

**AGENDA
FINANCE & PERSONNEL COMMITTEE
CITY HALL COUNCIL CHAMBERS
MONDAY, JANUARY 8th, 2024
4:30 PM**

Go to: www.zoom.com
Meeting ID: 978 6396 1227
Call-in only: 312 626-6799, enter meeting number

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF THE AGENDA**
- 4. PUBLIC PARTICIPATION**
- 5. APPROVAL OF MINUTES OF DECEMBER 11TH, 2023 MEETING**
- 6. DISCUSSION REGARDING CREDIT CARD STATEMENT (DECEMBER, 2023)**
- 7. DISCUSSION REGARDING BANK STATEMENTS (DECEMBER, 2023)**
- 8. DISCUSSION ON DRAFT 2 OF THE FISCAL YEAR 2023-2024 RE-ESTIMATE, FISCAL YEAR 2024-2025 BUDGET, AND CITY OF MAQUOKETA CAPITAL IMPROVEMENT PLAN**

City Manager Summary: The County officially released City of Maquoketa values reflecting a significant increase after State mandated rollbacks. Finance Clerk, Andrea White, has diligently been working to incorporate these revenue estimates into the City Budget. An updated budget printout will be provided in order to allow for committee direction on our present budgeting considerations.

Committee feedback is requested.

- 9. AMERICAN RESCUE PLAN ACT (ARPA) REPORTING REQUIREMENTS AND POSSIBLE MOTION**

City Manager Summary: In April 2024, City Staff will have to submit final reporting commitments concerning the City's ARPA funding. To prepare this discussion, Appendix A is offered as the outcome of the City's previous April 2023 report. There are a couple key variables that developed for the City in the back half of 2023 and now into 2024. Therefore, City Staff suggests the following changes to the Finance & Personnel Committee and seeks a supporting motion for reporting purposes that will reflect the City's final commitments in the ARPA fund as the performance period concludes on December 31, 2024.

- Child-Care Initiatives: \$219,367 was committed on the hope additional daycare expansions could be supported to help family care infrastructure needs in the City.

Thus far, only Sunshine Day Care and Sacred Heart have taken steps to advance projects toward reality. The City is committed to \$120,000 for the purpose of the local share costs at the Sunshine Learning Center project. The City is not yet committed to a dollar amount with Sacred Heart but City Management suggests \$40,000 in support. Sacred Heart's project costs are estimated to be \$450,000-\$500,000. This request is less than 10% of the project total and is a valuable addition to the City's options for family care. Both of these projects are directly aimed at 0-2 year old care. The Maquoketa Community School District is aiming toward the addition of wrap around child care at the potential Briggs Elementary expansion and their leadership estimates they would add care for 30-40 children ages 3-4. Upon execution of the Briggs expansion wrap around care, Sunshine Learning Center project, and potentially Sacred Heart's additional 0-2 room, the community's capacity for welcoming families is greatly increased especially in the ongoing threat of at home care options folding for higher paying opportunities. Therefore, City Staff suggests altering the previous \$219,367 target to \$160,000 (a difference of \$59,367).

- Stormwater Levee Construction Costs: City Staff no longer recommends including any potential overage of Stormwater Levee Construction Costs on the ARPA fund. The reason for this is the Stormwater Fund (740) currently sits on substantial fund balances to cover any possible excess levee construction costs. Fund 740 had a July 1, 2023 balance of \$365,051 which represents at 258% reserve (well above the City's 25% standard). This short analysis includes the City's anticipated USDA repayback payment schedule related to the Platt Street Reconstruction project beginning in FY24-25. Therefore, Staff recommendation is to pin the prior \$175,063 commitment entirely to resources derived out of the high reserve balance of Fund 740.
- City Revenue Loss Replacement: Given the availability of \$175,063 (Levee cost removal) & \$59,367 (difference between child care support of \$219,367 minus \$160,000), \$234,430 is available to commit to the General Fund for the purpose of recapturing City revenue loss to respond to the immediate and downstream economic effects of the pandemic. Frankly, this is the most common and easiest use of ARPA funds for Cities.

An updated chart for this year's reporting requirements has been supplied for reference on the bottom of Appendix A. Assuming support of this plan to finalize all ARPA resources, City Staff will generate Council Resolutions to effectuate transfers. After this is completed, Draft 3 of the FY2023-2024 Re-Estimate & FY2024-2025 Budget will appear substantially different in a positive manner for the General Fund.

Committee support is recommended.

