

OTTUMWA CITY COUNCIL MINUTES

WORK SESSION NO. 5
Room 8B – Depot Conference Room

January 30, 2024
5:30 O'Clock P.M.

The meeting was called to order at 5:30 P.M.

Present were Council Member Bossou, Galloway, Hoffman, McAntire, Caviness and Mayor Johnson.

Staff present City Admin. Rath, Interim Finance Dir. Kinser, Accountant McGriff, IT Mgr. Wilson, PIO Lawrence, Dir. Airport Oper. Wheaton, Com. Dev. Dir. Simonson, Parks & Rec. Dir. Rathje, PW Dir./City Engineer Burgmeier, Interim Fire Chief Short, Police Chief Farrington, WPCF Supt. Lloyd, Library Dir. Ferrell.

Galloway moved, seconded by Hoffman to approve agenda as presented. All ayes.

Kinser discussed bonding for the next two yrs.; looking at \$6.854 Million (rounded up to \$7 Million) with the idea of not borrowing anything the following yr. The City's legal debt capacity is 5% of assessed valuations. Rath and Kinser have discussed with Tim Oswald, Managing Dir., Piper Sandler & Co. for bond issuances and on-going sewer rates. He will discuss bonds at a future mtg. Went through each of the capital funds with narrative provided by dept. heads for their projects.

Discussion shifted to General Fund & Associated Special Revenue Funds. Kinser reported the General Fund Summary Page was incorrect in the packets and provided the correct one that included dept. 540 (Planning & Develop.). Proposed FY25 shows a deficit of \$855,263.22 along with an amendment to FY24 that runs parallel to what we are trying to accomplish through the budget mtgs. This is your first glance at raw data that will be adjusted throughout the process. The Tax Levy pre24 was combined (Civic Center, Library, Emergency) into \$8.10 General Fund Levy. New for FY25 – combined multiple tax levies into one Combined General Fund Levy (CGFL) that started at \$8.775 (total from FY24) and was reduced to \$8.519 due to our growth as a city (8.68%). This new CGFL does not reward Ottumwa for increased valuations; you need growth to support all operations. We will continue to see loss of funds over the next five yrs. until the CGFL is reduced to \$8.10. Galloway reported, this legislation hurts us as a city and our abilities to grow; remember to share your frustrations with our state legislators. Kinser will continue discussing Special Revenue Funds at the next mtg. Feb. 6, 2024.

There being no further discussion, Galloway moved, seconded by Bossou that the mtg. adjourn. All ayes.

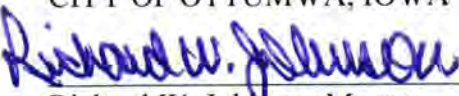
Adjournment was at 8:03 P.M.

ATTEST:




Christina Reinhard CMC, City Clerk

CITY OF OTTUMWA, IOWA


Richard W. Johnson, Mayor

Published in the Ottumwa Courier on 2/6/2024.