



**CITY COUNCIL
WORK SESSION MEETING AGENDA**

**December 4, 2023
5:30 – 6:30pm**

- 1) Call to Order**
- 2) Budget work session – final budget/levy/fee schedule**
- 3) ARPA Update**
- 4) Barking Dog Ordinance
*Verbal Discussion**
- 5) Copper Service Education Campaign Update
*Verbal Discussion**
- 6) Adjourn**



CITY OF MINNETRISTA

REQUEST FOR CITY COUNCIL DISCUSSION

Subject: Item –2024 Budget/Levy/Fee Schedule Discussion

Prepared By: Brian Grimm, Finance Director

Meeting Date: December 4, 2023

Item: The documents for the 2024 budget, final tax ley and fee schedule are included in the regular Council meeting packet. Along with the associated resolutions, ordinances to adopt these items.

The purpose of this agenda item is to have further discussion and answer any questions that City Council members have.

Recommended City Council Action: Have a final discussion in preparation for adopting the above associated items at the Regular City Council meeting.

Does Recommended Action meet City Mission Statement? Yes No

Does Recommended Action meet City Goals/Priorities? x Yes No

Explain: Adapt to a changing economy – monitor budget

This agenda item is part of financial monitoring of the current year budget.

Mission Statement:

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.



CITY OF MINNETRISTA

REQUEST FOR CITY COUNCIL DISCUSSION

Subject: ARPA Update Discussion

Prepared By: Brian Grimm, Finance Director

Meeting Date: December 4, 2023

Item:

See the attached Council packet item from last year from December 5th, 2022 Council workession.

In summary, the City received a total of \$888,464.58 in ARPA Funds between the years of 2021 and 2022.

On the report the City filed with Federal Treasury for the reporting period ending March 31, 2023, the City filed a report of \$561,168.99 as delineated in the December 5, 2022 meeting.

The City had \$327,295.59 left to report in future periods. The Midco Project for broadband expansion was completed during 2023, so we would planned on reporting the \$78,500 allocated there for the March 31, 2024 reporting period.

This leaves the \$248,795.59 left per the previous allocation for the wells project that has not been spent. City Staff would recommend considering reallocating the \$248,795.59 from the wells project to the completed watermain project associated with the 2023 Street and Utilities Reconstruction Project. Both projects are eligible uses for these dollars in the water fund. Seeing the funds have been spent on the 2023 infrastructure project, the City could then file a final report for the remaining \$327,295.59 with the 3-31-2024 report.

If the original allocation is left, the City would be filing a report for the \$78,500 for 3-31-2024 and would need to wait until the 3-31-2025 report to close out the ARPA funds once the two new wells were completed later in 2024.

<p><u>Recommended City Council Action:</u> Consensus as to adding a motion to a subsequent Council meeting as to updated status of ARPA funds</p>

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Does Recommended Action meet City Mission Statement? Yes No
Does Recommended Action meet City Goals/Priorities? x Yes No
Explain: Adapt to a changing economy – monitor budget

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CITY OF MINNETRISTA

REQUEST FOR CITY COUNCIL DISCUSSION

Subject: ARPA Update Discussion

Prepared By: Brian Grimm, Finance Director

Meeting Date: December 5, 2022

Item:

Starting with the May 16th, 2022 Council meeting and then with some final tweaks over the summer for the broadband project, the final allocation and transfer of funds from the ARPA special revenue fund looked like this:

Roads Fund (Fund 406) -	\$ 345,247.49
Water Fund (Fund 601)	\$464,717.09
Cable Fund (Fund 673)	<u>\$78,500.00</u>
Total	\$888,464.58

It was noted in that staff report that later in the year the City Council should make final designations as to the projects the dollars would go to and the status of those projects. The discussion earlier in the year centered around the broadband expansion, two new wells and the Jennings area road project. Early on in 2022, before the first reporting deadline, the City Council also approved election of the one Time Standard Allowance of Revenue Loss for American Rescue Plan Act (ARPA). This was in advance of the first reporting period which ended March 31, 2022, and needed to be filed by April 30, 2022.

With the next annual reporting period coming up for March 31, 2023, City staff would like feedback from City Council as to filing that next report. Staff would recommend using these amounts for the next report:

Jennings Area Road Project - \$345,247.49 spent. (amount paid to contractor over \$460K to date)

Test Wells for two new wells– Allocated \$464,717.09 – Paid Traut Companies \$215,921.50 for test wells. Spent \$215,921.50 and \$248,795.59 unspent.

Broadband Expansion project – Allocated \$78,500. Is still unspent as Midco will bill/invoice the City at the end of the project.

If there is consensus on the above designations, for the next report, the City would file that \$561,168.99 of the ARPA proceeds that were spent during the most recent period (\$345,247.49 on Jennings Road project and \$215,921.50 on the in-progress well(s))

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project.). Leaving \$327,295.59 unspent and to be reported in a future reporting period. The City has until 2024 to obligate the funds and 2026 to spend the funds.

One item of note is that if the City spends more than \$750,000 in federal funds in a calendar year, a single audit is needed in addition to the regular annual audit. This can cost about \$3,500-\$4,000. With the suggested reporting above, the \$561K spent would be below this threshold for 2022. The remaining amount would also be below this when reported and incurred and spent in 2023 or a subsequent year.

Recommended City Council Action: Consensus as to adding a motion to a subsequent Council meeting as to updated status of ARPA funds

Does Recommended Action meet City Mission Statement? Yes No

Does Recommended Action meet City Goals/Priorities? x Yes No

Explain: Adapt to a changing economy – monitor budget

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