

Subject to change as finalized by the City Clerk.
For a final official copy, contact the City Clerks office at (319)753-8124.

MINUTES OF THE PROCEEDINGS
OF THE BURLINGTON, IOWA CITY COUNCIL

Special Meeting No. 1
March 8, 2010

The Burlington City Council met in special session at 4:30 p.m. in the Thomas J. Smith Council Chambers with Mayor Ell, Council Members Davidson, Fleming, Murray and Reed present.

SPECIAL MEETING NOTICE ACKNOWLEDGED

RESOLUTION:

Introduced By: Fleming Seconded By: Davidson
1. Resolution Adopting Budget for Fiscal Year Ending June 30, 2011 Tabled from the March 1, 2010 City Council Meeting

DISCUSSION: The City Manager stated that two of the three City unions have ratified and the third union has not been able to meet yet to vote on the health care changes. He stated that the health care costs have been reduced to 3.4%, a savings of 4.5 cents. He stated that by restructuring the hotel/motel tax by \$50,000.00 provides a savings of eight cents. Also reducing Economic Development of the Local Option Sales Tax by eight cents. He stated that it brings the tax increase to less than ten cents without eliminating any employees. Council Member Fleming commended the City Manager and the Finance Director for their work on the budget. He stated that the tax increase was still not where he would like it to be and felt that it was not the time to be raising taxes. Council Member Murray agreed with Council Member Fleming. He suggested that capital expenses may need to be reduced. The City Manager explained that a lot of requests have already been cut to get to the point where they are today. He stated that if you do have any type of tax decrease then the City Council would need to start cutting employees and services. Council Member Davidson stated that the past two years the City has had the same tax rate and did not feel it was realistic for the coming budget year to not have a tax increase. He stated that he was happy with the changes to the budget and felt that the City Manager and staff will come up with new ideas for FY 2011-2012 Budget. He further stated that it will be hard for him to approve capital projects for the coming year. Council Member Reed stated that he agreed with Council Members Murray and Fleming, but he did not want to lay off employees in the upcoming budget. He stated that he would like to start the budget process earlier and look deeper next year. Mayor Ell echoed the comments from Council Member Davidson and Council Member Reed. He stated that next year's budget would be equally difficult if not more difficult. Leon Shahan of 1821 Mt. Pleasant Street stated that Burlington was losing population by 1% to 1.5% each year and laying off employees would have to happen. He stated that down the road Burlington would need to look at a volunteer Fire Department. He stated that the hotel/motel tax has always upset him and did not feel the Chamber of Commerce was an essential service to him. He felt that the City Council may also have to look at the Airport in the future. Dennis Hinkle stated his

concern with the tax rate. He stated that the hotel/motel tax was a revenue producer for the community and the marketing of the City by the Convention and Tourism Bureau was an investment to the community. Prior to the vote of the City Council the City Manager reminded the City Council that they were voting on

a property tax rate of \$15.019232. All present had opportunity to speak and nothing additional was filed in the office of the City Clerk.

(VOTE: 3 - AYES DAVIDSON, ELL AND REED

2 - NAYS FLEMING AND MURRAY)

ADOPTED

ADJOURNMENT: 4:58 p.m.

APPROVED: March 15, 2010

Kathleen P. Salisbury, MMC
City Clerk

William L. Ell
Mayor

(See tape on file in the office of the City Clerk for complete discussion and documentation.)