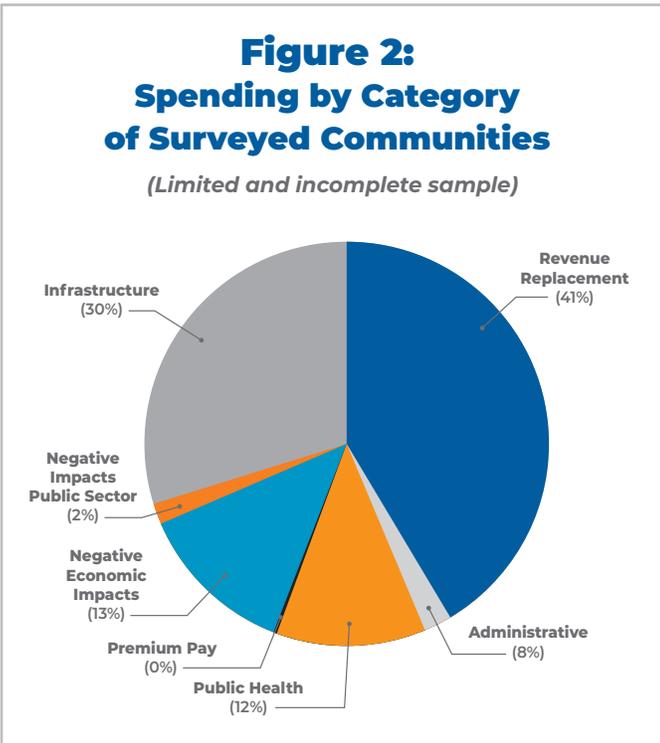
For all 19 local governments surveyed, the total amount of COVID relief from the U.S. Department of the Treasury amounts to \$538.2 million, of which half has already been received. The remaining \$270 million is scheduled for release in late summer or early fall 2022.

According to the data provided to ITRF, these local governments have approximately \$465 million (86%) of their ARPA allocation unspent.

Of these communities, Des Moines and the City of Marion were the only local governments that had not obligated or spent any of their ARPA funds at the time of the request.

Expenditure Categories?

The U.S. Treasury outlined expenditure categories in its final guidance.⁹ For the most part, local governments identified the expenditure categories for their projects and labeled them according to the guidance. From the detailed project-level data, we know that



Total projects obligated and/or spent in survey and available on US Treasury Recipient Compliance and Reporting Responsibilities website as of June 2022

Iowa communities spent most of these funds on revenue replacement, followed by infrastructure, addressing negative economic impacts, and public health. Almost all communities had projects in different categories except for those that obligated all ARPA funds toward revenue replacement.

Revenue Replacement

Claims of revenue loss or replacement were the most prevalent use of ARPA funds and the most-widely cited category of spending. Of the communities surveyed, all claimed some revenue loss from the pandemic except Sioux City, Scott County, and Muscatine County.

Table 2

Estimated Revenue Loss due to COVID-19 Pandemic	
Recipient	Est. Revenue Loss
Bettendorf	\$2,200,000
Cedar Rapids	\$14,947,584
Council Bluffs	\$16,262,913
Davenport	\$7,292,836
Des Moines	12,401,403
Waterloo	\$2,101,471

Black Hawk Co.	\$10,000,000
Cerro Gordo Co.	\$730,719
Linn Co.	\$6,909,852
Polk Co.	\$24,804,929
Pottawattamie Co.	\$2,909,833
Woodbury Co.	\$10,000,000

US Treasury Recipient Compliance and Reporting Responsibilities Public Reporting, 2021 Interim Report Submissions, <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds/recipient-compliance-and-reporting-responsibilities>

The U.S. Treasury's final rule allowed recipients to use a standard allowance of up to \$10

million for revenue loss, whether or not they experienced any actual losses.¹⁰ Funds classified under this category may also be spent on a wide range of “government services,” although excluding debt service, replenishment of financial reserves (e.g., rainy day funds), and pension payments.

