

**WORK SESSION MINUTES  
FORT MADISON CITY COUNCIL**

Tuesday, January 14, 2020

Mayor Matt Mohrfeld presided with Council members: Rebecca Bowker, Bob Morawitz, Kevin Rink, Rusty Andrews, Tyler Miller, Mark Lair and Chad Cangas present.

Work Session began at 5:30 P.M. Concerning the 2020-21 Budget.

City Manager Varley presented the proposed budget to Council. He noted this is a balanced budget. The mil levy did decrease about \$.30 per thousand. Only revenue sources were used to develop the budget. No new revenue sources were used. Biggest issue is the negative net in the General Fund (GF) which cannot be sustained for future budgets. Substantial reductions or additional revenue will be needed. Minimum working capital is perilously low at 10.2%. No major reductions in service, status quo type budget for most departments. Have used \$100,000 previously from GF for streets but a bridge has to be replaced and that funding is for that.

The proposed budget does anticipate flat revenue. One new position has been requested, a Police Investigator. Varley said serious decisions need to be made regarding General Fund revenues and expenditures.

A discussion was held regarding the proposed budget. Mohrfeld asked Council Members how much time they wanted to review the budget. Bowker noted spreadsheets and more data was needed. Mohrfeld directed Council to talk to the City Manager and department heads with questions. Following the February 4 Council Meeting, another budget work session will be held.

The Budget Work Session ended at 7:39 P.M.