

COUNCIL PROCEEDINGS

JANUARY 20, 2025

Mayor Greer called the special meeting to order at 5:30 pm, January 20, 2025, at the City Hall Council Chambers, 10 W State Street, and led the pledge of allegiance. Roll call—Present: Fonseca, Kell, Ladehoff, Mitchell, Nichols, Schneider, Thompson.

CONSENT AGENDA

Motion by Kell, second by Ladehoff to adopt the consent agenda: Resolution 2025-012 Setting Public Hearing for an Amendment to Chapter 156 Zoning. Motion carried 7-0.

DISCUSSION

Diana Steiner, Finance Director reviewed the Local Option Sales Tax budget for fiscal year 2026. The fund receives 1% of the local option sales tax that the city receives and is estimated at \$4.2 million. In FY25, 78% is allocated for property tax relief (\$3,276,000) and 22% for council-designated purposes (\$924,000). In FY26, the voter-approved allocation changes to 75% for property tax relief (\$3,150,000) and 25% for council-designated (\$1,050,000). The council directed staff to increase the cash flow reserve from 17% to 18% utilizing \$28,000 in council-designated local option sales tax. They will also continue to allocate \$5,000 to the fireworks display.

Diana Steiner, Finance Director reviewed the fiscal year 2026 property tax valuations. The FY26 assessed property tax valuation had an overall increase of .3%. The FY26 taxable property tax valuation had an overall increase of 2.20%.

Diana Steiner, Finance Director reviewed the fiscal year 2026 General Fund budget. The expenses exceed the revenues by \$1,361,819. Carol Webb, City Administrator presented options for expenditure reductions. The council supported removing internal stormwater and sewer charges, moving fire inspections from a contract back to in-house staff, reallocating the police department body cameras from council-designated local option sales tax to automated traffic enforcement revenue, and maintaining a vacancy factor for budgeting. They requested the Marshalltown Area Chamber of Commerce analyze the effects of changing the percentage of hotel/motel tax provided for tourism. Motion by Thompson, second by Mitchell to fill the Chief Deputy position at the fire department as soon as possible. Motion carried 6-1, Ladehoff dissenting. Motion by Thompson, second by Schneider to transfer council-designated local option sales tax to cover the general fund deficit to balance the FY26 budget. Motion carried 7-0.

Diana Steiner, Finance Director reviewed the capital improvement plan for funds 030, 031, and 032. Fund 031 is the building maintenance fund which does not have a revenue source. The fund is used for repair and maintenance projects in city buildings. The City Hall boiler project was discussed. There is \$10,000 budgeted in FY25 for a system study. Staff do not recommend completing the study unless a funding source is available for replacement. Motion to transfer \$86,000 in council-designated local option sales tax to fund 031. Motion carried 7-0. The council plans to bond for the fire truck designated in fund 032.

Kristine Kienzle, Executive Director of the Marshalltown Arts & Civic Center (MACC) presented a request for a 3-year lease agreement for the public use of the MACC, funded \$125,000 annually from council-designated local option sales tax. Motion by Ladehoff, second by Schneider to fund the agreement for 1-year. Amended motion by Fonseca, second by Nichols to include quarterly reports to the council on all of the measurables outlined in the agreement. The amended motion carried 4-3, Mitchell, Schneider, Thompson dissenting. Original motion as amended carried 4-3, Mitchell, Nichols, Thompson dissenting.

ADJOURNMENT

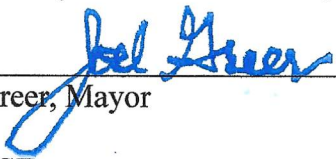
The meeting adjourned at 8:08 p.m.

Respectfully Submitted,



Alicia Hunter, City Clerk

CITY OF MARSHALLTOWN, IOWA



Joel Greer, Mayor

ATTEST:



Alicia Hunter, City Clerk