



Financial Information Update

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Agenda

- Sales and use tax revenue update *(Informational)*
- Consolidation of printer/software *(future action needed)*
- Release of 2021 budget proviso *(future action needed)*
- Restructuring of 2021 budget *(Informational)*
- American Rescue Plan Act (ARPA) funds *(future action needed)*




Sales and Use Tax Revenue Update

Sales and Use Tax




May 2021 compared to May 2020

- Retail sales taxes  43%
- General use taxes  73%
- Motor vehicle taxes  73%




May 2021 compared to May 2019

- Retail sales taxes  7%
- General use taxes  38%
- Motor vehicle taxes  4%

Year-to-date compared to 2020

- Retail sales taxes  15%
- General use taxes  2%
- Motor vehicle taxes  22%

Year-to-date compared to 2019

- Retail sales taxes  10%
- General use taxes  39%
- Motor vehicle taxes  8%

Consolidation of Printer/Software

Consolidation of Printer/Software

- Currently, printer and software costs are included across all departments
- Consolidating costs into a centralized location will:
 - provide more visibility,
 - help manage costs and
 - identify redundant software
- A formal resolution to approve consolidation will be presented on July 20, 2021

Release of 2021 Budget Proviso

Release of 2021 Budget Proviso

- \$100,000 budget proviso for post comprehensive plan strategic initiatives
- The current draft Goal #4 includes a feasibility study for a downtown improvement district
- A grant has been submitted for this feasibility study
- A formal resolution to release this budget proviso will be presented on July 20, 2021

Restructuring of 2021 Budget

Restructuring of 2021 Budget

- Several reorganization efforts in 2021
- Timing of these efforts did not align with preparation of the 2021 budget
- Staff will be aligning financial information with these efforts going forward

American Rescue Plan Act Funds

American Rescue Plan Act (ARPA)

- Law passed March 11, 2021
- Provides funding to all 19,000 municipalities
- Distribution from State
 - 1st half approx. June 2021
 - 2nd half approx. June 2022
- Must use funds by December 31, 2024
- ***U. S. Treasury to provide clarification on use of funds***
- Required reporting to U. S. Treasury

Use of Funds

Defined uses per American Rescue Plan Act (ARPA)

- A. to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including **assistance to households, small businesses, and nonprofits**, or aid to impacted industries such as **tourism, travel, and hospitality**;
- B. to respond to workers performing essential work during the COVID–19 public health emergency by providing **premium pay to eligible workers** of the metropolitan city, nonentitlement unit of local government, or county that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
- C. for the **provision of government services** to the extent of the **reduction in revenue** of such metropolitan city, nonentitlement unit of local government, or county **due to the COVID–19 public health emergency** relative to revenues collected in the most recent full fiscal year of the metropolitan city, nonentitlement unit of local government, or county prior to the emergency; or
- D. to make necessary investments in **water, sewer, or broadband infrastructure**.

ARPA Update

- Littleton received \$6m in June 2021 and will receive \$6m in June 2022; total of approx. \$12m
- This is higher than the original estimate of \$10.3m
- The city has some immediate needs in 2021
- Many organizations remain cautious on rushing to spend funds
- An ordinance on 1st reading will be presented on July 20 to appropriate the first payment of approx. \$6m and authorize the use of funds in 2021 as listed

2021 Budget		
\$	8,000	Virtual Court
\$	48,983	Grant accountant*
\$	100,000	Website design/implementation
\$	40,000	Cybersecurity*
\$	40,000	City-wide recruitment*
\$	140,000	Library/Museum personnel*
\$	32,000	Door security at Littleton City Center
\$	<u>408,983</u>	Total

Conclusion

- Sales and use tax revenues are looking positive through May 2021 – staff will continue to monitor
- Actions to be taken on July 20th
 - Resolution to consolidate printer/software budgets
 - Resolution to release 2021 budget proviso
 - Ordinance on first reading to appropriate American Rescue Plan Act funds ARPA funds
- Restructuring of 2021 budget to align with reorganization efforts

Questions?

