



**PUBLIC NOTICE AND AGENDA OF THE WEST BRANCH SPECIAL CITY COUNCIL MEETING SCHEDULED TO CONVENE AT 6:30 P.M. MONDAY, JANUARY 22, 2018 IN THE CITY COUNCIL CHAMBERS, 110 NORTH POPLAR STREET, WEST BRANCH, IOWA**

<b>Mayor</b>	<b>Roger Laughlin</b>	<a href="mailto:mayor@westbranchiowa.org">mayor@westbranchiowa.org</a>
<b>Mayor Pro Tem</b>	<b>Colton Miller</b>	<a href="mailto:mcolton@rocketmail.com">mcolton@rocketmail.com</a>
<b>Council Member</b>	<b>Jordan Ellyson</b>	<a href="mailto:Jordanellyson@gmail.com">Jordanellyson@gmail.com</a>
<b>Council Member</b>	<b>Brian Pierce</b>	<a href="mailto:brianapierce@outlook.com">brianapierce@outlook.com</a>
<b>Council Member</b>	<b>Jodee Stoolman</b>	<a href="mailto:j.stoolmanwbcc@yahoo.com">j.stoolmanwbcc@yahoo.com</a>
<b>Council Member</b>	<b>Nick Goodweiler</b>	<a href="mailto:nickgoodweilerwbcc@gmail.com">nickgoodweilerwbcc@gmail.com</a>
<b>City Administrator</b>	<b>Redmond Jones II</b>	<a href="mailto:rjonesii@westbranchiowa.org">rjonesii@westbranchiowa.org</a>
<b>City Attorney</b>	<b>Kevin Olson</b>	<a href="mailto:kevinolsonlaw@gmail.com">kevinolsonlaw@gmail.com</a>
<b>Deputy City Clerk</b>	<b>Leslie Brick</b>	<a href="mailto:leslie@westbranchiowa.org">leslie@westbranchiowa.org</a>

**Please note:** *Most written communications to or from government officials regarding government business are public records available to the public and media upon request. Your e-mail communications may therefore be subject to public disclosure.*

**AGENDA**

**A. Call to Order**

**B. Opening Ceremonies**

1. Pledge of Allegiance
2. Welcome

**C. Roll Call**

**D. Budget Presentations**

1. General Fund Revenues (Gordon Edgar)
  - a. Fee Schedule Presentation (Leslie Brick)
  - b. Hotel Motel Tax (Redmond Jones II)
2. Administration
  - a. Economic and Community Development
  - b. General Government
  - c. Capital Improvements
3. Fire Department

**E. Public Comment**

*Anyone wishing to address the City Council may come forward when invited; please state your name and address for the record. Public comments are typically limited to three minutes, and written comments may be submitted to the Deputy City Clerk. Special instructions for public comments will be provided at the meeting if a public hearing or quasi-judicial matter is scheduled on the agenda.*

**F. Approve Agenda / Consent Agenda / Move to Action**

*Routine items and items not anticipated to be controversial are placed on the Consent Agenda to expedite the meeting. If a Council member, staff member or member of the Public wishes to discuss any item on the Consent Agenda, they can request the item be removed from the Consent Agenda for discussion. The remaining items on the Consent Agenda will be voted on with one motion being made for all items on the Consent Agenda*

1. None

**G. Public Hearing / Non-Consent Agenda**

1. Motion to Direct the City Administrator to include a Cross the Board 2% Cost of Living Adjustment for City Employees be reflected in the City Administrator's Recommended Budget.
2. Discussion Item: Director's Salary Proposal.

**H. Reports**

1. Forward Staff Budget Reference Report(s)

**I. Comments from Mayor and Council Members**

**J. Adjournment**

Budget FY 18-19

(Open, Agile, and Purposeful Government)



Budget FY 18-19

(Open, Agile, and Purposeful Government)



## AGENDA

Department Presentation:  
*Fire Department*

General Fund Revenues  
Fee Schedule  
Hotel Motel Tax

Department Presentation:  
*Administration*

# Budget FY 18-19

(Open, Agile, and Purposeful Government)



## Fire Department



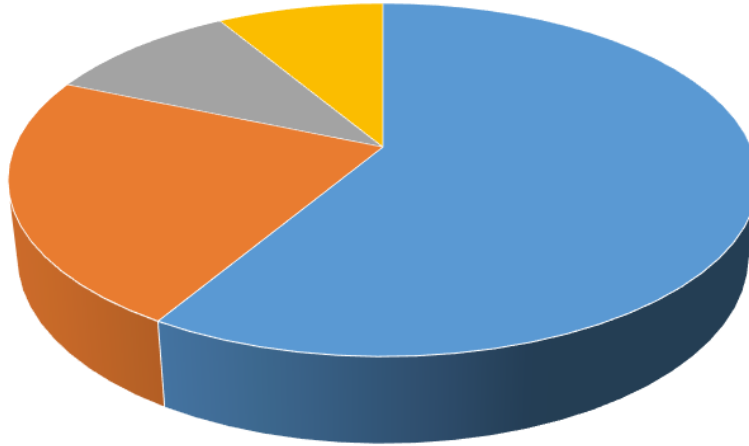
# Budget FY 18-19

(Open, Agile, and Purposeful Government)

