

**AGENDA  
FINANCE & PERSONNEL COMMITTEE  
CITY HALL COUNCIL CHAMBERS  
MONDAY, FEBRUARY 12<sup>th</sup>, 2024  
4:30 PM**

Go to: [www.zoom.com](http://www.zoom.com)  
Meeting ID: 978 6396 1227  
Call-in only: 312 626-6799, enter meeting number

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF THE AGENDA**
- 4. PUBLIC PARTICIPATION**
- 5. APPROVAL OF MINUTES OF JANUARY 8<sup>th</sup>, 2024 MEETING**
- 6. DISCUSSION REGARDING CREDIT CARD STATEMENT (JANUARY, 2024)**
- 7. DISCUSSION REGARDING BANK STATEMENTS (JANUARY, 2024)**
- 8. DISCUSSION AND POSSIBLE MOTION APPROVING THE TRANSFER OF CURRENT FISCAL YEAR 2023-2024 AND FUTURE ROAD USE TAX ELIGIBLE COSTS FROM THE GENERAL FUND**

City Manager Summary: This section presents an option that helps relieve some General Fund costs and positions them in the Road Use Tax Fund. The motivation for this discussion is Staff's constant search for City Council options to help mitigate FY2023-2024 losses that have largely come before the City due to high legal expenses.

With the Committee's blessing, staff is seeking to transfer the following General Fund costs to the Road Use Tax Fund:

<b>Code</b>	<b>Description</b>	<b>FY2023-2024 Amount</b>
001-6-2230-63512	Repairs/Lamps/Wiring	\$ 30,000
001-6-2230-63712	Power Street Lighting	\$ 40,000
001-6-2250-64151	Rental Equipment/Snow Removal	\$ 3,000
001-6-2250-65290	Salt/Sand/Supplies	\$ 44,800

In total, this would relieve the General Fund of \$117,800 in FY2023-2024. The goal of the City's spending in the Road Use Tax Fund plan is to intentionally utilize the high balance of \$2,101,341 (June 30, 2023) and deploy these resources in a deliberate and careful manner by the end of FY2033-20234. The City's 10-Year Street Improvement Plan intentionally follows a similar timeframe and gives the City Council a guide to help utilize the fund's

resources. At the end of the same timeframe, the City Council should seek to 1) stabilize revenues-expenditures; 2) comply with the City's 25% reserve policy.

Committee direction requested.

**9. DISCUSSION AND POSSIBLE MOTION RECOMMENDING AMERICAN RESCUE PLAN ACT SUPPORT FOR THE SACRED HEART DAYCARE EXPANSION PROJECT**

City Manager Summary: This item is brought before the Committee to gather absolute certainty on the level of City support, if any, to the Sacred Heart Daycare Expansion project. The City's ARPA plan is attached in Appendix A. As previously noted, the City's commitment plan to expanding City daycare capacity is \$160,000 in total, of which \$120,000 is committed to Sunshine Daycare for the CDBG grant. \$40,000 remains.

Over the last 12-18 months, Sacred Heart Daycare has contracted their own designer and architect to bring advanced plans to a reality and they are ready for bidding. This has all been done without City involvement or financial support. The project is now entering bidding phase. Sacred Heart Daycare Director, Andrea Kuhlman, should be available for presentation and discussion on the potential plans. The overall estimated cost of the project is \$519,595.

If the Committee wishes to support this project, City Staff is seeking a motion detailing the amount and the City Council will later be presented with a Resolution once Sacred Heart construction bid and associated costs are known.

Committee support is recommended.

**10. DISCUSSION AND POSSIBLE MOTION RECOMMENDING AMERICAN RESCUE PLAN ACT SUPPORT FOR THE POLICE INTERCEPTOR PURCHASE FROM COUNCIL ACTION ON FEBRUARY 6<sup>th</sup>, 2023**

City Manager Summary: City Staff previously intended for the purchase of a Police Interceptor by motion from City Council on February 6, 2023 to be supported in the amount of \$40,000 from ARPA funds in addition to the Police CIP. This was not backed by Resolution at that time. A simple motion is requested from the Finance and Personnel Committee to support the February 6, 2023 Police Interceptor purchase with ARPA funds in the amount of \$40,000. This would then be referred to City Council for Resolution consideration. This matches the City's ARPA plan in Appendix A does nothing different than previously indicated.

Committee support is recommended.

**11. DISCUSSION ON DRAFT 3 OF THE FISCAL YEAR 2023-2024 RE-ESTIMATE, FISCAL YEAR 2024-2025 BUDGET, AND CITY OF MAQUOKETA CAPITAL IMPROVEMENT PLAN**

City Manager Summary: Given item 8 has a significant positive influence on the General Fund and the City's Legal Services line is still unknown, the City General Fund year end for

FY2023-2024 will not be positive or close to it. Item 8 provides for some relief but does little to close a large gap.

Therefore the committee is faced with two paths. The next paragraph assumes the Committee supports item 8.

First, accept FY2023-2024 as an anomaly year pained by wages, large increases on utilities and insurance, the impact of high legal costs, and no real assessment value or revenue increases in 2023 that would have led City Staff to realize offsetting revenues to meet cost demands. The City's Fund Balance Reserve Policy is 25%. At the conclusion of the 2023 financial year, the City's General Fund Balance was at 32.99%. Accepting a \$227,840 General Fund loss will put the City in a position of 27.36%. In short, the City must take positive action to maintain balances in the General Fund in order stay above the 25% marker. Taking no action is an option as this is often why Cities establish a reserve policy for City funds. A short chart summary of the General Fund is on Appendix B assuming all details of this paragraph are accepted.