Consequently, some smaller governments, like Bettendorf and the city of Muscatine, have chosen to allocate the full amounts of their ARPA funds toward revenue replacement. Items Iowa’s local governments have listed under this category range from large capital or infrastructure projects, such as horse barn construction at the fairgrounds and building a Justice Center, to everyday items such as office chairs, software upgrades, playgrounds, new signage, and alarm system upgrades.

Infrastructure

The next-largest expenditure category was infrastructure. U.S. Treasury guidance encourages itemized spending on water, stormwater, and sewer projects, and Iowa communities took full advantage of the opportunity. Cedar Falls spent millions on sewer and stormwater repairs and wastewater treatment. Sioux City obligated 94% of its \$40 million on storm water, drinking water, and sewer projects. In some cases, local governments worked together: Linn County and Cedar Rapids obligated over \$5 million each for flood control and water/sewer projects, while Cerro Gordo County invested in the City of Meservey’s wastewater well.

Another major area of infrastructure investment was broadband or fiber Internet. Waterloo, Muscatine County, and Pottawattamie County listed such spending, albeit to a much lesser extent than what was allocated toward water and sewer.

Negative Economic Impacts

Negative economic impacts is a broad category that includes many government services plausibly affected by the pandemic. Particularly prominent in this category are affordable housing and housing needs in general. Examples include Cedar Rapids providing households with rehabilitation assistance, Linn County purchasing a building to convert into a homeless shelter, Waterloo issuing emergency housing vouchers, and Davenport investing in vacant and abandoned properties along with a transitional housing project.

Other, smaller subcategories of negative economic impact spending include tourism investments, utilized by Mason City and Scott County, support for non-profits offered by Sioux City, Cedar Rapids, and Linn and Polk Counties, and legal services for the low-income, funded by Muscatine County.

Public Health

Public health was also justifiably one of the larger spending categories. Specific projects in this category included COVID-19 signage and equipment for vaccine clinics, along with upgrades to emergency management operations. For example, Council Bluffs and Pottawattamie County partnered to upgrade their countywide emergency management radio program; Mason City upgraded its fire station; Linn County made capital investments in mental health facilities and services; Cerro Gordo County installed a generator in its emergency management facility; and Polk County made technology upgrades to its emergency operating center.

How Was the Spending Documented?

Responses to ITRF’s request came in a wide range of forms — some as plain as emailed answers to the four questions. Other governments sent detailed documentation listing each project and its associated cost. Overall, we sorted the responses into three broad categories: comprehensive, average, and minimal.

Comprehensive

The community that provided the most comprehensive information was Davenport, which has developed a detailed spending plan including a list of all programs and quarterly updates. The city has also compiled a table with the proposed spending plan’s financials and accompanying one-page summaries about each project, detailing the department, focus and operational pillar, project manager, description, funding amount, anticipation of ongoing operational costs, and any requirements for partnerships with other entities. No other community surveyed provided the same level of detail.

While not at the same level as Davenport, other governments did submit comprehensive information in response to the request. Sioux City and Linn, Muscatine, and Blackhawk Counties all sent detailed emails along with spreadsheets describing each project. Mason City, the city of Muscatine, and Pottawattamie and Scott Counties each sent an email with attached documents providing additional information.

Average

Those described as average sent documentation to explain their projects or amounts obligated, but in many cases, they

required follow-up emails for clarification. Cedar Rapids and Cerro Gordo County sent emails with attached tables of their projects; however, the level of detail was not thorough. Council Bluffs sent a link to a website on which obligations were listed, and Polk County sent an infographic. While both are easy to access and view the projects, information was missing. For example, Council Bluffs had no project description, and Polk County only identified what it had obligated, not how much had been spent.

Minimal

ITRF’s request was for a listing of all projects, with the suggestion to attach tables or spreadsheets with additional information. Bettendorf, Cedar Falls, Marion, and Woodbury County all answered the four questions but gave very little detail, if any. Des Moines gave very basic information and sent a dated copy of its compliance report. Waterloo sent an email, along with city council and finance committee meeting minutes on which pertinent sections were highlighted. However, answers to the questions were not given, and some of the information was incomplete.

