

City of Indianola FY 2023 Budget Update

MARCH 21, 2022



FY2023 Key Highlights

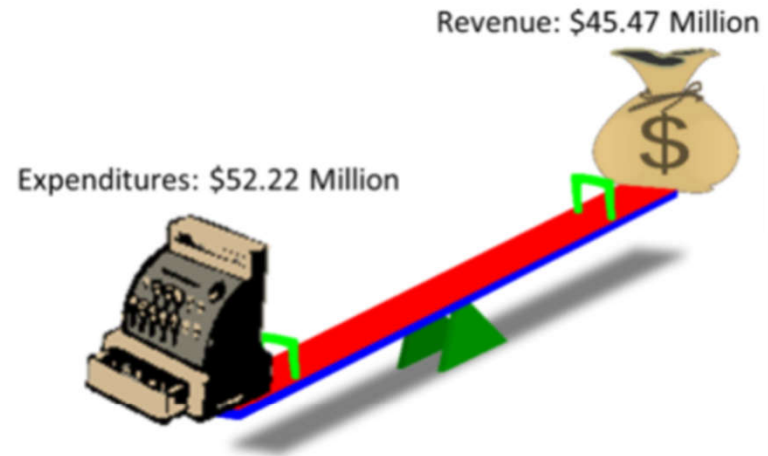
Key FY2023 Highlights

Revenue:

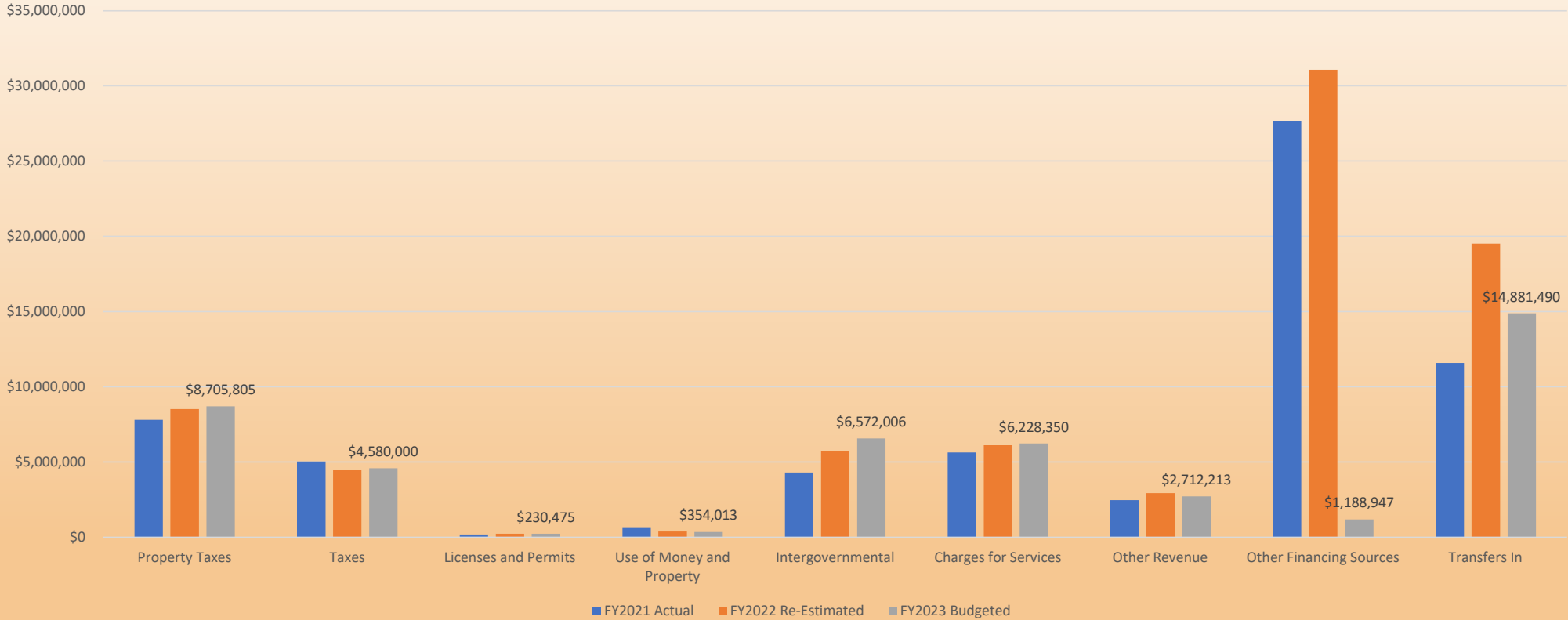
- Property tax levy lower by 8 cents
- Hotel/Motel Tax Revenue higher by \$25,000
- Local Option Sales Tax Revenue for WRRF and Downtown Square Increase by \$200,000
- Road Use Tax Fund Revenue increase by \$100,000

