

# City of West Burlington

# Fiscal Year 2023-2024 Budget



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Angela Moore – Finance Manager

# Introduction

- The proposed budget is a solid budget that
  - Tackles the ***reduction in taxable valuations*** for a second year in a row,
  - Continues to address capital project and equipment needs in coordination with capital improvement/equipment planning,
  - Maintains service levels and in fact increases Public Works staffing through the IWD Apprenticeship program, and
  - Maintains a strong General Fund Balance.

# General Fund Balance

- The proposed budget increases the General Fund Balance from **23.43% to 27.73%**.
- Having a strong General Fund balance and the Fund Balance Policy in place will allow time for staff and City Council to plan for how to address revenue reductions if they occur.

**\*Note:** While the City has yet to adopt a formal policy related to the General Fund Balance, 25% (or more) is a good target with only emergency and one-time expenditures reducing that fund balance. A General Fund Balance Policy typically provides that except for extraordinary circumstances, unassigned fund balance should not be used to fund any portion of ongoing and routine operating expenditures of the City. Extraordinary circumstances can include significant revenue fluctuations (i.e., State legislative changes limiting property). In the event that the use of an unassigned fund balance is necessary to provide a short-term solution to maintaining essential services, the City can evaluate current and future economic conditions to evaluate the extent of expenditure reductions or revenue increases that would be needed to achieve day-to-day financial stability and restore the fund balance.

# Fund Balance Comparison

<b>Fund</b>	<b>FY 21/22</b>	<b>FY22/23</b>	<b>FY23/24</b>
• General Fund	\$502,685.38	\$847,735.71	\$843,276.68
• Hotel/Motel	\$68,615.38	\$146,147.53	\$145,722.00
• Road Use Tax	\$116,512.30	\$135,829.16	\$62,699.16
• Local Option Sales Tax	\$301,015.37	\$513,058.42	\$744,856.56
• Water	\$96,499.65	\$354,171.89	\$1,250,982.91
• Sewer	\$288,308.99	\$95,193.68	\$255,361.39

# Property Valuations

- **Actual Valuations (100%)**
  - FY 2021/21 \$308,287,791
  - FY 2022/23 \$312,315,259
  - FY 2023/24 \$324,108,760 (An increase of \$11,793,501)\*
- **Taxable Valuations**
  - Decreased from a total of \$179,833,216 to \$174,057,074 – **a decrease of \$5,776,142**
  - Residential Rollback went from 56.4094% compared to 54.6501%. Residential valuations for FY 2023/24 increased by \$6,374,204
  - Commercial Property remained at the 90% rollback. Commercial Valuations decreased by \$5,980,929\*\*
  - Industrial property remained at the 90% rollback. Industrial valuations decreased by \$692,589\*\*
- The process for county assessments is changing and in brief discussions with the county, early expectations are that valuations should begin to trend back up. However, it appears that the State Legislature may take up this topic.

\*The increase is due to the changes in the hospital valuation.

\*\*New this year is an automatic Business Property Tax Credit that makes the first \$150,000 of taxable valuation for commercial, industrial, and railroad subject to the residential rollback of 54.6501% before applying the 90% rollback. The State is providing a rollback for a limited time.

# Tax Levy

- General Fund at maximum \$8.10/\$1,000 levy rate
- Tax Rate Changes –
  - General Levy 8.10
  - Liability (Insurance) Levy 0.46853
  - FICA/IPERS 0.64726
  - Employee Benefits Levy is at 0.63700
  - Debt Service Levy 0.15559
  - Emergency Levy is not levied
- Total Proposed Levy \$10.00

# Budget Issues and Challenges

- For Fiscal Years 2022-2030, the annual reduction in backfill (property taxes) for the City of West Burlington will be as follows (estimated amount distributed to the city until phased out in 2030):
  - 2022      \$111,430.59
  - 2023      \$97,501.76
  - **2024      \$83,572.94 (Revised \$80,031)**
  - 2025      \$69,644.12
  - 2026      \$55,715.29
  - 2027      \$41,786.47
  - 2028      \$27,857.65
  - 2029      \$13,928.82
  - 2030      \$0.00

# Budget Issues and Challenges

- CPI
  - US CPI Sept 2022 8.2%
  - Midwest CPI 2022 8.1%
  - State & Local Government Employment Cost Index 4.6%  
(September 2021 2.3%)
  - Municipal Cost Index September 2022 9.14%
- Rollback
  - 2022      Residential      56.4094%
  - 2023      Residential      54.1302%
  - 2024      Residential      54.6501%
  - 2022      Multi-Res      67.5
  - 2023      Multi-Res      63.75 (2024 (Same as residential))
  - 2024      Multi-Res      Class eliminated and subject to residential rate.

# Budget Issues and Challenges

In summary, the residential rollback rate increased slightly however that is more than offset by the following:

- Reduction in Taxable Valuations
- Elimination of Multi-Res Property Class
- Business Property Tax Credit
- Reduction in Backfill
- CPI or Cost of Living
- Beginning to address deferred capital equipment purchases

# Key Items

- Capital Equipment 5-year Outlook and preliminary CIP provided
- The IT budget now includes all computers excluding squad car laptops.
- Transfers were modified based on capital equipment and project needs.
- The budget includes a 2.5% cost of living increase for Public Works Employees and 4% for Police Officers and Non-Union Employees.
- TIF Admin fees have been included as a transfer to the general fund (we will need to amend URP) - \$55,000 to support GF (Formula) in year one.
- Wages for the city administrator, city clerk, finance manager, and IT are broken out 25% each in the general fund, water, sewer, and streets
- Health insurance is budgeted at a 3.19% increase; however, we need to consider setting aside additional funds for the medical self-insurance fund which was not been addressed when the City switched programs.
- Property Insurance increased by 19% or \$19,113. We hope to see a reduction in work comp rates to offset this increase or explore new carriers.

