



CITY COUNCIL

October 17, 2022

Special Meeting

1. Call to Order - 5:30 P.M. – City Council Chambers
2. Recitation - Pledge of Allegiance to the Flag of the United States of America
3. Roll Call
4. New Business – Discussion on allocation of ARPA funds
5. Miscellaneous Public Comment
6. Adjournment

Alternatively, join the meeting via the Zoom platform

<https://us02web.zoom.us/j/82182839388>

Meeting ID: 821 8283 9388

+1 646 558 8656 US (New York)

Persons with disabilities who require assistance in order to participate in the electronic public meeting should contact the City Clerk at the earliest opportunity by emailing sbek@petoskey.us or by calling 231-347-2500 to request assistance.

Persons interested in addressing the City Council during the meeting under public comment period can press the “raise hand” button or send a chat message in Zoom or by phone press *9.

Public meetings are being monitored and violations of statutes will be prosecuted.



City of Petoskey

Agenda Memo

BOARD: City Council

MEETING DATE: October 17 2022

PREPARED: October 13, 2022

AGENDA SUBJECT: American Rescue Plan Act (ARPA) Funds

RECOMMENDATION: Work Session Discussion on allocation of ARPA funds

Background

The American Rescue Plan Act of 2021 (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and provided \$350 billion in additional funding for state, territorial, local, and tribal governments.

Recipients may use SLFRF funds to:

1. **Replace lost public sector revenue**
2. **Respond to the far-reaching public health and negative economic impacts of the pandemic**
3. **Provide premium pay for essential workers:**
4. **Invest in water, sewer, and broadband infrastructure**

The City received a total of \$604,890.67 in ARPA funds. All revenue from ARPA funds have been removed from the proposed 2023 Budget. This created a deficit budget of around (\$300,000) in the General Fund. The General Fund was balanced in large part by the removal of the Winter Sports Park Interior Renovations for \$225,000.

As was discussed at the October 3, 2022 City Council meeting, some ARPA fund considerations could include:

Keep in deferred revenue (key timelines)

Obligated by December 31, 2024 – Expended by December 31, 2026

<i>Restore Winter Sports Park Capital</i>	\$225,000 (windows, doors, kitchen)
<i>Restore Public Safety Capital</i>	\$200,000 (kitchen, painting, heating elements)
<i>Affordable Housing Initiatives (30%)</i>	\$180,000 (set aside for affordable housing initiatives)
<i>City Hall Security Enhancements</i>	\$100,000
<i>Employee Recognition</i>	
<i>Grant Matches</i>	
<i>Capital Project Cost Increases</i>	

General Fund

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
FUND BALANCE - January 1	\$ 5,577,366	\$ 6,032,169	\$ 5,534,526	\$ 6,164,126
REVENUES				
Operating :				
Property Tax	3,800,221	3,904,200	4,005,800	4,196,200
Licenses and Permits	21,165	24,300	21,400	24,400
State Shared Revenues	644,329	619,000	728,100	696,500
Charges for Services	37,767	41,500	40,500	39,100
	4,503,483	4,589,000	4,795,800	4,956,200
Nonoperating:				
Interest Income	65,687	45,000	45,000	55,000
Other	12,723	1,000	1,400	1,000
	78,410	46,000	46,400	56,000
Activities:				
Grants	365,889	1,330,200	89,700	504,500
Public Safety	85,259	54,700	67,400	132,200
Recreation	81,171	121,300	100,700	111,200
Parks	483,169	511,000	550,000	558,300
Bayfront Park Marina	1,186,041	1,105,700	1,293,100	1,302,200
	2,201,529	3,122,900	2,100,900	2,608,400
Transfers:				
City Hall Building Rent	38,000	38,000	38,000	38,000
Electric Fund	199,400	194,500	199,400	178,800
Water and Sewer Fund	376,500	371,500	376,500	334,300
Administration Fees	1,917,300	1,930,100	1,922,300	1,955,300
	2,531,200	2,534,100	2,536,200	2,506,400
TOTAL REVENUES	9,314,621	10,292,000	9,479,300	10,127,000
EXPENDITURES				
Legislation and Citizen Participation:				
City Council	27,229	28,200	27,600	27,500
Elections	8,996	25,100	34,600	11,400
	36,225	53,300	62,200	38,900
General Administration:				
City Manager	306,969	284,400	303,100	355,500
City Assessor	138,767	117,900	125,400	147,900
City Attorney	130,241	145,000	145,000	145,000
City Planner	163,037	213,400	156,700	254,600
Economic Development	15,344	16,300	26,700	78,000
	754,359	777,000	756,900	981,000

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Department of Finance:				
Director of Finance - Treasurer	302,339	314,700	310,300	300,200
Accounting	295,268	307,300	285,600	306,300
Utility Billing	226,273	221,800	210,500	212,600
Information Technology	181,371	223,100	186,000	234,000
	<u>1,005,252</u>	<u>1,066,900</u>	<u>992,400</u>	<u>1,053,100</u>
Department of Public Safety:				
Law Enforcement, Fire Protection, Emergency Medical Services	<u>3,538,110</u>	<u>3,504,400</u>	<u>3,445,800</u>	<u>3,655,700</u>
Department of Parks and Recreation:				
Building and Grounds	499,643	409,100	388,000	301,900
Downtown Maintenance	100,236	105,200	100,500	103,600
Parks and Special Facilities	1,197,475	1,701,000	773,600	1,325,100
Magnus Park	220,874	219,800	208,600	211,000
Recreation Programs	269,274	295,500	271,100	283,900
Bayfront Park Marina	1,068,964	1,167,200	1,191,700	1,433,100
	<u>3,356,465</u>	<u>3,897,800</u>	<u>2,933,500</u>	<u>3,658,600</u>
Department of Public Works:				
Administration	459,017	469,000	461,600	487,300
Solid Waste	208,034	203,300	197,300	222,000
	<u>667,051</u>	<u>672,300</u>	<u>658,900</u>	<u>709,300</u>
TOTAL EXPENDITURES	<u>9,357,462</u>	<u>9,971,700</u>	<u>8,849,700</u>	<u>10,096,600</u>
Excess of Revenues Over Expenditures	<u>(42,840)</u>	<u>320,300</u>	<u>629,600</u>	<u>30,400</u>
FUND BALANCE - DECEMBER 31	<u>\$ 5,534,526</u>	<u>\$ 6,352,469</u>	<u>\$ 6,164,126</u>	<u>\$ 6,194,526</u>