### West Branch Fire Department Budget

Expenditures-Year Ending	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	
	Budgeted	Budgeted	Budgeted	Budgeted	Budgeted	Budgeted	Budgeted	Difference
6210 Dues, Membership	4,000	4,000	4,000	5,000	5,000	5,000	5,000	
6230 Training/Education	7,000	5,000	5,000	6,000	6,000	9,000	6,000	(3,000.00)
6310 Building Maintenance	5,000	5,000	5,000	5,000	6,000	5,000	5,000	
6331 Motor Operation Fuel	12,000	10,000	10,000	9,000	9,000	6,000	5,000	(1,000.00)
6332 Repair/ Maint.Vehicles	14,000	12,000	14,000	17,000	17,000	15,000	12,000	(3,000.00)
63501 Repairs of Radios	6,000	5,000	10,000	5,500	5,500	5,000	8,000	3,000.00
6371 Utility Services Gas/Electric	8,000	8,000	8,000	8,000	8,000	9,000	9,000	
6373 Telephone Operations	2,500	2,500	2,500	2,500	2,500	2,500	2,500	
6399 Other Maintenance & Repa	0	0	0	0	0	0	1,000	1,000.00
6441 Fire Prevention	750	750	750	750	750	750	800	50.00
6498 Contract Payments/Payroll	30,000	32,000	32,000	36,500	36,000	36,000	36,500	500.00
6504 Minor Equipment	6,000	6,000	6,000	6,000	12,000	11,000	16,000	5,000.00
6599 Misc. Supplies	2,400	2,400	2,400	2,400	2,400	2,400	2,400	
6727 Equipment	80,000	100,000	100,000	100,000	100,000	110,000	114,000	4,000.00
6750 Building Set Aside	0		0					
6506 Office Supplies	1,500	1,500	1,500	2,000	3,000	3,000	3,000	
6510 Safety Equipment	2,500	2,500	2,500	2,500	3,000	3,000	3,000	
6514 Medical Supplies	2,500	2,500	2,500	2,500	4,500	3,900	3,900	
6529 Uniforms- Gear	6,000	6,000	6,000	8,000	8,000	8,000	9,500	1,500.00
<b>TOTAL FIRE OPERATION</b>	<b>190,150</b>	<b>205,150</b>	<b>212,150</b>	<b>218,650</b>	<b>228,650</b>	<b>234,550</b>	<b>242,600</b>	<b>8,050</b>
<b>Income</b>								
Scott	63,120	65,197	67,738	68,509	74,321	78,741	80,204	1,463.00
Graham	16,948	17,745	17,953	18,345	20,226	17,815	18,414	599.00
Springdale	21,979	23,196	24,300	26,958	26,866	28,209	30,521	2,312.00
Iowa	5,978	6,285	6,761	6,930	7,391	7,724	8,162	438.00
Gower	22,217	23,240	24,282	25,695	26,920	28,261	30,259	1,998.00
Cass	3,425	3,612	3,887	4,073	4,391	4,638	4,868	230.00
<b>SUBTOTAL</b>	<b>133,667</b>	<b>139,275</b>	<b>144,921</b>	<b>150,510</b>	<b>160,115</b>	<b>165,388</b>	<b>172,428</b>	<b>7,040</b>
City of West Branch	56,483	65,875	67,229	68,140	68,535	69,153	70,172	1,019.00
<b>TOTAL REVENUE</b>	<b>190,150</b>	<b>205,150</b>	<b>212,150</b>	<b>218,650</b>	<b>228,650</b>	<b>234,541</b>	<b>242,600</b>	<b>8,059</b>

# General Fund Revenues



■ 1st Qtr ■ 2nd Qtr ■ 3rd Qtr ■ 4th Qtr

### 16-142

Adoption of Budget and Certification of City Taxes  
FISCAL YEAR BEGINNING JULY 1, 2018 - ENDING JUNE 30, 2019

The City of: West Branch County Name: DESA & JENNINGS Resolution No.: \_\_\_\_\_  
Date Budget Adopted: \_\_\_\_\_

The below signed certifies that the City Council, on this date stated above, hereby approved the several annexes hereto attaching a budget for next fiscal year, as summarized on this and the supporting pages. Hereto is being transmitted herewith the same as required by law as well as the said annexes and budget of the City.

County Auditor Data Sheet		January 1, 2017 Property Valuations		
		With Gas & Electric	Without Gas & Electric	Land/Water Factor
Regular	\$	121,575,832	120,311,285	0.330
2017 SERVICE	\$	146,734,622	144,933,899	
Ag Land	\$	656,642		

TAXES LEVIED					
Code	Dollar	Purpose	Propose with	Property Taxes	Rate
Sec. Limit			Utility Replacement	Levied	
000 1	\$ 1000	Regular General Levy	1,003,773	1,005,535	\$ 0.0000
000		State/Local Other Permissible Levies			
000 1		Contract for use of Bridge		0	0
000 1		City & Maint publicly owned Transit		0	0
000 1		Maint, Ins. Maint of Civic Center		0	0
000 1		Op & Maint of City owned Civic Center	5,502	5,437	0.0049%
000 1		Planning & Inventory Disposal Project	5,881	5,795	0.0057%
000 1		Aviation Authority (under sec 320A, 15)		0	0
000 1		Leases Imp. Acct in special district city		0	0
000 1		Liability, property & self insurance costs	45,038	44,805	0.042%
000 1		Support of 211 call: Emergency Dispatch	9,503	9,218	0.0088%
000		Other Permissible Levies			
000 1		Instrumental/Music Groups		0	0
000 1		Municipal Building		0	0
000 1		Symphony Orchestra		0	0
000 1		Cultural & Scientific Facilities		0	0
000 1		County Bridge		0	0
000 1		Maint in Missouri River Bridge Corral		0	0
000 1		Aid to a Transit Company		0	0
000 1		Maint in Institution maintained by government		0	0
000 1		City Emergency Medical District		0	0
000 1		Support Public Library		0	0
000 1		Unified Law Enforcement		0	0
000 1		<b>Total General Fund Regular Levies (S Rev 24)</b>	<b>1,134,606</b>	<b>1,133,776</b>	<b>0.0011</b>
000 1		Ag Land	1,837	1,812	0.0000
000 1		<b>Total General Fund Tax Levies (25 + 26)</b>	<b>1,136,443</b>	<b>1,135,588</b>	<b>0.0011</b>
000 1		Special Revenue Levies			
000 1		Emergency (if general fund of levy levied)	35,425	36,183	0.0033%
000 1		Police & Fire Retirement		0	0
000 1		FICA & SERS (if general fund of levy levied)	125,483	124,189	0.0011%
000 1		Other Employee Benefits	143,074	142,893	0.0012%
000 1		<b>Total Employee Benefit Levies (26A, 26B, 27)</b>	<b>283,982</b>	<b>283,875</b>	<b>0.0025%</b>
000 1		<b>Sub Total Special Revenue Levies (27+28)</b>	<b>283,982</b>	<b>283,875</b>	<b>0.0025%</b>
000 1		Valuation			
000 1		With Gas & Elec			
000 1		Without Gas & Elec			
000 1		SEVAD 1			
000 1		SEVAD 2			
000 1		SEVAD 3			
000 1		SEVAD 4			
000 1		SEVAD 5			
000 1		SEVAD 6			
000 1		SEVAD 7			
000 1		SEVAD 8			
000 1		<b>Total Special Revenue Levies</b>	<b>283,982</b>	<b>283,875</b>	<b>0.0025%</b>
000 1		Dual Service Levy 7A, 15(b)	300,287	297,889	0.0026%
000 1		Capital Projects (Capital Improv. Reserve)		0	0
000 1		<b>Total Property Taxes (27+28+40+41)</b>	<b>1,755,708</b>	<b>1,739,182</b>	<b>0.0016%</b>

