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RESOLUTION NO. 19-
City Council

A RESOLUTION OPPOSING PROPOSED LEGISLATIVE CHANGES IN CITY FINANCE

WHEREAS, several proposals are currently being considered by the Iowa Legislature concerning revenue growth caps and ending fund balance caps for Iowa cities, proposals limiting the use of the Trust and Agency Levy and other changes in established city finance law; and,

WHEREAS, upon review and consideration of the city finance proposals currently under review by the Iowa Legislature, the Hiawatha City Council has determined that proposed revenue growth caps, proposed caps on ending fund balances, and other proposed changes to the city finance system are not in the best interest of the citizens of the Hiawatha, are unnecessary and would have negative impact on the city and its citizens.

NOW, THEREFORE, BE IT RESOLVED by the Hiawatha City Council as follows:

Section 1. The City of Hiawatha opposes proposed caps on annual city revenue growth.

Section 2. The City of Hiawatha opposes proposed caps on city ending fund balances.

Section 3. The City of Hiawatha opposes limitations on the permitted use of the Trust and Agency Levy.

Section 4. The City of Hiawatha's opposition is based on the following considerations:

A. The City of Hiawatha has demonstrated fiscal responsibility by maintaining a stable property tax levy over many years. In the past two fiscal years the city as lowered its property tax levy each year by $.21;

B. City budgeting and spending should be determined and controlled at the local level in the spirit of constitutional city Home Rule;

C. Proposed limitations would have the effect of requiring the City of Hiawatha to issue more debt while, at the same time, reducing the city's credit rating and increasing the cost of debt;

D. Increasing annual city expenditures are often the result of state mandates, such as a city's contribution to the Iowa Public Employees Retirement System and the Municipal Fire and Police Retirement System;

E. Each city has differing needs, goals, and financial circumstances; uniform caps are not appropriate.

Section 5. All resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed.

Section 6. If any section, provision or part of this resolution shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the resolution as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section 7. This resolution shall be in effect after its final passage and approval as provided by law.

Passed by the Council the 17th day of April, 2019, and approved this _____ day of _____, 2019.

_____
Bill Bennett, Mayor

Attest:

_____
Kari Graber, City Clerk