# Rate Adjustments

- Pool Admissions increased from \$4 to \$5, and a coupon book is \$50 for 12 passes (two free)
- Swim Lessons have been added at \$50 for 8 lessons
- Garbage Rates have been adjusted to meet contract costs (\$13.45 to \$14.85)
- Recycling Rates have been adjusted to reflect the increase in costs (\$4.05 to \$4.25)
- Sewer Rates will increase 8% (\$11.03 to \$12.98 per 1000 gallons) to meet SRF requirements
- Water Rates will increase 4% (\$32.57 to \$33.87 up to 3,000 gallons, \$13.73 to \$14.27 per 1,000 gallons up to 997,000 gallons) to cover the 4% increase from the City of Burlington and to meet SFR requirements.

# Key Items - Payroll

- Employer share of IPERS:
  - 9.44% for regular employees
  - 9.31% for police and fire
- Employee share of IPERS:
  - 6.29% for regular employees
  - 6.21% for police and fire
- Budgeted a 4% wage increase.
- The City has budgeted to expend \$1,969,260 for wages for FY 23/24.
- Health, dental and life insurance costs including partial self-funding: \$484,050.
- Employer share of IPERS Cost: \$171,800
- Employer share of FICA & Medicare Costs: \$150,550.

# Property Taxes

- \$100,000 Home
  - 2021/22 @ 9.65 rate and 56.4094% rollback = \$544.35 in taxes
  - 2022/23 @10.00 rate and 54.1302% rollback = \$541.30 in taxes
  - 2023/24 @10.00 rate and 54.6501% rollback = \$546.50in taxes
- \$200,000 Home
  - 2021/22 @ 9.65 rate and 56.4094% rollback = \$1088.70 in taxes
  - 2022/23 @ 10.00 rate and 54.1302% rollback = \$1082.60 in taxes
  - 2023/24 @10.00 rate and 54.6501% rollback = \$1093.00 in taxes
- \$100,000 Commercial
  - 2021/22 @ 9.65 rate and 90% rollback = \$868.50
  - 2022/23 @ 10 rate and 90% rollback = \$900
  - 2023/24 @ 10 rate and 90% rollback = \$900\*
- \$200,000 Commercial
  - 2021/22 @ 9.65 rate and 90% rollback = \$1737
  - 2022/23 @ 10 rate and 90% rollback = \$1800
  - 2023/24 @ 10 rate and 90% rollback = \$1800\*

\*County Auditor automatically adjusts for the new Commercial/Industrial Business Tax Credit

