

CITY OF MUSCATINE  
IN-DEPTH CITY COUNCIL MINUTES  
Council Chambers – 7:00 p.m. – October 14, 2010

Mayor Dick O'Brien called the In-Depth City Council meeting for Thursday, October 14, 2010, to order at 7 p.m. Councilmembers present were LeRette, Fitzgerald, Bynum, Roby, and Lange. Also present were City Administrator Gregg Mandsager, Planning, Zoning & Building Safety Director Steve Boka, and Finance Director Nancy Lueck.

The first item on the agenda was a request to approve the replacement of parking ticket issuance equipment. Finance Director Nancy Lueck stated the current equipment was purchased from Net Tech in 2002 and has since become outdated. She stated that Net Tech could provide updates to the old system at a cost of \$10,000. She stated that ticket issuance provides funding for the meter enforcement program and that dependable equipment is needed to perform this function and provide revenue for the fund.

#20314. Councilmember Fitzgerald moved the request be approved. Seconded by Councilmember Roby. All ayes; motion carried.

The next item on the agenda was a review of the fiscal year 2009/2010 budget basis financial statements. Finance Director Lueck gave a power point presentation highlighting elements of the budget basis financial statements. She stated that Council will be asked to approve the submission of the annual financial report at the October 21, 2010 City Council meeting. She stated the audit will be presented at the end of November.

Ms. Lueck then reviewed the document in greater detail. She stated the actual ending fund balance for the General Fund was \$1,748,557 which was over the actual revised estimate by \$75,227, revenues which were under the original revised estimate by \$345,377, and expenditures which were under the original revised estimate by \$413,832. She then reviewed the fund balance comparison for operating funds. She stated the year-end summary was as follows:

- The General Fund unreserved ending balance at the end of fiscal year 2010 was \$75,227 higher than estimated. The unreserved ending balance increased by \$105,951 compared to the ending balance for fiscal year 2009.
- The ending General Fund balance is 11.7% of expenditures which is slightly higher than the "minimum of 10%" required by the city's financial policies. This is also an increase from the 11.2% at the end of fiscal year 2008/2009.
- The increase in the General Fund balance as compared to expenditures begins to address comments in Moody's bond rating narratives which stated "...Moody's considers the 10% to be relatively narrow..." and suggested a higher level of General Fund balance may be appropriate.
- There were positive fund balances in all of the city's funds with the exception of the landfill and transfer station.
- Most other city funds have ending balances close to or higher than projected and are in good position going into the budget development for the upcoming year.

Councilmember Roby stated it was an excellent report and congratulated Nancy on the recent GFOA budget preparation award.

Councilmember Lange asked how many awards the city has received and Ms. Lueck answered 26.

The next topic for discussion concerned a proposed TIF request.

City Administrator Gregg Mandsager gave a summary of the TIF request. He stated the request was submitted by Chuck Coulter who is the attorney for A&E Convenience LLC a new company comprised of Mike Frye, Rich Maynard, and Todd Frye.

City Administrator Mandsager explained the TIF program and then stated this proposed request is for an extension beyond the 10 year/50% program the city currently utilizes to 15 years at 75%.

Councilmember Fitzgerald asked how many full-time employees there would be.

Mike Frye stated there will be two full-time employees earning approximately \$20,000 to \$25,000 a year plus part-time employees. Speaking in reference to the food service portion of this request, he stated he was not sure how many full-time employees there would be.

Councilmember Lange stated he favored the 10 year/50% tax increment financing already in place. He stated he wants to encourage this time of activity but would prefer the 10 year/50% TIF.

Councilmember Roby stated she appreciates the project; however, she agreed with Councilmember Lange.

City Administrator Mandsager stated it was the city's recommendation to offer the 10 year/50% financing and require the payment of all attorney fees and the installation of the deceleration lane. He stated the agreement will be brought back to City Council once it is received.

Next on the agenda was a review of the city's proposed Capital Improvement Projects.

Steve Boka, the city's Planning, Zoning & Building Safety Director, reviewed the basics of the CIP plan. He stated it is not a budget document and is very flexible depending on funding. He stated it gives the city a good idea of what is coming on the horizon.

Mr. Boka stated there are two new features of the plan, one is the quick reference bar chart and the other a list of acronyms used in the document. He stated that once the document has been adopted by Council, it will be placed on the city's website.

Councilmember Lange asked how the city was going to fund the projects listed and also asked why there were so many projects in 2012.

Mr. Boka stated there are several from the city's various departments and many of them depend on funding availability.

Councilmember Roby stated she liked the new chart and the acronym list.

Councilmember Fitzgerald suggested adding totals to the chart.

City Administrator Mandsager suggested Council begin thinking about priorities for the budget.

Councilmember Fitzgerald, who is a member of the Airport Advisory Commission, stated that many of the projects are 80/20 projects and City Council should consider a priority setting.

Mr. Boka stated that any thoughts or suggestions can be sent to either him or to the City Administrator. He stated the next step will be to move the plan forward for City Council adoption which will be done by resolution.

City Administrator Mandsager pointed out that the priority is often determined by funding availability.

Mayor O'Brien asked Councilmembers to get their questions and comments to either Gregg or Steve.

Under comments, Councilmember LeRette congratulated the MHS football team for qualifying for the playoffs.

Councilmember Fitzgerald asked if the fire station on track.

City Administrator Mandsager stated staff hopes to have an update on property issues soon.

Councilmember Lange urged citizens to get out and vote.

#20315. Councilmember Bynum moved the meeting be adjourned at 8:08 p.m. Seconded by Councilmember Fitzgerald. All ayes; motion carried.



  
Richard W. O'Brien, Mayor

  
Gregg Mandsager, City Administrator