The second option is to make cuts related to staffing, seek the sale of City assets, or rebalance local option sales tax (LOST) transfers to benefit the General Fund. This would be the only quick path to neutrality before the financial year-end on June 30, 2024. The intent of the LOST plan in 2022 and still carried through this budget is to set up the Water, Wastewater, and Stormwater Funds with ample financial reserves in order to repay Platt Street and Wastewater Treatment Plant project debts on conclusion of the improvements. Please keep in mind the City increased Utilities by 7.5% (2022), 7.5% (2023), and 3% (2024) to increase Utilities cash flow and the LOST transfer shouldn't be as critical in years to come.

Management opinion of this item is to accept the loss without any drastic City action and count on the redirection of Franchise Fee revenue at a later time similar to what could occur with LOST funds.

Committee direction is requested.

**12. DISCUSSION AND POSSIBLE MOTION RECOMMENDING AMENDMENT TO PERSONNEL HANDBOOK SECTION 1.8 TO INCLUDE PREGNANCY AND LACTATION ACCOMODATIONS POLICY**

City Manager Summary: This item is specifically related to complying with the PUMP Act which went into effect in 2023. On the recommendation of the City's Attorney, this is before the Committee to support a Resolution amending the City's handbook to include this employer mandate. There were no local motivations or issues leading to this amendment. The language is attached to this agenda is direct from our City Attorney to include in the City handbook.

Committee support is recommended.

**13. DISCUSSION AND POSSIBLE MOTION ESTABLISHING CITY OF MAQUOKETA NON-DISCRIMINATION POLICY, LIMITED ENGLISH PROFICIENCY RESPONSE POLICY, AND DESIGNATION OF THE CITY MANAGER OF THE CITY OF MAQUOKETA AS THE CITY NON-DISCRIMINATION & CIVIL RIGHTS COORDINATOR**

City Manager Summary: The City of Maquoketa has an employee non-discrimination policy but for the purposes of the external community the City needs to adopt a non-discrimination policy and designate a City representative to coordinate responses and investigations of possible instances of discrimination as they arise. For the purpose of these duties, the management responsibilities should be the City Manager thus the policy formally designates the City Manager as the Non-Discrimination & Civil Rights Coordinator.

Though the City does not discriminate in the absence of formal policy, the motivation for this item is rooted in coming into compliance for the EPA funding of \$3.5 Million in the Wastewater Treatment Plant.

Over the course of the last several months, City Staff has met with EPA on forming the attached policy and is now in a position to have the City Council consider the adoption of these policies. The EPA was kind enough to offer several models to build the City's policy on. Assuming Council approval, City Staff will be able to complete all grant processing with the EPA. If the City does not recognize these policies, the EPA will order default on our \$3,500,000 grant.

Committee support is recommended.

**14. OTHER BUSINESS**

**15. ADJOURN**

## APPENDIX A

American Rescue Plan Act Fund - 323				
	2021-2022	2022-2023	2023-2024	2024-2025
<b>ARP Funds Revenue</b>	\$ 447,821	\$ 447,821	\$ -	\$ -
<b>Total Revenue</b>	\$ 447,821	\$ 447,821	\$ -	\$ -
<b>Revenue Loss Replacement</b>				
<b>Revenue Loss Replacement</b>	\$ -	\$ -	\$ 234,430	\$ -
<b>Emergency Repairs</b>	\$ 261,236	\$ -	\$ -	\$ -
<b>Equipment</b>	\$ 79,664	\$ -	\$ -	\$ -
<b>Capital Projects</b>	\$ -	\$ -	\$ 120,312	\$ 200,000
<b>Total Expenses</b>	\$ 340,900	\$ -	\$ 354,742	\$ 200,000
<b>Net Revenue/Expenditures</b>				
<b>Net Revenue/Expenditures</b>	\$ 106,921	\$ 447,821	\$ (354,742)	\$ (200,000)
<b>Ending Fund Balance</b>				
<b>Ending Fund Balance</b>	\$ 106,921	\$ 554,742	\$ 200,000	\$ -
<p>East Water Tower Capital Improvement - <b>\$80,312</b> will be needed from the ARPA Fund in order to supplement shortcomings in the City's Water Capital Fund plan. The amount is dependent on the project cost and final needs for engineering inspection.</p>				
<p>Support for Child-Care Initiatives - <b>\$160,000</b> overall proposed for the City of Maquoketa in order to expand the infant to two-year old care infrastructure in order to attract &amp; retain families in the City.</p>				
<p>Police Vehicle Purchase &amp; Support - <b>\$80,000 (\$40,000 FY23-24; \$40,000 FY24-25)</b> overall proposed to help supplement the need to equip the Police Department with modern vehicles.</p>				
<p>Revenue Loss Replacement: <b>\$234,430 in FY23-24</b> to help recapture various City economic losses directly and indirectly resulting from the COVID pandemic of 2020.</p>				

## APPENDIX B

General Fund - 001				
	2021-2022	2022-2023	2023-2024 Budget	2024-2025 Predicted
Total Revenues	\$ 4,442,442	\$ 4,730,739	\$ 4,681,978	\$ 5,185,861
Total Expenditures	\$ 3,975,761	\$ 4,565,542	\$ 4,909,818	\$ 5,088,736
Net Revenues/Expenditures	\$ 466,681	\$ 165,197	\$ (227,840)	\$ 97,125
Ending Fund Balance	\$ 1,454,706	\$ 1,619,903	\$ 1,392,063	\$ 1,489,188
<b>% Reserve against Operating Expenditures</b>	<b>31.86%</b>	<b>32.99%</b>	<b>27.36%</b>	<b>28.41%</b>

