The Ellsworth City Council met in regular session at 7:00 p.m. at City Hall on March 11th, 2024 with Mayor Yager presiding, and the following council present: Laube, Funk, Gelder and King. Absent: Sogard. City Attorney Montag was also present.

 February Receipts February Disbursements

General Fund 17458.09 39010.71

Road Use Fund 5231.56 7910.91

Employee Benefit Fund 21.86 3085.17

Emergency Fund 8.13

Local Option Sales Tax Fund 6634.67

Tax Increment Finance Area 1

Tax Increment Finance 1 Amend 31.94

Bingo Fund 3785.78 2505.45

Debt Service Fund 12.93 2415.00

Capital Project-Strm Water 3265.77

Capital Project-Water Tower 37069.00 37069.00

Water Fund 26062.84 14614.65

Water Sinking Fund

Sewer Fund 7245.27 6626.12

Electric Fund 74341.07 66681.37

Electric Sinking Fund

Storm Water Fund 4318.84 57.75

Storm Water Sinking 3058.00

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ $182221.98 $186299.90

**AGENDA APPROVAL**: Motion by King, seconded by Gelder to approve the agenda. Roll call votes 4-0. Motion carried.

**CONSENT AGENDA**: Motion by King, seconded by Laube to approve the following items listed on the consent agenda:

1. Motion to approve February 12th, 2024 council minutes.
2. Motion to approve February payment of claims.

Roll call votes 4-0. Motion carried and claims hereby made a portion of these minutes.

**PUBLIC FORUM:** A residential utility customer was present to discuss their utility bill and consequential disconnection. They expressed concern that a payment had been dropped off in the payment box at the beginning of February, but was sent back with an explanation that the payments didn’t match the amount past due, current owed and were twice the amount owed. The Clerk explained that due to the history with overpayments causing overdrafts, the current utility customer’s pattern of coming in to ask about the balance and the amount of time before the bill was actually due to be able to reach out and confirm which checks needed to be applied to the account, both Clerks felt it was the best course of action to wait to hear from the customer. After discussing different ways to communicate how to apply payments that come in without a bill stub or any instructions on how to apply towards an account or multiple accounts, the Clerk suggested waiving the reconnect fee for this instance.

**LIBRARY UPDATE:** Councilmember Gelder was able to attend the Library Board meeting held on Thursday March 7th, 2024. During the meeting, there was discussion regarding more advertising for the Library Director position since former Director Schmitz will no longer be able to help with keeping the library open. It was agreed that an Indeed ad would be created and posted. There was discussion from the City Council that more local advertising needed to be placed as well. Motion by Funk, seconded by Gelder to place the position with the local radio station for one week and see if it generates any more interest and then revisit at the April council meeting. Roll call votes 4-0. Motion carried.

**ELLSWORTH COMMUNITY ASSOCIATON:** There was a request from the ECA to use the shelter house in the park for the Easter Egg Hunt on Saturday March 30th. This would only be for the Easter Bunny to change in. No other members or residents would be allowed to access the building.

**COMPLAINTS:** The City Clerk received several more complaints regarding the number of street lights that aren’t working throughout the City. This has been an ongoing issue that stems from a previous street lighting upgrade project in 2016 that was not completed properly and no warranty exists. Supervisor Vanlangen has been working with a local electrician to attempt to address the repairs, however the problems are more complicated that originally estimated. The City has purchased specialized equipment in hopes to begin working on the lights this week, weather permitting.

**CHANGING COUNCIL MEETING TIME FOR APRIL MEETING:** Motion by Funk, seconded by King to change the normal April 8th, 2024 council meeting time to 7:45 p.m. in order to meet the requirements of the new mandated tax levy hearing. Roll call votes 4-0. Motion carried.

**SETTING PUBLIC HEARING FOR PROPOSED TAX LEVY:** Motion by Gelder, seconded by Laube to set Monday April 8th, 2024 at 7:05 p.m. for the Public Hearing on the FY24/25 Proposed Property Tax Levy. Roll call votes 4-0. Motion carried.

**CITY EMPLOYEE VERIFICATION AND PAPERWORK:** The City Clerk reported that she had spoken to several other Clerks in the area, the Iowa League of Cities, the City Attorney and The Iowa Department of Revenue regarding employee paperwork for Fire and EMS volunteers being in compliance for payroll purposes. Over the last several months, there have been complications between the City and the Department on whether tax and personal paperwork is required to be completed. There was mention that not having information on record for insurance purposes was a liability, as well as the regulations that are set by the state for employee personnel files not being in compliance. City Attorney Montag suggested the City script a letter requesting the information be completed by April 1st, 2024 in order to complete future payroll and that anyone choosing not to comply would need to sign an opt out clause acknowledging their refusal. Motion by Funk, seconded by Laube to move forward with said letter and determine a payroll date at the April meeting. Roll call votes 3-0, with Gelder abstaining.

