

Legislation Text

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Agenda Date: 09/28/2021

Subject:
Budget Review Follow-up and ARPA Discussion

Prepared By: Tiffany Hooten, Finance Director

PURPOSE:

2022 Proposed Budget follow-up discussion.

PRESENTATIONS:

Staff Presenter(s): Tiffany Hooten, Finance Director and City Staff
Additional Presenter(s): N/A

SUMMARY:

This is a follow-up discussion to the 2022 proposed budget presented on September 11, 2021.

PRIOR ACTIONS OR DISCUSSIONS:

Staff presented the 2022 proposed budget on September 11, 2021.

ANALYSIS:

Staff Analysis

As a result of the 2022 proposed budget discussion in early September, staff will be following up with council on the noted topics below.

- Police Update
- Downtown/Mobility Studies
- Omnibus Alternatives
- Local Partnership Funding
- American Rescue Plan Act (ARPA)
- Unfunded Capital

Police Update

The police chief will provide an update on the 2022 budget and welcome questions.

Downtown/Mobility Studies

Staff will be providing an update on the costs and funding for the Downtown and Mobility studies for the city. Results in a one-time reduction of \$300,000 in the 2022 proposed budget.

Omnibus Alternatives

Additional information related to the contract terms and costs will be discussed. *Results in a net reduction of*

\$16,061 in the 2022 proposed budget and annually thereafter.

Local Partnership Funding

Each year the Littleton City Council considers requests for funding from organizations that serve Littleton residents. Requests may include operational, one-time special purpose grants, or event sponsorships (in-kind or cash). Applications for the 2022 cycle opened on July 16th and closed August 16th. A total of 39 applications were received with 39 grant funding requests, totaling \$276,500 and six in-kind service requests. Council received the applications, a summary, and scoring sheet on September 8th and was asked to provide recommended awards back to staff by September 15th. Staff then compiled these recommendations and applied the following set of criteria to determine the award recommendations presented tonight:

- Grants: \$87,750
 - 4 or more council members recommended an award
 - Utilizing the average of non-zero award recommendations
 - Rounding to the nearest \$50
- In-Kind Service: Six Requests
 - 4 or more council members recommending an award

During the September 11th budget discussion staff presented a proposal to budget \$85,000 for this program in 2022 and received direction to utilize ARPA funding to the extent possible. Staff analyzed alignment with current ARPA criteria and determined \$64,800 of the recommended grant awards align with ARPA criteria for responding to a public health emergency by providing certain assistance to households, small-businesses, non-profits, and/or mental health services. This leaves \$22,950 of the recommended award amount, which does not align with a specific ARPA category. Staff recommends this remainder be funded from ARPA under revenue recovery. *Results in a one-time reduction of \$85,000 in the 2022 proposed budget.*

American Rescue Plan Act (ARPA)

On August 3, 2021, staff presented immediate needs in 2021 that aligned with ARPA criteria for use of funds. The amount supported by staff and council was \$408,983.

Events and needs have arisen since then and staff is requesting an additional \$123,450 for 2021.

- Local Partnership Funding - \$87,750
- Community Development Efficiency Specialist - \$25,000
- Library Security - \$10,700

The total 2021 ARPA allocation would be \$532,433.

Additionally, staff is recommending the use of \$207,903 of ARPA funds for the 1st quarter of 2022 for the needs noted below.

- Grant Accountant - \$35,380
- Cybersecurity efforts - \$28,167
- City-wide recruitment - \$27,933
- Library/Museum personnel - \$116,423

City council has appropriated \$1,500,000 of ARPA funds in August 2021. Staff has recommended the use of \$740,336 of this amount, leaving \$759,664 still available from the original appropriation of \$1,500,000.

Unfunded Capital

The city continues to have serious concern for future funding of capital and infrastructure improvements. The city identified over \$98M in capital needs throughout the community in past years. This list continues to fluctuate as additional needs are recognized. A more recent list has been included in this council communication and amounts to over \$118M. Staff will be discussing some of these needs.

Council Goal, Objective, and/or Guiding Principle

Council Goal 2: Financial Sustainability

Fiscal Impacts

Staff will explain fiscal impacts throughout the presentation.

Alternatives

N/A

STAFF RECOMMENDATION:

Provide clear direction to staff.