

City of Indianola FY 2021 Budget Hearing

CITY COUNCIL

25 MARCH 2020



Since the
Last Time
We Met...



Impact of
the
Rollback...



Impact of the
Property Tax
Reform Bill...



FY21 Budget
(with IMU)
in Summary...



Since the
Last Time
We Met...



Changes from Last Presentation

- IMU Budgeted Their Revenue as:

Utility	Sales	PILOT Payment
Electric	\$14,828,900	\$741,445
Water	\$2,472,200	\$74,166

- Previous estimates put PILOT payments at Electric: \$778,335 and Water: \$73,452
- FY2019 Sales were Electric: \$14,907,744 and Water: \$2,327,049
- Utility Billing Service Cost increase—added \$10,000 to Sanitary Sewer Budget
- Clerk/Finance Decreased by about \$8,000
- COVID-19 Expenses

Impact of the Rollback...

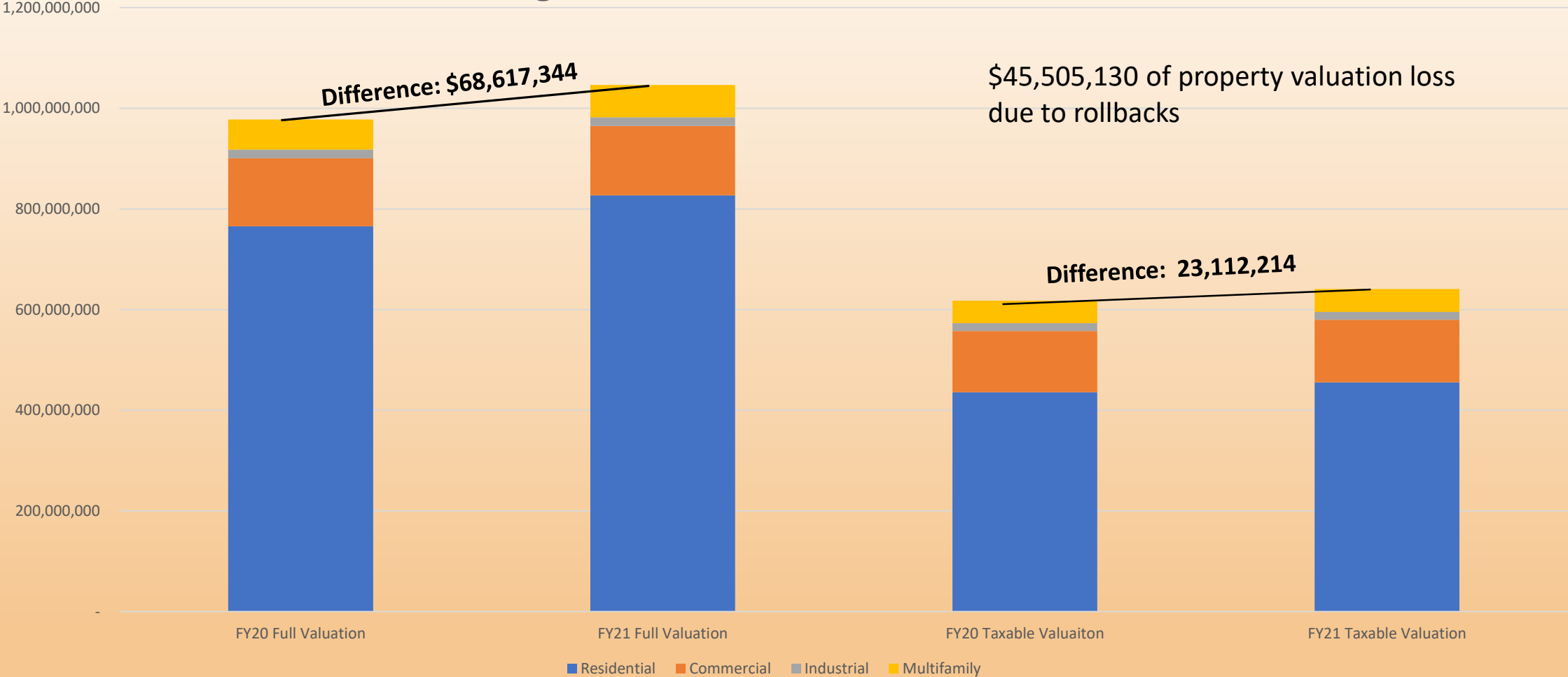


Impact of Taxable Property Rollback

			Residential	Commercial	Industrial	Multifamily
	FY2020	Full	765,687,256	135,123,488	17,469,900	59,543,382
		Taxable	435,819,788	121,611,139	15,722,910	44,657,542
		Rollback	56.92%	90.00%	90.00%	75.00%
	FY2021	Full	827,028,300	137,867,834	17,395,000	64,150,236
		Taxable	455,479,976	124,081,052	15,655,500	45,707,065
		Rollback	55.07%	90.00%	90.00%	71.25%
Difference in Taxable from FY2020 to FY2021		Full	61,341,044	2,744,346	(74,900)	4,606,854
		Taxable	19,660,188	2,469,913	(67,410)	1,049,523



