



TENTATIVE AGENDA
OTTUMWA CITY COUNCIL

SPECIAL WORK SESSION NO. 11
Room 8B – Depot Conference Room

March 25, 2025
5:30 O’Clock P.M.

PLEDGE OF ALLEGIANCE

ROLL CALL: Council Member Galloway, Hoffman, McAntire, Caviness, Reid and Mayor Johnson.

APPROVAL OF AGENDA

1. Finance – FY25/26 Budget Workshop – Continued Discussions.

All items on this agenda are subject to discussion and/or action.

ADJOURN

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FAX COVER SHEET

City of Ottumwa

DATE: 3/20/2025 TIME: 3:40 PM NO. OF PAGES 2
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TO: News Media CO: _____

FAX NO: _____

FROM: Christina Reinhard

FAX NO: 641-683-0613 PHONE NO: 641-683-0620

MEMO: Tentative Agenda for the Special City Council Work Session #11 to be held on 3/25/2025 at 5:30 P.M. in Room 8B – 2nd Floor Depot Conference Room, 210 West Main Street.

 FAX MULTI TX REPORT

JOB NO. 0460
 DEPT. ID 4717
 PGS. 2

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JOB NO. 0460
DEPT. ID 4717
ST. TIME 03/20 15:43
SHEETS 2
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TO: Mayor and Council
CC: Phil Rath
Department Heads
FROM: Cole S. O'Donnell
DATE: March 13, 2025
RE: Budget Reductions and Possible Impacts

After the Council Work Session of February 25th, I requested that departments with expenses in or supported by the General Fund examine their budget requests in order to find revenue enhancements and expenditure reductions. As part of the examination, I also requested that departments assess their staffing and the effects on service delivery should staff reduction occur. As the Council continues to consider the FY 26 budget, this information will provide you with possible impacts of policy decisions.

Expenditure Reductions:

- Proposed addition of three positions is removed. Those positions were:
 - Administrative Specialists- Fire Department. Staff is looking at current positions to determine if current personnel in other departments could be utilized at a part-time level.
 - Turf Specialist- Parks. Current staffing of the Parks Department will be reviewed to determine if reorganization of personnel can be used to meet current and future needs.
 - Facilities Manager- City Hall. Current staffing of the Parks Department will be reviewed to determine if reorganization of personnel can be used to meet current and future needs.
 - Direct salary costs- (\$162,620.90)
 - Benefit savings will include a revenue reduction in transfers from Fund 112 Employee Benefits for a net zero savings.
- Staff is recommending (\$167,064) in additional reductions.
- Staff was requested to evaluate their training, dues and membership, and travel requests to determine the value of conferences and memberships. Elimination of all non-essential training/travel/conferences was not considered at this time, but staff needed to determine the actual value to themselves and the organization.
- Total recommended expenditure reductions: (\$329,685)
- Additional positions:
 - Clerk or Aviation Specialists- Airport. Position is being evaluated for need and timing.

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- Library reductions. Director Ferrell also submitted \$28,800 in operational fund reductions by moving certain permissible expenses to the bequest fund.
 - The library operating fund has a \$35,806 shortfall. The question is, do we apply the operational savings to the shortfall or reduce the General Fund support? The library has sufficient reserves (26.5% of expenditures) to absorb the shortfall, but expect the shortfall to compound in future years.

Revenues Enhancements:

- Most of the recommendations involved increases in fees.
 - Park/recreation fees
 - Permit fees
 - Police service fees
- New or revised revenue
 - Sale of city owned real estate- \$25,000
 - Soccer field rental- \$9,000
 - Clubhouse Rental- \$1,200
- Total proposed additional revenue- \$223,471

TOTAL PROPOSED SHORTFALL REDUCTION: \$553,156

Service and Personnel-

Staff was requested to review the staffing for their departments and determine the impact to services if personnel were reduced. As departments are already operating at or close to minimal staffing, service impacts would be significant with any staff reductions. However, as personnel costs are our highest operational expense, any further reductions in expenses will need to consider staffing levels.

