COUNCIL PROCEEDINGS

February 4, 2019

The Marshalltown City Council met in special session on February 4, 2019, at 12:00pm, in Council Chambers at City Hall. Council member Hoop, as most senior member of the City Council, called the meeting to order at 12:00PM in the absence of Mayor Greer and with Mayor Pro Tem Wirin joining by phone. Council member Hoop led the Pledge of Allegiance. Present: Cahill, Gowdy, Hoop, Lamer, Martin, Wirin.

All discussion items were related to the Fiscal Year 2020 budget process led by Finance Director Diana Steiner.

The first discussion item was the Road Use Tax Fund for fiscal year 2020. Steiner presented a small decline in road use tax revenue, as projected by the State. She then mentioned some notable changes to the expenditures in the fund, including the removal of tree stumps which are not covered by FEMA as well as the capital improvement items. Council member Lamer asked if staff had looked into a resolution capping the amount of money that can be transferred from Road Use Tax.

The second item was a review of the Enterprise Funds, starting with a summary of projected cash balances by fund for funds 610 to 760. Council member Lamer asked about the review of current utility rates. City Administrator Jessica Kinser stated that new studies need to be done for the wastewater and stormwater fees, and staff would provide an analysis of the solid waste assessment fee prior to July 1st. In a public comment, Mark Eaton 1007 S. 10th Avenue, stated the Council could use fund balance in Wastewater to expand to Odessa Drive and annex in property.

The third budget discussion was regarding employee benefits and the different tax levies. Council member Lamer asked if this was where part-time employee benefits and wages for Parks and Recreation personnel were listed. Kinser stated that an update on staffing would be emailed out to the Council.

The final budget discussion item was regarding the use of local option sales tax fund balance of $390,000 to help reduce the tax levy for fiscal year 2020. Council member Lamer asked if some of the Council-designated LOST amount could be used to continue to reduce the tax levy. If $500,000 total was used to decrease the debt service levy, the new total would be $15.38434. Council member Gowdy agreed with the proposal to use LOST fund balance due to the all of the financial hardships the community experienced. Council member Cahill expressed caution at a large increase in future years. Motion made by Wirin to proceed with Option 1 to utilize $390,000 in local option sales tax fund balance. The motion was seconded by Cahill. On a roll call vote, the motion failed 2-4. A motion was then made by Lamer to utilize $500,000 in local option sales tax fund balance, with the remaining $110,000 coming from the Council-designated portion. Seconded by Martin. In public comment on this issue, Mark Eaton, 1007 S. 10th Ave., asked the Council to consider what was the tax amount being levied for Communications and for the Community College. On a roll call vote, approved 5-1.

With no other business, the meeting adjourned at 12:43pm.