Change in Full and Taxable Valuation



Property Tax Difference—FY20 vs. FY21

Rollback Percentages	FY2020	FY2021
Single-Family Residential	56.92%	55.07%
Commercial	90.00%	90.00%
Industrial	90.00%	90.00%
Multi-Family Residential	75.00%	71.25%
FY2020 Levy	\$ 13.28	
FY2021 Levy	\$ 13.63	

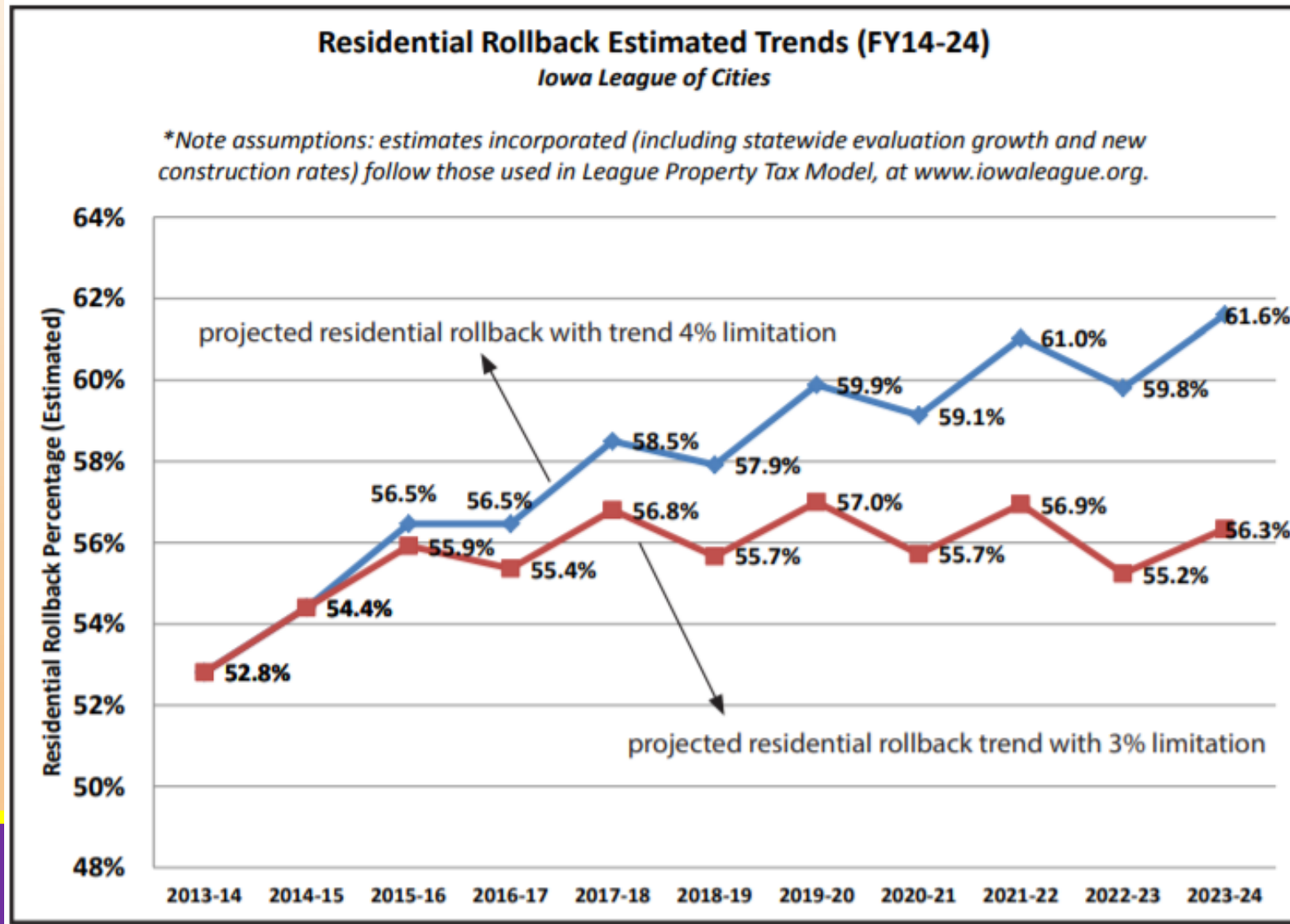
Difference in City Taxes				
Home Value	FY2020	FY2021	Difference	
\$ 100,000	\$ 755.81	\$ 750.42	\$ (5)	
\$ 150,000	\$ 1,133.71	\$ 1,125.63	\$ (8)	
\$ 200,000	\$ 1,511.62	\$ 1,500.84	\$ (11)	
\$ 300,000	\$ 2,267.43	\$ 2,251.25	\$ (16)	
Comm/Ind Value	FY2020	FY2021	Difference	
\$ 500,000	\$ 5,975.51	\$ 6,131.50	\$ 156	
\$ 1,000,000	\$ 11,951.01	\$ 12,263.00	\$ 312	
\$ 2,000,000	\$ 23,902.02	\$ 24,525.99	\$ 624	
MultiFamily Value	FY2020	FY2021	Difference	
\$ 500,000	\$ 4,979.59	\$ 4,854.10	\$ (125)	
\$ 1,000,000	\$ 9,959.18	\$ 9,708.20	\$ (251)	
\$ 2,000,000	\$ 19,918.35	\$ 19,416.41	\$ (502)	



