

## Strategic Planning and The American Rescue Plan Act

On March 1, 2021, President Biden signed the American Rescue Plan Act ("ARP") into law. Although the ARP represents the sixth relief package of the Federal government to directly address the COVID-19 pandemic and related economic fallout, it is the first package that includes direct allocations of aid to local governments. Across New York State, metropolitan cities, including New York City, are expected to receive \$6.14 billion, counties will receive \$3.9 billion, and smaller cities, towns and villages will receive approximately \$825 million. 2019 Census data was utilized to identify both eligibility and distributions.

CMA's Strategic Consulting Group ("SCG") was recently engaged by a local jurisdiction to act as its Strategic Advisor with respect to ARP funds. As part of this engagement, the SCG will assist in the development, facilitation, and management of a Strategic ARP Task Force, provide research and general support relating to ARP guidelines, prepare a written analysis to evaluate and determine eligible and best uses of ARP funds, and assist in implementing, monitoring and ensuring the overall effectiveness of selected ARP initiatives. Additional ad hoc strategic projects are anticipated under this engagement, including the development and/or updating of key financial policies to reflect industry recognized best practices and to ensure the effective use of ARP funds.

Funds received under ARP **can** be used as follows:

- Revenue replacement for the provision of government services to the extent the reduction in revenue is due to the COVID-19 public health emergency;
- To pay premium pay to essential workers; and/or
- To invest in water, sewer and broadband infrastructure.

ARP funds **cannot** be used:

- To directly or indirectly offset tax reductions or delay a tax increase; and/or
- To make deposits into any pension fund.

Please contact Margaret Guarino at CMA ([mguarino@capmark.org](mailto:mguarino@capmark.org)) if you would like to discuss the most efficacious use of funds received by your jurisdiction under the ARP.

### MMD GENERAL OBLIGATION INTEREST RATES

Term	Today - April 1, 2021					1 Month Ago - March 1, 2021					1 Year Ago - April 1, 2020				
	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa
1 yr.	0.07%	0.11%	0.16%	0.17%	0.44%	0.12%	0.16%	0.21%	0.22%	0.55%	1.15%	1.18%	1.21%	1.27%	1.86%
5	0.50	0.57	0.69	0.77	1.09	0.57	0.64	0.76	0.84	1.22	1.19	1.27	1.39	1.49	2.09
10	1.08	1.23	1.33	1.40	1.83	1.15	1.30	1.40	1.47	1.96	1.68	1.81	1.93	2.02	2.64
15	1.29	1.47	1.55	1.67	2.04	1.40	1.58	1.66	1.78	2.24	2.08	2.26	2.36	2.48	3.06
20	1.49	1.68	1.76	1.87	2.24	1.60	1.79	1.87	1.98	2.44	2.30	2.49	2.58	2.70	3.28

### RECENT CMA CLIENT SALE RESULTS

Issuer	Issue Type	Par Amount	Sale Date	Term	Rate	Purchaser
Silver Creek CSD	Bonds	\$ 14,035,000	31-Mar	15 yrs.	1.58%	Robert W. Baird & Co., Inc.
Greenburgh Town	Bonds	\$ 21,090,000	30-Mar	26 yrs.	2.00%	Mesirow Financial, Inc.
Evans-Brant CSD	BAN	\$ 1,575,000	25-Mar	12 mos.	0.39%	Oppenheimer & Co.
Babylon Town	Ref. Bonds	\$ 16,290,000	16-Mar	9 yrs.	0.56%	JP Morgan Securities, LLC
North Hempstead Town	BAN	\$ 35,363,601	16-Mar	12 mos.	0.17%	Morgan Stanley & Co, LLC
Campbell-Savona CSD	Ref. Bonds	\$ 2,870,000	11-Mar	7 yrs.	0.56%	BNY Mellon Capital Markets, LLC
Lackawanna City SD	Ref. Bonds	\$ 2,330,000	2-Mar	4 yrs.	0.59%	Robert W. Baird & Co., Inc.