**BUDGET DISCUSSION:** With the changes in the budgeting/levying process and resulting loss in revenues, the council made the difficult determination to adjust several yearly allocation amounts for the FY24/25 budget year.

1. **FISCAL YEAR WAGES:** Motion by Funk, seconded by Laube to approve a 3% COLA wage increase for fulltime employees and $1.00/hr raise for the part time clerk employee, for the FY24/25 budget; Nick Vanlangen- $64,272.00, Lee Knickerbocker- $45,526.00, Amy Zeman- $64,272.00 and Darlene Campbell- $14.00/hr. Roll call votes 4-0. Motion carried.
2. **LIBRARY**- The Library budget was adjusted from the previous month’s approval due to an increase in wages and employee benefits and raised insurance costs that were not accounted for. Motion by Gelder, seconded by King to approve the new FY24/25 Library budget for the amount of $45,353.00. Roll call votes 4-0. Motion carried. The council discussed in length the allocated amount of general fund revenues given to the Library each year. The City believes keeping the Library open and available for residents is a priority, but struggles to be able to continue to give the $22,769.00 it has for the last 10 years when faced with loss of revenues and high inflation costs. After confirming with the Clerk that in fact the Library has been allowed to keep any unspent budget revenues from previous years that has accumulated to over $40,000.00 in their savings, a motion by Funk, seconded by King to reduce the FY24/25 yearly allocation to the Library to $15,000.00. Roll call votes 3-0, with Gelder voting Nay.
3. **FIRE-** Motion by King, seconded by Laube to approve the FY24/25 Fire budget for the amount of $53,036.00. Roll call votes 3-0, with Gelder abstaining. The department will use funds set aside in their savings to offset any revenue shortfalls. A motion by King, seconded by Funk was made to use the additional twenty- and one-half cents per thousand dollars of assessed valuation of the taxable property within the City, that the City currently collects to supplement EMS needs within the Department. Roll call votes 3-0, with Gelder abstaining. Motion carried.
4. **EMS-** Motion by King, seconded by Funk to approve the FY24/25 EMS budget for the amount of $18,428.00. Roll call votes 3-0, with Gelder abstaining. Motion carried.
5. **BINGO-** Motion by King, seconded by Funk to approve the FY24/25 Bingo budget for the amount of $58,042.00. Roll call votes 4-0. Motion carried.
6. **YEARLY ALLOCATIONS:** Due to the State Auditor’s advisory letter regarding public fund donations, coupled with the strain of the loss of levy revenues, there was a motion by King, seconded by Funk to reduce the yearly allocated donation requests to $250.00 from the previous $500.00. Roll call votes 4-0. Motion carried.
7. **OTHER-** The council discussed the increased per capita charge addressed by the new 28E agreement with the Hamilton County Sheriff’s Department beginning July 1st, 2024. In past budgets, Cities were able

to levy a portion of that cost through the Emergency levy on their budgets, however the FY24/25 budget process has eliminated that particular levy and the City must now pull the funding from elsewhere. It was decided that the council would like additional time to discuss potential options before moving forward.

**COUNCIL MEETING CHANGES:** The council would like to add a second meeting to each month moving forward in order to address the length of current meetings and in an effort to be more proactive in future planning. The current meeting procedures are set by ordinance, so an amendment to the current ordinance will need to done. This will be added to the next agenda.

**UTILITY RATES:** The City Clerk reviewed with the council a meeting she had with Midland Power regarding the City’s current electric utility rates and the different rate structures the City has for its customers. Midland notified the City that there was a rate adjustment effective January 1st, 2024 and the City will need to adjust accordingly. There was discussion regarding offsetting certain costs while still allowing for the increase not to put the City in the negative when it comes to revenues. More conversation and research will be required prior to any rate changes occurring.

**INVOICING TIMELINE:** There were several invoices that the Clerk has questions on before sending payment. Last month the City discussed an invoice from Danko Emergency Equipment for new turn out gear. The invoice was for an additional $528.14 over the $12,000.00 the council approved at the May 23rd, 2023 meeting. An additional approval would be needed for the payment to be issued since it spans several budgets. After discussing spendings policies and the current budget, there was a motion by Laube, seconded by King to stay with the original approved cost of $12,000.00. The remaining $528.14 will need to be processed through the Fire Association with whom the cost was shared with. Roll call votes 3-0, with Gelder abstaining. Motion carried.

**ADJOURNMENT:** Mayor Yager adjourned the meeting at 10:29 pm.

/s/ Dolorus Yager, Mayor

/s/ Amy L. Zeman, City Clerk