



DRIPPING SPRINGS
Texas

City of
Dripping Springs

Coronavirus Local Fiscal
Recovery Funds
(CLFRF)

February 1, 2022

May the only negative things in 2022
be your covid tests



Replacing Lost Public Sector Revenue:

- The final rule offers a standard allowance for revenue loss of up to **\$10 million**, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation. Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.

The Department of Treasury updated the CLFRF rules in January 2022



CLFRF Funds



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Funding	
FY 2021*	\$ 707,181.10
FY 2022**	\$ 707,181.10
Total	\$ 1,414,362.20

*Funding Received August 23, 2021.

**Anticipated to be Funded in August 2022

*CLFRF
Funds*



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Current Funding	
Revenue	\$ 707,181.10
Expenditures	
• Pound House	\$ 31,375.00
• Meeting Streaming	\$ 30,000.00
• Testing	\$ 2,500.00
• City Expenses*	\$ 16,000.00
Total Expenditures	\$ 79,875.00
Balance	\$ 627,306.10

*City Expenses included funding for the purchase of masks, cleaning solution, equipment, and other costs related to the COVID-19 response.

*CLFRF
Funds*



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Future Funding	
FY 2021Balance	\$ 627,306.10
FY 2022*	\$ 707,181.10
Total	\$ 1,334,487.20

*Anticipated to be Funded in August 2022

Lost Revenue Calculations:

- Prior to the rule change in January 2022, we utilized the formula below to determine lost revenues for DSRP, Parks, & Founder Day.

Formula

$$\text{Max} \{ [\text{Base Year Revenue} * (1 + \text{Growth Adjustment})^{\left(\frac{n_t}{12}\right)}] - \text{Actual General Revenue}_t; 0 \}$$

Background

Base Year Revenue is the NEU's general revenue for the most recent full fiscal year prior to the COVID-19 public health emergency;

Growth Adjustment is equal to the greater of 4.1 percent (or 0.041) and the NEU's average annual revenue growth over the three full fiscal years prior to the COVID-19 public health emergency;

n equals the number of months elapsed from the end of the base year to the calculation date;

Actual General Revenue is the NEU's actual general revenue collected during the 12-month period ending on each calculation date;

Subscript t denotes the specific calculation date.



Background



FY 2020 Calculated Lost Revenue

FY DSRP	\$	275,884.04
Parks	\$	160,570.49
Founders Day	\$	101,404.74

Proposed Use of CLFRF Funding:

Transfer to DSRP for Lost Revenues	\$	275,884.04
GIS Database	\$	250,000.00
GF Parks Lost Revenues	\$	160,570.49
Founders Day Lost Revenues	\$	50,000.00
IT Assessment/Replacement/Upgrades	\$	100,000.00
Transfer to Reserve Fund	\$	100,000.00
Total	\$	936,454.53
Balance	\$	398,032.67

*Next
Steps*

Next Steps

Discussion/Decisions:

- Is Council comfortable with the proposed funding allocations?
- Are there items Council would like to prioritize with current funding?
- How would Council like the balance of funds to be allocated.

Next Steps:

- Based on the discussion with Council, a budget amendment will be prepared and presented for consideration.





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Questions?