COUNTY AUDITOR - I certify the budget is in compliance with ALL the following:  
Budgets that DO NOT meet ALL the criteria below are not statutorily compliant & must be returned to the city for correction.

## Initial Property Tax Revenue

- Notes:
- Liability
  - Emergency Tax Levy
  - Property Insurance
  - New Levy Request
  - Revenue for services

# Budget FY 18-19

(Open, Agile, and Purposeful Government)

DEBT OBLIGATIONS FY16	Initial Debt Obligation	Balance on 6/30/17	Interest payment 12/1/2017	Interest payment 6/1/2018	Principal payment 6/1/2018	Balance on 6/30/18	Interest payment 12/1/2018	Interest payment 6/1/2019	Principal payment 6/1/2019	Balance on 6/30/19	Interest payment 12/1/2019	Interest payment 6/1/2020	Principal payment 6/1/2020	Balance on 6/30/20
<b>General Obligation Certificate Program</b>														
Western Trust	\$ 2,750,000.00	\$ 2,063,960.00	\$ 13,473.00	\$ 13,473.00	\$ 165,000.00	\$ 1,898,960.00	\$ 17,848.00	\$ 17,848.00	\$ 165,000.00	\$ 1,733,960.00	\$ 16,737.00	\$ 16,737.00	\$ 170,000.00	\$ 1,563,960.00
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: March 15, 2013 - June 15, 2023														
Annual interest rate: 3.7500%														
Annual service fee rate: .25%														
<b>UDF Water Revenue Bonds</b>														
State Finance Authority	\$ 400,000.00	\$ 485,000.00	\$ 3,837.00	\$ 3,837.00	\$ 44,000.00	\$ 400,000.00	\$ 3,850.00	\$ 3,850.00	\$ 44,000.00	\$ 396,000.00	\$ 3,180.00	\$ 3,180.00	\$ 47,000.00	\$ 319,000.00
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: April 1, 2012 - June 30, 2022														
Annual interest rate: 3%														
Annual service fee rate: .25%														
<b>UDF Water Revenue Bonds</b>														
State Finance Authority	\$ 65,000.00	\$ 62,000.00	\$ 491.00	\$ 490.00	\$ 4,000.00	\$ 58,000.00	\$ 479.00	\$ 479.00	\$ 4,000.00	\$ 54,000.00	\$ 463.00	\$ 463.00	\$ 4,000.00	\$ 50,000.00
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: April 1, 2012 - June 30, 2022														
Annual interest rate: 3%														
Annual service fee rate: .25%														
<b>General Obligation Property Note</b>														
Community State Bank	\$ 400,000.00	\$ 39,786.00		\$ 3,728.00	\$ 38,058.00	\$ 61,872.00		\$ 1,850.00	\$ 61,872.00	\$ -				\$ -
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: June 1, 2012 to 12/31/2023														
Annual interest rate: 3.00%														
Annual service fee rate: .25%														
<b>General Obligation Certificate Program</b>														
Western Trust	\$ 800,000.00	\$ 718,000.00	\$ 7,213.00	\$ 7,213.00	\$ 88,000.00	\$ 630,000.00	\$ 6,872.00	\$ 6,872.00	\$ 88,000.00	\$ 542,000.00	\$ 6,935.00	\$ 6,935.00	\$ 68,000.00	\$ 474,000.00
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: April 15, 2013 - June 15, 2023														
Annual interest rate: 3.2500%														
Annual service fee rate: 0.2500%														
<b>General Obligation Certificate Program</b>														
Western Trust	\$ 1,000,000.00	\$ 7,823.74	\$ 7,823.74	\$ 18,000.00	\$ 918,000.00	\$ 7,488.74	\$ 7,488.74	\$ 18,000.00	\$ 918,000.00	\$ 7,875.16	\$ 7,875.16	\$ 18,000.00	\$ 918,000.00	
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: July 15, 2014 - June 15, 2024														
Annual interest rate: 3.62500%														
Annual service fee rate: 0.25000%														
<b>State Finance Authority</b>														
State Finance Authority	\$ 400,000.00	\$ 412,000.00	\$ 4,120.00	\$ -	\$ 400,000.00	\$ 4,120.00	\$ 4,120.00	\$ 44,000.00	\$ 396,000.00	\$ 3,775.76	\$ 3,775.76	\$ 44,000.00	\$ 319,000.00	
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: July 15, 2014 - June 15, 2024														
Annual interest rate: 3.2717%														
Annual service fee rate: .2500%														
<b>State Finance Authority</b>														
State Finance Authority	\$ 485,000.00	\$ 5,643.78	\$ 5,643.78	\$ -	\$ 485,000.00	\$ 5,177.81	\$ 5,177.81	\$ 59,000.00	\$ 396,000.00	\$ 5,542.28	\$ 5,542.28	\$ 59,000.00	\$ 297,000.00	
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: July 15, 2014 - June 15, 2024														
Annual interest rate: 3.2717%														
Annual service fee rate: .2500%														
<b>Total Debt</b>														
	\$ 4,835,000.00	\$ 6,183,786.00	\$ 50,337.00	\$ 50,337.00	\$ 1,117,000.00	\$ 4,776,872.00	\$ 45,118.00	\$ 45,118.00	\$ 494,000.00	\$ 4,282,872.00	\$ 41,722.00	\$ 41,722.00	\$ 408,000.00	\$ 3,874,872.00
<b>State Finance Authority</b>														
State Finance Authority	\$ 4,000,000.00	\$ -	\$ 81,076.00	\$ 180,000.00	\$ 4,040,000.00	\$ 80,836.00	\$ 80,836.00	\$ 144,000.00	\$ 3,796,000.00	\$ 47,256.00	\$ 47,256.00	\$ 144,000.00	\$ 3,280,000.00	
Interest rate (Variable) 1st & 3rd year 1st - 5th schedule														
Principal due 1st year 1st - 5th schedule														
Term: December 1, 2012 - June 30, 2022														
Annual interest rate: 2.5%														
Annual service fee rate: .25%														
<b>Total</b>	\$ 4,835,000.00	\$ 6,183,786.00	\$ 50,337.00	\$ 50,337.00	\$ 1,117,000.00	\$ 4,776,872.00	\$ 45,118.00	\$ 45,118.00	\$ 494,000.00	\$ 4,282,872.00	\$ 41,722.00	\$ 41,722.00	\$ 408,000.00	\$ 3,874,872.00