Investments

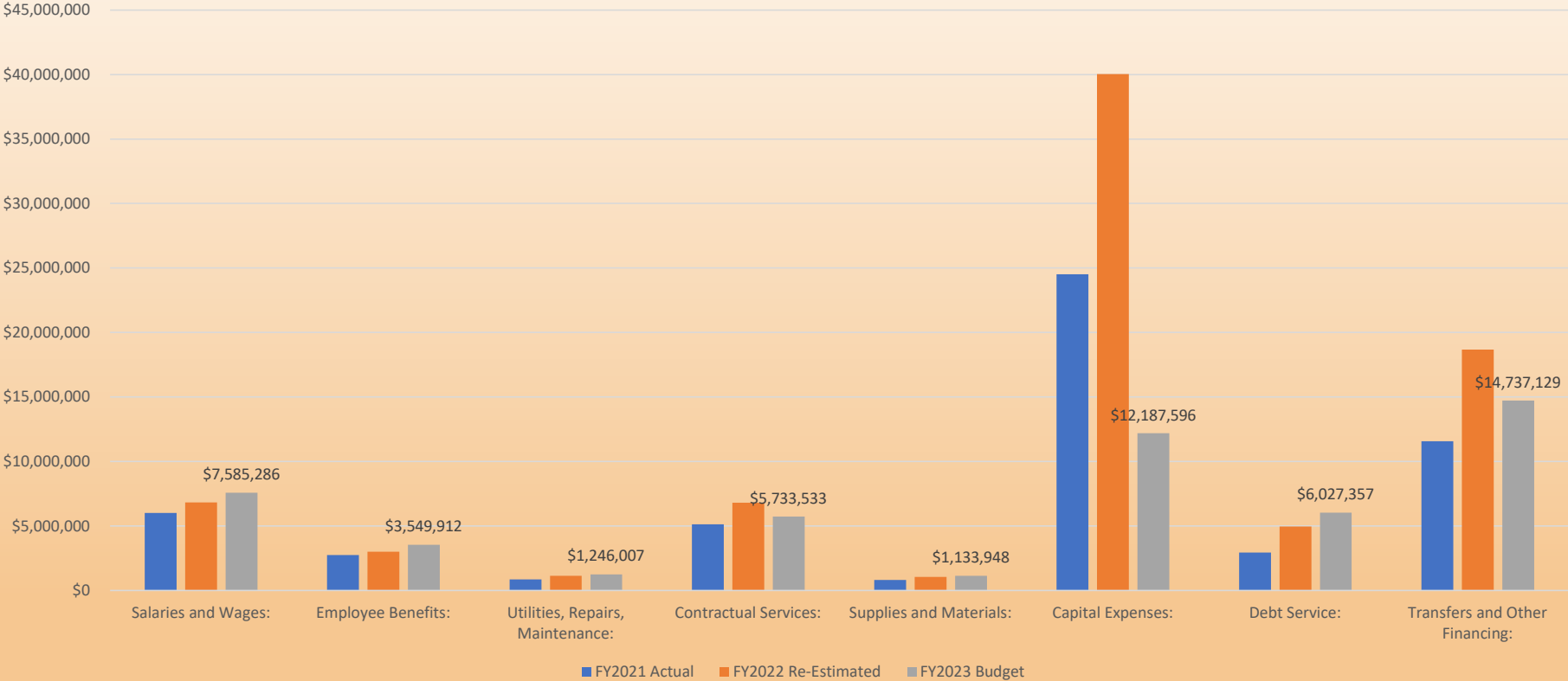
- New Community Development staff
- Police dispatch to 24-hour operations
- Two new street employees
- Finishing the Water Resource Recovery Facility and Downtown Streetscape
- Improving access into the City's industrial park and housing developments near K Street