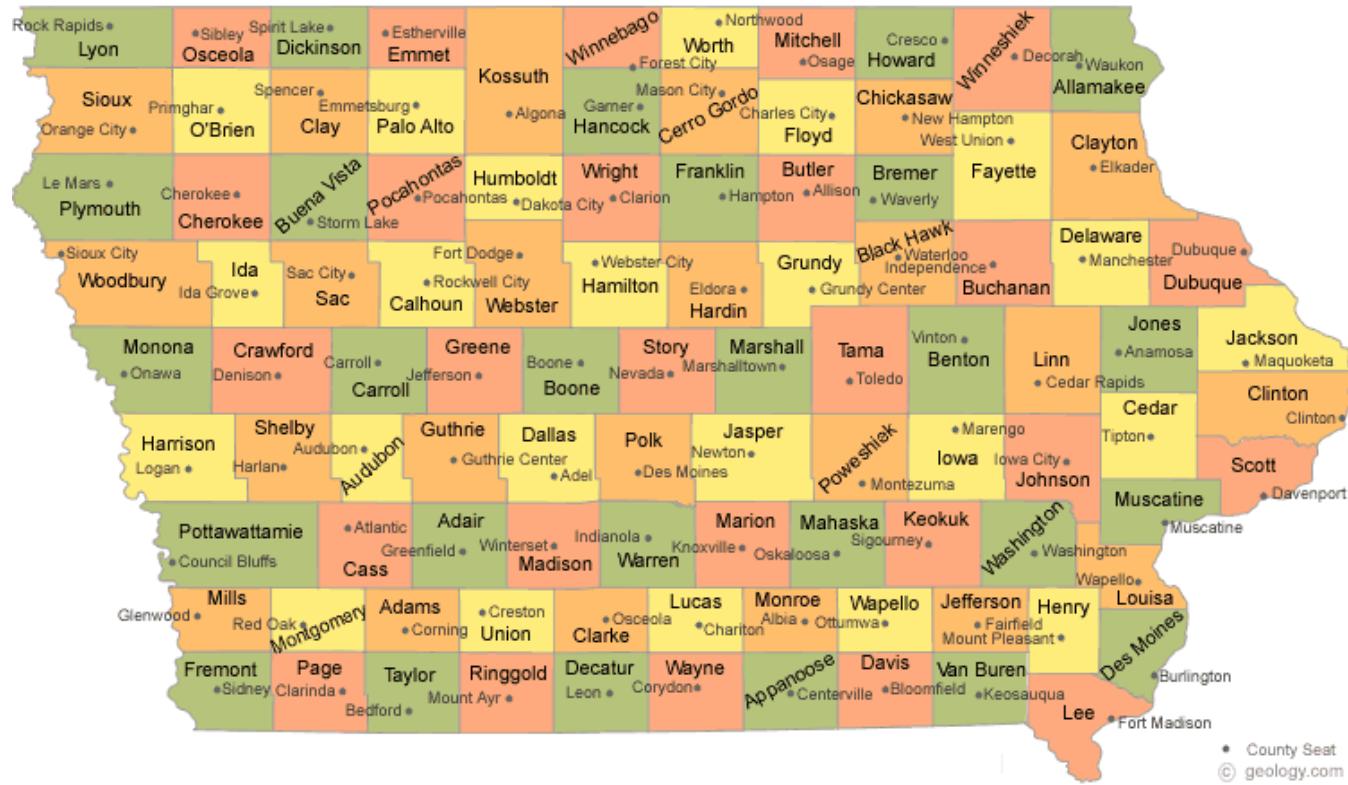
# Property Taxes and Levies

- Property tax dollars are the City's largest source of funds for general government operations.
- The City has budgeted to receive \$1,754,432 in property tax dollars at the 10.00 tax levy rate. This is a decrease of \$58,023 from the amount budgeted to receive in FY 22/23.
- There are several factors that determine the amount of property tax dollars received. Those include the levy rate, taxable property values, and the rollback. The decrease in property tax revenue is due to multiple reasons. The hospital is contesting its valuations and the legislation changed the rollback percentage.
- The State limits the amount cities can levy for their general fund to \$8.10 per \$1,000 of taxable value.
- Additional levies (outside the 8.10 limit) the City of West Burlington uses are:
  - Liability, property & self insurance costs - .95946
  - FICA & IPERS - .42364
  - Other Employee Benefits – .22593
  - Debt Service- .29570
- Total tax rate for 2023/2024 is \$10.00/\$1,000 of valuation

# FY 2023-24 Budget Summary

- The 2023/24 budget is balanced with budgeted revenues exceeding budgeted expenditures.
- The Sewer Jet Vac cost of \$500,000 is proposed to be funded in the following manner: Internal Loan from the Water fund balance to be reimbursed over 5 years from Sewer, LOST, and the RUTF at \$25,000 each. We should still consider other alternatives should we borrow in the future.
- Maintaining existing levels of services to the community and positioning the City to meet new challenges.
- Future challenges could involve potential shortfalls in revenues from limited growth in taxable valuations and new property tax legislation.

# Supplemental & Historical Information



In Iowa, there are 286 cities that have a lower tax rate and 654 cities that have a higher tax rate for **Fiscal Year 2022/2023**. Out of 27 cities in the 2,500 to 3,500 population range 5 have lower tax rates and 22 are higher. They range from \$7.77354 to \$21.86355 with an average tax rate of \$14.22561; compared to West Burlington's tax levy rate of \$10.00 for FY 2022/2023.

# Levy Rate Comparison With Other Cities in Des Moines County FY 2022/2023

Entity	Levy Rate 21/22
Burlington	\$15.43637
Danville	12.51023
Mediapolis	11.21432
Middletown	11.44108
West Burlington	10.00311

# 100% Valuation History

## Valuations by Major Classes

Date of Valuations	Used for Budget Year	100% Valuations w/o Ag	Rate of Growth	Residential	Commercial	Industrial
January 1, 2022	FY 23/24	324,108,760	3.19%	143,267,060	137,540,946	12,027,710
January 1, 2021	FY 22/23	314,078,459	1.30%	132,867,100	127,997,276	12,265,210
January 1, 2020	FY 21/22	310,048,491	1.09%	131,956,300	126,369,171	12,124,580
January 1, 2019	FY 20/21	306,715,259	3.66%	131,175,100	123,963,895	12,124,580
January 1, 2018	FY 19/20	293,959,946	7.58%	115,149,100	129,458,833	12,003,850
January 1, 2017	FY 18/19	273,251,737	5.25%	112,451,800	118,989,130	13,472,920
January 1, 2016	FY 17/18	259,624,705	5.13%	108,563,700	113,647,076	13,356,990
January 1, 2015	FY 16/17	246,960,856	5.07%	107,535,400	103,346,811	14,353,720
January 1, 2014	FY 15/16	235,042,389	6.03%	106,763,800	97,040,940	15,049,660

# Taxable Valuations Used For Setting Levy Rate

	<u>23/24</u>	<u>22/23</u>	<u>21/22</u>	<u>20/21</u>	<u>19/20</u>	<u>18/19</u>
<i>Regular</i>	<b>174,057,074</b>	<b>179,833,216</b>	<b>184,010,063</b>	<b>176,953,451</b>	<b>158,254,039</b>	<b>146,824,351</b>
<i>Debt Service</i>	<b>203,243,184</b>	<b>210,854,590</b>	<b>211,707,399</b>	<b>207,501,518</b>	<b>205,662,198</b>	<b>193,259,180</b>
<i>Ag Land</i>	<b>1,467,619</b>	<b>1,569,968</b>	<b>1,479,518</b>	<b>1,434,671</b>	<b>823,405</b>	<b>800,604</b>

# Taxable Valuations by Major Classes

Fiscal Year	Residential	Commercial	Industrial
<b>23/24</b>	<b>78,295,526</b>	<b>109,216,620</b>	<b>12,027,710</b>
<b>22/23</b>	<b>71,918,616</b>	<b>115,197,549</b>	<b>11,038,689</b>
<b>21/22</b>	<b>74,435,688</b>	<b>113,732,255</b>	<b>10,912,122</b>
<b>20/21</b>	<b>72,243,656</b>	<b>111,567,507</b>	<b>10,912,122</b>
<b>19/20</b>	<b>65,540,633</b>	<b>116,512,951</b>	<b>10,803,465</b>
<b>18/19</b>	<b>62,546,618</b>	<b>107,090,217</b>	<b>12,125,628</b>
<b>17/18</b>	<b>61,815,126</b>	<b>102,282,369</b>	<b>12,021,291</b>
<b>16/17</b>	<b>59,817,554</b>	<b>93,012,131</b>	<b>12,918,348</b>
<b>15/16</b>	<b>58,945,873</b>	<b>87,336,847</b>	<b>13,544,694</b>