# Budget FY 18-19

(Open, Agile, and Purposeful Government)

## Fee Schedule



During a review of the West Branch Fee Schedule to ensure its accuracy and completeness, several items were identified that should be added to the schedule to increase transparency and accurate billing.

Department directors were also asked to review their respective chapters of the Code of Ordinances and current programs to determine if fees were in line with current practices and associated costs. Staff is in the process of reviewing all fees and will be making recommendations to Council at a future meeting. If recommendations are approved, some will require Code updates and/or fees updated by resolution.

# Hotel/Motel Tax

The Hotel/Motel Tax is a locally imposed lodging tax that is collected by the State from within the corporate boundaries of the City and remitted to the City on a quarterly basis. Iowa law (423A.4) currently limits a City to a Hotel/Motel tax rate not to exceed 7%. Voters in the City of West Branch would have to approve the Hotel/Motel Tax rate. Once imposed, the hotel/motel tax must remain in effect at the imposed rate a minimum of one year. Additionally, the rate imposed can only be changed in increments of one or more full percentage points.

Under State Law (Chapter 423A), the Hotel/Motel tax revenue remitted to the City, a minimum of 50% must be spent for recreation, convention, or cultural, or entertainment facilities.

The remaining derived from Hotel/Motel tax is credited to the General Fund of the City and may be spent on any of its operations.



# Hotel/Motel Tax



159 Cities in Iowa implement a Hotel/Motel Tax.

Surrounding Communities that currently implement a Hotel/Motel Tax

City	Hotel/Motel Tax Generated	Gross Receipts (sales)
Williamsburg (7%)	\$ 19,721	\$ 281,739
Tiffin (7%)	No Data (newly taxed)	---
Coralville (7%)	\$855,435	\$12,220,500
North Liberty (7%)	\$ 24,506	\$ 350,088
Iowa City (7%)	\$297,568	\$ 4,250,983
Mount Vernon (7%)	\$ 21,308	\$ 304,408
Washington (7%)	No Data (newly taxed)	---
Eldridge (7%)	\$ 9,683	\$ 138,338

## West Branch Administration Department Budget

- Initial budget concept prepared by the City Administrator and Finance Officer.
- The focus of this budget is to show where the budget has been expanded due to contractual increases among other cost of business increase; yet show an overall 5% decrease and that does not take into account any salary, tort liability, or trust and Agency adjustments. Those figures and the others not highlighted in this presentations were left equivalent to last year budget levels.

## Economic and Community Development

Line	FY2018	FY2019 Proposed	Change
001-5-5-856-6446	\$25,000	\$24,000	(\$1,000)
160-5-5-520-6421	\$75,000	\$75,000	\$75,000
125-5-5-710-6855	495,000	494,924	(\$ 75.72)

- Line 6446 Planning and Zoning – Over our last 3 years of spending our average is \$24,000 our current year we are on pace to spend under \$20,000.
- Line 6421 Revolving Loan Fund – Once understood to have been used for side walk replacements is now being recommended to be the start of the city’s Fund Balance Reserve Fund. We are still doing some research as to the origination of this fund to ensure it not encumbered or restricted in any way. This was a goal setting item received “Top Priority” with 13 votes).
- Line 6855 TIF Debt Service



## Economic and Community Development

Line	FY2018	FY2019 Proposed	Change
001-5-5-856-6446	\$25,000	\$24,000	(\$1,000)
160-5-5-520-6421	\$75,000	0.00	\$75,000
125-5-5-710-6855	495,000	494,924	(\$ 75.72)

- Line 6446 Planning and Zoning – Over our last 3 years of spending our average is \$24,000 our current year we are on pace to spend under \$20,000.
- Line 6421 Revolving Loan Fund – Once understood to have been used for side walk replacements is now being recommended to be the start of the city’s Fund Balance Reserve Fund. We are still doing some research as to the origination of this fund to ensure it not encumbered or restricted in any way. This was a goal setting item received “Top Priority” with 13 votes).
- Line 6855 TIF Debt Service

