



**Issue:** **Budget Amendment of \$40,000 from ARPA funds to be allocated to non-profits**

**Date:** November 15, 2021

**Submitted By:** Jimmy Liles, City Administrator

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## **Background**

In March of 2021 the American Recue Plan Act was passed, which provided a direct payment of funds to the City of Nixa for local fiscal recovery. The City of Nixa has received the first of two payments. During discussions with City Council, it was decided that \$40,000 would be allocated from the first payment to non-profits as allowed by the U.S. Department of Treasury's interim final rule. To be eligible, the nonprofit would have to be exempt from Federal income taxation as described in section 501(c)(3) of the Internal Revenue Code.

## **Analysis**

**In attempting to find the best way to allocate the funds to non-profits, I visited with the Nixa Community Foundation (NCF) about the possibility of their organization utilizing a grant process to help distribute the funds. The NCF board agreed they would be willing to administer a grant process to allocate the funds to other non-profits. To ensure the requirements of the U.S. Treasury's interim final rule are followed, the requirements for the grant awards would be decided by the City of Nixa and would be detailed in an agreement with the Community Foundations of the Ozarks. Once the agreement is completed, it will be brought back to City Council for approval. I would recommend the Community Foundation receive \$10,000 of the funds for administrating the process, and the remaining \$30,000 be available for distribution to other non-profits through the grant process. This budget amendment would allow us to start the process immediately, so we can get the funds to the non-profits as quickly as possible.**

## **Recommendation**

Staff is recommending the approval a budget amendment for \$40,000 that would be allocated to the NCF and other non-profits as allowed by the U.S. Department of Treasury's interim final rule.

1     **AN ORDINANCE OF THE COUNCIL OF THE CITY OF NIXA AMENDING THE 2021**  
2     **ANNUAL BUDGET TO APPROPRIATE AMERICAN RESCUE PLAN ACT FUNDING**  
3     **FOR THE USE OF COMMUNITY NONPROFITS.**  
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6     **WHEREAS** in March of 2021, the American Rescue Plan Act (“ARPA”) was signed  
7 into law by the President of the United States; and  
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9     **WHEREAS** the ARPA was adopted by the United States Congress to address the  
10 economic and health impact of the COVID-19 pandemic; and  
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12     **WHEREAS** a portion of ARPA funds have been allocated to local governments;  
13 and  
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15     **WHEREAS** the City Council desires to utilize a portion of the City’s ARPA  
16 allocation to support community nonprofits; and  
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18     **WHEREAS** Section 67.040 RSMo provides that after a budget has been approved  
19 no increase in the revenues or expenditures from any fund shall be made unless the  
20 governing body adopts a measure setting forth the facts and reasons making the increase  
21 necessary and authorizing the increase; and  
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23     **WHEREAS** Section 8.7 of the City Charter authorizes the City Council to amend  
24 budgeted revenues and expenditures upon the request of the City Administrator; and  
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26     **WHEREAS** the City Administrator has requested a budget amendment in the  
27 amount of \$40,000.00 for the purposes contemplated by this Ordinance; and  
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29     **WHEREAS** the City Council desires to amend the City’s 2021 budget for the  
30 purposes identified herein.  
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32     **NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF**  
33 **NIXA, AS FOLLOWS, THAT:**  
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35     **SECTION 1:** The City of Nixa’s 2021 Annual Budget is hereby amended in the  
36 accounts and the amounts as shown on “Council Bill Exhibit A,” which is attached hereto  
37 and incorporated herein by this reference.  
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39     **SECTION 2:** City Council finds that the budget amendment enacted by this  
40 Ordinance has been recommended by the City Administrator. The City Administrator is  
41 directed to cause the appropriate accounting entries to be made in the books and records  
42 of the City to reflect the budget amendment enacted by this Ordinance.  
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44     **SECTION 3:** This Ordinance shall be in full force and effect from and after its final  
45 passage by the City Council and after its approval by the Mayor, subject to the provisions  
46 of section 3.11(g) of the City Charter.

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**ADOPTED BY THE CITY COUNCIL THIS 13<sup>TH</sup> DAY OF DECEMBER 2021.**

ATTEST:

\_\_\_\_\_  
CITY CLERK

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PRESIDING OFFICER

**APPROVED BY THE MAYOR THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2021.**

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

City of Nixa, MO  
Budget Amendment

<u>Budget Amendment Amount</u>	<u>Fund</u>	<u>G/L Description</u>	<u>G/L Line #</u>	<u>Revenue Source</u>
\$40,000	10	Transfers Out	10-111-5490000	Current

Explanation: To amend the current budget of the City of Nixa to appropriate funds for ARPA money for Non-Profit Organizations.

This proposed Budget Amendment has been approved and requested by the City Administrator, pursuant to City Charter section 8.7.

\_\_\_\_\_  
Jimmy Liles, City Administrator

Authorized by Passage of Ordinance No. \_\_\_\_\_

Date of Passage: \_\_\_\_\_

Total Budget Amendments by Fund Year to Date:

Electric	39,100
Water	57,440
Wastewater	149,100
General	42,100
Police	130,000
Street	30,955
Park	58,275
Building Inspection	<u>10,000</u>
<b>TOTAL</b>	<b><u><u>516,970</u></u></b>