# Property Tax Rollback

Rollback	Residential	Agricultural	Commercial	Industrial
15-16	55.7335%	44.702%	90.00%	95.00%
16-17	55.6259%	46.107%	90.00%	90.00%
17-18	56.9391%	47.4996%	90.00%	90.00%
18-19	55.6209%	54.4480%	90.00%	90.00%
19-20	56.9180%	56.1324%	90.00%	90.00%
20-21	55.0743%	81.4832%	90.00%	90.00%
21-22	56.4094%	84.0305%	90.00%	90.00%
22-23	54.1282%	89.6765%	90.00%	90.00%
23-24	54.6501%	91.6430%	90.00%	90.00%

# Tax Rate History

- 2015/16 10.10
- 2016/17 10.00
- 2017/18 10.00
- 2018/19 10.00
- 2019/20 10.00
- 2020/21 10.00
- 2021/22 9.65
- 2022/23 10.00
- 2023/24 10.00

# City of West Burlington Property Taxes

Listed below are examples of what a residential house with an assessed value of \$100,000 would pay in property taxes to the City of West Burlington.

Year	Assessed Valuation	Rollback	Taxable Value	Tax Rate	Taxes	Yearly Difference	Monthly Difference
15/16	100,000	55.7335%	55,734	10.10	563	14.00	1.17
16/17	100,000	55.6259%	55,626	10.00	556	(7.00)	-0.58
17/18	100,000	56.9391%	56,939	10.00	569	13.00	1.08
18/19	100,000	55.6209%	55,621	10.00	556	(13.00)	-1.08
19/20	100,000	56.9180%	56,918	10.00	569	13.00	1.08
20/21	100,000	55.0743%	55,074	10.00	551	-18.00	-1.50
21/22	100,000	56.4094%	56,409	9.65	544	-7.00	-.58
22/23	100,000	54.1282%	54,128	10.00	541	-3.00	-.25
23/24	100,000	54.6501%	54,650	10.00	546	5.00	.40

# City of West Burlington Commercial Property Taxes

Listed below are examples of what a commercial property with an assessed value of \$1,000,000 would pay in property taxes to the City of West Burlington.

	<b>Assessed</b>		<b>Taxable</b>			<b>Yearly</b>
<b>Year</b>	<b>Valuation</b>	<b>Rollback</b>	<b>Value</b>	<b>Tax Rate</b>	<b>Taxes</b>	<b>Difference</b>
<b>15/16</b>	1,000,000	90.00%	900,000	10.10	9,090	-505
<b>16/17</b>	1,000,000	90.00%	900,000	10.00	9,000	-90
<b>17/18</b>	1,000,000	90.00%	900,000	10.00	9,000	0
<b>18/19</b>	1,000,000	90.00%	900,000	10.00	9,000	0
<b>19/20</b>	1,000,000	90.00%	900,000	10.00	9,000	0
<b>20/21</b>	1,000,000	90.00%	900,000	10.00	9,000	0
<b>21/22</b>	1,000,000	90.00%	900,000	9.65	8,685	-315
<b>22/23</b>	1,000,000	90.00%	900,000	10.00	9,000	315
<b>23/24</b>	1,000,000	90.00%	900,000	10.00	9,000	0

\*FY 23/24 the first \$150,000 will be rolled back into the residential percentage.

# Property Tax History

## City of West Burlington

### Property Tax Rate History

#### Per \$1,000 Assessed Valuation

	West Burlington	City of West	Des Moines	Southeastern				
	School	Burlington	County	Community		% Levy	% Levy	% Levy
Fiscal Year	District Levy	Levy	Levies	College Levy	Total Levy	School	County	City
2015/2016	16.21027	10.10	8.45763	1.12916	35.89706	45.16%	23.56%	28.14%
2016/2017	13.83135	10.00	8.05010	1.15788	33.03933	41.86%	24.37%	30.27%
2017/2018	14.02417	10.00	8.02888	1.15723	33.21028	42.23%	24.18%	30.11%
2018/2019	14.06043	10.00	8.03731	1.15723	33.25497	42.28%	24.17%	30.07%
2019/2020	14.52811	10.00	7.85105	1.15723	33.53639	43.32%	23.42%	29.82%
2020/2021	17.72384	10.00	7.59475	1.18723	36.50582	48.55%	20.80%	27.39%
2021/2022	16.73660	9.65	7.54733	1.24723	35.18116	47.57%	21.45%	27.43%

