

BUDGET STATUS WORKSHOP MINUTES
DECEMBER 14, 2009, 5:30 P.M.
CITY COUNCIL CHAMBERS

The City Council of Newton, Iowa met in special session at 5:30 P.M. on the above date in the Council Chambers at 101 West 4th Street South. Mayor Allen presided. Present: Council members Plumb, Hansen, Julius, Heaberlin, Morris, Mullan. Absent: None

Thomas Wardlow, City Administrator began his presentation by noting usually this time of year we have a budget guidelines workshop, but since we do not get our numbers from the Auditor's Office until the beginning to middle of January, I thought it would be good to have a budget status workshop. Tonight I will be reviewing our progress to date, what we do know and what we do not know, the action pending, and our budget scheduling. Bryan Friedman, Community Development Director will be presenting TIF 101 and we will end the presentations with Q & A.

Thomas Wardlow, City Administrator presented as follows:

1. Progress To Date

- CIP/CEP has been compiled and presented
- Operations budget has been submitted by Department Directors
- Department Directors have met with City Administrator. Initial amendments have been made.

2. What do we know

- A comparison on the rollback from this fiscal year to next fiscal year was presented.
- Revenue: Equalization Order, Property Tax Credit Cut, Franchise Fee Legislation, Utility Replacement Tax, Road Use Tax, Local Option Sales Tax, and the Rollback Impact on an \$85,000 home for FY 10 and FY 11,
- Expenditures: CPI-U, Some utilities up approximately 9%, IPERS, MFPRSI, Two collective bargaining agreement with set salary increase, Capital improvement needs, TPI Interest payments, LOSST Tax, Hotel/Motel Tax.

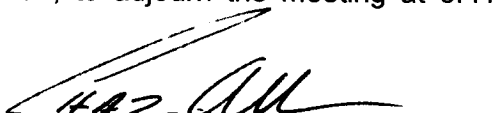
3. Action Pending: Finalize draft of operations budget, review post appeal valuations, County Auditor final figures and the budget guidelines workshop.

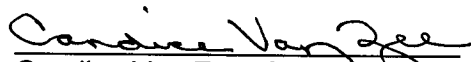
4. Budget Schedule.

5. Background on Tax Increment Financing

- Mechanics of TIF
- Uses of TIF
- Benefits of TIF
- Review of the nine Newton Area TIF Districts

Moved by Plumb, seconded by Mullan, to adjourn the meeting at 6:41 p.m. Motion unanimously passed by voice vote.


Chaz Allen, Mayor


Candice Van Zee, CMC
City Clerk