## Economic and Community Development

Line	FY2018	FY2019 Proposed	Change
022-5-4-460-6792	\$7,512	\$0.00	(\$7,512)
001-5-4-470-6601, 6602, 6603	\$81,000	\$71,000 or lower	(\$10,000)
001-5-5-520-6214	\$10,000	\$9,500	(\$ 500)

- Line 6792 - Civic Center (Town Hall) with the substantial 15 year payoff required for Cubby Park. It is not expected that an anticipated \$400,000 (+) capital project such as town hall will be wise or possibly to be revisited before 2032. Therefore staff is recommending taking the Town Hall capital line item out and/or use the \$7,512 balance toward the evidence storage (a City Council high / moderate goal).
- Line 6601,6602,6603 Hoover Hometown – Staff have budgeted \$10,000 less with \$5,000 from line item 6601 the Fireworks budget. This reduction will ensure the quality, but shorten the show by 2 - 3 mins.
- Line Dues to Main Street – City donations to this program has been on a downward trend. The advent of the Hotel / Motel Tax could be a way to reinvigorate this program.

## Economic and Community Development

Line	FY2018	FY2019 Proposed	Change
001-5-5-520-6213	\$7,500	\$0.00	(\$7,500)
001-5-4-470-6604	\$75,000	\$0	\$0
Christmas Past	\$0.00	???	???

- Line 6213 Black Smith Exhibit – This intended to be a short-term discontinue. NPS will downscale the activity over the next year. It is planned that this program will be refunded FY 19-20.
- Line 6604 Summer Concert Series – As a result of limited Black Smith Exhibit repositioning NPS had to pull two events estimated at a cost of \$1,000 to the Summer Concert Series. Staff believes can be added to the budget with low impact.
- Christmas Past ([goal setting votes 4](#))– would be a new line item or an increase in community events (line item 001-5-4-470-6605 currently budgeted at \$3,000) the expense is expected to provide assistance for the expense of carriage rides.

## General Government

Line	FY2018	FY2019 Proposed	Change
Total 001 – General Fund (Clerk Treasure)	\$120,381	\$116,920	(\$3,461)
001-5-6-640-6414	\$10,000	\$10,000	\$0.00
001-5-6-640-6490	\$18,000	\$18,000	\$0.00

- Line 001 Total Clerk Treasure – There were several items that were increased in cost due to contractual obligations associated to the City Administrator’s work agreement i.e. ICMA National Conference and Senior Executive Training with ICMA Credential Manager’s Program (a multi year program). However, in order to keep cost down the City Administrator has agreed to forgo a year of the city’s obligating related to his credentialing program expenses with the expectations that the program will be picked back up in FY 19-20.
- Line 6414 & 6490 Legal Service are remaining constant.

# Capital

Line	FY2018	FY2019 Proposed	Change
308-5-8-751-6490	\$29,786	\$85,000	\$ 55,214
308-5-8-751-6498	\$2,786,000	\$3,215,000	\$429,000
310-5-8-751-6490	\$55,932	\$100,000	\$ 44,068
310-5-8-751-6498	\$500,000	\$1,300,000	\$800,000
301-5-8-751-6490	\$2,935	\$5,000	\$ 2,065
301-5-8-751-6498	\$50,000	\$42,000	(\$ 8,000)

- Line 308 – PARK IMP – PEDERSEN VALLE (Cubby Park- [goal setting votes 12](#)) The cubby park project recently awarded a low base bid of \$2,457,931 and \$487,496 of added options. The Total \$2,945,427 does not include a construction contingency. 5% = \$147,271 (total project \$3,092,698); 10% = 294,543 (total project \$3,239,969); 15% = \$441,814 (total project **\$3,387,241**)
- Line 310 College / 2<sup>nd</sup> Street ([goal setting votes 9](#)) staff anticipates an additional \$500,000 for the 2<sup>nd</sup> Street extension.
- Line 301 West Branch Village Pedestrian Bridge ([goal setting votes 12](#)) we have a \$47,000 with the ability to draw down an additional \$8,000 (we spent \$20,000 professional services)

# Capital

Line	FY2018	FY2019 Proposed	Change
308-5-8-751-6490	\$29,786	\$85,000	\$ 55,214
308-5-8-751-6498	\$2,786,000	\$3,215,000	\$429,000
310-5-8-751-6490	\$55,932	\$100,000	\$ 44,068
310-5-8-751-6498	\$500,000	\$1,300,000	\$800,000
301-5-8-751-6490	\$2,935	\$5,000	\$ 2,065
301-5-8-751-6498	\$50,000	\$42,000	(\$ 8,000)

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# Goal Setting

Line	FY2018	FY2019 Proposed	Change
160-5-5-520-6421	\$75,000	\$75,000	\$0.00
740- Storm Water Utility	\$153,000	\$25,000	(\$128,000)

- Line 6421 – Develop / Build Fund Balance Reserve Policy ([goal setting votes 13](#))
- Fund Balance estimated to have approximately \$83,679 in the Storm Water Utility - A Downstream Flood Mitigation project(s) ([goal setting votes 13](#)) would be ideal from this fund. However, at this time we proposed to do some in-house planning to determine a project(s) that can address the issue. We are recommending not budgeting funds at this time to get a greater understanding what may be needed. It also allows us flexibility to react to an intra-fund lending request that could be needed for debt service and/or waste water fund demands that could stem from the DNR wastewater mandates on our wastewater process. Once a project is identified it could be funded through the budget amendment process.
- Trails ([goal setting votes 11](#)) in-house planning process – we expect this process will involve partnership with the National Park Service and will not need an budgeted amount.