# City of West Burlington Levy Rates



# General Fund

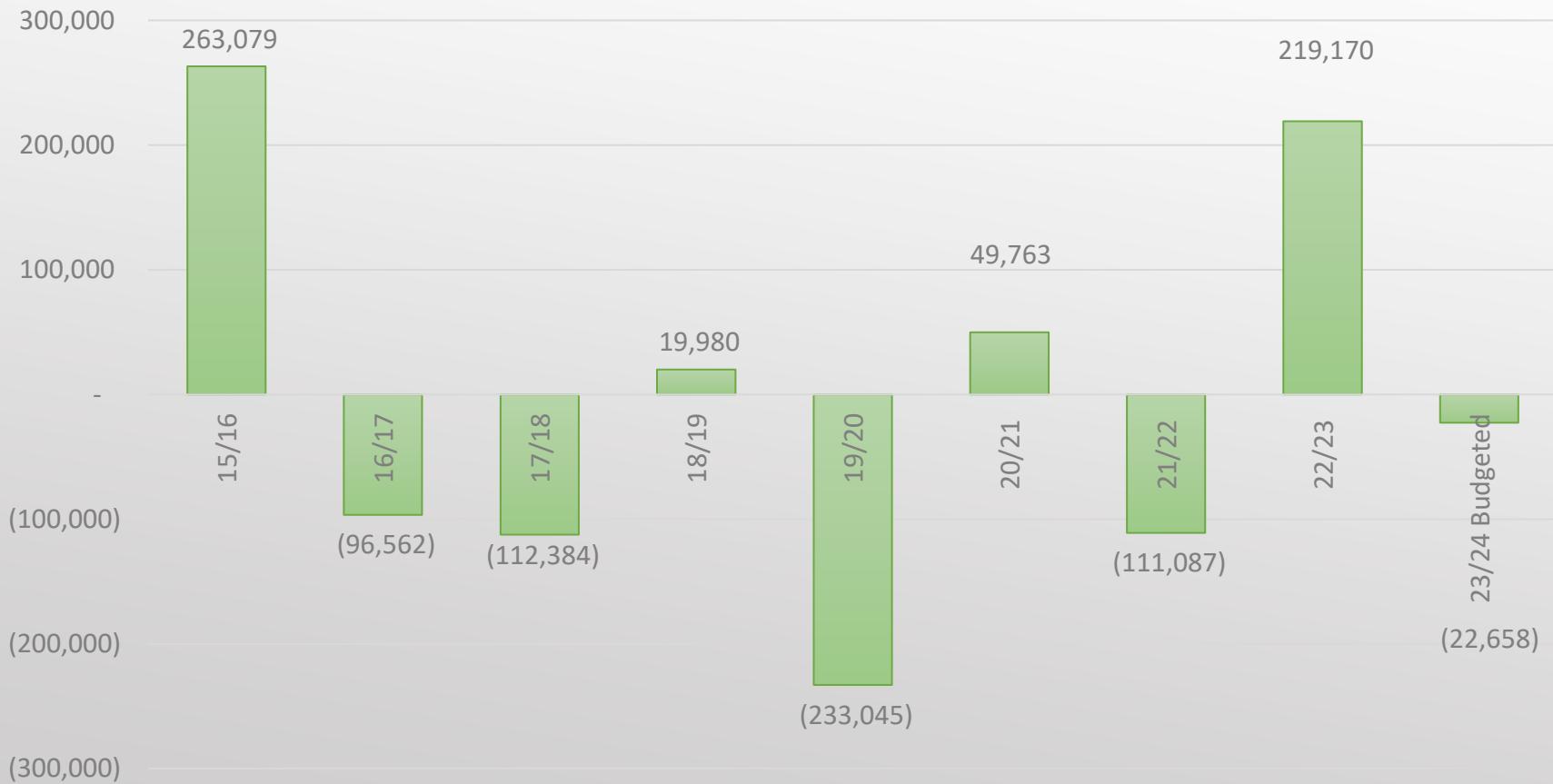
# General Fund

The General Fund is the chief operating fund of the City. This fund supports those operations most identified with the city, such as fire and police. The largest revenue received in the general fund is property taxes. It also receives all other income that is not required by law or contractual agreement to be deposited elsewhere. Also included is revenue from licenses, permits, and earnings of investments.

For FY 23/24 General Fund Revenues are budgeted at \$3,018,894 and expenses of \$3,041,552. Expenditures exceed revenues by \$22,658. At the end of FY 23/24 the General fund is estimated to have a balance of \$843,276.68.

This results in a General Fund Fund Balance of 27.73%.

# General Fund Decrease/Increase – Expenditures v. Revenues



# Enterprise Funds

# Utilities - Water

In order to meet SRF requirement for the construction of the water tower and the rate increase from the City of Burlington. Water rates will increase 4% effective 7/1/2023.

	<u>Current</u>	<u>7/1/2023</u>
Monthly distribution charge with 3,000 minimum:	32.57	33.87
3,000 to 1,000,000 gallons/thousand	13.73	14.28
Next 500,000 gallons/thousand	11.29	11.69
All water over 1,500,000 gallons/thousand	9.18	9.55

# Sewer, Garbage & Recycling

- In order to cover the SRF requirements sewer rates will increase 8% effective 7/1/2023. Rates will increase from \$11.03 to \$11.91 per 1,000 gallons. The last rate increase was February 2021.
- Sewer Capital Project Charge of \$1.00/month/user is budgeted to remain the same - \$1.00 per month. This generates about \$20,000 annually.
- Garbage rates – Will increase from \$13.45 to \$14.85 effective 7/1/2023
- Recycling fees – Will increase from \$4.05 to \$4.25 effective 7/1/2023

# Tax Increment Financing

*For FY23/24 the City budgeted to receive \$756,527 in TIF property tax revenues.; up from \$677,502 for FY 22/23. The following expenses are to be paid in FY23/24:*

TIF Debt	Amount	
Campus Community Developers	\$61,426	TIF Rebate – Black Hawk Tower
2017 GO Bond	606,800	Street Projects
2015 Residential Develop.	20,055	Internal Loan
WB Condos Project	3,246	Internal Loan
Greater Burlington Partnership	5,000	Partnering for the Future
Administration Fee (Wages)	55,000	Administrative and Professional Support
Housing Demand Study	5,000	

# Road Use Tax Fund

# Road Use Tax Fund (RUTF)

- The Road Use Tax Fund comes from vehicle registration fees, motor vehicle fuel taxes, an excise tax imposed on the rental of automobiles, and a use tax on trailers. Distribution is based on population.
- The amount estimated by the state for FY 23/24 is a distribution rate of \$130.00 per capita. Economic instability and fluctuating fuel costs can result in changes in the fund. In FY 14/15 the State increased the gas tax by ten cents per gallon which resulted in an annual increase of approximately \$50,000.
- The City budgeted to receive \$450,000 from Road Use taxes and \$258,325 in other revenue sources totaling \$708,325 in revenue and expenditures of \$752,850. The expenditures include \$53,000 in Capital Outlay – Vehicles, \$43,250 in Capital Outlay – Major Equipment, and \$135,000 for HMA crack fill.

