

Council Proceedings
Special Council Meeting
February 6, 2017

A Special meeting of the Marshalltown City Council was convened on February 6, 2017, at 12:00 pm, in the Council Chambers at City Hall, according to posted notices. Mayor Lowrance called the meeting to order. ROLL CALL: Present – Gowdy, Hoop, Lamer, Martin, Schubert. Absent: Wirin. Absent for roll call: Greer, arriving at 12:03. Martin fully participated by speakerphone.

Finance Director Steiner and Accounting Manager Brian DeMoss reviewed the status of the General Fund. The General Fund is dependent on property taxes for 44% of the revenue, with the balance coming from transfers (35%) and fees. The general fund has been in a deficit status, with anticipated deficit for FY18 at \$228,175. Wages are the largest expense of the general fund, at 59%, which includes a 2.55% increase for employees in the collective bargaining units.

In order to eliminate the deficit and allow the City to maintain the current level of services without placing a new fee on residents, Staff recommends the council consider changing the distribution of the local option sales tax revenue.

Local Option Sales Tax revenue is estimated at \$3.4 million for FY 18, which breaks down to the following distribution:

75% property tax relief: \$2,550,000.
20% Streets /storm sewers: \$ 680,000.
5% any lawful purpose: \$ 170,000.

Staff proposes a special election to ask the voters to reallocate more of a percentage towards any lawful purpose and property tax relief. The council may hold a special election on August 1. The City Administrator will bring more information about a special election to a future Council meeting for discussion.

The council will meet again on February 13, 2017, at 5:30 PM, to set the public hearing date for the current year budget amendment and tax levy and budget for FYE 6/30/2018.

Meeting adjourned at 12:23 pm.

Respectfully submitted,

Shari L. Coughenour, CMC, City Clerk

CITY OF MARSHALLTOWN

James L. Lowrance, Mayor

ATTEST:

Shari L. Coughenour, City Clerk