Revenue



Expenses



Property Tax Levy

Rollback Percentages	FY2022	FY2023
Single-Family Residential	56.41%	54.13%
Commercial	90.00%	90.00%
Industrial	90.00%	90.00%
Multi-Family Residential	67.50%	63.75%
FY2022 Levy	\$ 13.63	
FY2023 Levy	\$ 13.55	

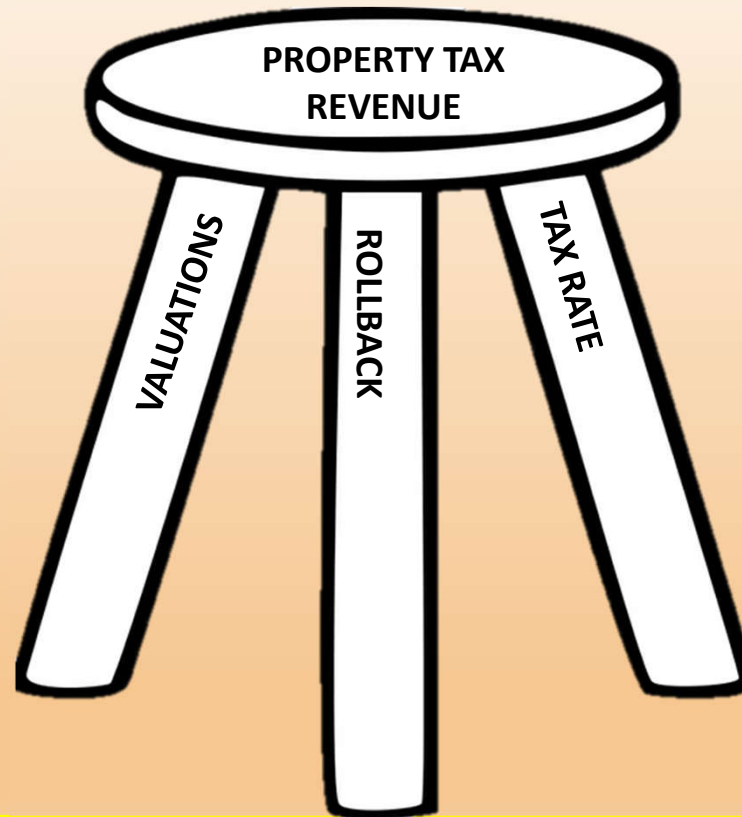
Breakdown of Levy:

- \$8.10 General Fund
- \$4.05 FICA/IPERS/MFPRSI/Emp Ben
- \$1.40 Debt Service

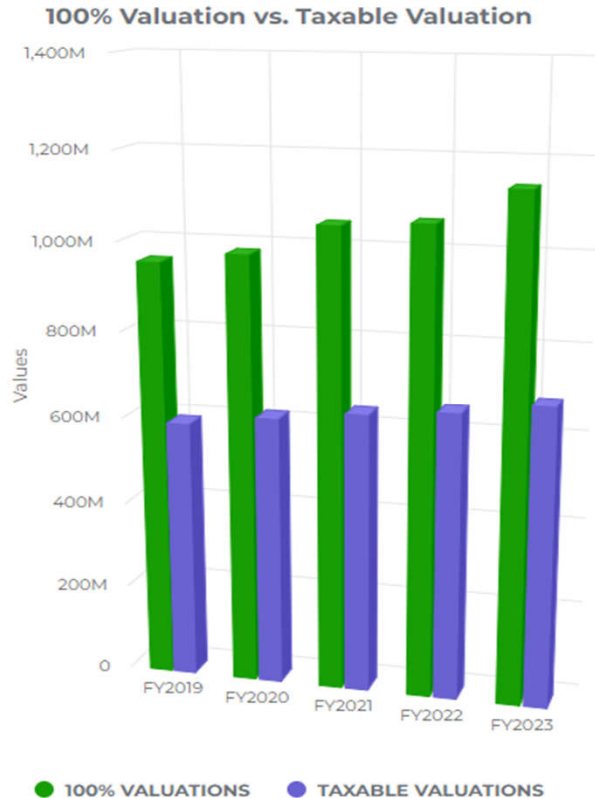
Difference in City Taxes				
Home Value		FY2022	FY2023	Difference
\$ 100,000	\$	768.86	\$ 733.46	\$ (35)
\$ 150,000	\$	1,153.29	\$ 1,100.19	\$ (53)
\$ 200,000	\$	1,537.72	\$ 1,466.92	\$ (71)
\$ 300,000	\$	2,306.58	\$ 2,200.38	\$ (106)
Comm/Ind Value		FY2022	FY2023	Difference
\$ 500,000	\$	6,133.50	\$ 6,097.50	\$ (36)
\$ 1,000,000	\$	12,267.00	\$ 12,195.00	\$ (72)
\$ 2,000,000	\$	24,534.00	\$ 24,390.00	\$ (144)
MultiFamily Value		FY2022	FY2023	Difference
\$ 500,000	\$	4,600.13	\$ 4,319.06	\$ (281)
\$ 750,000	\$	6,900.19	\$ 6,478.59	\$ (422)
\$ 1,000,000	\$	9,200.25	\$ 8,638.13	\$ (562)