# Road Use Tax Revenues

FY	Amount	% Increase/Decrease
15/16	372,220.72	15.9%
16/17	373,920.75	0.5%
17/18	384,301.51	2.8%
18/19	389,107.38	1.2%
19/20	387,157.58	-0.5%
20/21	450,782.67	16.4%
21/22	437,320.40	-3.1%

# Local Option Sales Tax

# Local Option Sales Tax Revenues

**The City is obligated to use twenty-five percent of the proceeds for property tax relief to pay off outstanding general obligation debt. The remainder of the proceeds shall be used for police department and fire department services, capital improvements, capital equipment or to pay off other debt obligations.**

FY	Amount	% Increase/Decrease
15/16	551,790	10%
16/17	605,943	9%
17/18	496,058	-18%
18/19	482,335	-3%
19/20	535,579	10%
20/21	642,593	17%
21/22	796,277	19%
22/23	667,830	-16%
23/24	650,000	-3%

# Local Option Sales Tax Expenditures

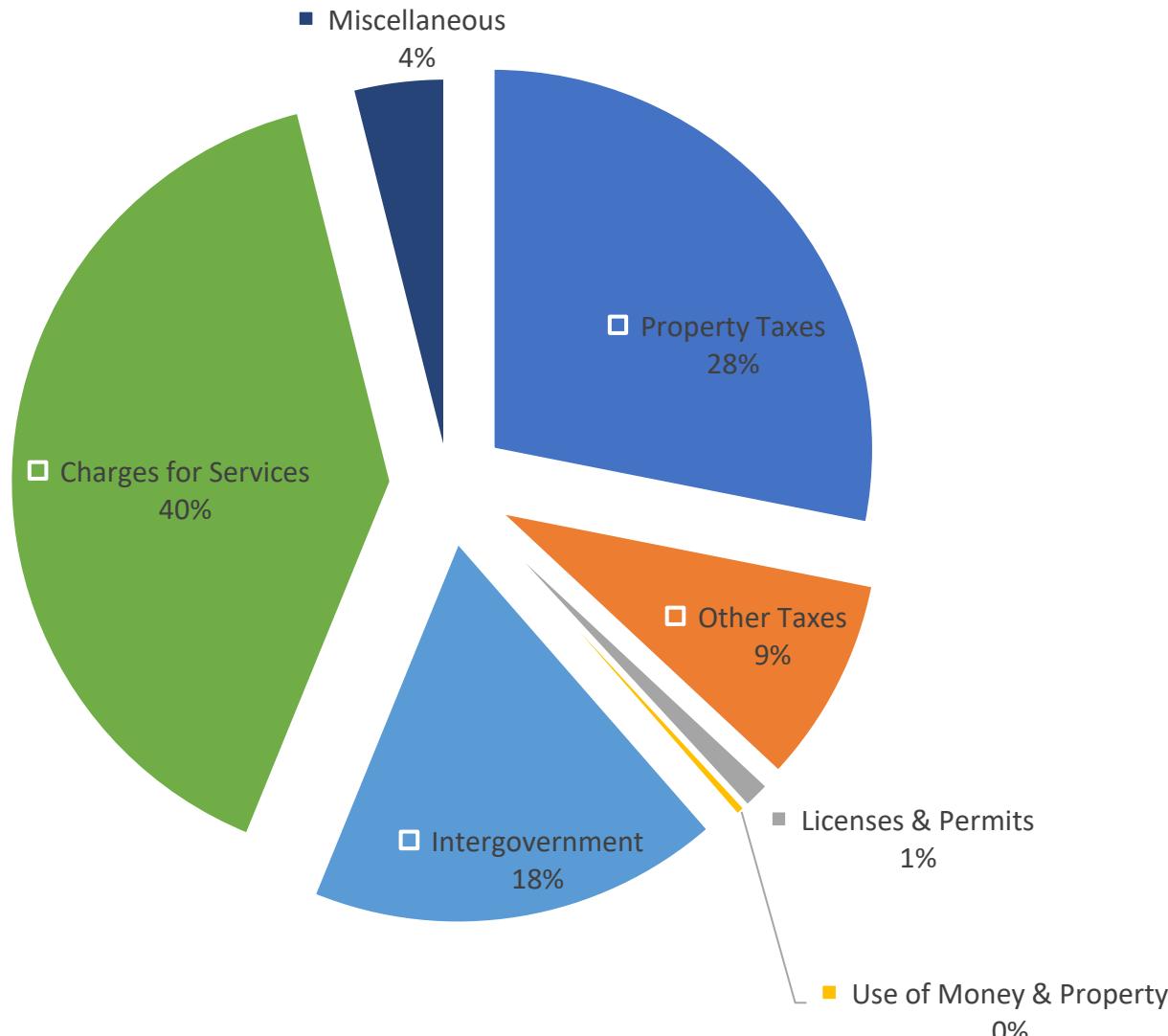
Revenues are estimated at \$650,000 and expenditures are budgeted at \$828,111 reducing the estimated fund balance for FY23/24.