# Goal Setting

Line	FY2018	FY2019 Proposed	Change
022-5-4-460-6792	\$0.00	\$7,500	\$7,500
312-5-8-751-6498	\$175,000	\$175,000	\$0.00
610-5-9-815-6490	\$10,000	\$18,881	\$8,881

- Line 6792 – Police Department Evidence Facility ([goal setting votes 8](#)) one of two approaches is to re-purpose the garage space in the town hall for the purposes of the evidence facility. The FY 17-18 budgeted funds could be rolled over in to FY 18-19 for this purpose.
- Nuisance Abatement Program ([goal setting votes 7](#)) – in house planning and development process not expected to budget any new funding for this policy / program.
- At this time there is no budgeted line item – Splash Pad ([goal setting votes 7](#)) Must be value engineered from Cubby Park budget (Fund Raising Campaign Proposed). \$100,000 is the project goal.
- Line 6498 – Downtown East Redevelopment Project ([goal setting votes 7](#)). The project is budgeted with 175,000 but is also hoping to regain its earlier investment of \$200,000.
- Line 6490 - West Branch Village Water & City Waste Water Process ([goal setting votes 6](#)) this line item is to start the pre design process and compliance consultation.

# Goal Setting

Line	FY2018	FY2019 Proposed	Change
001-5-6-610-6506	\$36	\$2,500	\$2,464

- CDG Festivals ([goal setting votes 4](#)) thus far the budget addresses funding for the summer concert series. We are also waiting for numbers anticipated to provide CDG assistance with the Christmas Past Carriage rides. Any additional funding would have to be requested.
- Joint School Board / City Council Work Session ([goal setting votes 3](#)) this is anticipated to require in-house planning and coordination with the school district. It is expected not to require budgetary funding.
- Park and City Camera Project ([goal setting votes 2](#)) – Staff research and plan development in FY 18-19 and budget FY 19-20 next budget cycle or consider budget amendment once technology and project scope has been determined.
- Line 6506 – Update City Council Tablets and repurpose the old tablets for other city uses ([goal setting votes 2](#)). – Budget shows slight increase this year, but staff research and development could be scheduled at the end of FY 18-19 resulting in implementation next budget next year.

# Goal Setting

Line	FY2018	FY2019 Proposed	Change
317-5-8-751-6490	\$15,000	\$???	\$???
317-5-8-751-6498	\$135,000	\$???	\$???

- Orange Street 4<sup>th</sup> and 5<sup>th</sup> ([goal setting votes 2](#)) – still evaluating cost estimates??/? consider removing / placing on horizon. Although this project was budgeted it was never financed. Pursuing without financing would either placing incredible strain fund balance or place strain on a very taxed general fund (currently at very low levels).
- Bethany Parking Lot Sweeping Agreement ([goal setting votes 1](#)) – in house, low cost exposure
- Line 6727 – Cable Access Microphone Upgrades ([goal setting votes 1](#)) there has been a recognition that the viewing audience can not always hear comments coming from the audience.

# Budget Totals

Item	FY2017 Revenue	FY2018 Request	FY2019 Proposed	Change
Planning and Zoning	NA	\$25,000	\$24,000	(\$1,000)
Town Hall	\$30,015	\$7,500	\$7,500	(\$0.00 – \$7,500)
Hoover Home Town Days	NA	\$81,000	\$71,000	(\$10,000)
Main Street CDG	NA	\$10,000	\$9,500	(\$500)
Storm Water Fund	\$49,800	\$153,000	\$25,000	(\$133,000)
Black Smith Exhibit	NA	\$7,500	\$0.00	(\$7,500)
Total reduction clerk treasure budget		\$210,381	\$116,920	(\$3,461)
<b>Total Reductions:</b>				<b>(\$162,961 – \$155,461)</b>
Reductions minus Storm Water Fund				<b>(\$ 29,961 - \$ 22,461)</b>

# Questions And Answers



## REQUEST FOR COUNCIL CONSIDERATION

<b>MEETING DATE:</b>	January 22, 2018
<b>AGENDA ITEM:</b>	Motion to Direct the City Administrator to include a Cross the Board 2% Cost of Living Adjustment for City Employees be reflected in the City Administrator’s Recommended Budget.
<b>CITY GOAL:</b>	Establish a sound and sustainable government supported by professionalism, progressive thinking and modernizing the organization.
<b>PREPARED BY:</b>	Redmond Jones II, City Administrator
<b>DATE:</b>	January 15, 2018

**BACKGROUND:**

The purpose of the Annual Cost of Living Adjustments (COLA) is to ensure that the purchase power of the Social Security and Supplemental Security Income benefits is not eroded by inflation. COLA’s are typically tied to the Consumer Price Index as determined by the Department of Labor’s Bureau of Labor Statistics. This year the adjustment 2.0%. For the same reasons of protecting workers public and private organizations use the Federal Social Security Administrations COLA announcement as an indicator to declare adjustment in their own salary schedules.

**Past COLA Rates**

July 1975 -- 8.0%	January 1998 - 2.1%
July 1976 - 6.4%	January 1999 - 1.3%
July 1977 - 5.9%	January 2000 - 2.5% <sup>(1)</sup>
July 1978 - 6.5%	January 2001 - 3.5%
July 1979 - 9.9%	January 2002 -- 2.6%
July 1980 - 14.3%	January 2003 -- 1.4%
July 1981 - 11.2%	January 2004 -- 2.1%
July 1982 - 7.4%	January 2005 -- 2.7%
January 1984 - 3.5%	January 2006 -- 4.1%
January 1985 - 3.5%	January 2007 -- 3.3%
January 1986 - 3.1%	January 2008 -- 2.3%
January 1987 - 1.3%	January 2009 -- 5.8%
January 1988 - 4.2%	January 2010 -- 0.0%
January 1989 - 4.0%	January 2011 -- 0.0%
January 1990 - 4.7%	January 2012 -- 3.6%
January 1991 - 5.4%	January 2013 -- 1.7%
January 1992 - 3.7%	January 2014 -- 1.5%
January 1993 - 3.0%	January 2015 -- 1.7%
January 1994 - 2.6%	January 2016 -- 0.0%
January 1995 - 2.8%	January 2017 -- 0.3%
January 1996 - 2.6%	January 2018 -- 2.0%
January 1997 - 2.9%	



# Fact Sheet

## SOCIAL SECURITY

### 2018 SOCIAL SECURITY CHANGES

#### Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2016 through the third quarter of 2017, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 2.0 percent COLA for 2018. Other important 2018 Social Security information is as follows:

<b>Tax Rate</b>	<b>2017</b>	<b>2018</b>
Employee	7.65%	7.65%
Self-Employed	15.30%	15.30%

**NOTE:** The 7.65% tax rate is the combined rate for Social Security and Medicare. The Social Security portion (OASDI) is 6.20% on earnings up to the applicable taxable maximum amount (see below). The Medicare portion (HI) is 1.45% on all earnings. Also, as of January 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9 percent in Medicare taxes. The tax rates shown above do not include the 0.9 percent.