Three-Legged Stool



Valuation Increase



The Importance of Economic Growth

Due to strong economic development efforts by the City of Indianola, the City's full valuation has risen over \$186 Million in the past five years.

During the same period, the taxable valuation, determined by factors outside of the City's control, rose only by slightly more than the \$90 Million.

This fact demonstrates the need for a robust economic growth program by the City and why investments in things such as improvements to the Downtown Square and the City's industrial park are so important!



Property Tax Dollar



City Admin,
Comm Dev,
VE/CIP, \$0.05

Library, \$0.10

Parks,
\$0.19

Fire/EMS,
\$0.25

Police, \$0.41



General Fund by Fund

General Fund	Beginning	Revenue	Expenditure	Ending	Fund Balance Percent
General Government	2,724,306	2,310,893	3,542,603	1,492,596	42%
Downtown Rev Loan (IEDA) (Fund 160)	129,679	7,750	25,450	111,979	
Downtown Biz Loans (Fund 161)	137,758	25,000	130,000	32,758	
Police	2,277,259	3,855,700	4,155,904	1,977,056	48%
Fire	211,470	793,800	812,752	192,518	24%
Ambulance	228,393	2,256,500	2,213,027	271,866	12%
Library	370,274	820,094	893,704	296,664	35%
Library Spec Rev	38,216	71,000	71,000	38,216	
Parks	620,310	1,756,274	1,857,943	518,642	27%
Parks Spec Rev	84,776	-	84,776	-	
Pool	131,272	240,782	298,035	74,019	25%
YMCA Maint Fund	366,095	60,000	-	426,095	
MEC Franchise	958,249	280,000	500,000	738,249	
Vehicle and Equipment	511,220	1,179,753	1,532,753	158,220	
Total	8,789,276	13,657,546	16,117,947	6,328,877	35%