Budgeted Expenditure	Amount Budgeted
<b>Police and Fire Expenditures</b>	<b>213,780</b>
<b>Debt Service Payments</b> SRF Water Loan	<b>25,460</b>
<b>Internal Loan</b> Sewer Jet Truck	<b>25,000</b>
<b>Ambulance</b>	<b>22,379</b>
<b>Library</b>	<b>50,500</b>
<b>Airport</b>	<b>22,540</b>
<b>Capital Street Projects &amp; Sidewalk</b> HMA Crackfill \$135,000 Gear Ave Trail Phase #2 \$148,452 Sidewalks – Melville \$35,000	<b>318,452</b>
<b>Fire Capital</b>	<b>100,000</b>
<b>Police Capital</b>	<b>50,000</b>

# Revenues & Expenditures

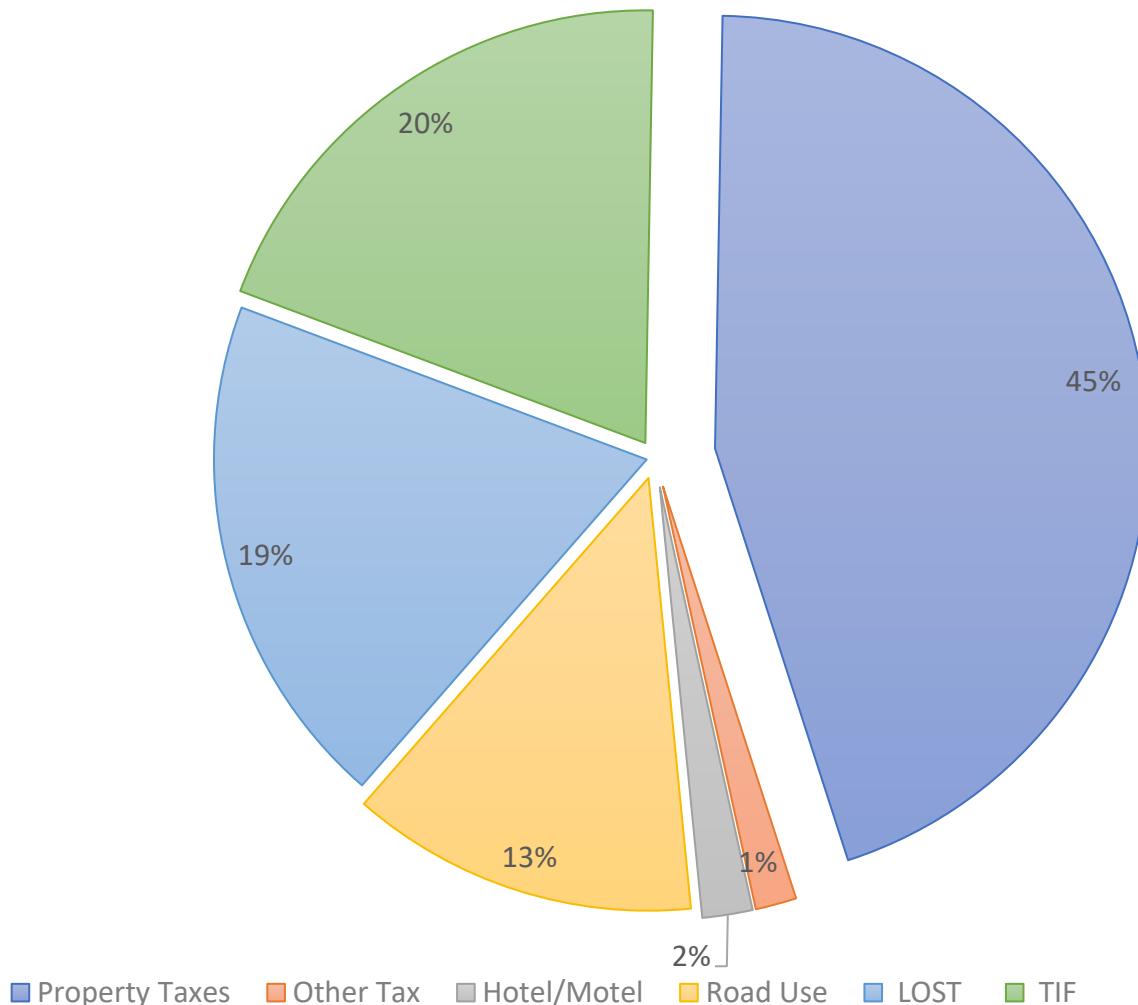
# Revenues by Source

The city has budgeted to receive \$8,577,482 in revenues excluding transfers of \$3,676,642.



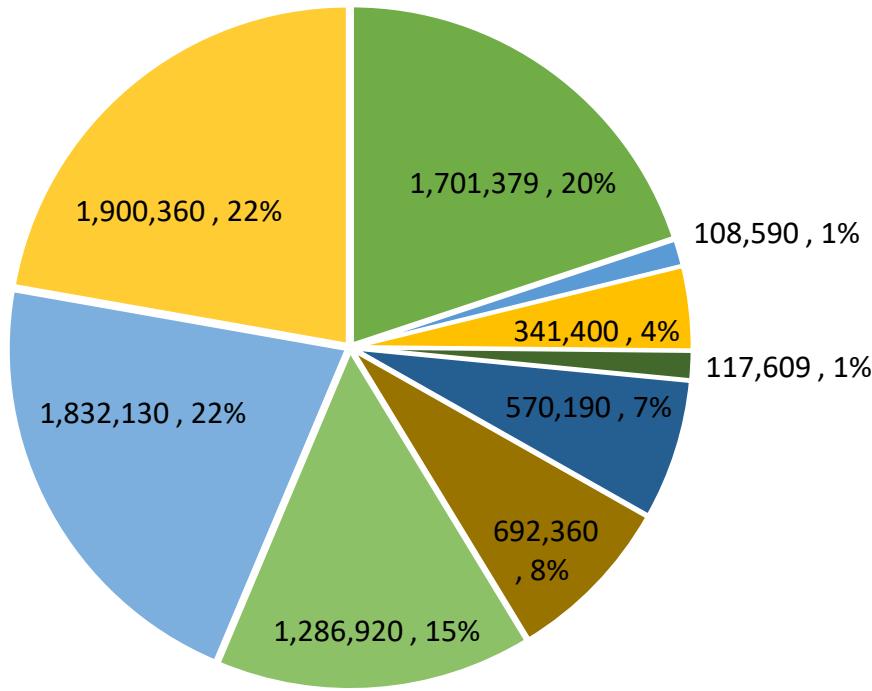
# Tax Revenue Breakdown

- The City receives approximately 3.5 million of its revenue from taxes. The breakdown of where those taxes come from is shown below.



