

COUNCIL PROCEEDINGS
JANUARY 30, 2023

Mayor Greer called the special meeting to order at 5:30 pm, January 30, 2023, at the City Hall Council Chambers, 10 W State Street, and led the pledge of allegiance. Roll call—Present: Hoop, Isom, Kell, Ladehoff, Schneider (via Go-To-Meeting), Thompson, Walker.

RESOLUTIONS

Motion by Isom, second by Ladehoff to adopt RESOLUTION 2023-017 SETTING PUBLIC HEARING PRIOR TO APPROVING THE MAXIMUM PROPERTY TAX DOLLARS RELATING TO SPECIFIC PROPERTY TAX LEVIES FOR THE BUDGETED FISCAL YEAR ENDING JUNE 30, 2024. Diana Steiner, Finance Director advised the public hearing will be set for the February 13th meeting. Motion carried 7-0.

DISCUSSION

Jessica Kinser, City Administrator reviewed the debt capacity workbook for FY24 to FY27 noting the debt capacity for FY24 is \$9.8M not \$10.3M as previously figured by our financial advisor. The debt capacity was reviewed at 75% capacity versus the current 70% as an option. It was recommended the council make decisions on borrowing in August to have better cost estimates on projects.

Diana Steiner, Finance Director reviewed the long-term debt schedule and debt service fund which is part of the official budget package that must be submitted to the County. The long-term debt schedule outlines outstanding loans and bonds. Projected Local Option Sales Tax Property Tax Relief revenue of \$2,886,000 has been applied along with \$932,747 of the fund balance to keep the overall property tax levy at \$15.36 per \$1,000 valuation as in the current year.

Diana Steiner, Finance Director reviewed the Local Option Sales Tax budget. The council agreed to budget \$5,000 for fireworks. Motion by Thompson, second by Isom to increase the cash flow reserve from 16% to 17% for a total of \$288,000 to work toward the policy goal of 20%. Motion carried 7-0. Councilors agreed to carry over the \$198,000 from property tax relief to maintain the levy rate in future years. Public comment: Mark Eaton, 1007 S 10th Ave, supports the fireworks funding, noted there are enough funds to increase the cash flow reserve to 20% or the option to lower property taxes by \$2 per \$1,000 valuation if you apply the balance of council-designated local option sales tax.

Jessica Kinser, City Administrator reviewed the options to cover the projected FY24 General Fund Deficit. Motion by Ladehoff, second by Thompson to fund mosquito spraying with council-designated local option sales tax. Motion carried 7-0. Motion by Walker, second by Isom to decommission BPW and Lawrence Parks. Motion carried 7-0. Motion by Isom, second by Walker to amend the lease agreement with the Marshall County Communications Commission from \$1 to \$18,000 per year to cover utility expenses. Motion carried 5-2, Hoop and Thompson dissenting. A resolution will come forward on 2/13 to terminate the current lease agreement which has a one-year termination clause. The council will move forward with adjusting the police department vacancy rate which will capture the savings at the beginning of the budget and will not affect their hiring capacity. Staff were directed to adjust concession prices and product availability at the

Coliseum and increase the cost of Summer Blast to \$115 for 2023 and \$125 for 2024. They will obligate the remaining \$50,000 in ARPA revenue replacement and also transfer in council-designated local option sales tax as needed. Motion by Thompson, second by Isom to remove the reduction in the non-bargaining cost of living adjustment from consideration for savings. Motion carried 7-0. Public comments: Leigh Bauder, 401 Orchard Dr recommended reviewing total compensation packages and insurance plans for cost savings. Mark Eaton, 1007 S 10th Ave, suggested using council-designated local option sales tax to cover the deficit. Councilors discussed the option of enforcing 5 furlough days on all employees except police and fire union employees for a savings of \$79,215. Councilors did not support this option unless voluntary and with all the other adjustments made it was not needed to cover the deficit. Motion by Thompson, second by Kell to remove furlough days from consideration and move whatever money is necessary from local option sales tax to balance the budget. Motion failed 5-2, Isom, Kell, Ladehoff, Schneider, and Walker dissenting since they had come to the consensus to remove furloughs from consideration which balanced the deficit. Ms. Kinser confirmed the transfer from local option sales tax would then be adjusted from \$170,000 to \$152,330 to zero the deficit with all the changes made.

ADJOURNMENT

The meeting adjourned at 7:07 pm.

Respectfully Submitted,

Alicia Hunter
Alicia Hunter, City Clerk

CITY OF MARSHALLTOWN, IOWA

Joel Greer
Joel Greer, Mayor

ATTEST:

Alicia Hunter
Alicia Hunter, City Clerk