It is staff recommendation that we use the COLA approach to allow employee to keep pace with the cost of living. At the same time it is recognized that a salary and classification process needs to be implemented to examine inequities in the city's salary schedule. The goal will be to establish market rates, industry standards, and establish classifications norms that would create beginning, median, and maximums. Until these practices and policies are established COLA allows employees to begin household adjustments should their salary growth decreased, adjusted or otherwise changed.

**STAFF RECOMMENDATION:** Approve the direction from the City Council on this topic

**REVIEWED BY CITY ADMINISTRATOR:**

**COUNCIL ACTION:**

**MOTION BY:**

**SECOND BY:**





**REQUEST FOR COUNCIL CONSIDERATION**

<b>MEETING DATE:</b>	January 22, 2018
<b>AGENDA ITEM:</b>	Discussion Item: Director’s Salary Proposal.
<b>CITY GOAL:</b>	Establish a sound and sustainable government supported by professionalism, progressive thinking and modernizing the organization.
<b>PREPARED BY:</b>	Redmond Jones II, City Administrator
<b>DATE:</b>	January 15, 2018

**BACKGROUND:**

The Directors Salary Proposal provides small savings (\$10,622.88) for the city in current budget overtime. However, this proposal would do a great deal to stem the potential for future over budget overtime expenses. It has also been clear that many directors have on occasion avoided using accurate overtime reporting with the idea of not charging the city for their time. Not, only is this not fair to the employee in establishing expectations, but it runs the risk of exposing the City to Fair Labor Standards Act violations. Staff recommends and have reached agreement with the employees affected to remove 3 of the current directors from hourly wages, and promoting one high level manager to the title of Director of Finance making him salary as well. It is intended that these changes would not take effect until July 1, 2018, and would be accompanied with some type of flex time or comp time policy.

Please see the detailed break downs and the methodology used:

We used actuals from the past 3 years, and determined an average overtime amount. Then we broke down that average in percentiles of 10% and negotiated agreements with the directors for acceptable adjustments. In many cases, the budgeted OT amounts were above the actual OT amounts used (making it humanly impossible to achieve the budget OT levels). Therefore, the city is able to realize budget savings.

**Melissa Russell**  
**Parks and Recreation Director**

FY 14 – 15	Actual Over-time	\$2,789.04
FY 15 – 16		\$2,950.69
FY 16 – 17		\$4,778.82
	Avg. \$3,506.19	
	90% of Avg. and recommended adjustment	\$3,155.58
	2% COLA	\$952.11
	Overall Salary	\$48,557.29

**Matt Goodale**  
**Public Works Director**

FY 14 – 15	Actual Over-time	\$6,610.14
FY 15 – 16		\$7,731.22
FY 16 – 17		\$8,110.03

Avg. \$7483.80  
100% of Avg. and recommended adjustment \$7,483.80  
2% COLA \$1,318.64  
Overall Salary \$67,250.44

**Michael Horihan**  
**Police Chief**

FY 14 – 15	Actual Over-time	\$9,894.51
FY 15 – 16		\$9,624.06
FY 16 – 17		\$7,795.76

Avg. \$9,104.78  
50% of Avg. and recommended adjustment \$4,552.39  
2% COLA \$1,513.77  
Overall Salary \$77,202.16

**Gordon Edgar**  
**Finance Director**

FY 15 – 16	Actual Over-time	\$4,446.75
FY 16 – 17		\$5,688.88
FY Current Pace		\$10,947.94

Avg. \$7,027.86  
80% of Avg. and recommended adjustment \$5,622.29  
2% COLA \$1,095.04  
Overall Salary \$55,846.93

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Using the approach of averaging actual OT usage and adding (in most cases) 50% increases over the average. The City was able to see budget savings in several line items. In the cases, where there weren't savings the original budget estimates were kept consent.

