Sheldon, Iowa City Council Budget Workshop January 22, 2020

The Sheldon City Council met for a budget workshop on Wednesday, January 22, 2020 at 4:30 p.m. Mayor Greg Geels called the meeting to order. Roll call was taken. Present: Brad Hindt, Tom Eggers, Wayne Barahona Pete Hamill, and Shawn Broesder. Also present: Todd Uhl, Sam Kooiker, Curt Strouth, and Angela Beckman.

Matt Oedekoven from DeWild, Grant & Reckert (DGR) highlighted some areas of the water rate study that they conducted for the City of Sheldon. The goal of this study was to compress the declining block schedule to be fairer to residential customers, or narrow the rate gaps over the next 5 years, with a goal to go away from that rate structure after 5 years. Discussion was held on how to implement the rate increases that are proposed in the rate study. It was the consensus of the council to present the water rate ordinance for the 5-year rate structure, review it annually at budget and look at another study being done in 3 years.

Beckman went over the expenses, transfers, Local Option Sales Tax (LOST), Tax Increment Financing (TIF) and Kooiker reviewed the options of using TIF on hand to pay for Capital Street Improvement Projects. He stated that a possibility would be to bond for $2,500,000, the bond would be paid off in 30 days with very little interest.

Kevin Miller and Krysten Haan were present from Sheldon Community Ambulance Team (SCAT). Conversation returned to the SCAT’s wish to purchase a $20,000 gator or side by side in fiscal year 20-21. Miller stated that after doing some measuring the unit would fit in the garage. He noted that they may be able to use O’Brien County EMA equipment to transport the side by side for stand by events, but eventually would want a trailer but for now would apply for an ATV permit through the City. Mayor Geels asked if fundraising money for the side by side would be a possibility? He suggested that with this being the first year operating a 3rd ambulance to maybe wait on the side by side. Kooiker asked what they thought about putting $5,000 for rental of a side by side or for it to be grant matching monies. Barahona asked if SCAT could fundraise for it and then come back and ask for monies to go with the fundraising money for it. Eggers and Geels asked about the $15,000 that the County has agreed to contribute, Miller stated that is in this fiscal year and is not guaranteed each year. Hindt stated that in the previous budget workshop SCAT spoke about the future and the possibility of the struggle to cover the day shift. He would like to not see them buy a side by side but concentrate on a part time employee that could be public relations and recruiting. Broesder didn’t like the idea of asking SCAT, one of the city departments to go fundraise but we just “give” money to the golf course. Miller mentioned that they recently found out that they need a life pack in the 3rd ambulance and a refurbished one is approximately $25,000. Barahona said he would much rather spend money on a life pack rather than a side by side. Hindt said there may be a possibility of SCAT working with fire for a grant in the future but would like to get the 3rd ambulance up and going, and maybe consider the side by side in the fy 21-22 budget. It was the consensus of the Council to take the gator or side by side out of the budget and budget $15,000 for a part time employee for after July 2, 2020. It was also the consensus to add $25,000 in the current year’s budget amendment to purchase a life pack from ambulance depreciation.

Tricia Meendering, Crossroads Pavilion General Manager gave a recap of what the Pavilion turned in for their budget. She noted that a problem she foresees in the future is the demand for equipment, and storage.

Kooiker recapped the changes that were to be made. It was the consensus of the Council to give the Library the $23,000 of general property taxes (which lowers the general fund property taxes); agree to bond TIF monies for $2,500,000 in street repair projects with the intent to pay it off in 30 days; not include any money for Crossroads North Phase II, and add $15,000 in SCAT wages and benefits for a part time employee.

Strouth wanted Council to keep in mind that economic development had the Crossroads North Phase II in the first year of the capital improvement plan as well as purchasing land for residential and the beginning phase of Crossroads Park.

Geels thanked Uhl and his department heads as well as Kooiker and Beckman for all the hard work that goes into this process.

A motion was made by Hindt and seconded by Barahona to adjourn at 7:59 p.m. Roll call was taken. Ayes: all. Motion carried. The Council will review changes at the February 5, 2020 meeting and set the date and time for public hearing on the maximum levy for February 19, 2020.

Angela Beckman, City Clerk