

BUDGET WAYS & MEANS COMMITTEE
MONDAY, APRIL 12, 2021 5:30 P.M.
CITY HALL COUNCIL CHAMBERS

MEMBERS PRESENT: Juan Topete, Ray West and Ed Barlow.

OTHERS PRESENT: Mayor Dan Rife, City Administrator Tom Short, City Clerk Traci Cox, Police Chief Greg Dagnan, Fire Chief Roger Williams, Parks & Recreation Director Mark Peterson, Council Members Craig Diggs, David Armstrong and Ceri Otero, John Hacker and Abi Almandinger.

Mr. Topete called the meeting to order at 5:38 P.M.

***NOTE:** All areas *"italic"* below were submitted to the Committee in a pre-meeting memo by Mr. Short.

OLD BUSINESS:

1. Consideration and approval of minutes from previous meeting.

Mr. West made a motion to approve the minutes of the March 8 Budget meeting. Motion carried 3-0.

NEW BUSINESS

1. Consider and discuss Fiscal 2022 Revenue Projections Budget. "Included are the revenue estimates for Fiscal 2021 and the revenue projections for Fiscal 2022. We will present and discuss these at the meeting. It is requested that the Committee confirm the consensus estimates and recommend to the Council that the revenue estimates for Fiscal 2022 be confirmed. You may recall that we did not do this last year because of the COVID-19 pandemic."

Mr. Snow arrived at 5:39 p.m.

Mr. Short reported the revenue projections had been reviewed with the City Clerk, and there were no major discrepancies. Revenue projections for each fund were reviewed with the committee.

2. Consider and discuss introductory dialogue of City strategies to prepare for American Rescue Act (ARP) funding a.k.a. Coronavirus State and Local Fiscal Recovery Fund (CSLFRF). "The bill itself authorizing these funds is over 242 pages long (if you require a copy, let me know), and impacts multiple levels of the economy, and governments. As you can see, this is not a simple appropriation bill. Truly, "the devil is in the details". For numerous purposes, the City wants to do this correctly. Therefore, it is recommend that the City not rush this process (the legislation states that funds should be spent by December 31, 2024) and take adequate time to develop a well- balanced vision regarding the potential use of these funds and programs. This would include the possibility of hiring a consultant to help walk the City (and possibly other partners) through this process and

supplementary processes being contemplated. What is being recommended is basically following a deliberative process similar to the City's budget process. This would allow for public input, transparency and program development as Treasury promulgates guidelines to assist Cities, through the City's Budget Ways & Means Committee. Included is some summary information regarding this evolving issue. I imagine that what was signed a month ago will be further amended as the rules are promulgated. As of yet, Treasury has not provided guidelines."

Mr. Short reported a separate fund will be established for the ARP funding. Only broad Treasury guidelines have been issued, but the funds will be highly regulated. If funds are spent that don't meet established criteria, the city would have to repay. Mr. Short has been speaking to surrounding larger communities to discuss hiring a consultant jointly. Requests for appropriating the ARP funds received by the city will be treated like a regular budget and will go through a budget hearing before disbursement.

3. **Staff Reports. "Sales Tax Numbers:** The General Fund Sales Tax (1%) receipts for April (included) showed a decrease of 4.25% from the same month last Fiscal Year. This amounted to approximately \$8,491 less than the same month last year. This is the tenth of the fiscal year and the second month collections were lower than last year's monthly reported Sales Tax collections. Overall, the City has budgeted a decrease of 1.62% from the previous fiscal year's budgeted amount, primarily due to the COVID pandemic. **Budget Hearings:** Budget hearings (included) are scheduled for April 19, 20, and 21, 2021 (Monday, Tuesday and Wednesday) starting at 5:30 p.m. which include the Agencies (for April 19, 2021). Currently scheduled are the Convention and Visitor's Bureau (CVB) the Humane Society, and Other. The 'Other' is a request from Vision Carthage. The Library, baseball/softball organizations and the Over 60 Center are not scheduled to appear as has been done the last few years. **Humane Society contract;** *tentatively, the contract is for a base amount of \$36,000 (i.e. \$100 per animal up to 360) and (\$75 to \$85 per animal in excess of the initial 360). Last year, the numbers of animals brought to the Shelter was 588. Included is a preliminary draft of a contract.* **Budget statements** for March are included. March represents the 75% level of the budget year. On the revenue side, two funds, Lodging Tax and Judicial Education are below the budget level. The other Funds below the 75% level have other considerations that negate 'red flags'. We'll discuss and answer any specific questions regarding these at the meeting."

Mr. Short discussed the results of recent use tax elections in the area, an emergency purchase of five body cameras, a pre-draft contract for the Humane Society, and funds for an Assistant City Administrator will be included in the budget for the next fiscal year, and sales tax revenues were reviewed along with the summary budget.

4. **Other Business.** None.

ADJOURNMENT: The meeting adjourned at 6:20 P.M. on motion by Mr. Topete.

Respectfully submitted,
Traci Cox