

City of Decorah Council Budget and Finance Committee Budget Workshop

Monday, February 6, 2017 – 4:00pm

The City of Decorah City Council met in special session in a budget workshop to review the Fiscal Year 2018 City Budget. Chair Randy Schissel called the meeting to order and the following answered roll: Kirk Johnson, Chuck Lore and Andy Carlson. Dan Bellrichard, Steve Luse and Gary Rustad were also in attendance. Others in attendance: Mayor Don Arendt, City Clerk / Treasurer Wanda Hemesath and City Manager Chad Bird. All department heads were also in attendance.

Agenda

1. Introduction and background

Schissel opened the meeting and turned further discussion over to Bird and Hemesath. Bird noted Decorah's taxable valuations increased this year by 1.8% or \$5,695,992. This compares to an increase of 3.5% in FY17 and a decrease of .13% in FY16. The increase for FY18 is most likely due to the increase in the residential rollback as it increased by 1.3132% to 56.9391% of assessed valuations.

2. Review levy rates and information

Bird noted in the proposed FY18 budget that the levy rate would increase by 5 cents per thousand of assessed valuation. Bird reviewed rates and debt schedules and noted each budget center or enterprise fund is paying for its own debt service with the exception of the Hwy 9 Water & Sewer Improvement Project and the fire trucks. Those debts are currently set up under general obligation debt service and therefore are paid from the debt levy: \$1.09 for the Hwy 9 water and sewer utility project, \$.53 for the aerial ladder truck and \$.21 for the fire truck for a total debt service levy of \$1.83 this compares with last year's mark of \$2.03.

The proposed levy rate is \$14.14.

3. Review debt service

Bird and Hemesath noted in FY18 there are two debt issues that will have final payments; the REDLEG rural economic development loan from Hawkeye REC and the 2015 street sweeper, both will be retired by the June of 2018. They said that the city is in strong financial condition with little debt burden.

4. Review Department Budgets

Bird reviewed each department budget with the council and there was general discussion about additions and deletions from several budget areas.

Motion to continue the committee meeting until the conclusion of the regular city council meeting

5. Review and prioritize new requests

Bird and Hemesath review new requests from the departments including a space needs study, used pickup truck for the campground, toddler slide in the pool, pickup with plow and tractor for the street dept. Hemesath demonstrated the department's ability to fund the new requests and the council generally agreed to keep them in the final budget request as presented.

6. Discuss other budget matters, priorities, and planning

1. Consider non-profit requests

The council reviewed the funding requests without physical or verbal presentations from the non-profits. The council generally agreed to fund the requests and include them in the final budget.

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7. Conclusion and direction

The council conclude the review of the budget, thanked the staff for their work in preparation for FY18 and holding costs down. The council set March 6, 2017 as the date and time for the public hearing and adoption of the budget.

There was no other business and the meeting adjourned at 7:54pm.
Respectfully submitted,