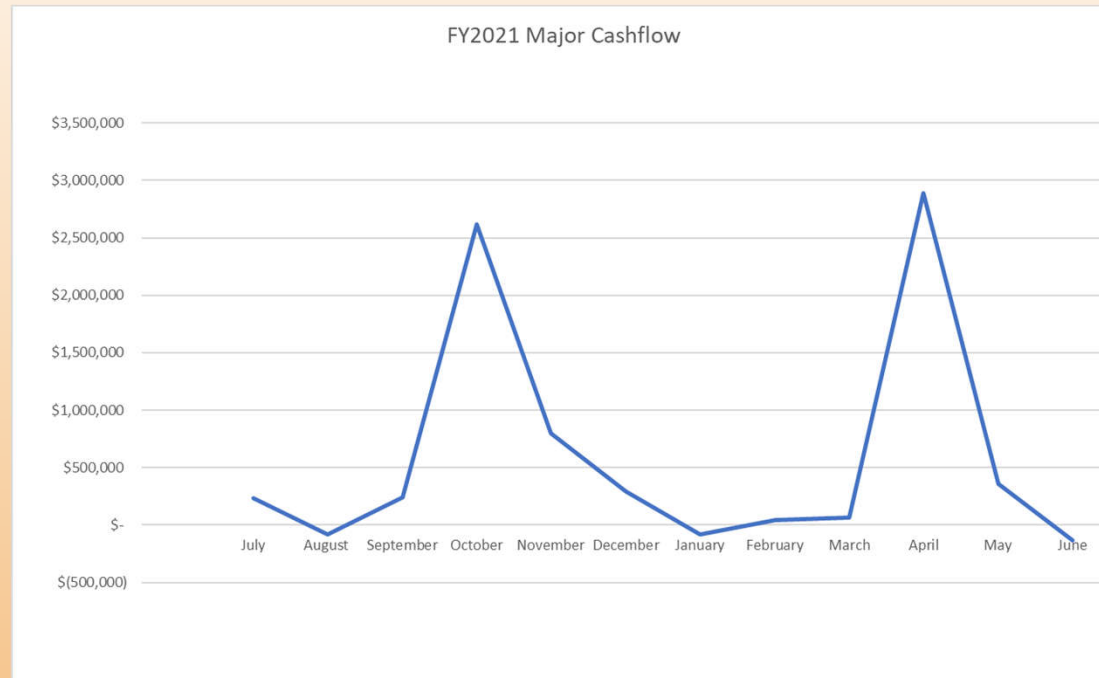
Ending Fund Balance for discretionary funds: 38%

Red highlight indicates funds designated for specific purpose.



Reasons for Fund Balance

- Cashflow
 - General Fund has two major cash inflows each year
 - Cash on hand allows City to meet monthly costs
- Replace Vehicles Equipment with Little/No Borrowing
 - 3 Police Vehicles each year
 - 1 Ambulance every three years
 - Fire Engines in FY2023 and FY2027
 - Current Engines are over 20 years old
- Other Priorities/Costs
 - Borrowing for Buildings, Streets, Amenities
 - Excellent Moody's Rating tied to Fund Balance
 - Excellent Moody's Rating Lower Debt Service Cost



Special Revenue by Fund

<u>Special Revenue Fund</u>	<u>Beginning</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Ending</u>
RUTF	1,823,150	2,102,700	2,690,409	1,235,441
Employee Benefits	76,668	2,618,332	2,580,978	114,022
LOSST	487,635	2,500,000	2,960,779	26,856
Police Forfeiture	19,830	-	-	19,830
Total	2,407,284	7,221,032	8,232,166	1,396,149
TIF	5,408,022	1,550,000	1,515,187	5,442,835
Debt Service	89,834	3,795,890	3,546,858	338,866



Capital Projects

Capital Projects Fund	Beginning	Revenue	Expenditures	Ending
General Fund Capital Projects	827,770	399,776	510,200	717,346
Streets Capital Projects	(18,315)	1,100,000	349,500	732,185
Square Streetscape	2,346,714	942,000	3,119,458	169,256
Hillcrest Improvements	3,086,000	1,000,000	1,267,600	2,818,400
K St Improvements	2,843,775	-	1,349,700	1,494,075
ARPA Funds	97,306	1,193,306	1,286,613	3,999
Real Property Improvement Fund	88,538	-	-	88,538
Total	9,271,787	4,635,082	7,883,071	6,023,798



Business-Type and ISF Funds

Business Type Funds	Beginning	Revenue	Expenditures	Ending
WRRD Operating	823,777	1,900,000	2,358,042	365,735
WRRD Capital	727,020	4,965,000	4,889,045	802,975
WRRD Reserve	114,239	-	114,239	-
New WRRF Construction	469,941	2,325,018	2,794,959	-
WRRD Sinking Fund	490,832	2,455,045	2,455,049	490,829

Storm Sewer Utility	741,039	600,000	736,116	604,923
Recycling	148,504	325,000	319,316	154,188

ISF Funds	Beginning	Revenue	Expenditures	Ending
Health Insurance	2,177,997	1,890,000	1,325,000	2,742,997
HRA	5,608	-	-	5,608
FLEX-STD	196,961	-	-	196,961
Liability Ins Reserve	7,339	-	-	7,339

