COUNCIL PROCEEDINGS
January 29, 2018

The Marshalltown City Council met in special session for the Fiscal Year 2019 Budget on January 29, 2018, at 12:00 PM, in the Council Chambers at City Hall. Mayor Greer called the meeting to order and led the Pledge of Allegiance. Present: Cahill, Gowdy, Hoop, Lamer, Martin, Wirin.

DISCUSSION:

Fiscal Year Ending 2019 Budget Discussion

1. Marshalltown Municipal Band Levy
   The Municipal Band is requesting additional funding, which would result in a tax levy increase of $.0024. No objections to the funding increase were presented.
2. Eliminating deficit from general fund
   The General Fund has a deficit of $14,021, which is less than previously noted due to an expenditure error being found. Multiple options were presented for eliminating this deficit, and all Council members were in favor of removing the expense budgeted for a LEAN consultant in Fiscal Year 2019 in order to balance the General Fund.
3. Request from city departments regarding use of Local Option Sales Tax fund
   Finance Director Steiner reviewed two personnel requests from the Fire Department and the Police Department which would be funded with LOST. The Fire Department is requesting reclassification of two positions and the backfill of a new firefighter with a total cost of LOST of $59,444 and benefits levy transfer in of $28,220. The Police Department is requesting to add on the 43rd sworn officer position, which would require LOST funding of $51,258 and a transfer in from the benefit levies of $26,823. Mayor Greer asked for a show of hands of using LOST to fund these positions for this fiscal year only, and all agreed but want to see other General Fund funding for these positions in the future.
4. Cash reserve from Local Option Sales Tax, council designation portion
   It was consensus to see the reserve funded at some level; however, the level was not determined due to the outstanding funding requests to be reviewed on the February 5th meeting. This item will also be placed on that agenda.
5. Long term debt schedule
   Steiner reviewed the long-term debt schedule. 78% LOST or $2.418 million is being applied to reduce the debt service tax levy.
6. Property Tax Levy
   Steiner then presented the property tax levy. Before changes to the Municipal Band levy, the proposed property tax levy is $15.86 (Scenario #3). The Council had a consensus around Scenario #1, which utilizes LOST fund balance to keep the tax levy at $15.28, which is the levy for the current fiscal year and FY17. Reid Riskedahl, 1412 S. 5th St., commented on the City not proposing a reduction to the 8.10 levy as a result of the new E911 Commission.
7. Employee benefit fund budget
   Steiner presented the Employee Benefits Fund, which would be a transfer of tax dollars to support benefits of employees in the General Fund. LOST has been used for property tax relief in the fund in previous years, but is being moved to the debt service levy in FY19.
8. Police and Fire retirement fund budget
   Steiner noted the increases in City's contribution to MFPRSI and the corresponding increase in the tax levy and presented the budget for the Police and Fire Retirement Fund.
9. Road Use Tax fund budget
   Steiner then presented the Road Use Tax Fund and the many functions this fund supports. Steiner also clarified that most Public Works personnel are budgeted in the General Fund, and the City then transfers money from Road Use Tax to the General Fund to support the costs of those employees.

ADJOURNMENT

The meeting adjourned at 12:47 pm.

Respectfully submitted,

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Jessica Kinser, City Administrator

CITY OF MARSHALLTOWN

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Joel T.S. Greer, Mayor

ATTEST:

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Shari L. Coughenour, CMC, City Clerk