COUNCIL PROCEEDINGS
February 5, 2018

The Marshalltown City Council met in special session for the Fiscal Year 2019 Budget on February 5, 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.

MAYOR, COUNCIL, ADMINISTRATOR COMMENTS

Council member Cahill asked if, at the appropriate time, staff could provide an explanation of how the 911 Communications expenses have impacted the City's budget.

DISCUSSION:

Fiscal Year Ending 2019 Budget Discussion

City Administrator Jessica Kinser notified the Council the General Fund has an additional deficit of approximately $35,000, discovered after reconciling the transfer in from the Employee Benefits Fund. Kinser asked the Council to use local option sales tax to eliminate this deficit now, with staff to come back with expenditure and revenue proposals in anticipation of a property tax backfill reduction by the State for fiscal year 2019. Kinser also advised the Council the proposals to add staff in Police and Fire be put on hold at this point. There was consensus on these points. Council member Lamer asked if staff was looking at reducing some of the current cash balances to assist with the deficit. Finance Director Diana Steiner explained there were funds in which fund balance was being proposed to be used in the next fiscal year, but the State does not allow for cash balances in restricted funds to go to the General Fund. Kinser also responded to Council member Cahill's request to talk about the 911 Communications expense and revenue changes.

1. Tax Levy Review

   Finance Director Diana Steiner presented a tax levy of $15.28 as previously directed by the Council. The employee benefits tax levies have decreased. This means less local option sales tax fund balance for property tax relief is needed to compute a tax levy of $15.28.

2. Special Revenue Funds

   Steiner discussed the special revenue funds, noting that fund 179 is a new fund for the Neighborhood Revitalization Program. Fund 188 will not be used in fiscal year 2019 as it was for the HUD Lead Grant. Fund 190 for the 911 Surcharge dollars is also not budgeted as these dollars will be turned over to the County.

3. Capital Project Funds

   Steiner gave an overview of the capital project funds, which account for the Street Improvement Program, Police and Fire Building and any other projects.

4. Enterprise Funds

   Steiner gave an overview of the enterprise funds, which account for the functions of the City that are to have fees and charges to support the cost of providing the service. She recommended increasing the fund balance in Transit, as it was fairly low. The Park and Rec Concession fund also has a deficit which is being addressed.

5. Council Electronic Devices

   Steiner presented a quote from the City's IT contractor for laptops or devices with Adobe software. Council member Gowdy expressed a desire for either as we look to go paperless, but the personal devices are slow when trying to keep up at Council meetings. Council member Lamer stated he was in favor of the devices if the Council members were going to get city-issued email addresses. Kinser stated that was the intent. The consensus is to go with a Microsoft Surface with individual email accounts.

6. Requests from Organizations for LOST Council Designated Funds

   Council member Wirin stated that the Council's first priority should be funding essential services before outside requests and requests should have an official city purpose. Motion made by Wirin, seconded by Martin to fund the Sister Cities request at $1,000. Upon further discussion, Martin

questioned funding the 4th of July Fireworks. Lamer made a motion to amend the current motion to include $5,000 for 4th of July Fireworks and $100 for Trees Forever. Seconded by Hoop. Upon further discussion, Council member Cahill stated that she would like to see a more formalized process with criteria for awarding the funds; Wirin agreed. Public comments were then offered by Reed Riskedahl, 1412 S. 5th St., who does not think the City should hand out funds like a foundation. Leigh Bauder, 401 Orchard Dr., stated the Council needs to focus on funding essential services with objective criteria. Harley Murra, 1004 Ratcliffe Dr., agrees with Cahill and Wirin and does not believe the Council should consider funding the band or expand the Library. Roll call vote on the amendment to the motion was 4-2, with Cahill and Wirin dissenting. Roll call vote on the amended motion was 3-3 and failed due to a lack of a majority. Motion by Cahill to have the Council discuss criteria and a process for awarding funds. Seconded by Wirin. The motion was approved 6-0. City Administrator Kinser stated that this would come on a future Council agenda under discussion.

7. Cash Flow Reserve

Motion by Cahill and seconded by Gowdy to fund the General Fund Cash Flow Reserve at 100% in fiscal year 2019 with local option sales tax. Motion approved 6-0.

ADJOURNMENT

The meeting adjourned at 12:55 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