AGENDA ITEM#22

I object not to any individual grantee, but to the whole notion of city ARPA funds being granted to private nonprofit organizations, when they could be used to alleviate additional tax burden for city property owners.

I would argue that the greatest and most beneficial use of these funds would be a tax break for property owners in Great Falls. I previously advocated against the city increasing mills and thereby increasing our taxes and instead, suggested the use CARES funds for city budget needs.

When I first suggested the CARES funds could be used for that purpose, I was told by city staff and by one commissioner in an email that the CARES money was not unrestricted and could not be used for alleviating the taxpayers' burden.

That was a lie. At a subsequent city commission meeting where the CARES funding to GFDA was approved, City Manager Doyon finally admitted that the CARES funds could indeed be used toward city budget needs, but that the city was choosing to fund GFDA instead.

Now we come to ARPA funds and I've heard the same story about those monies—that they can't be used to help city taxpayers at a time of unprecedented inflation and recession.

But again, that's another lie and I came here tonight to make sure the public, at least those that will watch this meeting live, or the video, will learn the truth.

Great Falls is member of Montana League of Cities and Towns, which is affiliated with, and derives much policy guidance from, The National League of Cities. Mayor Kelly even sat on the National League of Cities Finance, Administration, and Intergovernmental Relations Committee. On the National League of Cities, <u>nlc.org</u>, under frequently asked questions about ARPA funds, it states:

"Can my city decrease taxes after receiving these funds?

The rule that would prohibit tax decreases is a restriction only on states. The local government section of the bill contains no prohibition on lowering taxes."

So I find it interesting that the city chooses to ignore that from the National League of Cities, while embracing some of the arguably more woke, leftist positions from the same organization.

I think all city residents and taxpayers need to be made aware that instead of putting the majority of Great Falls first, the city chose instead to fund nonprofits. Local organizations shouldn't be encouraged to be reliant on federal taxpayer dollars.

But that seems to be the agenda of Mr Hazen, because tonight, I heard him referred to as "the money man." It's too bad he isn't as conscientious with taxpayer dollars as his city colleague Mr Gaub. Government is not meant to be a funding source for various organizations, some of which represent special interests. But government is meant to, first and foremost, provide city services such as public safety.

I think the city residents and taxpayers need to be made aware that city staff once again lied about potential uses of federal grant funds. Shame on you for raising our taxes through mill increases when you could have avoided it.

(Attachment: <u>nlc.com</u> FAQ ARPA funds)

ARPA funds. The definition of General Revenue draws on the Census definition of General Revenue of Own Sources (excluding utilities). The fiscal relief funds give recipients broad latitude to use funds to provide government services to the extent of the reduction in revenue or the standard allowance. Government services can include but are not limited to, maintenance of infrastructure, modernization of cybersecurity, health services, school or educational services, and public safety services. When calculating lost revenue, recipients should sum across all revenue streams covered as general revenue, for administrative ease.

Can recovery funds be used for stormwater projects and expenses?

Recipients may use Coronavirus State and Local Fiscal Recovery Funds to invest in necessary improvements to their water and sewer infrastructures, including projects that address the impacts of climate change. Recipients may use this funding to invest in an array of drinking water infrastructure projects, such as building or upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines.

Recipients may also use this funding to invest in wastewater infrastructure projects, including constructing publicly-owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works.

To help jurisdictions expedite their execution of these essential investments, Treasury's Final Rule aligns types of eligible projects with the wide range of projects that can be supported by the Environmental Protection Agency's Clean Water State Revolving Fund and Drinking Water State Revolving Fund. Recipients retain substantial flexibility to identify those water and sewer infrastructure investments that are of the highest priority for their own communities.

Can my city decrease taxes after receiving these funds?

The rule that would prohibit tax decreases is a restriction only onstates. The local government section of the bill contains no prohibition on lowering taxes.

What infrastructure projects can funds be used on?

State and local fiscal relief funds may be used for capital expenditures to assist in an eligible COVID-19 economic response. This means the development of infrastructure projects like healthcare and childcare facilities, schools, and housing will be covered by the Final Rule, as long