10.DISCUSSION AND POSSIBLE MOTION ON PROPOSED PROPERTY TAX LEVY

City Manager Summary: The City was able to produce a first version of the City's proposed property tax levy for Committee consideration using the State's new valuation and software system. Given the inclusion of the City's new Franchise Fee revenue purposes and 60% of

said revenue applied toward Property Tax reduction, the City's budget property tax burden for a \$100,000 property is reduced -27.45%. If you review the document carefully, the adjustment is strictly in the "Other Employee Benefits" line. The net rate for City Taxes attached is 12.60 well down from 14.72 in the previous year. These numbers have been applied to the City Budget for FY24-25 and yield acceptable results for the City though in future years the City may opt to re-evaluate how to use Franchise revenue as the State continues their 4 year process of tightening Property Tax abilities of Cities.

Committee feedback requested.

11.OTHER BUSINESS

12.ADJOURN

APPENDIX A

American Rescue Plan Act Fund - 323				
	2021-2022	2022-2023	2023-2024	2024-2025
ARP Funds Revenue	\$ 447,821	\$ 447,821	\$ -	\$ -
Total Revenue	\$ 447,821	\$ 447,821	\$ -	\$ -
Expenditures				
Emergency Repairs	\$ 261,236	\$ -	\$ -	\$ -
Equipment	\$ 79,664	\$ -	\$ -	\$ -
Capital Projects	\$ -	\$ -	\$ 247,821	\$ 306,921
Total Expenses	\$ 340,900	\$ -	\$ 247,821	\$ 306,921
Net Revenue/Expenditures	\$ 106,921	\$ 447,821	\$ (247,821)	\$ (306,921)
Ending Fund Balance	\$ 106,921	\$ 554,742	\$ 306,921	\$ -
<p><u>East Water Tower Capital Improvement</u> - \$80,312 will be needed from the ARPA Fund in order to supplement shortcomings in the City's Water Capital Fund plan. The amount is dependent on the project cost and final needs for engineering inspection</p>				
<p><u>Support for child-care initiatives</u> - \$219,367 (\$65,000 FY23-24; \$154,367 FY24-25) overall proposed for the City of Maquoketa in order to expand the infant to two-year old care infrastructure in order to attract & retain families in the City.</p>				
<p><u>Police Vehicle Purchase & Support</u> - \$80,000 (\$40,000 FY23-24; \$40,000 FY24-25) overall proposed to help supplement the need to equip the Police Department with modern vehicles.</p>				
<p><u>Stormwater Levee Construction Costs</u> - \$175,063 (\$62,509 FY23-24; \$112,554 FY24-25) expected in Cost overruns for the levee construction.</p>				

American Rescue Plan Act Fund - 323				
	2021-2022	2022-2023	2023-2024	2024-2025
ARP Funds Revenue	\$ 447,821	\$ 447,821	\$ -	\$ -
Total Revenue	\$ 447,821	\$ 447,821	\$ -	\$ -
Expenditures				
Revenue Loss Replacement	\$ -	\$ -	\$ 234,430	\$ -
Emergency Repairs	\$ 261,236	\$ -	\$ -	\$ -
Equipment	\$ 79,664	\$ -	\$ -	\$ -
Capital Projects	\$ -	\$ -	\$ 120,312	\$ 200,000
Total Expenses	\$ 340,900	\$ -	\$ 354,742	\$ 200,000
Net Revenue/Expenditures	\$ 106,921	\$ 447,821	\$ (354,742)	\$ (200,000)
Ending Fund Balance	\$ 106,921	\$ 554,742	\$ 200,000	\$ -
<p><u>East Water Tower Capital Improvement</u> - \$80,312 will be needed from the ARPA Fund in order to supplement shortcomings in the City's Water Capital Fund plan. The amount is dependent on the project cost and final needs for engineering inspection.</p>				
<p><u>Support for Child-Care Initiatives</u> - \$160,000 overall proposed for the City of Maquoketa in order to expand the infant to two-year old care infrastructure in order to attract & retain families in the City.</p>				
<p><u>Police Vehicle Purchase & Support</u> - \$80,000 (\$40,000 FY23-24; \$40,000 FY24-25) overall proposed to help supplement the need to equip the Police Department with modern vehicles.</p>				
<p><u>Revenue Loss Replacement</u>: \$234,430 in FY23-24 to help recapture various City economic losses directly and indirectly resulting from the COVID pandemic of 2020.</p>				