

City of Camanche, Iowa

January 28, 2014

The City Council of the City of Camanche, Iowa, met for the purpose of a budget work session January 28, 2014 at 6:00 P.M. at Camanche City Hall. Present on roll call: Mayor Fahlbeck, presiding and the following named council members: Willis, McManus, Lind, Varner, and Wruck. Also present were City Administrator and department heads Houzenga, Schutte, Rickertsen and Jindrich.

A moment of silence was observed. Mayor Fahlbeck led the Pledge of Allegiance.

Fahlbeck stated this is the second work session. The first was a summary of each department. Roth stated that assuming the council doesn't raise property taxes; there will be an \$110,000 shortfall. The long term problem will show even greater shortfalls in future years.

Roth had put different options on the board for the council to consider.

1. Cut expenses/personnel.
2. Increase property taxes.
3. Find alternative revenues (franchise fees on gas & electric, storm water utility)
4. Transfer money from water, sewer, RUT to the general fund.
5. Any combination of the above
6. Other ideas?

Fahlbeck polled the council for their ideas.

Willis – He would like to take #4 off. The city has enough problems with fixing roads without taking more out of RUT. He feels the franchise fees are a good source. Implementing a 5% gas and electric franchise fee would generate enough revenue to cover the shortfall. The city will be able to continue to have the same services.

McManus – He doesn't like #4. Everyone would be paying franchise fees even renters. This is a better answer for the future. He feels the department heads do a fantastic job with what is given to them.

Lind – he is not for franchise fees. He feels the city should do their best to make some cuts. Willis stated we can cut all day long but he doesn't want to lose any services.

Varner – he would like to look at #1. He does not want to increase property taxes. As far as #4, it is even for everybody. He would like to see a 5% so as to start getting the reserve built up.

Wruck – he stated 3 jobs were created within the last few years and nobody looked at how they would be funded. Those 3 positions were Tom Roth's and 2 officers. Jindrich stated that city hall would have to take on Tom's responsibilities and they would be down to 2 employees. She stated we would have way too much responsibility. Wruck stated there are a lot of people standing in line for jobs if people don't like it. He felt the department heads should be given so much money and they have to live within that amount.

Fahlbeck commented that he knows everybody isn't in favor of raising taxes or franchise fees.

McManus said if the council members don't like a line item they should bring it up.

Roth stated there is an appropriation of \$5,000 to be transferred to the Library, Park and Rec and the Cemetery each. That can come out, but in the future they will need the money.

Fahlbeck said it is pretty bad when the budget is so tight that the city can't even help Park and Rec buy Christmas lights.

Willis asked what line items do the council members want to talk about.

Lind wanted to talk about the training budgets. Houzenga agreed that according to minimum state requirements the officers have to have 12 hours of in-service training a year or 36 hours over a 3 year period. There are certified instructors within the department so they can do the training in-house – don't have to spend money on traveling for these classes. When you take away money to keep these officers certified instructors, he would need to send the officers to classes out of town.

There was discussion on other line items such as police training, phones, and equipment reserves. Roth commented that you can go line by line but he does not see any fat in the budget. Wruck also asked about the CRDC contribution.

Fahlbeck asked if it was the conscience that the council wanted to look at Items 1 and 3. Willis stated the city can't rule out increasing taxes. Varner asked if the franchise fees will be adequate. Roth said it will be more than enough. He would like to set up a reserve fund. The city could use the franchise fees to balance the budget and use the surplus to help in future shortfalls.

Willis asked the council – "What do you think?" Varner would like to move ahead with franchise fees. Lind would like to see expenses cuts.

Blount was wondering if everybody knows how many dollars are paid out when a person retires for their sick and vacation leave. Do you know they get that? Roth stated there is a CD that has money to cover those expenses.

Kim Willis stated public safety should be foremost.

It was decided to have the next budget meeting – February 6, 2014 at 6:00 P.M. Roth stated some of the line items to look at could be Police – training, equipment repair; Ambulance – EMS training; Domestic Violence contribution; Audit expense; Engineer – does Dan need to be at all city council meetings; Street Improvements; Reserve Transfers to Library, Cemetery, and Park and Rec. Roth told the council that the city is not in a crisis.

Bob Duncan was wondering about the city attorney line item. He was wondering if Camanche can look at what Clinton is looking into – contracting attorney services. Roth commented that is like what we are doing right now with Tom Lonergan.

Schutte stated the EMS training line is designed to send someone to paramedic training. If you cut an employee from his department, you cut \$80,000 in expenses but you also lose over \$100,000 in revenues.

Paul Willis stated he likes the services we have. Leave the services alone and bite the bullet.

At 8:04 P.M., being no further business, the Mayor declared the budget work session to be adjourned.

Kenneth A. Fahlbeck, Mayor

Sheryl L. Jindrich
City Clerk/Treasurer