

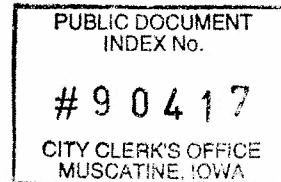
**PROOF OF PUBLICATION**

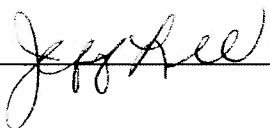
I, Jeff Lee, being duly sworn, on my oath, say that I am an advertising clerk at the *Muscatine Journal*, a newspaper of general circulation, published in the City of Muscatine, Muscatine County, Iowa; and that the following Notice:

Muscatine City Clerk  
Special Budget Review Session  
October 25, 2007

Of which the annexed printed slip is a true, correct and complete copy, was published in said *Muscatine Journal* one time having been made there in on:

November 9, 2007

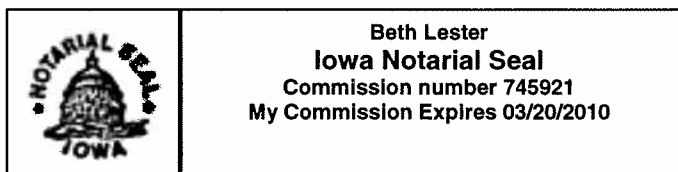


Jeff Lee 

**STATE OF IOWA  
MUSCATINE COUNTY**

Subscribed and sworn to before me this  
9<sup>th</sup> day of November, 2007

  
Beth Lester, Notary Public



**CITY OF MUSCATINE  
SPECIAL BUDGET REVIEW SESSION  
Council Chambers  
4:30 p.m. - October 25, 2007**

Mayor Dick O'Brien called the City Council Budget Review Session for Thursday, October 25, 2007, to order at 4:30 p.m. Councilmembers present were Trent, Day, Fitzgerald, Shihadeh, Bynum, and Howard. Also present were City Administrator A.J. Johnson and Finance Director Nancy Lueck.

The first item on the agenda was an overview of the year-end financial reports for the fiscal year ending June 30, 2007. Finance Director Lueck provided an overview of the various funds (General Fund and Enterprise Funds) and where they stood from an operational and fund balance perspective from the end of the fiscal year. Overall, the General Fund is in fairly good shape with the city drawing down the fund balance less than anticipated leaving a larger fund balance to begin preparations for the next fiscal year. There was special emphasis placed on the discussion for the golf course operation and the landfill operation. Both funds are running deficits and that was reviewed with Council. The golf course deficit was attributed to the recent fire that destroyed a storage facility and almost all of the equipment at the golf course. There was also discussion concerning the additional expense for the expansion and development at the landfill.

There was related discussion concerning insurance coverage for equipment that will be reviewed by the Insurance Committee and the progress for the restoration of the cemetery following the tornado. This information will be provided to City Council in the future.

The next item for review was the General Fund revenue options and challenges. Previously the City Council had directed staff to put together information that could be used to generate ideas and hopefully additional revenues to support General Fund activities. City Administrator Johnson reported that ideas were solicited from department heads and that they were built around the theme of the following:

1. Generating more fees from services we currently do not charge for.
2. Generating more fees for services that we charge fees for.
3. Getting rid of services that we do not charge for but have minimal value to the overall good of the community.
4. Implementing an Emergency Management Tax, altering the 1% sales tax, and utilizing TIF proceeds in areas that can be reduced or minimized to allow for more General Fund dollars to be captured in those districts.

The City Administrator spent most of the time reviewing the Emergency Management Levy and the procedures that would be needed to allow for the city and the county to jointly or independently take action to levy taxes under this legislative authority. If Council chose to take advantage of this levy, if implemented, it would then free up dollars within the General Fund that are currently being used to support the city's financial support for MUSCOM and civil defense activities.

There was active discussion concerning this matter by Council and a general consensus was given that this option should be made available to Council during the budget review sessions.

The City Administrator also stated that he has contacted Muscatine County and has offered to attend their meeting on Monday, October 29, 2007, to explain this matter to them as well.

There was a general review of this matter by Council.

With no further matters to discuss, the meeting adjourned at 6:25 p.m.

Respectfully submitted,  
A.J. Johnson  
City Administrator