Impact of the Property Tax Reform Bill...



Impact of Property Valuation Limitation



- Until 2010, the property value growth limitation for residential property was 4 percent
- In 2010, under property tax reform bill, valuations capped at 3 percent growth
- The change in the limitation changed the forecasted rollback for the residential property class

Source: Iowa League of Cities



FY21 Budget

(with IMU)

in Summary...



**ADOPTED BUDGET SUMMARY
YEAR ENDED JUNE 30, 2021**

Fiscal Years

(A)	(B)	GENERAL (C)	SPECIAL REVENUES (D)	TIF SPECIAL REVENUES (E)	DEBT SERVICE (F)	CAPITAL PROJECTS (G)	PERMANENT (H)	PROPRIETARY (I)	BUDGET 2021 (J)	RE-ESTIMATED 2020 (K)	ACTUAL 2019 (L)
Revenues & Other Financing Sources											
Taxes Levied on Property	1	4,697,139	2,520,563		558,086	0			7,775,788	7,242,593	6,731,187
Less: Uncollected Property Taxes-Levy Year	2	0	0		0	0			0	0	0
Net Current Property Taxes	3	4,697,139	2,520,563		558,086	0			7,775,788	7,242,593	6,731,187
Delinquent Property Taxes	4	0	0		0	0			0	0	0
TIF Revenues	5			2,500,000					2,500,000	2,502,609	2,302,131
Other City Taxes	6	301,788	1,206,332		1,234	0			1,509,354	1,494,458	2,098,141
Licenses & Permits	7	225,000	0					0	225,000	222,880	217,685
Use of Money and Property	8	507,097	0	0	0	0	0	282,556	789,653	724,214	1,548,868
Intergovernmental	9	1,509,445	1,932,687	0	10,806	0		0	3,452,938	4,649,407	3,758,442
Charges for Fees & Service	10	979,943	0		0	0	0	27,492,100	28,472,043	27,194,607	25,491,784
Special Assessments	11	0	0		0	0		0	0	18,000	34,298
Miscellaneous	12	433,354	0		0	0		1,153,900	1,587,254	1,345,045	2,110,595
Sub-Total Revenues	13	8,653,766	5,659,582	2,500,000	570,126	0	0	28,928,556	46,312,030	45,393,813	44,293,131
Other Financing Sources:											
Total Transfers In	14	3,782,381	0	0	1,124,501	1,019,000	0	4,602,550	10,528,432	9,039,039	7,858,105
Proceeds of Debt	15	0	0	0	0	4,400,000		16,744,000	21,144,000	9,329,865	5,229,919
Proceeds of Capital Asset Sales	16	0	0	0	0	0	0	0	0	0	36,560
Total Revenues and Other Sources	17	12,436,147	5,659,582	2,500,000	1,694,627	5,419,000	0	50,275,106	77,984,462	63,762,717	57,417,715
Expenditures & Other Financing Uses											
Public Safety	18	6,646,378	0	0			0		6,646,378	6,045,191	5,067,392
Public Works	19	261,811	1,397,507	0			0		1,659,318	1,638,514	1,648,680
Health and Social Services	20	0	0	0			0		0	0	0
Culture and Recreation	21	2,530,729	0	0			0		2,530,729	2,367,816	2,088,341
Community and Economic Development	22	211,694	0	0			0		211,694	633,581	516,009
General Government	23	1,360,970	0	0			0		1,360,970	1,459,621	828,581
Debt Service	24	0	0	0	1,738,373		0		1,738,373	2,205,955	2,091,736
Capital Projects	25	1,672,546	0	0		2,569,000	0		4,241,546	4,051,297	1,699,177
Total Government Activities Expenditures	26	12,684,128	1,397,507	0	1,738,373	2,569,000	0		18,389,008	18,401,975	13,939,916
Business Type Proprietary, Enterprise & ISF	27							49,125,817	49,125,817	37,436,167	31,829,914
Total Gov & Bus Type Expenditures	28	12,684,128	1,397,507	0	1,738,373	2,569,000	0	49,125,817	67,514,825	55,838,142	45,769,830
Total Transfers Out	29	769,000	4,958,040	1,060,601	0	0	0	3,740,791	10,528,432	9,039,039	7,858,105
Total ALL Expenditures/Fund Transfers Out	30	13,453,128	6,355,547	1,060,601	1,738,373	2,569,000	0	52,866,608	78,043,257	64,877,181	53,627,935
Excess Revenues & Other Sources Over (Under) Expenditures/Transfers Out	31 32	-1,016,981	-695,965	1,439,399	-43,746	2,850,000	0	-2,591,502	-58,795	-1,114,464	3,789,780
Beginning Fund Balance July 1	33	7,534,711	7,344,718	3,299,913	617,953	311,947	0	17,775,779	36,885,021	37,999,485	34,209,705
Ending Fund Balance June 30	34	6,517,730	6,648,753	4,739,312	574,207	3,161,947	0	15,184,277	36,826,226	36,885,021	37,999,485



