

City of Elk Run Heights  
Special Council Meeting  
Located at Eddis Winstead Council Chambers  
February 16, 2021 - 6:00 p.m.

Mayor Lundy called the meeting to order at 6:00 pm. All present recited the Pledge of Allegiance. Roll call of Council Members: Present - Bass, Sallis, Smock and Ratchford, Wilson. Quorum present.

Ratchford/Bass to approve the February 16, 2021 Agenda. Ayes-Five. Motion carried.

Ratchford/Smock to open Public Hearing to review an application for a State Revolving Fund (SRF) loan and to make available to the public the contents of an environmental information document and the City's project plan at 6:01 p.m. Ayes-Five. Motion carried. Proof of publication on file and no public comment received. Wilson/Ratchford to close at 6:01 p.m. Ayes-Five. Motion carried.

Ratchford/Smock approve the authorization for Mayor to sign Iowa State Revolving Fund Development Information Document. Ayes-Five. Motion carried.

Smock/Ratchford to approve the request to accept REAP Grant Agreement with the Iowa Department of Natural Resources for the Elk Run Creek and Park Enhancements Project, for 100% of development costs up to \$71,540.00; and approval for the Mayor to sign said agreement. Ayes-Five. Motion carried.

Discussion FY22 Budget Workshop: City Clerk Eastman began with General Fund Revenues. Councilor Smock asked Council if they would be willing to leave the remainder of CD's in the Vehicle Replacement Fund for a new dump truck, Council agreed. Eastman stated the Road Use Tax Fund needs to be reduced by 8% to \$130,640; there will be a \$10,656 disbursement from the State for Covid-19 relief which will increase the Fund. The estimated revenue for Local Options Sales Tax (LOST), is \$150,000. Councilor Bass asked why there is \$35,000 being transferred into LOST. Eastman explained the transfer is from TIF to repay the intra fund loan for the trailer court project. The Capital Improvement Fund currently has \$159,000 for the Dubuque Rd projects but needs an additional \$27,303 budgeted for payment of the Black Hawk Co. Engineer project on N. Elk Run Rd. Council agreed to use LOST funds to cover this. The Mayors Park Project Fund is good. The Water Fund healthy and doing well. The Water Depreciation Fund has an outstanding balance from the Gilbertville Rd watermain project, but there will be plenty of funds to cover one of the two repairs requested. Eastman explained that she has the Midwest Assistance Program doing a study; they will go over water usage of residents, calculate the average usage, and determine if lowering the minimum usage of 30,000 gallons will lower the costs of utility bills for smaller households. Eastman hopes to have the results for the March/April meeting for discussion. Eastman explained she will be in contact with the accountant regarding the Sewer Fund's large deficit. Lundy explained there has been many unforeseen expenses for the Sewer Fund since PeopleService began due to a lack of regular maintenance in past years. It was agreed to move the manhole rehab project to FY23 which will add about \$15,000 back to the Sewer Fund. The remainder of the revenues were reviewed.

Council reviewed the expense worksheet. There was discussion of tax options the City could consider for paying the payroll taxes and employee benefits in the future. City Clerk Eastman stressed to Council the importance of rebuilding the reserves after this coming fiscal year. Councilor Bass asked what the plan is to keep a new full-time employee busy will be. Councilor Smock stated there will be a lot of additional work moving forward due to parks and road projects, they will be learning the current maintenance duties, start code enforcement right away, and will need to do testing and studying for building inspector responsibilities.

Councilor Smock asked Council to consider changes to the personnel policy: the bereavement section does not include any in-laws and reimplementing comp time with a cap of 40hrs. Smock would also like to see maintenance be paid overtime for anything over 8hrs/day if they are called in. Council agreed. Changes will be made and brought to the March meeting for review.

Ratchford/Sallis to adjourn at 7:40 p.m. Ayes-Five. Motion carried.

Attest:

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Kristi Lundy, Mayor

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Julie Eastman, City Clerk