Reducing Property or Other Taxes

The U.S. Treasury’s final rule outlines restrictions on use of ARPA funds, one of which is that “states and territories” could not “use the funds ... to either directly or indirectly offset a reduction in ... net tax revenue ... resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax ... or delays the imposition of any tax or tax increase.”¹¹ According to the plain language, local governments are exempt from this rule.¹² Moreover, a number of courts have since ruled against the provision because

the restrictions on state fiscal autonomy were unduly coercive and therefore unconstitutional.¹³ Nonetheless, Council Bluffs and Polk County incorrectly stated that ARPA funds could not be used for tax relief.

Table 3

Total Property Tax Levy Rate Comparison FY22 to FY23 of Surveyed Communities			
	Fiscal Year '22	Fiscal Year '23	Change
Bettendorf	12.8	12.65	-0.15
Cedar Falls	11.38273	11.51171	+0.12898
Cedar Rapids	15.8762	16.0262	+0.15
Council Bluffs	17.53	17.82559	+0.29559
Davenport	16.78	16.78	0
Des Moines	16.61	16.61	0
Marion	14.19976	14.20203	+0.00227
Mason City	14.02649	13.99746	-0.02903
Muscatine	15.67209	15.97054	+0.29845
Sioux City	14.44931	15.4195	+0.97019
Waterloo	18.63188	18.97159	+0.33971
Black Hawk Co.	6.17391	5.63335	-0.54056
Cerro Gordo Co.	5.78378	5.47238	-0.3114
Linn Co.	6.24304	5.84664	-0.3964
Muscatine Co.	7.39481	6.86153	-0.53328
Polk Co.	7.13383	6.77099	-0.36284
Pottawattamie Co.	7.84965	7.45997	-0.38968
Scott Co.	6.04197	5.95	-0.09197
Woodbury Co.	7.16517	7.14857	-0.0166

Iowa Department of Management, Local Government Valuation & Finance, Budget Search, <https://dom-localgov.iowa.gov/home>

While none of the 19 communities analyzed for this report directly used ARPA money to reduce property taxes, 10 chose to reduce their property tax levies between fiscal year 2022 and 2023, while two governments left their levy rates the same.

The number of communities across Iowa reducing their levy rates at a time during which they are receiving large sums of money from the federal government is a testament to Iowa's fiscal responsibility. Even Sioux City, which raised its property tax rate nearly one dollar, spent most of its ARPA funds on water and sewer infrastructure, which will not place a future property tax burden on its citizens.

Was This Money Needed?

At the time of its passage, ARPA was billed as necessary relief for local governments hit hard by the pandemic. However, whether local governments needed funds to recover from the pandemic a year after it started is a question that should have been taken more seriously.

Table 4

Iowa Non-Entitlement Levels of Government Use of ARPA Funds		
Actions	# of Cities	Sum of First Tranche Allocation
Reallocation - No Response	27	\$215,563
Reallocation - Requested Transfer to NEUs	25	\$154,538
Submitted - Participated	862	\$110,234,621
Submitted - Transfer to State	16	\$257,370

Iowa Data. Distribution of Coronavirus Local Fiscal Recovery Funds. <https://data.iowa.gov/stories/s/bvpp-tryr>. Accessed 16 May 2022

While a National League of Cities survey claimed 90% of communities experienced a revenue decrease due to the pandemic, even as 76% experienced an expenditure increase,¹⁴ the true story has been hard to escape as time has passed.

In late 2021, multiple news stories found many state and local governments still had

unused COVID funds. The Reason Foundation analyzed data from the U.S. Treasury after the first reporting period and concluded that local governments had spent only 2.9% of the funds.¹⁵ Then, Pew Trusts and, later, the Associated Press reported that many local governments had rejected relief funds because they couldn't think of ways to spend them.^{16,17} The months that have passed since enactment of the legislation have made it abundantly clear that the federal government did not need to appropriate this money and local governments were not in the dire straits that had been forewarned.

Looking at Iowa-specific data, of the 930 NEUs eligible for funds, 27 did not respond to the federal government's offer, thus forfeiting their eligibility.¹⁸ Another 25 cities requested that their amounts be transferred to other NEUs, while 16 asked that their funds return to the state.