# Expenditures by Function

Excluding Transfers



■ Public Safety

■ Culture & Recreation

■ General Government

■ Capital Projects

■ Sewer

■ Public Works

■ Community & Economic Development

■ Debt Service

■ Water

# Hotel Motel Taxes

# Hotel Motel Taxes

**Revenues** are estimated at \$55,000 for FY 2023/2024 and expenditures are budgeted at \$47,000. 51% of the revenue is allocated to the City and 49% of the revenue is allocated to the CVB. The estimated year-end fund balance is \$145,722.

**This is an increase of 12% from FY 2022/2023.**

# Hotel Motel Tax

FY	Amount	% Increase/Decrease
12/13	\$33,026.14	
13/14	31,102.68	24%
14/15	40,884.06	8%
15/16	44,538.13	8%
16/17	43,749.16	-2%
17/18	30,115.36	-31%
18/19	45,482.64	34%
19/20	55,904.80	19%
20/21	51,861.46	-7%
21/22	75,519.52	31%

# Capital Projects and Capital Equipment Reserves

# Capital Projects & Equipment

Project	Amount	Funding
Sidewalks Melville	\$ 35,000	LOST
Fire Dept. – Training Site Improvements and Generator	\$ 75,000	General Fund \$15,000 & Fire Capital Reserve \$60,000
Gear Ave. Trail Phase #2	\$ 1,141,920	SRT Grant \$345,357 TAP Grant \$548,111
Police Department – New Squad Car and Interview Room	\$ 80,000	Police Capital Reserve Fund
HMA Crackfill	\$ 135,000	LOST
Street Dept. – New F350 Truck, 2 snowplows, dump truck box, and 2-way radios	\$ 96,250	Public Works Capital Reserve Fund \$63,000 City Hall Capital Reserve Fund \$30,000
Water Dept. – New F250 Truck	\$ 56,000	Water Capital Reserve Fund
Water Main Repair	\$ 80,000	Water Fund
Sewer Jet Truck	\$ 500,000	General Fund, LOST, Road Use Tax, and Water Funds
<b>Total Projects &amp; Equipment</b>	<b>\$ 2,199,170</b>	

# Transfers to Capital Funds

Description	FY 21/22 Amount	FY 22/23 Amount	Funding
City Hall Capital Reserve	5,000	5,000	General Fund
Administration Capital Fund	5,000	5,000	General Fund
Fire Capital Equipment Fund	190,000	150,000	General Fund 50,000 LOST 100,000
Police Department Capital Fund	20,000	15,000	General Fund
Pool Capital Equipment Fund	15,000	15,000	General Fund
IT Capital Equipment Fund	20,000	20,000	General Fund/Water/Sewer
Streets Capital Equipment Fund	39,439	30,000	General Fund
Parks Capital Equipment Fund	10,000	5,000	General Fund
Water Capital Account	30,000	30,000	Water Fund
Sewer Capital Account	25,000	30,000	Sewer Fund

# Debt

# Debt

Issue	Purpose	Amt. of Issue	Fund	Principal	Interest	Fees	Total Payment
2017 GO Bond Maturity 2026/2027	Street Resurface/Reconstruction	3,780,000	TIF	540,000	66,300	500	606,800
SRF GO Bond Maturity 2027/2028	Water Project	400,000	LOST	23,000	2,153	308	25,460
SRF Water Revenue Bond Maturity 2027/2028	Water Project	330,000	Water	21,000	1,978	283	23,260
SRF Water Revenue Bond Maturity 2039/2040 *Estimated Payment	Water Tower Project	5,977,000	Water	287,000	95,043	13,578	395,620
SRF Sewer Revenue Bond Maturity 2037/2038	Wastewater Plant Improvement	11,450,000	Sewer	527,000	93,075	21,348	641,423
Campus Community Developers Rebates	Rebate Agreement		TIF				61,426
2022 GO Bond Maturity 2031/2032	Mt. Pleasant Street Phase #2	525,000	Debit Levy	50,000	9,600	500	60,100
Totals				1,448,000	354,549	36,517	1,814,089

According to the Iowa Constitution a City's maximum debt capacity is 5% of the City's 100% assessed value (324,108,760) which would be a maximum debt capacity of 16,205,438.

The City will begin FY23/24 at 18.76% of debt limit capacity (2,891,000) and will end the year 18.51% (2,891,000 plus additional 525,000 due to borrowing during year). Water and sewer revenue debt and internal loans are not included in maximum debt capacity calculations.

# THANK YOU

I would like to thank everyone involved in preparing the budget. It was a team effort from the start working with City Department Heads and their start and on through the budget presentations working with the Mayor and Council.

This is the most important policy document the City Council adopts on an annual basis and provides a road map for the coming fiscal year. It is a living document that is a guide, but things do change throughout the year as do priorities and we need to have a budget that is flexible and can accommodate today's changing municipal environment.

Gregg Mandsager  
City Administrator  
March 31, 2023