Council Study Committee
September 9, 2013
Minutes

Members present: Greg Marchant, Eric Mathieu, John Parker Jr., John Sirianni and Mayor Bresnan. Absent: Pete Berry.

City Manager, Eric Hanson, reviewed the Credit Rating Comparison and Review and Financial and Debt Management Analysis reports as provided by Springsted Incorporated (on file at the City Clerk's Office and on the City's web site). These reports give a snapshot at were the City is currently at. Summary of each reports are as follows:

<u>Credit Rating Comparison and Review included:</u>

- Indianola current credit rating is Aa3
- National and State-Wide Ratings Distribution
- Comparison to all Moody's Rated Cities in Iowa
- Comparison to Peer Communities
- Moody's factors are broken down into four parts:
    - Economic Strength – includes size of community & growth trends; type of economy; socioeconomic and demographic profile; workforce profile
    - Financial Strength – includes general fund balance and liquidity; operating flexibility; budgetary operation, i.e. structural balance
    - Management and Governance – includes financial planning & budgeting; debt management and capital planning; management of economy/tax base; governing structure; disclosure
    - Debt profile – includes debt burden; debt structure & composition; debt management & fiscal impact; other long-term commitments
- In conclusion the City of Indianola has a good credit rating given the size of the City's tax base, population and per capita wealth

<u>Financial and Debt Management Analysis review included:</u>

- General Fund
    - Population trends
    - Revenues
    - Total Expenditures
    - Fund Balance
- Major Enterprise Funds
    - Sewer Fund
    - Recycling Fund
    - Storm Water Fund
- Debt
    - General Obligation Debt
    - Revenue Debt
    - Debt Service Payments
- Tax Policy
    - Property Values

    - Tax Rates and Levies
- Socio-Economic Factors
    - Income Trends
    - Age Trends
    - Employment Trends
    - Inflation Trends

Other items:

- A TIF report is also being prepared
- The City Manager’s evaluation will be placed on the September 18, 2013 council agenda
- It was the consensus of the committee to revisit the Natural Gas Franchise fee

Meeting adjourned at 7:05 p.m.