Total Employee Compensation - FY 2018/19

Updated Dec. 18, 2017

Employee	HD	Base Salary	Comp in lieu of health insurance	Raise	OT	FY 19 Salary	IPERS	FICA	INS	Total
R Jones	6/17	\$ 90,000.00		\$ 1,800.00	\$ -	\$ 91,800.00	\$ 8,665.92	\$ 7,022.70	\$ 15,582.08	\$ 123,070.70
G. Edgar	11/15	\$ 54,751.89	\$ 4,227.84	\$ 1,095.04	\$ -	\$ 60,074.77	\$ 5,671.06	\$ 4,595.72	\$ 377.00	\$ 70,718.55
L. Brick	11/14	\$ 40,996.80	\$ 4,397.40	\$ 819.94	\$ 4,181.67	\$ 50,395.81	\$ 4,757.36	\$ 3,855.28	\$ 38.00	\$ 59,046.45
Part Time		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Admin Sub.		\$ 185,748.69	\$ 8,625.24	\$ 3,714.97	\$ 4,181.67	\$ 202,270.58	\$ 19,094.34	\$ 15,473.70	\$ 15,997.08	\$ 252,835.70
Horihan	8/11	\$ 75,688.39		\$ 1,513.77	\$ -	\$ 77,202.16	\$ 7,882.34	\$ 5,905.97	\$ 15,582.08	\$ 106,572.54
J. Hanna	9/7	\$ 60,008.00		\$ 1,200.16	\$ 4,184.24	\$ 65,392.40	\$ 6,676.56	\$ 5,002.52	\$ 15,582.08	\$ 92,653.56
Holmes	11/15	\$ 50,128.00		\$ 1,002.56	\$ 1,602.03	\$ 52,732.59	\$ 5,384.00	\$ 4,034.04	\$ 8,832.56	\$ 70,983.19
Homeister	12/15	\$ 46,696.00		\$ 933.92	\$ 4,366.94	\$ 51,996.86	\$ 5,308.88	\$ 3,977.76	\$ 8,832.56	\$ 70,116.06
Part Time		\$ 35,000.00	\$ -	\$ -	\$ -	\$ 35,000.00	\$ 3,573.50	\$ 2,677.50	\$ -	\$ 41,251.00
PD Sub.		\$ 267,520.39		\$ 4,650.41	\$ 10,153.21	\$ 282,324.01	\$ 28,825.28	\$ 21,597.79	\$ 48,829.28	\$ 381,576.36
Holland	1/17	\$ 38,584.00	\$ 4,227.84	\$ 771.68	\$ 3,935.57	\$ 47,519.09	\$ 4,485.80	\$ 3,635.21	\$ 377.00	\$ 56,017.10
P. O'Neil	8/1	\$ 47,257.60		\$ 945.15	\$ 4,820.28	\$ 53,023.03	\$ 5,005.37	\$ 4,056.26	\$ 8,832.56	\$ 70,917.22
T. Moss	7/3	\$ 51,812.80		\$ 1,036.26	\$ 6,606.13	\$ 59,455.19	\$ 5,612.57	\$ 4,548.32	\$ 15,582.08	\$ 85,198.16
Goodale	10/10	\$ 65,931.80		\$ 1,318.64	\$ -	\$ 67,250.44	\$ 6,348.44	\$ 5,144.66	\$ 15,582.08	\$ 94,325.62
Part Time		\$ 42,200.00	\$ -	\$ -	\$ -	\$ 42,200.00	\$ 3,983.68	\$ 3,228.30	\$ -	\$ 49,411.98
PW Sub.		\$ 245,786.20	\$ 4,227.84	\$ 4,071.72	\$ 15,361.98	\$ 269,447.74	\$ 25,435.87	\$ 20,612.75	\$ 40,373.72	\$ 355,870.08
Shimmin	1/7	\$ 52,801.58		\$ 1,056.08	\$ -	\$ 53,857.61	\$ 5,084.16	\$ 4,120.11	\$ 8,832.56	\$ 71,894.44
Knoche	10/7	\$ 41,840.00	\$ 4,397.40	\$ 836.80	\$ -	\$ 47,074.20	\$ 4,443.80	\$ 3,601.18	\$ 38.00	\$ 55,157.18
Schafer	7/14	\$ 35,068.80		\$ 701.38	\$ -	\$ 35,770.18	\$ 3,376.70	\$ 2,736.42	\$ 8,832.56	\$ 50,715.86
Part Time		\$ 16,426.80	\$ -	\$ 328.54	\$ -	\$ 16,755.34	\$ 1,581.70	\$ 1,281.78	\$ -	\$ 19,618.82
Library Sub.		\$ 146,137.18	\$ 4,397.40	\$ 2,922.74	\$ -	\$ 153,457.32	\$ 14,486.37	\$ 11,739.49	\$ 17,708.12	\$ 197,386.30
Russell	10/4	\$ 47,605.18		\$ 952.10	\$ -	\$ 48,557.28	\$ 4,583.81	\$ 3,714.63	\$ 8,832.56	\$ 65,688.28
Part Time		\$ 10,000.00	\$ -	\$ -	\$ 500.00	\$ 10,500.00	\$ 991.20	\$ 803.25	\$ -	\$ 12,294.45
P & R Sub.		\$ 57,605.18	\$ -	\$ 952.10	\$ 500.00	\$ 59,057.28	\$ 5,575.01	\$ 4,517.88	\$ 8,832.56	\$ 77,982.73
Mayor		\$ 15,000.00	\$ -	\$ -	\$ -	\$ 15,000.00	\$ 1,416.00	\$ 1,147.50	\$ -	\$ 17,563.50
M & C Sub.		\$ 15,000.00	\$ -	\$ -	\$ -	\$ 15,000.00	\$ 1,416.00	\$ 1,147.50	\$ -	\$ 17,563.50
<b>Totals</b>		<b>\$ 917,797.64</b>	<b>\$ 17,250.48</b>	<b>\$ 16,311.95</b>	<b>\$ 30,196.86</b>	<b>\$ 981,556.93</b>	<b>\$ 94,832.87</b>	<b>\$ 75,089.11</b>	<b>\$ 131,735.76</b>	<b>\$ 1,283,214.67</b>
T Goerd		\$ 9,000.00	\$ -	\$ -	\$ -	\$ 9,000.00	\$ 849.60	\$ 688.50	\$ -	\$ 10,538.10
<b>Totals</b>		<b>\$ 926,797.64</b>	<b>\$ 17,250.48</b>	<b>\$ 16,311.95</b>	<b>\$ -</b>	<b>\$ 990,556.93</b>	<b>\$ 95,682.47</b>	<b>\$ 75,777.61</b>	<b>\$ 131,735.76</b>	<b>\$ 1,293,752.77</b>
FY18 Actual		\$ 871,078.08		\$ 35,685.13	\$ 60,479.49	\$ 967,242.70	\$ 88,975.20	\$ 73,994.07	\$ 121,442.88	\$ 1,251,654.85
FY19 increase over FY18					-50.07%	2.41%	7.54%	2.41%	8.48%	3.36%

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**STAFF RECOMMENDATION:** Seek Direction from the City Council on this topic

**REVIEWED BY CITY ADMINISTRATOR:**

**COUNCIL ACTION:**

**MOTION BY:**

**SECOND BY:**