At this time, it would not be our recommendation to reduce staff through the elimination of filled positions. However, as vacancies occur, positions should be reviewed as to need and service impact. A determination as to filling the position would then be on a case by case basis.

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ACCOUNT #	ACCOUNT	REVENUE	EXPENDITURE
001-110-4552	SERVICE FEES	\$ 15,335	FEE INCREASE
001-110-4552	SERVICE FEES	\$ 2,600	FEE INCREASE
001-2204775	PARKING VIOLATION FINES	\$ 13,036	PENALTY INCREASE
001-1104770	WARRANT SERVICE FEE	\$ 9,000	FEE INCREASE
001-340-3470	WEED MOWING		(\$20,000) RECOMMENDED REDUCTION
001-340-6499	CONTRATUAL SERVICES		(\$20,000) RECOMMENDED REDUCTION
001-340-4121	BUILDING PERMITS	\$ 35,000	FEE INCREASE
001-340-4122	ELECTRIC PETMITS	\$ 7,500	FEE INCREASE
001-340-4124	HEATING PERMITS	\$ 5,500	FEE INCREASE
001-340-4126	PLUMBING PERMITS	\$ 5,500	FEE INCREASE
001-340-4154	ERENTAL PERMITS	\$ 13,800	FEE INCREASE
001-000-4800	SALE OF REAL ESTATE	\$ 25,000	HISTORICALLY EXCEED BUDGETED AMOUNT
001-430-4501	SOCCER RENTAL	\$ 9,000	NEW FEES
001-429-4556	CLUBHOUSE RENTAL	\$ 1,200	NEW FEES
001-430-4555	CAMPING FEES	\$ 40,000	FEE INCREASE
001-445-4532	BEACH ADMISSIONS	\$ 34,000	FEE INCREASE
001-445-6240	TRAVEL & CONFERENCE		(\$1,000) ONE LIFE GUARD TRAINING IN FY 25
001-430-4556	SHELTER RENTAL	\$ 7,000	FEE INCREASE
001-610-6210	DUES & MEMBERSHIPS		(\$1,150) ELIMINATE ICMA MEMBERSHIP
001-610-6210	DUES & MEMBERSHIPS		(\$914) ELIMINATE ROTARY MEMBERSHIP (EMPLOYEE CONTRACT)
001-610-6230	TRAINING		(\$750) ONLY BUDGET FOR 1/2 OF COUNCIL TO ATTEND ILC
001-610-6240	TRAVEL & CONFERENCE		(\$1,200) ONLY BUDGET FOR 1/2 OF COUNCIL TO ATTEND ILC
001-610-6490	OTHER PROF SERV		(\$25,000) ELIMINATE COMP PLAN TRACKING SOFTWARE
001-610-6499	CONTRACTUAL SERVICES		(\$60,000) FUND GOPIP THROUGH TIF
001-610-6499	CONTRACTUAL SERVICES		(\$5,000) ELIMINATE "AUTOMATION EQUIPMENT"
001-610-6507	OPERATING SUPPLIES		(\$500) REDUCE HRC SUPPLIES TO REFLECT CHARGES IN FY25
001-615-6402	ADVERTING/LEGAL PUB.		(\$3,000) REDUCTION IN RECRUITMENT MATERIAL
001-620-6402	ADVERTING/LEGAL PUB.		(\$20,000) BASED ON HISTORY
001-620-6405	RECORDING & COURT		(\$500) BASED ON HISTORY
001-620-5416	ELECTION COSTS		(\$10,000) ELIMINATION OF PRIMARY COSTS
001-625-6210	DUES & MEMBERSHIP		(\$50) ELIMINATE IMFOA MEMBERSHIP
001-625-6230	TRAINING		(\$500) REDUCTION TO REFLECT HISTORICAL EXPENDITURES
001-625-6240	TRAVEL & CONFERENCE		(\$500) ELIMINATE IMFOA CONFERENCE
	SUBTOTAL	\$ 223,471	(\$170,064)
	NEW POSITION FREEZE		(\$162,620.90)
	TOTALS	\$ 223,471	\$ (332,685)
	NET SHORTFALL REDUCTION	\$ 556,156	