Fund Balance Worksheet for City of

Indianola

		General (A)	Special Rev (B)	TIF Special Rev (C)	Debt Serv (D)	Capt Proj (E)	Permanent (G)	Total Government (H)	Proprietary (I)	Grand Total (J)
(1)										
*Annual Report FY 2019										
Beginning Fund Balance July 1 (pg 5, line 134) *	1	6,892,788	5,323,756	1,741,982	1,176,005	741,243	0	15,875,774	18,333,931	34,209,705
Actual Revenues Except Beg Bal (pg 5, line 132) *	2	11,462,608	5,586,396	2,336,320	1,912,780	577,575	0	21,875,679	35,542,036	57,417,715
Actual Expenditures Except End Bal (pg 9, line 136) *	3	10,302,102	3,551,454	1,334,675	2,062,589	860,540	0	18,111,360	35,516,575	53,627,935
Ending Fund Balance June 30 (pg 9, line 147) *	4	8,053,294	7,358,698	2,743,627	1,026,196	458,278	0	19,640,093	18,359,392	37,999,485
(2)		General	Spec Rev	TIF Special Rev	Debt Serv	Capt Proj	Permanent	Tot Govt	Proprietary	Grand Total
** Re-Estimated FY 2020										
Beginning Fund Balance	5	8,053,294	7,358,698	2,743,627	1,026,196	458,278	0	19,640,093	18,359,392	37,999,485
Re-Est Revenues	6	12,096,693	5,409,273	2,502,609	1,797,712	2,733,655	0	24,539,942	39,222,775	63,762,717
Re-Est Expenditures	7	12,615,276	5,423,253	1,946,323	2,205,955	2,879,986	0	25,070,793	39,806,388	64,877,181
Ending Fund Balance	8	7,534,711	7,344,718	3,299,913	617,953	311,947	0	19,109,242	17,775,779	36,885,021
(3)		General	Spec Rev	TIF Special Rev	Debt Serv	Capt Proj	Permanent	Tot Govt	Proprietary	Grand Total
** Budget FY 2021										
Beginning Fund Balance	9	7,534,711	7,344,718	3,299,913	617,953	311,947	0	19,109,242	17,775,779	36,885,021
Revenues	10	12,436,147	5,659,582	2,500,000	1,694,627	5,419,000	0	27,709,356	50,275,106	77,984,462
Expenditures	11	13,453,128	6,355,547	1,060,601	1,738,373	2,569,000	0	25,176,649	52,866,608	78,043,257
Ending Fund Balance	12	6,517,730	6,648,753	4,739,312	574,207	3,161,947	0	21,641,949	15,184,277	36,826,226



The FY2021 Budget Goals:

- 2 new police officers; salaries and benefits (\$201,418)
- 2 additional police vehicles and equipment (\$120,594)
- New FT and PT library staff members (\$99,213)
- Meet Property/Liability (5%) and Health Insurance (10%)
Increase Assumptions
- Begin Engineering On:
 - Downtown Streetscape
 - K Street Improvements
 - Hillcrest Avenue Improvements



Questions?

