

A budget study session meeting of the Waverly City Council was held on February 3, 2018 at 8:00 A.M in the Council Chambers at City Hall.

Mayor Soash presided. Roll Call was taken and the following Council Members were present: Birgen, Drenkow, Kangas, McKenzie, and Rathe. Absent: Sherer and Waldstein

- A. Mayor Soash called the meeting to order.
- B. Moved by McKenzie, seconded by Drenkow to approve the agenda.

**Motion passed. Yes: 5 No: 0 Absent: 2**

C. STUDY SESSION.

1. Review of 2018-19 Proposed Budget

- City Administrator James Bronner opened the session by reviewing the enterprise funds for water, water pollution control, sewer and storm/line maintenance and solid waste. 100% of what goes into the yard waste is processed and then, put back into the community as mulch and compost. There are no rate increases forecast for water and solid waste in the foreseeable future. Since changing to co-mingling the recycling three (3) years ago, there has been a 50% increase in volume over the past three (3) years in the amount of recycling. This causes staffing issues that will need to be addressed in the near future.

At 8:47 Council recessed for a break and reconvened at 9:00 A.M.

- Council then revisited the proposed budget that was presented. There was much further discussion on utility billing staffing needs with Council consensus being to move all utility billing to Waverly Utilities. It was also Council consensus that the City of Waverly needed at least 60% of a full time Human Resources person. Debt capacity concerns were discussed with much talk about capital improvement projects. With ten (10) year bonds, the 20<sup>th</sup> Street NW / Railroad Improvements Phase I (up to Knight Avenue) project would raise the levy approximately \$0.40 per thousand dollars of valuation and the Cedar Lane Improvements project would raise the levy approximately \$0.22 per thousand. There is some funding for the Adams Parkway Bridge with the remainder being factored into the proposed budget. Bremer Avenue Improvements project's first payment is factored into the proposed budget. The Cedar River Parkway project will not impact the levy since it is planned to be completed with Local Option Sales and Services Tax (L.O.S.S.T.) and Tax Increment Finance (T.I.F.) funds. There was discussion on the use of L.O.S.S.T. funds paying for law enforcement center expenditures rather than them being paid out of the general fund; staff will look into this. South Riverside Park Improvements Project will impact the levy by an estimated \$0.05 per thousand.

- D. Moved by Kangas, seconded by McKenzie to adjourn. Motion passed and Council meeting adjourned at 11:51 A.M. **Yes: 5 No: 0 Absent: 2**

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Dean Soash, Mayor

ATTEST:

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Carla Guyer, City Clerk