Iowa communities have generally been prudent with their ARPA dollars. However, the detail that 68 cities did not claim any funds while others have not obligated the funds they claimed suggests the pandemic did not destroy local governments as badly as news reports had portrayed.

Conclusion

The COVID-19 pandemic began in March 2020, yet the federal government took over a year to direct financial relief to local municipalities. No doubt, many local governments experienced negative financial effects from the pandemic; however, assistance given nearly 18 months after the onset was arguably too late to do much good. Even now, when Americans' lives are practically back to normal, the federal government is scheduled to send more money, which local governments do not need.



One of the great mistakes is to judge policies and programs by their intentions rather than their results.

-Milton Friedman

The pandemic hit local communities across Iowa hard, but through hard work and fortitude, governments survived with little damage. Now, these communities face the task of spending money in ways that do not negatively affect their situations in the future, while also complying with the U.S. Treasury's complicated reporting requirements. Fortunately, most government bodies across the state have avoided committing to future obligations with these funds, but have instead directed them toward one-time expenses and capital projects, such as water infrastructure. Meanwhile, as ITRF found with its information requests, many of them have also committed to transparency as they use these federal tax dollars.

Appendix 1 - Data from Survey

	Dollars Received	Dollars Obligated	Dollars Spent	Dollars Remaining	Primary Projects	Categories Spending Group
Bettendorf	5,464,017	5,464,017	-	5,464,017	Capital Improvements	Revenue Replacement
Cedar Falls	6,508,740	6,500,000	-	6,508,740	Main Street Reconstruction Project (begins FY2023) and will use \$1.9m on sewer and storm-water repairs Nutrient Reduction Improvement Project (begins FY2024) and will use \$4.6m on centralized wastewater treatment	Infrastructure, Revenue Replacement
Cedar Rapids	28,190,765	10,547,000	1,371,593	26,819,172	Affordable housing initiatives, housing support, flood control project	Negative Economic Impacts, Public Health, Revenue Replacement
Council Bluffs	24,810,055	7,255,351	5,788,681	19,021,374	Upgrades to Manawa property and Cohen Building, purchased ambulance, radio system upgrade, body worn cameras and mobile command center	Negative Economic Impacts, Public Health, Revenue Replacement
Davenport	40,896,926	40,896,926	1,541,558	39,355,368	Affordable/transitional housing, create a library community center, updates to neighborhood parks, design and construction of a portion of the Main Street Landing project, improvements to storm sewer system, expand recreation trail system	Public Health, Negative Economic Impacts, Infrastructure, Revenue Replacement
Des Moines	94,824,614	-	-	94,824,614	In the process of formulating an expenditure plan	Administrative
Marion	6,034,597	-	-	6,034,597	None	None listed
Mason City	4,013,356	2,388,936	1,624,420	-	Fire protection grant program, city hall lobby security renovations, North Iowa events center, tourism, housing development studies, North Iowa corridor housing corporation, fire state renovations, arena, humane society, housing development support	Public Health, Negative Economic Impacts, Revenue Replacement
Muscatine	3,533,377	1,715,200	-	3,533,377	City administrator requests, human resources requests, art center technology and security improvements, community development/city plan updates, new programs and program expansions for community development, public facilities security improvements	Revenue Replacement
Sioux City	40,618,687	38,118,687	3,209,316	37,409,371	Capital improvements to city-owned athletic facilities, grant program for nonprofits impacted by pandemic, premium pay to employees, infrastructure improvements/upgrades related to sewer, drainage and storm-water outlets along with water infrastructure, feasibility study for broadband	Negative Economic Impacts, Public Health, Premium Pay, Infrastructure
Waterloo	30,284,282	-	2,661,240	27,623,042	Fiber connection to residential homes, solar charging bench and space needs consultant for Library, Emergency housing vouchers for the Housing authority	Negative Economic Impacts, Infrastructure, Administrative

Appendix 1 - Data from Survey continued...

