

# CITY COUNCIL COMMUNICATION FORM

**FROM:** Kim Weber, Finance Director  
Winnie DelliQuadri, Special Projects/Intergovernmental Services Manager

**THROUGH:** Gary Suiter, City Manager

**DATE:** April 13, 2021

**ITEM:** Financial and Grants Update

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_____	DIRECTION
<input checked="" type="checkbox"/>	INFORMATION
_____	ORDINANCE
_____	MOTION
_____	RESOLUTION
_____	PROCLAMATION

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## **I. REQUEST/ISSUE & BACKGROUND INFORMATION:**

### Financial Update:

If City Council approves the 3<sup>rd</sup> Supplemental Budget Appropriation on tonight's agenda, the General Fund will be budgeted at approximately a \$2.5M deficit based on the original conservative sales tax budget. As of February, the city has collected approximately \$900K more in sales tax than originally budgeted. Therefore, all else consistent, the projected deficit is approximately \$1.6M.

Year-to-date sales tax collections at the end of February are trailing behind 2020 collections by about 6% for the same timeframe. In other words, the city has collected \$354K less in sales tax than we had at this same time last year. Due to the pandemic and the sudden shut down in March 2020, it is anticipated that this gap will narrow in the coming months.

### Stimulus Funding & Grants Update:

There are two stimulus packages that could benefit the city. The Colorado stimulus package is making its way through the state legislature – which means that some of the programs will likely be funded and some will likely not be

funded. Greg Winkler, DOLA Field Rep, has stated that the Colorado stimulus funds will all start in the 2022 state fiscal year, which begins July 1. More information on the Colorado Stimulus plan will be coming out in late May and early June.

The federal stimulus - the American Rescue Plan Act – has specific funding for local governments, with approximately \$2.84 million coming directly to the City of Steamboat Springs. The federal bill notes that these dollars can be used through December 31, 2024 for:

- Premium pay,
- Provision of government services to the extent of the reduction in revenue,
- To respond to public health emergency or its negative economic consequences, including external assistance, and
- Investment in water, sewer and broadband.

Greg Winkler has conveyed his understanding based on calls with the federal government, that sewer will include storm sewer, and that the earliest we can expect further guidance from the Department of the Treasury on the American Rescue Act is May. In addition to the direct dollars, the city has been notified that we will be receiving Rescue Act dollars for childcare, airport, and transit. Staff are following this funding opportunity closely and hope to identify some additional grant opportunities for the city.

**II. SUMMARY AND ALTERNATIVES:**

Information only

**III. STAFF RECOMMENDATION:**

Information only

**IV. FISCAL IMPACT:**

Information only

**V. LEGAL ISSUES:**

None noted

**VI. CONFLICTS OR ENVIRONMENTAL ISSUES:**

None noted

**VII. CONSISTENCY WITH COUNCIL GOALS AND POLICIES:**

None noted

**ATTACHMENTS:**

Attachment 1 – Financial and Grants Update Presentation

Attachment 2 – Colorado Stimulus Plan - Highlighted