	Dollars Received	Dollars Obligated	Dollars Spent	Dollars Remaining	Primary Projects	Categories Spending Group
Blackhawk County	25,489,519	323,708	123,840	25,365,679	IT infrastructure to increase security Sewer projects Paving nature trail for citizens to enjoy outdoors	Public Health, Infrastructure, Revenue Replacement, Administrative
Cerro Gordo County	8,245,415	297,380	127,380	8,118,035	Horse barn construction at fairgrounds, replacement of AC unit	Infrastructure, Revenue Replacement
Linn County	44,034,983	30,723,589	3,714,889	13,311,394	Capital projects that would normally not be funded, affordable housing and homeless shelter, water/sewer project	Public Health, Negative Economic Impacts, Infrastructure, Revenue Replacement, Administrative
Muscatine County	8,286,982	4,127,385	34,937	4,092,448	Digitizing records for auditor and recorder, remodel auditor's office, jail server upgrade, rural fiber, low-income legal services, water/sewer infrastructure, support for new health clinic facility, support for housing plan/revitalization	Public Health, Negative Economic Impacts, Infrastructure, Administrative
Polk County	95,200,000	51,300,000	-	95,200,000	Affordable housing, operational support for Iowa Events Center, EMS technology upgrades, COVID-19 vaccine incentives, Financial empowerment center, urban ag seeding partnership, Health Department matching funds needed for grant, Sheriff's mobile crisis team mental health clinician, Study ongoing impacts of COVID-19 to small businesses and non-profits in central Iowa region	Public Health, Negative Economic Impacts, Infrastructure, Revenue Replacement, Administrative
Pottawattamie County	18,107,806	-	7,366,592	10,741,214	County-wide radio upgrade program, expansion of Hitchcock park, contribution to local hospitals, expansion of sheriff's office, storm-water retention pond, water main expansion for regional water, support to Western Iowa Networks to secure grant for broadband, new public health building	Public Health, Infrastructure, Revenue Replacement
Scott County	33,592,150	35,700,000	-	33,592,150	Tourism, salvation army support for homeless, support HHSI, Inc. for affordable housing, jail modifications, HVAC in administration building, sewer connectivity conservation trails, storm-water projects	Public Health, Negative Economic Impacts, Infrastructure, Revenue Replacement
Woodbury County	20,027,326	15,749,559	1,549,559	4,277,767	Justice Center, retention pay for salaried county personal, district health project	Public Health, Negative Economic Impacts, Premium Pay, Revenue Replacement

Combined Totals	\$538,163,597	\$251,107,738	\$29,114,005	461,292,359
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Appendix 2 - Data Limitations and Considerations

ITRF asked the same four questions of all the local governments. After receiving feedback, however, we realized the terminology used in the original request was incorrect. The U.S. Treasury's term for ARPA funds is "obligations," so the term "estimated cost" or "allocations" was also used by many local governments. The ITRF request used the term "allocated," but reported as "obligated" to align with the Treasury's terminology.

Assumptions were made to derive overall figures for the survey and in Appendix 1. If a local government specifically listed an answer to the question (e.g., How much remains unspent?) then that answer was included. If it did not specifically answer the question, then the amount spent was subtracted from the total amount received. Obligated funds were not used in this calculation because obligated is a projected cost of the projects, and in some cases, the obligated amount was higher than the total amount received.

The question about money received reflects the total amount estimated by the local government, including both the first and second tranches issued from the U.S. Treasury. The second tranche is not expected until late summer or early fall 2022. However, many governments have already obligated these funds. This skews the amount-spent data because it gives the perception that local governments are not spending their allocations when in fact they are not yet in possession of the entire amount.

Four cities, Bettendorf, Marion, Mason City, and Muscatine, all received more than initially identified by the U.S. Treasury due to some Iowa entities refusing the funds and requesting they be reallocated among other NEUs.

Therefore, these cities' total amounts do not match documents issued by the U.S. Treasury. It is unknown whether the second-tranche payments to these cities will be more than the first tranches.

Notes

- 1 Figures do not sum to 100% due reporting differences by the local governments and rounding.
- 2 United States, Congress. Public Law 117-2, American Rescue Plan Act of 2021 U.S. Government Publishing Office, <https://www.congress.gov/bill/117th-congress/house-bill/1319>.
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